



**West Geauga Local  
School District  
Geauga County, Ohio**

**Comprehensive  
Annual Financial Report**  
For the Fiscal Year Ended June 30, 2019

Prepared By:  
Karen Penler, Treasurer and  
Treasurer's Office Staff



OHIO AUDITOR OF STATE  
KEITH FABER



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Board of Education  
West Geauga Local School District  
8615 Cedar Rd  
Chesterland, OH 44026

We have reviewed the *Independent Auditor's Report* of the West Geauga Local School District, Geauga County, prepared by Ciuni & Panichi, Inc., for the audit period July 1, 2018 through June 30, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber  
Auditor of State  
Columbus, Ohio

January 29, 2020



# **West Geauga Local School District Gauga County, Ohio**

## **Comprehensive Annual Financial Report**

For the Fiscal Year Ended June 30, 2019

Prepared By:  
Karen Penler, Treasurer and  
Treasurer's Office Staff



## **INTRODUCTORY SECTION**





**West Geauga Local School District**  
**Geauga County, Ohio**  
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December 18, 2019

Board of Education Members  
West Geauga Local School District

Ohio law (Ohio Administrative Code Section 117-2-03(B)) requires that all school districts file annual audited financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2019.

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

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

### **Profile of the School District**

The West Geauga School District (School District) is one of 610 school districts in the State of Ohio and one of six school districts in Geauga County. The School District provides education to over 2,000 students in grades preschool through twelve. It covers approximately 47 square miles and is located in western Geauga County. All of Chester and Russell townships and portions of surrounding townships (Munson, South Russell and Hunting Valley) are located in the district boundaries. The School District operates two elementary schools (K-5), one middle school (6-8) and one high school (9-12). Westwood Elementary School was constructed in 1959 with additions in 1960 and 1996 and Robert B. Lindsey Elementary School was constructed in 1965 with additions in 1969 and 1996. West Geauga Middle School was constructed in 1962 with additions in 1963, 1964 and 1996. West Geauga High School was constructed in 1954 with additions in 1956, 1958, 1961, 1966, 1969 and 1996.

Chester and Russell townships are picturesque semi-rural residential communities with most of the residential areas zoned for three to five acre minimums in Russell Township and one to three acre minimums in Chester Township. Housing types range from modest homes selling for \$150,000 to multi-million dollar homes. West Geauga Local School District residents also enjoy the presence of two parks within the Geauga Parks District; Orchard Hills Park in Chester Township and The West Woods Park in Russell and Novelty. The School District includes small commercial districts located at the intersection of State Routes 306 and 87 in Russell Township and around the intersection of State Routes 306 and 322 in Chester Township.

## **Organization of the School District**

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

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education, as provided in Division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide education services mandated by state and/or federal agencies.

## **Reporting Entity**

West Geauga Local Schools reviewed its reporting entity definition in order to ensure conformance with general accepted accounting principles as defined by the Governmental Accounting Standards Board. In evaluating how to define the School District for financial reporting purposes, management has considered its relationship with all departments, boards, organizations and agencies that make up the School District. For West Geauga Local School District, this includes general operations, food service, and student related activities for the School District.

Excluded from the reporting entity because they are fiscally independent of the School District are West Geauga Athletic Boosters, Wolverine Gridiron Club, West Geauga Band Boosters, West Geauga Parent Teacher Organizations and the West Geauga Educational Foundation.

The School District is associated with three jointly governed organizations, one insurance purchasing pool and one consortium agreement. These organizations are Lake Geauga Computer Association, Ohio Schools Council, West Geauga Joint Recreation Council, Ohio School Boards Association Workers' Compensation Group Rating Plan and Ohio School Benefits Cooperative (OSBC) for healthcare insurance.

A complete discussion of the School District's reporting entity is provided in Note 1 and 2 to the general purpose financial statements.

## **Economic Condition and Future Outlook**

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920, which mandates that any reappraised property increases result in an approximately equal value decrease in millage. As a result, West Geauga Local Schools, as well as school districts throughout Ohio, must place operating funding issues on the ballot at regular intervals (usually every three to four years) to keep pace with inflation and mandated programming and services. With the current economic conditions, property valuations increased slightly in many counties in Ohio. Geauga County underwent a general reappraisal for calendar year 2017 with property valuations increasing approximately 3% percent for the reappraisal. The next triennial update is due in calendar year 2020. As of January 1, 2018, the Federal income tax deduction for state and local taxes was capped at \$10,000. As a result, several taxpayers paid their property taxes early to take advantage of the 2017 tax deduction. Additional property taxes of approximately \$550,000 were collected in fiscal year 2018 and a corresponding drop in collections is expected for fiscal year 2019.

With relatively flat property tax revenue growth expected from current operating levies, West Geauga Local Schools continues to closely monitor its expenditures to ensure financial resources are sufficient to continue current and future operations. During the past several years, the School District enacted several staff and expenditure reductions amounting to well over \$2.5 million while increasing investments in key areas to bolster instructional experiences for students. Additionally, with the decline of the School District's student residential

enrollment, open enrollment continues to be a significant revenue source providing approximately \$810,000 in additional revenues in fiscal year 2018.

## **Financial Information and Relevant Financial Policies**

### Long-Term Financial Planning

O.R.C. §5705.391 and O.A.C. 3301-92-04 require the School Board to submit a five-year projection of operational revenues and expenditures along with assumptions to the Department of Education prior to October 31 of each fiscal year and to update this forecast between April 1 and May 31 of each fiscal year. Responsibility for the preparation of the forecast rests with district administration and the School Board. The district is not able to enter into a contract unless it can demonstrate its ability to pay for it over the life of the contract. A district's five year forecast should enable the School Board to estimate the timing and amounts of necessary operating levies.

West Geauga Local Schools continue to have strong financial support from its community. In addition to its continuing operating levies, the School District has two emergency levies generating approximately \$2.35 million and \$3.7 million each year. Funds from emergency levies are used to maintain current operating programs in the School District. In May 2015, the voters renewed the \$2.35 million emergency levy for an additional five years. The \$3.7 million emergency levy was approved by voters in November 2016 for a period of 10 years. While still demonstrating a healthy fund balance at the end of fiscal year 2018, the latest five year forecast indicates the School District will need to renew its \$2.35 million emergency levy by 2020 and ask residents to approve a new operating levy by 2022 to maintain current programming and services. Of the general operating funds, the School District received approximately 65 percent of its revenue from local taxes, 25 percent from the state and Federal government and 10 percent from other sources. As an indication of its strong financial position and community support, the District retained its Moody's Investor Services Aa2 credit rating.

In November 2012, the community approved a 2.75 mil, five- year general permanent improvement levy to primarily repair/replace the roofs on all school buildings with the goal of providing a safe and secure environment for students and staff. A carefully designed plan for roofing replacement allowed the School District to manage approximately \$1.7 million dollars in collections each year and replace roofs at all four buildings under budget and a year early. The School Board approved the remaining excess funds from the permanent improvement levy to be used for significant capital improvements and purchases in areas such as: transportation, safety and security, technology and district-wide repairs or renovations to improve operating and energy efficiencies. The final year of collection for the permanent improvement levy was 2017. At June 30, 2018, the balance remaining from the expired permanent improvement levy was \$1.97 million.

The District is currently undergoing a Master Facility Plan to determine the future needs of the District. Upon its conclusion, the Board will determine the future need for and timing of any major construction and its long-term financing.

### Financial Policy

Pursuant to Statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with the financial report for the 1983 fiscal year.

## Internal Accounting and Budgetary Control

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

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

Prior to the beginning of each fiscal year, the Board of Education adopts an appropriations measure for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the county auditor of an amended certificate of estimated resources based on final assessed values and tax rates.

Annual appropriations may not exceed the Geauga County Budget Commission's official estimate of resources. The county auditor must certify that the board of education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates. All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled by management at the object account level within a function and fund. The legal level of control has been established by the Board of Education at the fund level. All purchase order requests must be approved by the appropriate administrator and the superintendent and must be certified by the Treasurer. Necessary funds are then encumbered, and purchase orders are released to vendors. Those requests, which exceed the available appropriation, are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports, which detail fiscal year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each account administrator is provided with monthly reports showing the status of the budget accounts for which he/she is responsible. In addition, an online inquiry system is available at each administrative cost center.

The basis of accounting and the various funds utilized by West Geauga Local Schools are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

## **Major Initiatives and Accomplishments**

West Geauga Local Schools' mission is to help students reach their academic goals and career potential and pursue high ethical standards. To achieve this, traditional practices are blended with proven educational innovations, including technology, in an effort to achieve and maintain a standard of excellence. In keeping with its mission, the School District strives to maximize educational programming and services to meet the individual needs of all of its students.

In 2013, the Board of Education, working with the community, adopted a long range plan to guide the School District. The plan identified its top educational goal, "Top 5 in 5," as the desire to become one of the top five percent of schools in Ohio within five years. To achieve this objective, the Board of Education approved a comprehensive professional development plan for its certified staff, invested heavily in classroom technology and upgraded its network infrastructure to enhance instruction, communications and productivity. In FY 2018, the District achieved its goal and was ranked 26<sup>th</sup> in the state out of 610 districts and 8<sup>th</sup> in Northeast Ohio based upon its performance index on the state report card. The School District was one of only 28 districts in Ohio to score an overall "A" as a composite grade on its report card, meeting 23 out of the 24 state standards.



In recognition of last year's report card, the Ohio's Department of Education and the State Board of Education issued the 2017 Momentum Award to Westwood Elementary School. The Momentum Award recognizes schools that have achieved above expected academic growth in a given school year. Westwood is one of the 216 individual schools in Ohio to receive this award.

Our students enjoy a wide variety of academic and social programs providing each student the opportunity to become responsible, ethical and productive members of society. At the high school, students can take advantage of over 130 academic offerings including 21 Advanced Placement (AP) classes. Students may seek to begin their college experience by enrolling at the local community and four year colleges through the College Credit Plus program. College Credit Plus allows student to obtain credits that count for both college and high school. The School District also participates in an eleven district consortium which gives students the opportunity to study a variety of career fields and in some cases, acquire specific career licensure, before graduation. Over twenty-seven offerings are available in our career technical programming with several having college career pathways. We understand each student learns differently and deserves an individual approach to their education.

Our district programming is not limited to academics. The School District offers a host of extracurricular opportunities that include athletics, music and drama. Students participate in over 30 clubs and 20 varsity sports with swimming being added in 2019. Along with high school and middle school band and choir programs, both elementary schools offer students kindergarten through grade five the chance to participate in musical productions. Band is offered to every child beginning in the fifth grade and continuing through twelfth grade. Our district music program involves 10 performing groups and over 400 students.

The School District expanded its career technical programming to its middle school students in 2018. Trimester offerings include technology classes in Visual Design and Interactive Media. Eighth graders have the chance to explore engineering through an introduction to 3D printers and modeling.

The High School was recognized in *U.S. News and World Report* rankings of America's High Schools as a Silver Medal Award winner. It was listed as one of the top 500 national high schools by *Newsweek Magazine* and named by *Cleveland Magazine* as one of Northeast Ohio's top school districts.

## **Other Information**

### National Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for a Comprehensive Annual Financial Report. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The School District was awarded the Certificate of Achievement for the fiscal year 2018 report. We believe that our current report conforms to the award requirements, and we are submitting it to GFOA for consideration.

### Additional Information

For a more in-depth discussion of the financial condition of the West Geauga Local School District, please refer to the Management's Discussion and Analysis and the Notes to the Basic Financial Statement of the Comprehensive Annual Financial Report.

Acknowledgements

The publication of this report significantly enhances the School District's accountability to the residents of the West Geauga Local School District. The preparation of this report would not have been possible without the work and support of Rea and Associates, Inc. In addition, the staff of the Treasurer's office, various administrators and staff members of the School District, the Geauga County Auditor's Office staff and other outside agencies made possible the fair presentation of statistical data.

Finally, sincere appreciation is extended to the members of the West Geauga Board of Education for their continued support.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Karen Penler".

Karen Penler, CFE, CPA  
West Geauga Local School District Treasurer/CFO

***West Geauga Local School District  
Geauga County, Ohio  
Principal Officials  
June 30, 2019***

***Board of Education***

Mr. Ben Kotowski	President
Mr. William Beers	Vice President
Ms. Kathy Leavenworth	Member
Mr. Chet Ramey	Member
Mr. Dan Thoreson	Member

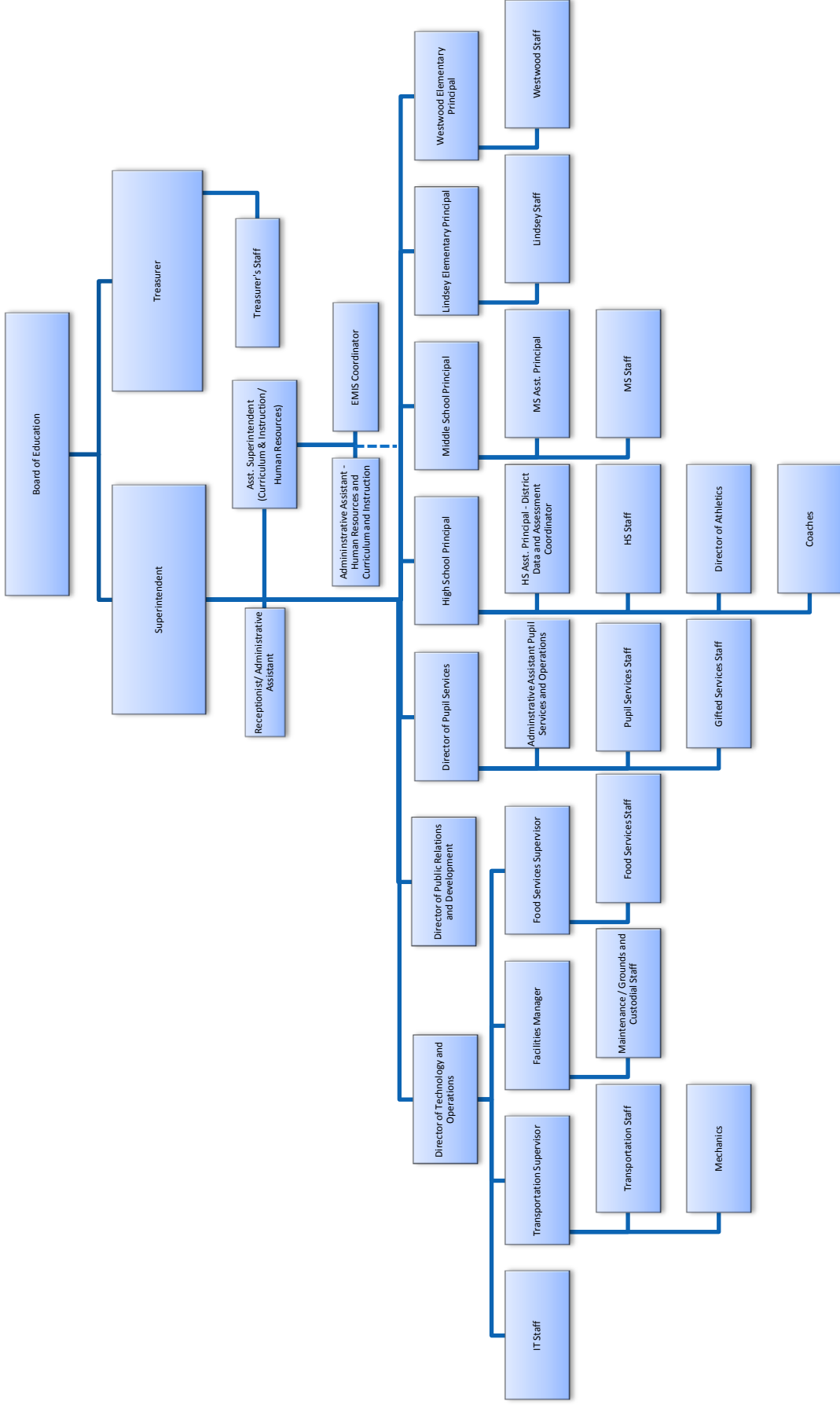
***Treasurer***

Ms. Karen Penler

***Superintendent***

Mr. Richard Markwardt

# West Geauga Local Schools Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**West Geauga Local School District**  
**Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

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## **FINANCIAL SECTION**





## Independent Auditor's Report

Board of Education  
West Geauga Local School District  
Chesterland, Ohio

### Report on the Financial Statements

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

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

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

#### *Auditor's Responsibility*

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

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

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

***Opinions***

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

***Other Matters***

***Required Supplementary Information***

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

***Other Information***

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

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

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

Board of Education  
West Geauga Local School District

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Ciuni + Panichi, Inc.*

Cleveland, Ohio  
December 18, 2019

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**West Geauga Local School District**  
**Geauga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2019*

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

***Financial Highlights***

Key financial highlights for 2019 are as follows:

- Net position increased \$3.7 million, which represents a 72 percent increase from fiscal year 2018.
- Capital assets increased \$60,679 during fiscal year 2019.
- During the year, outstanding debt decreased from \$0.3 million to \$0.2 million.

***Using this Comprehensive Annual Financial Report***

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a 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 School District's most significant funds with all other nonmajor governmental funds presented in total in one column. In the case of the West Geauga Local School District, the general fund is by far the most significant fund.

***Reporting the School District as a Whole***

*Statement of Net Position and the Statement of Activities*

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2019?" The Statement of Net Position and the Statement of Activities 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.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2019*

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

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

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

***Fund Financial Statements***

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and debt service fund.

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

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

The School District acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in agency funds. The School District's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

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*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2019*

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2019 compared to 2018:

**Table 1**  
**Net Position**

	Governmental Activities		
	2019	2018	Change
<b>Assets</b>			
Current and Other Assets	\$ 38,626,840	\$ 38,215,689	\$ 411,151
Net OPEB Asset	1,524,073	0	1,524,073
Capital Assets	16,684,386	16,623,707	60,679
<i>Total Assets</i>	<u>56,835,299</u>	<u>54,839,396</u>	<u>1,995,903</u>
<b>Deferred Outflows of Resources</b>			
Pension & OPEB	7,451,529	9,000,222	(1,548,693)
<b>Liabilities</b>			
Other Liabilities	2,917,326	2,790,321	127,005
Long-Term Liabilities:			
Due Within One Year	330,940	387,014	(56,074)
Due in More Than One Year:			
Net Pension Liability	27,181,566	28,818,370	(1,636,804)
Net OPEB Liability	3,090,570	6,567,829	(3,477,259)
Other Amounts	1,679,208	1,835,966	(156,758)
<i>Total Liabilities</i>	<u>35,199,610</u>	<u>40,399,500</u>	<u>(5,199,890)</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	14,628,249	14,630,138	(1,889)
Pension & OPEB	5,623,092	3,681,300	1,941,792
<i>Total Deferred Inflows of Resources</i>	<u>20,251,341</u>	<u>18,311,438</u>	<u>1,939,903</u>
<b>Net Position</b>			
Net Investment in Capital Assets	16,529,386	16,318,707	210,679
Restricted	1,938,301	2,832,946	(894,645)
Unrestricted	(9,631,810)	(14,022,973)	4,391,163
<i>Total Net Position</i>	<u>\$ 8,835,877</u>	<u>\$ 5,128,680</u>	<u>\$ 3,707,197</u>

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2019 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In a prior period, the School District also adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For reasons

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discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

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/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 asset/liability to equal the School District's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these assets/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 asset/liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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



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liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

At year end, capital assets represented 29 percent of total assets. Capital assets include land, construction in progress, land improvements, buildings, furniture and equipment, and vehicles. Net investment in capital assets was \$16.5 million at June 30, 2019. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$1.9 million, or 22 percent, represents resources that are subject to external restrictions on how they may be used. The balance of government-wide unrestricted net position was a deficit of \$9.6 million.

There was a significant change in net pension/OPEB liability/asset for the School District. These fluctuations are due to changes in the retirement systems unfunded liabilities that are passed through to the School District's financial statements. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and NPL/NOL/NOA and are described in more detail in their respective notes.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2019 and 2018.

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**West Geauga Local School District**  
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*Management's Discussion and Analysis*  
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**Table 2**  
**Changes in Net Position**

	Governmental Activities		
	2019	2018	Change
<b>Revenues</b>			
<i>Program Revenues:</i>			
Charges for Services	\$ 2,122,495	\$ 2,465,764	\$ (343,269)
Operating Grants	1,049,249	1,205,721	(156,472)
<b>Total Program Revenues</b>	<b>3,171,744</b>	<b>3,671,485</b>	<b>(499,741)</b>
<i>General Revenues:</i>			
Property Taxes	18,491,305	19,368,024	(876,719)
Grants and Entitlements Not Restricted	6,398,799	6,466,571	(67,772)
Other	624,019	349,310	274,709
<b>Total General Revenues</b>	<b>25,514,123</b>	<b>26,183,905</b>	<b>(669,782)</b>
<b>Total Revenues</b>	<b>28,685,867</b>	<b>29,855,390</b>	<b>(1,669,264)</b>
<b>Program Expenses</b>			
<i>Instruction:</i>			
Regular	9,052,828	3,259,197	5,793,631
Special	3,924,196	3,186,054	738,142
Vocational	562,296	502,626	59,670
Student Intervention Services	1,101	6,083	(4,982)
Other	284,295	294,461	(10,166)
<i>Support Services:</i>			
Pupils	1,241,292	505,108	736,184
Instructional Staff	909,723	629,949	279,774
Board of Education	184,894	128,056	56,838
Administration	1,891,407	1,051,391	840,016
Fiscal	858,793	692,451	166,342
Business	172,757	257,245	(84,488)
Operation and Maintenance of Plant	2,701,648	2,645,140	56,508
Pupil Transportation	1,642,783	1,825,932	(183,149)
Central	75,493	43,720	31,773
<i>Operation of Non-Instructional Services:</i>			
Food Service Operations	447,480	449,643	(2,163)
Community Services	240,367	196,653	43,714
Extracurricular Activities	778,117	540,348	237,769
Interest and Fiscal Charges	9,200	15,825	(6,625)
<b>Total Expenses</b>	<b>24,978,670</b>	<b>16,229,882</b>	<b>8,748,788</b>
<b>Increase in Net Position</b>	<b>3,707,197</b>	<b>13,625,508</b>	<b>(9,918,311)</b>
<b>Net Position at Beginning of Year</b>	<b>5,128,680</b>	<b>(8,496,828)</b>	<b>13,625,508</b>
<b>Net Position at End of Year</b>	<b>\$ 8,835,877</b>	<b>\$ 5,128,680</b>	<b>\$ 3,707,197</b>

Charges for services showed a decrease from fiscal year 2018 mainly due to a decrease in excess cost reimbursement while other revenue increased from an increase in investment earnings and a workers' compensation refund.

The changes in pension and OPEB accruals from fiscal year 2018 substantially increased several instructional and support service expenses.

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The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 3**  
**Governmental Activities**

	Total Cost of Service		Net Cost of Service	
	2019	2018	2019	2018
Instruction:				
Regular	\$ 9,052,828	\$ 3,259,197	\$ 7,776,559	\$ 1,793,127
Special	3,924,196	3,186,054	3,248,504	2,384,565
Vocational	562,296	502,626	536,215	493,340
Student Intervention Services	1,101	6,083	1,101	6,083
Other	284,295	294,461	222,293	294,461
Support Services:				
Pupils	1,241,292	505,108	1,107,917	295,675
Instructional Staff	909,723	629,949	848,366	469,655
Board of Education	184,894	128,056	184,894	90,857
Administration	1,891,407	1,051,391	1,884,270	1,043,960
Fiscal	858,793	692,451	858,793	668,982
Business	172,757	257,245	172,757	257,245
Operation and Maintenance of Plant	2,701,648	2,645,140	2,686,961	2,645,140
Pupil Transportation	1,642,783	1,825,932	1,577,846	1,737,443
Central	75,493	43,720	69,160	36,520
Operation of Non-Instructional Services:				
Food Service Operations	447,480	449,643	(15,388)	12,023
Community Services	240,367	196,653	45,699	10,733
Extracurricular Activities	778,117	540,348	591,779	302,763
Interest and Fiscal Charges	9,200	15,825	9,200	15,825
<i>Total Expenses</i>	\$ 24,978,670	\$ 16,229,882	\$ 21,806,926	\$ 12,558,397

The dependence upon general revenues for governmental activities is apparent. Over 87 percent of governmental activities are supported through taxes and other general revenues; such revenues are 89 percent of total governmental revenues. The community, as a whole, is by far the primary support for the School District students.

***Governmental Funds***

These funds are accounted for using the modified accrual basis of accounting. The net change in fund balances for the fiscal year was an increase of \$0.2 million for all governmental funds with the most significant increase in the general fund.

The general fund's net change in fund balance for fiscal year 2019 was an increase of \$0.8 million over fiscal year 2018. Revenues decreased from the prior year mainly due to the fluctuation in taxes available for advance and a decrease in open enrollment tuition; however, revenues continue to outpace expenditures.

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The debt service change in fund balance was a decrease of \$21,515 in fiscal year 2019. Taxes revenue equaled the principal and interest payments on outstanding debt in fiscal year 2019. The remaining fund balance consisted of excess funds after the library bond was paid off in a prior year. Those funds were transferred to the permanent improvement fund.

***General Fund Budgeting Highlights***

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

During the course of fiscal year 2019, the School District amended its general fund budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

***Original Budget Compared to Final Budget*** For the general fund, original budget basis revenues were estimated lower than final budget, mainly in taxes and intergovernmental revenue. Original expenditure appropriations were estimated higher than final budget as appropriations were reduced to account for the cost savings measures taken by the School District throughout the year.

***Final Budget Compared to Actual Results*** There were insignificant differences in final budget basis and actual revenues. Cost savings recognized throughout the year account for the difference between final expenditure appropriations and actual expenditures.

There were no significant differences in other financing sources and uses.

***Capital Assets and Debt Administration***

**Capital Assets**

Table 4 shows fiscal year 2019 balances compared with 2018.

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

	Governmental Activities	
	2019	2018
Land	\$ 366,380	\$ 366,380
Construction in Progress	38,000	215,009
Land Improvements	821,840	953,167
Buildings and Improvements	12,315,368	12,268,831
Furniture and Equipment	1,890,464	1,666,059
Vehicles	1,252,334	1,154,261
<i>Totals</i>	\$ 16,684,386	\$ 16,623,707

See Note 8 for more information about the capital assets of the School District.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2019*

**Debt**

Table 5 summarizes bonds outstanding.

**Table 5**  
**Outstanding Debt at Year End**

	Governmental Activities	
	2019	2018
2005 Various Purpose Improvement Bonds	\$ 155,000	\$ 305,000

The School District maintains an Aa2 rating from Moody's for general obligation debt, which did not change from prior year. See Note 13 for additional details.

***Restrictions and Other Limitations***

The School District continues to maintain a strong financial position, but it is not without challenges in the future. The majority of the School District's funding continues to rely on local property taxes for operations. Even though the School District has successfully extended existing tax levies by aggressively managing its operating and capital budgets, current financial forecasts indicate the need for new tax monies by fiscal year 2023. While the West Geauga community continues to renew its two existing emergency levies, new operating tax levies are a challenge to approve.

Another significant challenge facing the School District and other similar districts is the leveling off or decrease in state funding. The School District is considered a wealthy suburban school district under the current state formula and, as such, received similar levels of funding in fiscal year 2019 as it did for the last five years. Total state funding received in fiscal year 2018 was \$3.6 million, of which \$2.0 million was due to the "guarantee." The "guarantee" is the amount of money added to the state funding formula to keep a school district from reducing its basic state aid.

The 2019-2020 biennium budget was passed in June, 2019. During the budget process, there was a concerted effort to restructure the current school funding model under the Cupp-Patterson bill, but it failed to be included in the final budget. West Geauga will receive the same level of funding for the next two fiscal years as it received in fiscal year 2019 under the guarantee. The Governor did, however, add new state funding for student wellness and success programming. The School District will receive additional funding of approximately \$75,000 in fiscal year 2020 and \$106,000 in fiscal year 2021 under the new state program. These funds can be used for new or existing programs in the School District. Given the legislature's desire to reduce the guarantee base and its desire to provide more equity in school funding, the state funding formula guarantee beyond fiscal year 2021 is uncertain.

***Contacting the School District's Financial Management***

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Karen Penler, Treasurer of West Geauga Local School District, 8615 Cedar Road, Chesterland, Ohio 44026 or call (440) 729-5900.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Statement of Net Position*  
June 30, 2019

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 18,969,893
Receivables:	
Accounts	49,814
Intergovernmental	293,846
Property Taxes	18,946,754
Prepaid Items	366,533
Net OPEB Asset	1,524,073
Nondepreciable Capital Assets	404,380
Depreciable Capital Assets (Net)	16,280,006
<i>Total Assets</i>	56,835,299
<b>Deferred Outflows of Resources</b>	
Pension	7,031,548
OPEB	419,981
<i>Total Deferred Outflows of Resources</i>	7,451,529
<b>Liabilities</b>	
Accounts Payable	142,272
Accrued Wages and Benefits	2,246,713
Contracts Payable	38,000
Intergovernmental Payable	388,542
Matured Compensated Absences Payable	101,799
Long Term Liabilities:	
Due Within One Year	330,940
Due In More Than One Year:	
Net Pension Liability	27,181,566
Net OPEB Liability	3,090,570
Other Amounts Due in More Than One Year	1,679,208
<i>Total Liabilities</i>	35,199,610
<b>Deferred Inflows of Resources</b>	
Property Taxes Levied for the Next Year	14,628,249
Pension	2,779,328
OPEB	2,843,764
<i>Total Deferred Inflows of Resources</i>	20,251,341
<b>Net Position</b>	
Net Investment in Capital Assets	16,529,386
Restricted For:	
Capital Outlay	1,514,833
Extracurricular Activities	109,956
Other Purposes	313,512
Unrestricted	(9,631,810)
<i>Total Net Position</i>	\$ 8,835,877

See accompanying notes to the basic financial statements.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2019

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
<b>Governmental Activities</b>				
Instruction:				
Regular	\$ 9,052,828	\$ 1,214,214	\$ 62,055	\$ (7,776,559)
Special	3,924,196	355,859	319,833	(3,248,504)
Vocational	562,296	16,794	9,287	(536,215)
Student Intervention Services	1,101	0	0	(1,101)
Other	284,295	0	62,002	(222,293)
Support Services:				
Pupils	1,241,292	0	133,375	(1,107,917)
Instructional Staff	909,723	0	61,357	(848,366)
Board of Education	184,894	0	0	(184,894)
Administration	1,891,407	4,029	3,108	(1,884,270)
Fiscal	858,793	0	0	(858,793)
Business	172,757	0	0	(172,757)
Operation and Maintenance of Plant	2,701,648	3,237	11,450	(2,686,961)
Pupil Transportation	1,642,783	0	64,937	(1,577,846)
Central	75,493	0	6,333	(69,160)
Operation of Non-Instructional Services:				
Food Service Operations	447,480	343,699	119,169	15,388
Community Services	240,367	0	194,668	(45,699)
Extracurricular Activities	778,117	184,663	1,675	(591,779)
Debt Service:				
Interest and Fiscal Charges	9,200	0	0	(9,200)
<b>Total</b>	<b>\$ 24,978,670</b>	<b>\$ 2,122,495</b>	<b>\$ 1,049,249</b>	<b>(21,806,926)</b>

**General Revenues**

Property Taxes Levied for:

General Purposes	17,762,526
Debt Service	159,200
Capital Outlay	569,579
Grants and Entitlements Not Restricted to Specific Programs	6,398,799
Investment Earnings	501,320
Miscellaneous	122,699

*Total General Revenues* 25,514,123

*Change in Net Position* 3,707,197

*Net Position Beginning of Year* 5,128,680

*Net Position End of Year* \$ 8,835,877

See accompanying notes to the basic financial statements.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2019*

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 16,245,351	\$ 0	\$ 2,724,542	\$ 18,969,893
Receivables:				
Accounts	49,814	0	0	49,814
Interfund	23,000	0	0	23,000
Intergovernmental	122,506	0	171,340	293,846
Property Taxes	18,199,769	158,100	588,885	18,946,754
Prepaid Items	357,638	0	8,895	366,533
<i>Total Assets</i>	<u>\$ 34,998,078</u>	<u>\$ 158,100</u>	<u>\$ 3,493,662</u>	<u>\$ 38,649,840</u>
<b>Liabilities</b>				
Accounts Payable	\$ 73,139	\$ 0	\$ 69,133	\$ 142,272
Accrued Wages and Benefits	2,207,081	0	39,632	2,246,713
Contracts Payable	0	0	38,000	38,000
Intergovernmental Payable	372,058	0	16,484	388,542
Matured Compensated Absences Payable	101,799	0	0	101,799
Interfund Payable	0	0	23,000	23,000
<i>Total Liabilities</i>	<u>2,754,077</u>	<u>0</u>	<u>186,249</u>	<u>2,940,326</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for the Next Fiscal Year	14,020,045	158,100	450,104	14,628,249
Unavailable Revenue - Delinquent Property Taxes	270,324	0	8,981	279,305
Unavailable Revenue - Other	64,114	0	159,161	223,275
<i>Total Deferred Inflows of Resources</i>	<u>14,354,483</u>	<u>158,100</u>	<u>618,246</u>	<u>15,130,829</u>
<b>Fund Balances</b>				
Nonspendable	357,638	0	8,895	366,533
Restricted	0	0	1,797,541	1,797,541
Committed	0	0	902,368	902,368
Assigned	1,031,528	0	0	1,031,528
Unassigned (Deficit)	16,500,352	0	(19,637)	16,480,715
<i>Total Fund Balances</i>	<u>17,889,518</u>	<u>0</u>	<u>2,689,167</u>	<u>20,578,685</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 34,998,078</u>	<u>\$ 158,100</u>	<u>\$ 3,493,662</u>	<u>\$ 38,649,840</u>

See accompanying notes to the basic financial statements.



**West Geauga Local School District**  
**Geauga County, Ohio**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Position of Governmental Activities*  
*June 30, 2019*

<b>Total Governmental Fund Balances</b>		<b>\$ 20,578,685</b>
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		16,684,386
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property Taxes	\$ 279,305	
Intergovernmental	159,161	
Other	64,114	502,580
The net pension and OPEB liabilities are not due and payable in the current period; therefore, the liabilities/assets and related deferred inflows/outflows are not reported in the funds:		
Net OPEB Asset	1,524,073	
Deferred Outflows - Pension	7,031,548	
Deferred Outflows - OPEB	419,981	
Net Pension Liability	(27,181,566)	
Net OPEB Liability	(3,090,570)	
Deferred Inflows - Pension	(2,779,328)	
Deferred Inflows - OPEB	(2,843,764)	(26,919,626)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	155,000	
Compensated Absences	1,855,148	(2,010,148)
<i>Net Position of Governmental Activities</i>		<b>\$ 8,835,877</b>

See accompanying notes to the basic financial statements.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2019*

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property and Other Local Taxes	\$ 17,778,278	\$ 159,200	\$ 570,058	\$ 18,507,536
Intergovernmental	6,448,615	0	838,326	7,286,941
Investment Income	501,320	0	3,024	504,344
Tuition and Fees	1,537,211	0	0	1,537,211
Extracurricular Activities	68,948	0	184,663	253,611
Rentals	16,298	0	0	16,298
Charges for Services	5,576	0	346,936	352,512
Contributions and Donations	7,672	0	65,613	73,285
Miscellaneous	57,891	0	694	58,585
<i>Total Revenues</i>	<u>26,421,809</u>	<u>159,200</u>	<u>2,009,314</u>	<u>28,590,323</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	11,019,725	0	48,531	11,068,256
Special	4,000,943	0	220,981	4,221,924
Vocational	562,296	0	0	562,296
Student Intervention Services	1,101	0	0	1,101
Other	254,071	0	60,728	314,799
Support Services:				
Pupils	1,426,322	0	115,362	1,541,684
Instructional Staff	887,586	0	145,168	1,032,754
Board of Education	174,351	0	0	174,351
Administration	2,089,029	0	2,688	2,091,717
Fiscal	836,025	0	9,090	845,115
Business	166,174	0	0	166,174
Operation and Maintenance of Plant	2,071,626	0	425,982	2,497,608
Pupil Transportation	1,474,448	0	160,454	1,634,902
Central	49,193	0	26,300	75,493
Extracurricular Activities	640,768	0	189,622	830,390
Operation of Non-Instructional Services:				
Food Service Operations	0	0	422,765	422,765
Community Services	3,108	0	207,592	210,700
Capital Outlay	0	0	598,056	598,056
Debt Service:				
Principal Retirement	0	150,000	0	150,000
Interest and Fiscal Charges	0	9,200	0	9,200
<i>Total Expenditures</i>	<u>25,656,766</u>	<u>159,200</u>	<u>2,633,319</u>	<u>28,449,285</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>765,043</u>	<u>0</u>	<u>(624,005)</u>	<u>141,038</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Assets	31,199	0	0	31,199
Insurance Recoveries	18,254	0	0	18,254
Transfers In	0	0	36,515	36,515
Transfers Out	(15,000)	(21,515)	0	(36,515)
<i>Total Other Financing Sources (Uses)</i>	<u>34,453</u>	<u>(21,515)</u>	<u>36,515</u>	<u>49,453</u>
<i>Net Change in Fund Balance</i>	799,496	(21,515)	(587,490)	190,491
<i>Fund Balances Beginning of Year</i>	<u>17,090,022</u>	<u>21,515</u>	<u>3,276,657</u>	<u>20,388,194</u>
<i>Fund Balances End of Year</i>	<u>\$ 17,889,518</u>	<u>\$ 0</u>	<u>\$ 2,689,167</u>	<u>\$ 20,578,685</u>

See accompanying notes to the basic financial statements.

**West Geauga Local School District**  
**Geauga County, Ohio**

*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2019*

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$	190,491
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 984,105	
Current Year Depreciation	<u>(913,919)</u>	70,186
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(9,507)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	(16,231)	
Charges for Services	(37,137)	
Intergovernmental	84,798	
Other	<u>64,114</u>	95,544
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		150,000
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	2,057,062	
OPEB	<u>74,525</u>	2,131,587
Except for amount reported as deferred inflows/outflows, changes in the net pension and OPEB asset/liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(2,226,547)	
OPEB	<u>3,242,611</u>	1,016,064
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		<u>62,832</u>
<i>Change in Net Position of Governmental Activities</i>	<u>\$</u>	<u>3,707,197</u>

See accompanying notes to the basic financial statements.

**West Geauga Local School District**  
**Gauga County, Ohio**  
*Statement of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 16,703,078	\$ 17,522,078	\$ 17,522,078	\$ 0
Intergovernmental	6,146,601	6,446,627	6,447,986	1,359
Investment Income	427,772	440,208	448,747	8,539
Tuition and Fees	1,270,993	1,333,313	1,333,313	0
Extracurricular Activities	43,595	45,733	45,733	0
Rentals	13,220	13,240	13,868	628
Charges for Services	5,315	5,576	5,576	0
Contributions and Donations	1,907	2,000	2,000	0
Miscellaneous	7,796	7,951	7,968	17
<i>Total Revenues</i>	<u>24,620,277</u>	<u>25,816,726</u>	<u>25,827,269</u>	<u>10,543</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	11,563,334	10,765,660	10,730,594	35,066
Special	4,169,810	4,263,565	3,996,366	267,199
Vocational	585,000	563,793	562,860	933
Student Intervention Services	2,035	2,192	1,101	1,091
Other	285,799	263,993	255,412	8,581
Support Services:				
Pupils	1,501,787	1,432,636	1,414,952	17,684
Instructional Staff	963,159	906,179	892,604	13,575
Board of Education	168,447	185,827	181,533	4,294
Administration	2,145,924	2,187,037	2,094,289	92,748
Fiscal	1,007,150	834,350	792,054	42,296
Business	201,518	185,230	168,639	16,591
Operation and Maintenance of Plant	2,325,032	2,200,742	2,133,221	67,521
Pupil Transportation	1,588,097	1,524,926	1,478,102	46,824
Central	43,500	51,000	49,193	1,807
Extracurricular Activities	557,087	669,016	627,540	41,476
Capital Outlay	63	63	0	63
<i>Total Expenditures</i>	<u>27,107,742</u>	<u>26,036,209</u>	<u>25,378,460</u>	<u>657,749</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,487,465)</u>	<u>(219,483)</u>	<u>448,809</u>	<u>668,292</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Assets	31,199	31,199	31,199	0
Insurance Recoveries	18,254	18,254	18,254	0
Refund of Prior Year Expenditures	58,574	58,574	58,774	200
Refund of Prior Year Receipts	(2,000)	(2,000)	0	2,000
Advances In	5,000	5,000	5,000	0
Advances Out	(15,000)	(23,000)	(23,000)	0
Transfers Out	(70,000)	(15,000)	(15,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>26,027</u>	<u>73,027</u>	<u>75,227</u>	<u>2,200</u>
<i>Net Change in Fund Balance</i>	<u>(2,461,438)</u>	<u>(146,456)</u>	<u>524,036</u>	<u>670,492</u>
<i>Fund Balance Beginning of Year</i>	<u>15,167,676</u>	<u>15,167,676</u>	<u>15,167,676</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>285,194</u>	<u>285,194</u>	<u>285,194</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 12,991,432</u>	<u>\$ 15,306,414</u>	<u>\$ 15,976,906</u>	<u>\$ 670,492</u>

See accompanying notes to the basic financial statements.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Fund*  
*June 30, 2019*

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	<u>Agency</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 55,999</u>
<i>Total Assets</i>	<u><u>\$ 55,999</u></u>
<b>Liabilities</b>	
Due to Students	<u>\$ 55,999</u>
<i>Total Liabilities</i>	<u><u>\$ 55,999</u></u>

See accompanying notes to the basic financial statements.

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**West Geauga Local School District**  
**Geauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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**Note 1 - Description of the School District**

The West Geauga Local School District (the "School District") operates under a locally elected five member Board form of government and provides educational services as authorized by State or Federal agencies. The Board controls the School District's four instructional facilities.

The School District is located in Geauga County, including all of Chesterland and Russell Townships and portions of Munson, South Russell, and Hunting Valley, Ohio. The School District operates two elementary schools (K-5), one middle school (6-8), and one high school (9-12).

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

***Reporting Entity***

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

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

The School District participates in three jointly governed organizations. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, and the West Geauga Community Joint Recreation Council. These organizations are presented in Note 14 to the basic financial statements.

**Note 2 - Summary of Significant Accounting Policies**

The most significant of the School District's accounting policies are described below.

***Basis of Presentation***

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

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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***Government-wide Financial Statements*** The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

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

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

***Fund Accounting***

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

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

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

***Debt Service Fund*** The debt service fund is used to account for the accumulation of property tax revenues for, and the payment of, school improvement general obligation bond, or principal, interest and related costs.



**West Geauga Local School District**  
**Gauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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

***Fiduciary Funds*** Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency fund accounts for student activities.

***Measurement Focus***

***Government-wide Financial Statements*** The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the School District are included on the Statement of Net Position.

***Fund Financial Statements*** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

***Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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

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

***Deferred Outflows/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 represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 11 and 12.

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 until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2019, but which were levied to finance fiscal year 2020 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue may include delinquent property taxes, grants and entitlements and other miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position. (See Notes 11 and 12).

***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 on the statement of activities as an expense with a like amount reported within the “operating grants, contributions and interest” program revenue account.

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

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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***Budgetary Data***

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2019.

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

***Cash and Cash Equivalents***

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

During fiscal year 2019, investments were limited to STAR Ohio (the State Treasurer's Investment Pool), certificates of deposit and Federated Government Obligations money market fund.

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

For the fiscal year 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

**West Geauga Local School District**  
**Gauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2019 amounted to \$501,320, which includes \$79,744 assigned from other School District funds.

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

***Capital Assets***

General capital assets are those assets resulting from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported on the fund financial statements.

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

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

Description	Governmental Activities Estimated Lives
Land	N/A
Construction in Progress	N/A
Land Improvements	7 - 20 Years
Buildings and Improvements	10 - 100 Years
Furniture and Equipment	5 - 20 Years
Vehicles	5 - 15 Years

***Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified and “interfund receivables/payables.” These amounts are eliminated in the Statement of Net Position.

***Compensated Absences***

The School District reports compensated absences in accordance with the provisions of GASB 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 employer will compensate the employees for the benefits through paid time off or some other means.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits in the School District's termination policy. The School District reports a liability for accumulated unused sick leave for classified, certified and administrative employees who will be eligible to retire at the end of the fiscal year.

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

In governmental funds, the liability for unpaid compensated absences is the unused reimbursable leave still outstanding following an employee's resignation or retirement. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid.

***Pensions and Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB asset/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.

***Accrued Liabilities and Long-term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-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, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

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***Net Position***

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At June 30, 2019, there was no net position restricted by enabling legislation.

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

***Fund Balance***

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

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

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

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

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

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

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

***Interfund Activity***

Transfers between governmental activities are eliminated on the government wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

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

***Estimates***

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

***Implementation of New Accounting Principles***

For the fiscal year ended June 30, 2019, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 83, *Certain Asset Retirement Obligations* and GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.

GASB Statement No. 83 establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the School District.

GASB Statement No. 88 establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. These changes were incorporated in the School District's fiscal year 2019 financial statements; however, there was no effect on beginning net position.

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**Note 3 – Fund Balance**

Fund balance can be 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 governmental funds.

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

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
Nonspendable for:				
Prepays	\$ 357,638	\$ 0	\$ 8,895	\$ 366,533
Restricted for:				
Special Trusts	0	0	91,997	91,997
Education Foundation	0	0	14,432	14,432
Athletics	0	0	109,956	109,956
Food Service	0	0	66,112	66,112
State Grants	0	0	1,042	1,042
Federal Grants	0	0	8,150	8,150
Capital Improvements	0	0	1,505,852	1,505,852
Total Restricted	<u>0</u>	<u>0</u>	<u>1,797,541</u>	<u>1,797,541</u>
Committed to:				
Permanent Improvements	<u>0</u>	<u>0</u>	<u>902,368</u>	<u>902,368</u>
Assigned for:				
Uniform School Supplies	90,567	0	0	90,567
Adult Education	12	0	0	12
Public School Support	7,804	0	0	7,804
Other Local Grants	14,063	0	0	14,063
Rotary	10,760	0	0	10,760
Subsequent Year Appropriations	854,089	0	0	854,089
Encumbrances:				
Instruction	18,637	0	0	18,637
Student Support	35,596	0	0	35,596
Total Assigned	<u>1,031,528</u>	<u>0</u>	<u>0</u>	<u>1,031,528</u>
Unassigned (Deficit)	<u>16,500,352</u>	<u>0</u>	<u>(19,637) *</u>	<u>16,480,715</u>
Total Fund Balance	<u>\$ 17,889,518</u>	<u>\$ 0</u>	<u>\$ 2,689,167</u>	<u>\$ 20,578,685</u>

\* Fund balance included fund deficits of \$489 in the auxiliary service fund, \$3,432 in the Title VI-B fund, \$8,849 in the Title I fund and \$1,149 in the improving teacher quality fund.



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These deficits in nonmajor governmental funds resulted from adjustments for accrued liabilities. The general fund is liable for any deficits in these funds and will provide transfers when cash is required, not when accruals occur.

**Note 4 - Budgetary Basis of Accounting**

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

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

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

<b>Net Change in Fund Balance</b>	
GAAP Basis	\$ 799,496
Net Adjustment for Revenue Accruals	(269,584)
Net Adjustment for Expenditure Accruals	121,490
Funds Budgeted Elsewhere **	6,696
Adjustment for Encumbrances	<u>(134,062)</u>
Budget Basis	<u>\$ 524,036</u>

\*\* As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform supplies fund, the adult education fund, the rotary fund, the public school support fund and the other grants fund.

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**Note 5 - Deposits and Investments**

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts.

Protection of the School 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.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;

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5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptance and commercial paper notes in an amount not to exceed 40 percent of the interim monies available for investment at any one time and for a period not to exceed one hundred eighty days and two hundred seventy days, respectively; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

**Deposits** - At fiscal year-end, \$378,922 of the School District's bank balance of \$878,922 was exposed to custodial credit risk. The School District has deposits with two separate banking institutions, each of which provides \$250,000 in FDIC coverage. Although the securities were held by the pledging financial institutions' trust department in the School District's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

**Custodial Credit Risk** Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District will not be able to recover deposits or collateral securities that are in possession of an outside party.

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

- Eligible securities pledged to the School 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 percent of the deposits being secured; or
- Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS required the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

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**Investments:** As of June 30, 2019, the School District had the following investments:

S&P Global Rating	Investment	Measurement Amount	Investment Maturity (in years)		% Total Investments
			Less than 1	1 - 3	
Net Asset Value (NAV):					
AAAm	STAR Ohio	\$ 12,982,284	\$ 12,982,284	\$ 0	71.30%
AAAm	Federated Government Obligations Money Market	46,256	46,256	0	0.25%
Fair Value:					
**	Negotiable Certificates of Deposit	5,179,532	2,855,916	2,323,616	28.45%
Totals		\$ 18,208,072	\$ 15,884,456	\$ 2,323,616	100.00%

\*\* Fully Insured Under FDIC

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2019. The School District's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

**Interest Rate Risk:** The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The School District's policy indicates that the investments must mature within five years, unless matched to a specific obligation or debt of the School District.

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2019, is 53 days.

**Credit Risk:** The School District's investments at June 30, 2019 are rated as shown above by S&P Global Ratings. Federal money markets are exempt from ratings since explicitly guaranteed by a U.S. Government Agency. The School District's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

**Concentration of Credit Risk:** The School District places no limit on the amount the School District may invest in any one issuer. See investment percentages listed above. The School District's policy is to invest money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

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**Note 6 - Property Taxes**

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2019 represents collections of calendar year 2018 taxes. Real property taxes received in calendar year 2019 were levied after April 1, 2018, on the assessed value listed as of January 1, 2018, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2019 represents collections of calendar year 2018 taxes. Public utility real and tangible personal property taxes received in calendar year 2019 became a lien December 31, 2017, were levied after April 1, 2018 and are collected in 2019 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

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

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

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

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

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	2018 Second Half Collections		2019 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 632,212,110	95.58%	\$637,122,360	94.96%
Public Utility	29,248,830	4.42%	33,782,350	5.04%
	\$ 661,460,940	100.00%	\$ 670,904,710	100.00%
Tax rate per \$1,000 assessed valuation	\$ 52.46		\$ 52.33	

**Note 7 - Receivables**

Receivables at June 30, 2019, consisted of taxes, accounts, interfund and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

Intergovernmental receivables consisted of \$9,285 in a student full-time equivalent adjustment, \$64,114 in a Workers' Compensation refund, \$171,340 in grants and \$49,107 in other receivables.

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**Note 8 - Capital Assets**

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

	Balance 6/30/18	Additions	Reductions	Balance 6/30/19
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 366,380	\$ 0	\$ 0	\$ 366,380
Construction in progress	215,009	149,606	(326,615)	38,000
Total Capital Assets, not being depreciated	581,389	149,606	(326,615)	404,380
<i>Capital Assets, being depreciated:</i>				
Land Improvements	3,747,613	0	0	3,747,613
Buildings and Improvements	21,740,776	403,475	0	22,144,251
Furniture and Equipment	6,751,446	510,851	(46,279)	7,216,018
Vehicles	2,437,986	246,788	0	2,684,774
Total Capital Assets, being depreciated	34,677,821	1,161,114	(46,279)	35,792,656
Less Accumulated Depreciation:				
Land Improvements	(2,794,446)	(131,327)	0	(2,925,773)
Buildings and Improvements	(9,471,945)	(356,938)	0	(9,828,883)
Furniture and Equipment	(5,085,387)	(276,939)	36,772	(5,325,554)
Vehicles	(1,283,725)	(148,715)	0	(1,432,440)
Total Accumulated Depreciation	(18,635,503)	(913,919)	36,772	(19,512,650)
Total Capital Assets being depreciated, net	16,042,318	247,195	(9,507)	16,280,006
Governmental Activities Capital Assets, Net	\$ 16,623,707	\$ 396,801	\$ (336,122)	\$ 16,684,386

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Depreciation expense was charged as follows:

<i>Governmental Activities:</i>	
Instruction:	
Regular	\$ 319,741
Special	14,930
Support Services:	
Pupil	730
Instructional Staff	76,338
Board of Education	10,543
Administration	8,082
Fiscal	1,007
Business	3,450
Operation and Maintenance of Plant	253,707
Pupil Transportaion	146,620
Food Service Operations	20,203
Community Services	29,396
Extracurricular Activities	<u>29,172</u>
Total Depreciation	<u><u>\$ 913,919</u></u>

**Note 9 - Risk Management**

***Property and Liability***

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. Professional liability insurance is provided by a major carrier and has limits of \$6,000,000 for each occurrence and \$8,000,000 general aggregate coverage, including employee benefit liability limits, qualified school groups, and employers' liability.

Property and fleet insurance is provided by a major carrier. Property insurance includes boiler and machinery coverage as well as commercial inland marine coverage with a blanket limit of \$90,306,117 with a \$1,000 deductible. Fleet insurance has a limit of \$6,000,000 with a \$1,000 deductible for comprehensive and \$1,000 for collision coverage.

Settled claims have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.



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***Employee Group Health Insurance***

The School District participates in the Ohio School Benefits Cooperative, a claims servicing and group purchasing pool composed of thirty-five members. The Ohio School Benefits Cooperative (OSBC) is created and organized pursuant to and as authorized by Section 9.833 of the Ohio Revised Code. OSBC is governed by a nine-member Board of Directors, all of whom must be local school district and/or educational service center administrators. The Muskingum Valley Educational Service Center serves as the fiscal agent for OSBC. The OSBC is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the Plan to maximize benefits and/or reduce costs of medical, prescription drug, vision, dental, life, and/or other group insurance coverages for their employees and the eligible dependents, and designated beneficiaries of such employees. Participants pay a \$500 membership fee to OSBC.

The OSBC offers two options to participants. Participants may enroll in the joint insurance purchasing program for medical, prescription drug, vision dental and/or life insurance. A second option is available for self-insured participants that provides for the purchase of stop loss insurance coverage through OSBC's third party administrator. The School District elected to participate in the joint insurance purchasing program. The OSBC's business and affairs are conducted by a nine-member Board of Directors consisting of Educational Service Center superintendents elected by the members of the OSBC. Medical Mutual/Antares is the Administrator of the OSBC. Financial information can be obtained by writing to, Christine Wagner, Treasurer of the Muskingum Valley Educational Service Center, at 205 N. 7th Street, Zanesville, 43701.

***Workers' Compensation***

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**Note 10 - Other Employee Benefits**

***Compensated Absences***

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty two days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and most administrators do not earn vacation time.

All certified and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, payment is made to classified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 300 days. Classified employees are paid within 120 days of the retirement date. Upon retirement, payment is made to certified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 300 days. Certified employees have the choice of their payout in one or two payments. The first payment will be within 120 days of the last day of employment and the second payment will be in the following calendar year. Upon retirement, payment is made to administrators for a scheduled percentage based upon their years of service at the School District.

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**Note 11 – Defined Benefit Pension Plans**

***Net Pension Liability***

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

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

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

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

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

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

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

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Age and service requirements for retirement are as follows:

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2019, the allocation to pension, death benefits, and Medicare B was 13.5 percent. SERS allocated 0.5 percent of employer contributions to the Health Care Fund for fiscal year 2019.

The School District’s contractually required contribution to SERS was \$474,104 for fiscal year 2019. Of this amount, \$21,709 is reported as an intergovernmental payable.

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

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS’ fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at [www.strsoh.org](http://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. For the DB Plan, from August 1, 2015–July 1, 2017, any member could retire with reduced benefits who had (1) five years of service credit and age 60; (2) 26 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Effective August 1, 2017–July 1, 2019, any member may retire with reduced benefits who has (1) five years of service credit and age 60; (2) 27 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Eligibility changes will continue to be phased in through 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. Retirement eligibility for reduced benefits will be five years of service credit and age 60, or 30 years of service credit regardless of age.

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The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. Effective July 1, 2017, employer contributions of 9.53 percent are placed in the investment accounts and the remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying one percent of the member's final average salary by the member's years of service credit. 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 DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50 and termination of employment.

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2019, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2019 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$1,582,958 for fiscal year 2019. Of this amount, \$262,675 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an independent actuarial valuation as of that date. The School District's employer allocation percentage of the net pension liability was based on the employer's share of employer contributions in the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share and pension expense:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability:			
Current Measurement Date	0.11047540%	0.09484568%	
Prior Measurement Date	0.10541980%	0.09479927%	
Change in Proportionate Share	<u>0.00505560%</u>	<u>0.00004641%</u>	
Proportionate Share of the Net			
Pension Liability	\$ 6,327,131	\$ 20,854,435	\$ 27,181,566
Pension Expense	\$ 559,606	\$ 1,666,941	\$ 2,226,547

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 347,004	\$ 481,382	\$ 828,386
Changes of Assumptions	142,880	3,695,799	3,838,679
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	176,074	131,347	307,421
School District Contributions Subsequent to the Measurement Date	<u>474,104</u>	<u>1,582,958</u>	<u>2,057,062</u>
<b>Total Deferred Outflows of Resources</b>	<u>\$ 1,140,062</u>	<u>\$ 5,891,486</u>	<u>\$ 7,031,548</u>
<b>Deferred Inflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 0	\$ 136,193	\$ 136,193
Net Difference between Projected and Actual Earnings on Pension Plan Investments	175,303	1,264,592	1,439,895
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	<u>163,899</u>	<u>1,039,341</u>	<u>1,203,240</u>
<b>Total Deferred Inflows of Resources</b>	<u>\$ 339,202</u>	<u>\$ 2,440,126</u>	<u>\$ 2,779,328</u>

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\$2,057,062 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2020	\$ 489,158	\$ 1,479,967	\$ 1,969,125
2021	99,003	768,129	867,132
2022	(207,639)	(110,538)	(318,177)
2023	(53,766)	(269,156)	(322,922)
	\$ 326,756	\$ 1,868,402	\$ 2,195,158

***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 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 pension liability in the latest actuarial valuation, prepared as of June 30, 2018, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
COLA or Ad Hoc COLA	2.50 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement

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For post-retirement mortality, the table used in evaluating allowances to be paid is the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, with 120 percent of male rates and 110 percent of female rates used. The RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent 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 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 asset allocation, as used in the June 30, 2015 five-year experience study, is summarized as follows:

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

**Discount Rate** Total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 26-year amortization period of the unfunded actuarial accrued liability. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
School District's Proportionate Share of the Net Pension Liability	\$ 8,912,241	\$ 6,327,131	\$ 4,159,689

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***Actuarial Assumptions - STRS***

The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Projected Payroll Growth	3.00 percent
Cost-of-Living Adjustments	0.00 percent

Post-retirement mortality rates are based on 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; pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

The actuarial assumptions used in the July 1, 2018 valuation, were adopted by the board from the results of an actuarial experience study for July 1, 2011, through June 30, 2016.

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

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

\*Target weights will be phased in over a 24-month period concluding on July 1, 2019.

\*\*Ten year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent 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.



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**Discount Rate** The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2018. The projection of cash flows used to determine the discount rate assumes that employer and member contributions will be made at statutory contribution rates of 14 percent each. 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, 2018. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2018.

**Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the School District's proportionate share of the net pension liability as of June 30, 2018, calculated using the current period discount rate assumption of 7.45 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45 percent) or one-percentage-point higher (8.45 percent) than the current assumption:

	1% Decrease	Current Discount Rate	1% Increase
School District's Proportionate Share of the Net Pension Liability	\$ 30,455,158	\$ 20,854,435	\$ 12,728,727

**Note 12 - Defined Benefit OPEB Plans**

***Net OPEB Asset/Liability***

The net OPEB asset/liability reported on the statement of net position represents an asset or 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 asset/liability represents the School District's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB asset/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 School District's obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which OPEB are financed; however, the School District does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the asset/liability is solely that 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

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funding could significantly affect the net OPEB asset/liability. Resulting adjustments to the net OPEB asset/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 asset/ liability* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

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

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

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 2019, 0.5 percent of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2019, this amount was \$21,600. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2019, the School District's surcharge obligation was \$56,966.

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The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$74,525 for fiscal year 2019. Of this amount \$57,770 is reported as an intergovernmental payable.

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

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2019, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB asset/liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB asset/liability was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB asset/liability was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.11140120%	0.09484568%	
Prior Measurement Date	0.10690730%	0.09479927%	
Change in Proportionate Share	0.00449390%	0.00004641%	
Proportionate Share of the Net			
OPEB Liability/(Asset)	\$ 3,090,570	\$ (1,524,073)	\$ 1,566,497
OPEB Expense	\$ 93,019	\$ (3,335,630)	\$ (3,242,611)

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

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	SERS	STRS	Total
<b>Deferred Outflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 50,449	\$ 178,014	\$ 228,463
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	115,340	1,653	116,993
School District Contributions Subsequent to the Measurement Date	74,525	0	74,525
<b>Total Deferred Outflows of Resources</b>	<b>\$ 240,314</b>	<b>\$ 179,667</b>	<b>\$ 419,981</b>
<b>Deferred Inflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 0	\$ 88,797	\$ 88,797
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	4,636	174,114	178,750
Changes of Assumptions	277,665	2,076,671	2,354,336
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	70,728	151,153	221,881
<b>Total Deferred Inflows of Resources</b>	<b>\$ 353,029</b>	<b>\$ 2,490,735</b>	<b>\$ 2,843,764</b>

\$74,525 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2020	\$ (131,871)	\$ (416,957)	\$ (548,828)
2021	(97,555)	(416,957)	(514,512)
2022	11,110	(416,959)	(405,849)
2023	13,084	(377,417)	(364,333)
2024	12,762	(363,541)	(350,779)
Thereafter	5,230	(319,237)	(314,007)
	<b>\$ (187,240)</b>	<b>\$ (2,311,068)</b>	<b>\$ (2,498,308)</b>

***Actuarial Assumptions - SERS***

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018. The actuarial assumptions used in the valuation are based on results from the most recent actuarial experience study, which covered the five-year period ending June 30, 2015. The experience study report is dated April 2016. The total OPEB liability used the following assumptions and other inputs:

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Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Municipal Bond Index Rate	
Measurement Date	3.62 percent
Prior Measurement Date	3.56 percent
Single Equivalent Interest Rate	
Measurement Date	3.70 percent, net of plan investment expense, including price inflation
Prior Measurement Date	3.63 percent, net of plan investment expense, including price inflation
Health Care Cost Trend Rate	
Medicare	5.375 percent - 4.75 percent
Pre-Medicare	7.25 percent - 4.75 percent

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 long-term expected rate of return on plan 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 long-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:

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

**West Geauga Local School District**  
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*Notes to the Basic Financial Statements*  
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**Discount Rate** The discount rate used to measure the total OPEB liability at June 30, 2018 was 3.70 percent. The discount rate used to measure total OPEB liability prior to June 30, 2018 was 3.63 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 contribution rate of 2.00 percent of projected covered 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, 2026. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2025 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.62 percent, as of June 30, 2018 (i.e., municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

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

	1% Decrease	Current Discount Rate	1% Increase								
School District's Proportionate Share of the Net OPEB Liability	\$ 3,750,164	\$ 3,090,570	\$ 2,568,296								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"></th> <th style="width: 15%; text-align: center; border-bottom: 1px solid black;">1% Decrease</th> <th style="width: 20%; text-align: center; border-bottom: 1px solid black;">Current Trend Rate</th> <th style="width: 25%; text-align: center; border-bottom: 1px solid black;">1% Increase</th> </tr> </thead> <tbody> <tr> <td style="padding-left: 20px;">School District's Proportionate Share of the Net OPEB Liability</td> <td style="text-align: right;">\$ 2,493,523</td> <td style="text-align: right;">\$ 3,090,570</td> <td style="text-align: right;">\$ 3,881,168</td> </tr> </tbody> </table>					1% Decrease	Current Trend Rate	1% Increase	School District's Proportionate Share of the Net OPEB Liability	\$ 2,493,523	\$ 3,090,570	\$ 3,881,168
	1% Decrease	Current Trend Rate	1% Increase								
School District's Proportionate Share of the Net OPEB Liability	\$ 2,493,523	\$ 3,090,570	\$ 3,881,168								

**Actuarial Assumptions – STRS**

**Assumption Changes Since the Prior Measurement Date** Since the prior measurement date, the discount rate was increased from 3.63% to 3.70% and the healthcare cost trend rate was updated from 7.5% decreasing to 5.0% to 7.25% decreasing to 4.75%.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2018, actuarial valuation are presented below:

Inflation	2.50 percent
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent
Health Care Cost Trend Rates	-5.23 percent to 9.62 percent, initial, 4.00 percent ultimate

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*For the Fiscal Year Ended June 30, 2019*

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

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

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 %	

\*Target weights will be phased in over a 24-month period concluding on July 1, 2019.

\*\*Ten year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent 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 OPEB liability was 7.45 percent as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2018. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2018.

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***Sensitivity of the School District's Proportionate Share of the Net OPEB Asset/Liability to Changes in the Discount and Health Care Cost Trend Rate*** The following table represents the net OPEB asset/liability as of June 30, 2018, calculated using the current period discount rate assumption of 7.45 percent, as well as what the net OPEB asset/liability would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption. Also shown is the net OPEB liability as of June 30, 2018, 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	Current Discount Rate	1% Increase
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (1,306,274)	\$ (1,524,073)	\$ (1,707,124)
	1% Decrease	Current Trend Rate	1% Increase
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (1,696,790)	\$ (1,524,073)	\$ (1,348,666)

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

***Benefit Term Changes Since the Prior Measurement Date*** The subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

**Note 13 - Long - Term Obligations**

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

	Outstanding 6/30/18	Additions	Reductions	Outstanding 6/30/19	Amounts Due in One Year
<b>Governmental Activities:</b>					
General Obligation Bonds:					
2005 Various Improvement Bonds	\$ 305,000	\$ 0	\$ 150,000	\$ 155,000	\$ 155,000
Net Pension Liability	28,818,370	0	1,636,804	27,181,566	0
Net OPEB Liability	6,567,829	0	3,477,259	3,090,570	0
Compensated Absences	1,917,980	100,102	162,934	1,855,148	175,940
Total Governmental Activities					
Long-Term Liabilities	\$37,609,179	\$ 100,102	\$ 5,426,997	\$32,282,284	\$ 330,940



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*2005 Various Purpose Improvement Bonds*

In fiscal year 2005, the School District issued \$2,275,000 in various purpose improvement bonds with a varying interest rate of 3.00-5.25 percent. A portion of the bond proceeds paid off the various purpose improvement notes issued in fiscal year 2004. The monies will be used as part of the House Bill 264 energy conservation project at the School District. The bonds mature in December 2019.

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid, which is primarily the general fund. There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund. For additional information related to the net pension liability and net OPEB liability see Notes 11 and 12.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2019 are as follows:

Fiscal Year Ending June 30,	Serial Bonds	
	Principal	Interest
2020	\$ 155,000	\$ 3,100

**Note 14 - Jointly Governed Organizations**

***Lake Geauga Computer Association***

The Lake Geauga Computer Association (LGCA) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its twenty member school districts. Each of the districts supports LGCA based upon a per pupil charge. The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA's continued existence is not dependent on the School District's continued participation. The School District paid \$111,535 to LGCA during fiscal year 2019. Financial information can be obtained from Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

***Ohio Schools Council***

The Ohio Schools Council Association (Council) is a jointly governed organization among school districts. The jointly governed organization was formed to bring quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2019, the School District paid \$1,602 in participation fees to the Council. Financial information can be obtained by contacting Dr. William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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***West Geauga Community Joint Recreation District***

The West Geauga Community Joint Recreation District (the Recreation District) is a jointly governed organization. The Board is comprised of nine members: Chester Township, Russell township and the West Geauga School Board of Education each appoint three trustees. The mission of this board is to acquire and develop land to meet recreational needs of the West Geauga Community.

The School District contributed \$5,000 to the Recreation Council for needed field upgrades in fiscal year 2019. The School District's degree of control is limited to its representation on the board. To obtain financial information, write to West Geauga Joint Recreational District, P.O. Box 384, Chesterland, Ohio 44026.

**Note 15 – Contingencies and Significant Commitments**

***Grants***

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2019, if applicable, cannot be determined at this time.

***Litigation***

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

***School Foundation***

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 2019 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2019 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

***Encumbrance Commitments***

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the School District's commitments for encumbrances in the general and other governmental funds were \$54,777 and \$218,898, respectively.

**West Geauga Local School District**  
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*Notes to the Basic Financial Statements*  
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***Contractual Commitments***

As of June 30, 2019, the School District had an outstanding contractual commitment in the amount of \$135,000 for an HVAC upgrade.

Based on timing of when contracts are encumbered, the contractual commitment identified above may or may not be included in the outstanding encumbrance commitments disclosed in this note.

**Note 16 - Interfund Activity**

***Transfers***

During the year, the general fund transferred \$15,000 to the food service fund to cover deficits. The debt service fund transferred \$21,515 of funds remaining, after library bonds were paid off, to the permanent improvement fund.

***Advances***

The general fund advanced \$13,000 to the Title I fund, \$2,500 to the classroom reduction fund and \$7,500 to the miscellaneous grants fund to cover expenditures until expected revenues were received. The loans will be repaid in fiscal year 2020 with monies to be received from reimbursable expenditures incurred during fiscal year 2019.

**Note 17 - Set-Asides**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for 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 capital improvement. Disclosure of this information is required by State statute.

	Capital Improvement Reserve
Set Aside Restricted Balance June 30, 2018	\$ 0
Current Year Set-Aside Requirement	326,300
Current Year Offsets	(648,436)
Total	\$ (322,136)
Balance Carried Forward to Fiscal Year 2020	\$ 0
Set Aside Balance June 30, 2019	\$ 0

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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Although the School District had offsets during the fiscal year that reduced the set-aside amount to below zero, this amount may not be used to reduce the set aside requirement for future years. The negative balance is, therefore, not presented as being carried forward to future years.

**Note 18 – Subsequent Event**

At the request of the Newbury Local School District (Newbury Local Schools) and West Geauga Boards of Education, the Geauga County Education Service Center (GCESC) passed a resolution on August 20, 2019, proposing the transfer of territory of Newbury Local Schools to West Geauga. On October 1, 2019, it passed a second resolution establishing the effective date of the transfer as June 30, 2020. On November 4, 2019, the West Geauga Board of Education voted to accept the territory transfer.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the Net Pension Liability*  
*Last Six Fiscal Years (1)*

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b><i>School Employees Retirement System (SERS)</i></b>						
School District's Proportion of the Net Pension Liability	0.11047540%	0.10541980%	0.11110570%	0.11024690%	0.10642500%	0.10642500%
School District's Proportionate Share of the Net Pension Liability	\$ 6,327,131	\$ 6,298,600	\$ 8,131,912	\$ 6,290,795	\$ 5,386,109	\$ 6,328,753
School District's Covered Payroll	\$ 3,578,956	\$ 3,513,014	\$ 3,152,586	\$ 3,398,961	\$ 3,259,957	\$ 3,588,013
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	176.79%	179.29%	257.94%	185.08%	165.22%	176.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.36%	69.50%	62.98%	69.16%	71.70%	65.52%
<b><i>State Teachers Retirement System (STRS)</i></b>						
School District's Proportion of the Net Pension Liability	0.09484568%	0.09479927%	0.09875616%	0.10189343%	0.09969351%	0.09969351%
School District's Proportionate Share of the Net Pension Liability	\$ 20,854,435	\$ 22,519,770	\$ 33,056,664	\$ 28,160,364	\$ 24,248,912	\$ 28,885,145
School District's Covered Payroll	\$ 10,859,829	\$ 10,404,921	\$ 10,775,864	\$ 10,641,714	\$ 10,444,169	\$ 11,276,062
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	192.03%	216.43%	306.77%	264.62%	232.18%	256.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.31%	75.30%	66.80%	72.10%	74.70%	69.30%

(1) Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Contributions - Pension*  
*Last Ten Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><i>School Employees Retirement System (SERS)</i></b>				
Contractually Required Contribution	\$ 474,104	\$ 483,159	\$ 491,822	\$ 441,362
Contributions in Relation to the Contractually Required Contribution	<u>(474,104)</u>	<u>(483,159)</u>	<u>(491,822)</u>	<u>(441,362)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 3,511,881	\$ 3,578,956	\$ 3,513,014	\$ 3,152,586
Pension Contributions as a Percentage of Covered Payroll	13.50%	13.50%	14.00%	14.00%
<b><i>State Teachers Retirement System (STRS)</i></b>				
Contractually Required Contribution	\$ 1,582,958	\$ 1,520,376	\$ 1,456,689	\$ 1,508,621
Contributions in Relation to the Contractually Required Contribution	<u>(1,582,958)</u>	<u>(1,520,376)</u>	<u>(1,456,689)</u>	<u>(1,508,621)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 11,306,843	\$ 10,859,829	\$ 10,404,921	\$ 10,775,864
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 447,983	\$ 451,830	\$ 496,581	\$ 569,450	\$ 431,523	\$ 538,807
<u>(447,983)</u>	<u>(451,830)</u>	<u>(496,581)</u>	<u>(569,450)</u>	<u>(431,523)</u>	<u>(538,807)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 3,398,961	\$ 3,259,957	\$ 3,588,013	\$ 4,233,829	\$ 3,432,959	\$ 3,979,372
13.18%	13.86%	13.84%	13.45%	12.57%	13.54%
\$ 1,489,840	\$ 1,357,742	\$ 1,465,888	\$ 1,411,995	\$ 1,415,455	\$ 1,449,210
<u>(1,489,840)</u>	<u>(1,357,742)</u>	<u>(1,465,888)</u>	<u>(1,411,995)</u>	<u>(1,415,455)</u>	<u>(1,449,210)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 10,641,714	\$ 10,444,169	\$ 11,276,062	\$ 10,861,500	\$ 10,888,115	\$ 11,147,769
14.00%	13.00%	13.00%	13.00%	13.00%	13.00%

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**West Geauga Local School District**  
**Geauga County, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the Net OPEB Liability/(Asset)*  
*Last Three Fiscal Years (1)*

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b><i>School Employees Retirement System (SERS)</i></b>			
School District's Proportion of the Net OPEB Liability	0.11140120%	0.10690730%	0.11245334%
School District's Proportionate Share of the Net OPEB Liability	\$ 3,090,570	\$ 2,869,111	\$ 3,205,336
School District's Covered Payroll	\$ 3,578,956	\$ 3,513,014	\$ 3,152,586
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	86.35%	81.67%	101.67%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	13.57%	12.46%	11.49%
<b><i>State Teachers Retirement System (STRS)</i></b>			
School District's Proportion of the Net OPEB Liability/(Asset)	0.09484568%	0.09479927%	0.09875616%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (1,524,073)	\$ 3,698,718	\$ 5,281,505
School District's Covered Payroll	\$ 10,859,829	\$ 10,404,921	\$ 10,775,864
School District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	-14.03%	35.55%	49.01%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	176.00%	47.10%	37.30%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Contributions - OPEB*  
*Last Ten Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><i>School Employees Retirement System (SERS)</i></b>				
Contractually Required Contribution (1)	\$ 74,525	\$ 75,076	\$ 57,946	\$ 56,301
Contributions in Relation to the Contractually Required Contribution	<u>(74,525)</u>	<u>(75,076)</u>	<u>(57,946)</u>	<u>(56,301)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 3,511,881	\$ 3,578,956	\$ 3,513,014	\$ 3,152,586
OPEB Contributions as a Percentage of Covered Payroll (1)	2.12%	2.10%	1.65%	1.79%
<b><i>State Teachers Retirement System (STRS)</i></b>				
Contractually Required Contribution	\$ 0	\$ 0	\$ 0	\$ 0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 11,306,843	\$ 10,859,829	\$ 10,404,921	\$ 10,775,864
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) Includes surcharge

See accompanying notes to the required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 85,267	\$ 57,892	\$ 54,090	\$ 76,211	\$ 108,027	\$ 69,687
<u>(85,267)</u>	<u>(57,892)</u>	<u>(54,090)</u>	<u>(76,211)</u>	<u>(108,027)</u>	<u>(69,687)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 3,398,961	\$ 3,259,957	\$ 3,588,013	\$ 4,233,829	\$ 3,432,959	\$ 3,979,372
2.51%	1.78%	1.51%	1.80%	3.15%	1.75%
\$ 0	\$ 104,442	\$ 112,761	\$ 108,615	\$ 108,881	\$ 111,478
<u>0</u>	<u>(104,442)</u>	<u>(112,761)</u>	<u>(108,615)</u>	<u>(108,881)</u>	<u>(111,478)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 10,641,714	\$ 10,444,169	\$ 11,276,062	\$ 10,861,500	\$ 10,888,115	\$ 11,147,769
0.00%	1.00%	1.00%	1.00%	1.00%	1.00%

**West Geauga Local School District**  
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*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2019*

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**Note 1 - Net Pension Liability**

***Changes in Assumptions - SERS***

For fiscal year 2017, the SERS Board adopted the following assumption changes:

- Assumed rate of inflation was reduced from 3.25 percent to 3.00 percent
- Payroll Growth Assumption was reduced from 4.00 percent to 3.50 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.50 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females.
- Mortality among service retired members, and beneficiaries was updated to RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates.
- Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

***Changes in Benefit Terms - SERS***

For fiscal year 2018, the cost-of-living adjustment was changed from a fixed 3.00 percent to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.50 percent with a floor of zero percent 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.

***Changes in Assumptions – STRS***

For fiscal year 2018, the Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75 percent to 7.45 percent, the inflation assumption was lowered from 2.75 percent to 2.50 percent, the payroll growth assumption was lowered to 3.00 percent, 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 percent 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 - STRS***

For fiscal year 2018, the cost-of-living adjustment (COLA) was reduced to zero.

**Note 2 - Net OPEB Asset/Liability**

***Changes in Assumptions – SERS***

Amounts reported for fiscal year 2019 incorporate changes in key methods and assumptions used in calculating the total OPEB liability. The Municipal Bond Index Rate increased from 3.56 percent to 3.62

**West Geauga Local School District**  
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*For the Fiscal Year Ended June 30, 2019*

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percent. Single Equivalent Interest Rate, net of plan investment expense, including price inflation, increased from 3.63 percent to 3.70 percent. The health care cost trend assumptions changed as follows:

Pre-Medicare

Fiscal year 2018	7.50 percent initially, decreasing to 4.00 percent
Fiscal year 2019	7.25 percent initially, decreasing to 4.75 percent

Medicare

Fiscal year 2018	5.50 percent initially, decreasing to 5.00 percent
Fiscal year 2019	5.375 percent initially, decreasing to 4.75 percent

Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability. The Municipal Bond Index Rate increased from 2.92 percent to 3.56 percent. Single Equivalent Interest Rate, net of plan investment expense, including price inflation, increased from 2.98 percent to 3.63 percent.

***Changes in Benefit Terms - SERS***

There have been no changes to the benefit provisions.

***Changes in Assumptions – STRS***

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45 percent. Valuation year per capita health care costs were updated. Health care cost trend rates ranged from 6.00 percent to 11 percent initially and a 4.50 percent ultimate rate for fiscal year 2018 and changed for fiscal year 2019 to a range of -5.20 percent to 9.60 percent, initially and a 4.00 ultimate rate.

For fiscal year 2018, the blended discount rate was increased from 3.26 percent to 4.13 percent. 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.

***Changes in Benefit Terms – STRS***

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent 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. This was subsequently extended, see above paragraph.

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

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**West Geauga Local School District**  
**Geauga County, Ohio**  
*Combining Statements – Nonmajor Funds*

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***Nonmajor Special Revenue Funds***

The Special Revenue Funds are used to account for the proceeds of specific sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. With the implementation of GASB No. 54, the uniform school supplies, adult education, rotary, public school support and other grants special revenue funds have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budgets. As a result, an Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for these funds. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

***Food Service Fund*** To account for all revenues and expenditures related to the provision of food services, including breakfast and lunch, for the School District students and staff.

***Special Trust Fund*** This fund accounts for monies from local donations for the purpose of scholarships for students.

***Education Foundation Fund*** This fund accounts for local monies received for specific grant requests made by staff members to the Educational Foundation.

***District Managed Activities Fund*** This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program and transportation of the band to and from athletic events.

***Auxiliary Services Fund*** This fund accounts for State monies used to provide services and materials for pupils attending non-public schools within the School District.

***Data Communications Fund*** This fund accounts for State monies appropriated for Ohio Educational Computer Network Connections.

***Miscellaneous State Grants Fund*** This fund accounts for other State Grants which are not required to be accounted for in a separate fund.

***Title VI-B Fund*** This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

***Title III Limited English Proficiency Fund*** To account for funds used to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. These programs provide structured English language instruction, with respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction must incorporate the cultural heritage of these children and of other children in American society. The instruction must be, to the extent necessary, in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

**West Geauga Local School District**  
**Gauga County, Ohio**  
*Combining Statements – Nonmajor Funds*

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***Nonmajor Special Revenue Funds (continued)***

***Title I Fund*** To account for federal funds for services provided to meet special educational needs of educationally deprived children.

***Classroom Reduction Fund*** This fund accounts for Federal monies to hire additional classroom teachers in grades 1-3, so that the number of students per teacher will be reduced.

***Miscellaneous Federal Grants Fund*** This fund accounts for other Federal Grants which are not required to be accounted for in a separate fund.

***Uniform School Supplies Fund*** To account for the purchase and sale of school supplies as adopted by the Board of Education for resale to students of the School District.

***Adult Education Fund*** This fund accounts for transactions made in connection with adult education classes.

***Rotary Fund*** This fund accounts for monies from local sources which provides for field trips for the students.

***Public School Support Fund*** This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs.

***Other Grants Fund*** This fund accounts for monies received to promote community involvement and to support activities between the School District and community.

**West Geauga Local School District**  
**Gauga County, Ohio**  
*Combining Statements – Nonmajor Funds*

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***Nonmajor Capital Project Fund***

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

***Permanent Improvement Fund*** The permanent improvement fund accounts for property taxes levied to be used for various capital improvements within the School District.

***SchoolNet Fund*** To account for State monies to be used to provide wiring to all classrooms that supports the transmission of voice, video and data, and to provide a computer workstation and related technology for every classroom.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2019*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 374,258	\$ 2,350,284	\$ 2,724,542
Receivables:			
Intergovernmental	171,340	0	171,340
Property Taxes	0	588,885	588,885
Prepaid Items	8,895	0	8,895
<i>Total Assets</i>	<u>\$ 554,493</u>	<u>\$ 2,939,169</u>	<u>\$ 3,493,662</u>
<b>Liabilities</b>			
Accounts Payable	\$ 35,269	\$ 33,864	\$ 69,133
Accrued Wages and Benefits	39,632	0	39,632
Contracts Payable	0	38,000	38,000
Intergovernmental Payable	16,484	0	16,484
Interfund Payable	23,000	0	23,000
<i>Total Liabilities</i>	<u>114,385</u>	<u>71,864</u>	<u>186,249</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	0	450,104	450,104
Unavailable Revenue - Delinquent Property Taxes	0	8,981	8,981
Unavailable Revenue - Other	159,161	0	159,161
<i>Total Deferred Inflows of Resources</i>	<u>159,161</u>	<u>459,085</u>	<u>618,246</u>
<b>Fund Balances (Deficit)</b>			
Nonspendable	8,895	0	8,895
Restricted	291,689	1,505,852	1,797,541
Committed	0	902,368	902,368
Unassigned (Deficit)	(19,637)	0	(19,637)
<i>Total Fund Balances</i>	<u>280,947</u>	<u>2,408,220</u>	<u>2,689,167</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 554,493</u>	<u>\$ 2,939,169</u>	<u>\$ 3,493,662</u>

**West Geauga Local School District**  
**Geauga County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2019*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Property and Other Local Taxes	\$ 0	\$ 570,058	\$ 570,058
Intergovernmental	752,742	85,584	838,326
Investment Income	3,024	0	3,024
Extracurricular Activities	184,663	0	184,663
Charges for Services	346,936	0	346,936
Contributions and Donations	65,613	0	65,613
Miscellaneous	694	0	694
<i>Total Revenues</i>	<u>1,353,672</u>	<u>655,642</u>	<u>2,009,314</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	48,531	0	48,531
Special	220,981	0	220,981
Other	60,728	0	60,728
Support Services:			
Pupils	115,362	0	115,362
Instructional Staff	69,063	76,105	145,168
Administration	2,688	0	2,688
Fiscal	0	9,090	9,090
Operation and Maintenance of Plant	14,310	411,672	425,982
Pupil Transportation	0	160,454	160,454
Central	26,300	0	26,300
Extracurricular Activities	189,622	0	189,622
Operation of Non-Instructional Services:			
Food Service Operations	422,765	0	422,765
Community Services	207,592	0	207,592
Capital Outlay	0	598,056	598,056
<i>Total Expenditures</i>	<u>1,377,942</u>	<u>1,255,377</u>	<u>2,633,319</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(24,270)	(599,735)	(624,005)
<b>Other Financing Sources (Uses):</b>			
Transfers In	15,000	21,515	36,515
<i>Net Change in Fund Balance</i>	(9,270)	(578,220)	(587,490)
<i>Fund Balance at Beginning of Year</i>	<u>290,217</u>	<u>2,986,440</u>	<u>3,276,657</u>
<i>Fund Balance at End of Year</i>	<u>\$ 280,947</u>	<u>\$ 2,408,220</u>	<u>\$ 2,689,167</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2019*

	Food Service Fund	Special Trust Fund	Education Foundation Fund	District Managed Activities Fund
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 94,624	\$ 91,997	\$ 14,432	\$ 115,251
Intergovernmental Receivable	0	0	0	0
Prepaid Items	3,177	0	0	0
<i>Total Assets</i>	<u>\$ 97,801</u>	<u>\$ 91,997</u>	<u>\$ 14,432</u>	<u>\$ 115,251</u>
<b>Liabilities</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 5,295
Accrued Wages and Benefits	17,431	0	0	0
Intergovernmental Payable	11,081	0	0	0
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>28,512</u>	<u>0</u>	<u>0</u>	<u>5,295</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Other	0	0	0	0
<b>Fund Balances (Deficit)</b>				
Nonspendable	3,177	0	0	0
Restricted	66,112	91,997	14,432	109,956
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>69,289</u>	<u>91,997</u>	<u>14,432</u>	<u>109,956</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 97,801</u>	<u>\$ 91,997</u>	<u>\$ 14,432</u>	<u>\$ 115,251</u>

*(continued)*

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2019*

	Auxiliary Services Fund	Data Communications Fund	Miscellaneous State Grants Fund	Title VI-B Fund
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,540	\$ 1,000	\$ 42	\$ 20,568
Intergovernmental Receivable	0	0	0	87,263
Prepaid Items	0	0	0	5,486
<i>Total Assets</i>	<u>\$ 2,540</u>	<u>\$ 1,000</u>	<u>\$ 42</u>	<u>\$ 113,317</u>
<b>Liabilities</b>				
Accounts Payable	\$ 1,760	\$ 0	\$ 0	\$ 8,931
Accrued Wages and Benefits	0	0	0	17,194
Intergovernmental Payable	1,269	0	0	3,361
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>3,029</u>	<u>0</u>	<u>0</u>	<u>29,486</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Other	0	0	0	87,263
<b>Fund Balances (Deficit)</b>				
Nonspendable	0	0	0	5,486
Restricted	0	1,000	42	0
Unassigned (Deficit)	(489)	0	0	(8,918)
<i>Total Fund Balances (Deficit)</i>	<u>(489)</u>	<u>1,000</u>	<u>42</u>	<u>(3,432)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 2,540</u>	<u>\$ 1,000</u>	<u>\$ 42</u>	<u>\$ 113,317</u>

*(continued)*

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2019*

	Title III Limited English Proficiency Fund	Title I Fund	Classroom Reduction Fund	Miscellaneous Federal Grants Fund	Total Nonmajor Special Revenue Funds
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 8,150	\$ 15,880	\$ 2,274	\$ 7,500	\$ 374,258
Intergovernmental Receivable	0	50,503	25,827	7,747	171,340
Prepaid Items	0	232	0	0	8,895
<i>Total Assets</i>	<u>\$ 8,150</u>	<u>\$ 66,615</u>	<u>\$ 28,101</u>	<u>\$ 15,247</u>	<u>\$ 554,493</u>
<b>Liabilities:</b>					
Accounts Payable	\$ 0	\$ 11,604	\$ 1,931	\$ 5,748	\$ 35,269
Accrued Wages and Benefits	0	5,007	0	0	39,632
Intergovernmental Payable	0	773	0	0	16,484
Interfund Payable	0	13,000	2,500	7,500	23,000
<i>Total Liabilities</i>	<u>0</u>	<u>30,384</u>	<u>4,431</u>	<u>13,248</u>	<u>114,385</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Other	0	45,080	24,819	1,999	159,161
<b>Fund Balances (Deficit)</b>					
Nonspendable	0	232	0	0	8,895
Restricted	8,150	0	0	0	291,689
Unassigned (Deficit)	0	(9,081)	(1,149)	0	(19,637)
<i>Total Fund Balances (Deficit)</i>	<u>8,150</u>	<u>(8,849)</u>	<u>(1,149)</u>	<u>0</u>	<u>280,947</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 8,150</u>	<u>\$ 66,615</u>	<u>\$ 28,101</u>	<u>\$ 15,247</u>	<u>\$ 554,493</u>



**West Geauga Local School District**  
**Geauga County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2019*

	Food Service Fund	Special Trust Fund	Education Foundation Fund	District Managed Activities Fund
<b>Revenues:</b>				
Intergovernmental	\$ 119,143	\$ 0	\$ 0	\$ 0
Investment Income	1,148	1,165	0	0
Extracurricular Activities	0	0	0	184,663
Charges for Services	346,936	0	0	0
Contributions and Donations	0	42,163	22,146	1,304
Miscellaneous	460	0	0	0
<i>Total Revenues</i>	<u>467,687</u>	<u>43,328</u>	<u>22,146</u>	<u>185,967</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	13,515	22,068	0
Special	0	0	0	0
Other	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	600	0	0
Administration	0	0	0	0
Operation and Maintenance of Plant	3,982	0	0	0
Central	0	0	0	0
Extracurricular Activities	0	0	0	189,622
Operation of Non-Instructional Services:				
Food Service Operations	422,765	0	0	0
Community Services	0	4,864	0	0
<i>Total Expenditures</i>	<u>426,747</u>	<u>18,979</u>	<u>22,068</u>	<u>189,622</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	40,940	24,349	78	(3,655)
<b>Other Financing Sources (Uses):</b>				
Transfers In	15,000	0	0	0
<i>Net Change in Fund Balance</i>	55,940	24,349	78	(3,655)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>13,349</u>	<u>67,648</u>	<u>14,354</u>	<u>113,611</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 69,289</u>	<u>\$ 91,997</u>	<u>\$ 14,432</u>	<u>\$ 109,956</u>

*(continued)*

**West Geauga Local School District**  
**Geauga County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2019*

	Auxiliary Services Fund	Data Communications Fund	Miscellaneous State Grants Fund	Title VI-B Fund
<b>Revenues:</b>				
Intergovernmental	\$ 139,401	\$ 7,200	\$ 10,328	\$ 340,904
Investment Income	711	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>140,112</u>	<u>7,200</u>	<u>10,328</u>	<u>340,904</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	0	0	0
Special	0	0	0	220,981
Other	0	0	0	0
Support Services:				
Pupils	0	0	0	115,362
Instructional Staff	0	3,600	0	1,700
Administration	0	0	0	2,688
Operation and Maintenance of Plant	0	0	10,328	0
Central	0	26,300	0	0
Extracurricular Activities	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	166,423	0	0	26,162
<i>Total Expenditures</i>	<u>166,423</u>	<u>29,900</u>	<u>10,328</u>	<u>366,893</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(26,311)	(22,700)	0	(25,989)
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	(26,311)	(22,700)	0	(25,989)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>25,822</u>	<u>23,700</u>	<u>42</u>	<u>22,557</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ (489)</u>	<u>\$ 1,000</u>	<u>\$ 42</u>	<u>\$ (3,432)</u>

*(continued)*

**West Geauga Local School District**  
**Gauga County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2019*

	Title III Limited English Proficiency Fund	Title I Fund	Classroom Reduction Fund	Miscellaneous Federal Grants Fund	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>					
Intergovernmental	\$ 0	\$ 84,888	\$ 36,579	\$ 14,299	\$ 752,742
Investment Income	0	0	0	0	3,024
Extracurricular Activities	0	0	0	0	184,663
Charges for Services	0	0	0	0	346,936
Contributions and Donations	0	0	0	0	65,613
Miscellaneous	0	234	0	0	694
<i>Total Revenues</i>	<u>0</u>	<u>85,122</u>	<u>36,579</u>	<u>14,299</u>	<u>1,353,672</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	0	0	0	12,948	48,531
Special	0	0	0	0	220,981
Other	0	60,728	0	0	60,728
Support Services:					
Pupils	0	0	0	0	115,362
Instructional Staff	0	30,249	32,914	0	69,063
Administration	0	0	0	0	2,688
Operation and Maintenance of Plant	0	0	0	0	14,310
Central	0	0	0	0	26,300
Extracurricular Activities	0	0	0	0	189,622
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	0	422,765
Community Services	0	5,000	3,792	1,351	207,592
<i>Total Expenditures</i>	<u>0</u>	<u>95,977</u>	<u>36,706</u>	<u>14,299</u>	<u>1,377,942</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(10,855)	(127)	0	(24,270)
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	0	15,000
<i>Net Change in Fund Balance</i>	0	(10,855)	(127)	0	(9,270)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>8,150</u>	<u>2,006</u>	<u>(1,022)</u>	<u>0</u>	<u>290,217</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 8,150</u>	<u>\$ (8,849)</u>	<u>\$ (1,149)</u>	<u>\$ 0</u>	<u>\$ 280,947</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2019*

	Permanent Improvement Fund	Schoolnet Fund	Total Nonmajor Capital Projects Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 2,349,312	\$ 972	\$ 2,350,284
Property Taxes Receivable	588,885	0	588,885
<i>Total Assets</i>	<u>\$ 2,938,197</u>	<u>\$ 972</u>	<u>\$ 2,939,169</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 33,864	\$ 0	\$ 33,864
Contracts Payable	38,000	0	38,000
<i>Total Liabilities</i>	<u>71,864</u>	<u>0</u>	<u>71,864</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	450,104		450,104
Unavailable Revenue - Delinquent Property Taxes	8,981		8,981
<i>Total Deferred Inflows of Resources</i>	<u>459,085</u>	<u>0</u>	<u>459,085</u>
<b>Fund Balances</b>			
Restricted	1,504,880	972	1,505,852
Committed	902,368	0	902,368
<i>Total Fund Balances</i>	<u>2,407,248</u>	<u>972</u>	<u>2,408,220</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 2,938,197</u>	<u>\$ 972</u>	<u>\$ 2,939,169</u>

**West Geauga Local School District**  
**Geauga County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2019*

	Permanent Improvement Fund	Schoolnet Fund	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>			
Property and Other Local Taxes	\$ 570,058	\$ 0	\$ 570,058
Intergovernmental	85,584	0	85,584
<i>Total Revenues</i>	<u>655,642</u>	<u>0</u>	<u>655,642</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Instructional Staff	76,105	0	76,105
Fiscal	9,090	0	9,090
Operation and Maintenance of Plant	411,672	0	411,672
Pupil Transportation	160,454	0	160,454
Capital Outlay	598,056	0	598,056
<i>Total Expenditures</i>	<u>1,255,377</u>	<u>0</u>	<u>1,255,377</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(599,735)	0	(599,735)
<b>Other Financing Sources (Uses):</b>			
Transfers In	21,515	0	21,515
<i>Net Change in Fund Balance</i>	(578,220)	0	(578,220)
<i>Fund Balance at Beginning of Year</i>	<u>2,985,468</u>	<u>972</u>	<u>2,986,440</u>
<i>Fund Balance at End of Year</i>	<u>\$ 2,407,248</u>	<u>\$ 972</u>	<u>\$ 2,408,220</u>

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***GOVERNMENTAL FUNDS***

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

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Property and Other Local Taxes	\$ 17,522,078	\$ 17,522,078	\$ 0
Intergovernmental	6,446,627	6,447,986	1,359
Investment Income	440,208	448,747	8,539
Tuition and Fees	1,333,313	1,333,313	0
Extracurricular Activities	45,733	45,733	0
Rentals	13,240	13,868	628
Charges for Services	5,576	5,576	0
Gifts and Donations	2,000	2,000	0
Miscellaneous	7,951	7,968	17
<i>Total Revenues</i>	<u>25,816,726</u>	<u>25,827,269</u>	<u>10,543</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	10,765,660	10,730,594	35,066
Special	4,263,565	3,996,366	267,199
Vocational	563,793	562,860	933
Student Intervention Services	2,192	1,101	1,091
Other	263,993	255,412	8,581
Support Services:			
Pupils	1,432,636	1,414,952	17,684
Instructional Staff	906,179	892,604	13,575
Board of Education	185,827	181,533	4,294
Administration	2,187,037	2,094,289	92,748
Fiscal	834,350	792,054	42,296
Business	185,230	168,639	16,591
Operation and Maintenance of Plant	2,200,742	2,133,221	67,521
Pupil Transportation	1,524,926	1,478,102	46,824
Central	51,000	49,193	1,807
Extracurricular Activities	669,016	627,540	41,476
Capital Outlay	63	0	63
<i>Total Expenditures</i>	<u>26,036,209</u>	<u>25,378,460</u>	<u>657,749</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(219,483)</u>	<u>448,809</u>	<u>668,292</u>
<b>Other Financing Sources (Uses):</b>			
Proceeds from Sale of Assets	31,199	31,199	0
Insurance Recoveries	18,254	18,254	0
Refund of Prior Year Expenditures	58,574	58,774	200
Refund of Prior Year Receipts	(2,000)	0	2,000
Advances In	5,000	5,000	0
Advances Out	(23,000)	(23,000)	0
Transfers Out	(15,000)	(15,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>73,027</u>	<u>75,227</u>	<u>2,200</u>
<i>Net Change in Fund Balance</i>	(146,456)	524,036	670,492
<i>Fund Balance at Beginning of Year</i>	15,167,676	15,167,676	0
Prior Year Encumbrances Appropriated	285,194	285,194	0
<i>Fund Balance at End of Year</i>	<u>\$ 15,306,414</u>	<u>\$ 15,976,906</u>	<u>\$ 670,492</u>



**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Debt Service Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Property and Other Local Taxes	\$ 159,199	\$ 159,199	\$ 0
<b>Expenditures:</b>			
Debt Service:			
Principal Retirement	150,000	150,000	0
Interest and Fiscal Charges	9,200	9,200	0
<i>Total Expenditures</i>	159,200	159,200	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(1)	(1)	0
<b>Other Financing Sources (Uses):</b>			
Transfers Out	(21,515)	(21,515)	0
<i>Net Change in Fund Balance</i>	(21,516)	(21,516)	0
<i>Fund Balance at Beginning of Year</i>	21,516	21,516	0
<i>Fund Balance at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 85,363	\$ 85,363	\$ 0
Interest	686	1,148	462
Charges for Services	347,250	347,396	146
<i>Total Revenues</i>	<u>433,299</u>	<u>433,907</u>	<u>608</u>
<b>Expenditures:</b>			
Current:			
Support Services			
Operation and Maintenance of Plant	5,017	3,982	1,035
Operation of Non-Instructional Services:			
Food Service Operations	426,172	397,138	29,034
<i>Total Expenditures</i>	<u>431,189</u>	<u>401,120</u>	<u>30,069</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	2,110	32,787	30,677
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	460	460	0
Transfers In	15,000	15,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>15,460</u>	<u>15,460</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	17,570	48,247	30,677
<i>Fund Balance at Beginning of Year</i>	46,181	46,181	0
Prior Year Encumbrances Appropriated	200	200	0
<i>Fund Balance at End of Year</i>	<u>\$ 63,951</u>	<u>\$ 94,628</u>	<u>\$ 30,677</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Special Trust Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Investment Income	\$ 759	\$ 1,165	\$ 406
Gifts and Donations	42,156	42,163	7
<i>Total Revenues</i>	<u>42,915</u>	<u>43,328</u>	<u>413</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	13,586	13,515	71
Support Services:			
Instructional Staff	600	600	0
Operation of Non-Instructional Services:			
Community Services	5,064	4,864	200
<i>Total Expenditures</i>	<u>19,250</u>	<u>18,979</u>	<u>271</u>
<i>Net Change in Fund Balance</i>	23,665	24,349	684
<i>Fund Balance at Beginning of Year</i>	67,499	67,499	0
Prior Year Encumbrances Appropriated	150	150	0
<i>Fund Balance at End of Year</i>	<u>\$ 91,314</u>	<u>\$ 91,998</u>	<u>\$ 684</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Education Foundation Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Gifts and Donations	\$ 22,146	\$ 22,146	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	22,400	22,068	332
<i>Net Change in Fund Balance</i>	(254)	78	332
<i>Fund Balance at Beginning of Year</i>	14,356	14,356	0
<i>Fund Balance at End of Year</i>	\$ 14,102	\$ 14,434	\$ 332

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*District Managed Activities Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Extracurricular Activities	\$ 184,663	\$ 184,663	\$ 0
Gifts and Donations	1,064	1,304	240
<i>Total Revenues</i>	<u>185,727</u>	<u>185,967</u>	<u>240</u>
<b>Expenditures:</b>			
Current:			
Extracurricular Activities	202,616	192,509	10,107
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(16,889)</u>	<u>(6,542)</u>	<u>10,347</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	18	18	0
<i>Net Change in Fund Balance</i>	(16,871)	(6,524)	10,347
<i>Fund Balance at Beginning of Year</i>	103,393	103,393	0
Prior Year Encumbrances Appropriated	10,253	10,253	0
<i>Fund Balance at End of Year</i>	<u>\$ 96,775</u>	<u>\$ 107,122</u>	<u>\$ 10,347</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Auxiliary Services Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 139,401	\$ 139,401	\$ 0
Investment Income	625	711	86
<i>Total Revenues</i>	<u>140,026</u>	<u>140,112</u>	<u>86</u>
<b>Expenditures:</b>			
Current:			
Operation of Non-Instructional Services:			
Community Services	172,006	172,006	0
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(31,980)</u>	<u>(31,894)</u>	<u>86</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	7	7	0
<i>Net Change in Fund Balance</i>	(31,973)	(31,887)	86
<i>Fund Balance at Beginning of Year</i>	26,459	26,459	0
Prior Year Encumbrances Appropriated	6,211	6,211	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 697</u>	<u>\$ 783</u>	<u>\$ 86</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Data Communications Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 7,200	\$ 7,200	\$ 0
<b>Expenditures:</b>			
Current:			
Support Services:			
Instructional	3,600	3,600	0
Central	26,300	26,300	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(22,700)	(22,700)	0
<i>Net Change in Fund Balance</i>	(22,700)	(22,700)	0
<i>Fund Balance at Beginning of Year</i>	21,600	21,600	0
Prior Year Encumbrances Appropriated	2,100	2,100	0
<i>Fund Balance at End of Year</i>	\$ 1,000	\$ 1,000	\$ 0

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous State Grants Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 10,328	\$ 10,328	\$ 0
<b>Expenditures:</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant	10,328	10,328	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	41	41	0
<i>Fund Balance at End of Year</i>	\$ 41	\$ 41	\$ 0



**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 371,615	\$ 371,615	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Special	233,075	232,265	810
Support Services:			
Pupils	128,810	127,481	1,329
Instructional Staff	1,700	1,700	0
Administration	1,955	1,955	0
Operation of Non-Instructional Services:			
Community Services	28,084	28,084	0
<i>Total Expenditures</i>	393,624	391,485	2,139
<i>Net Change in Fund Balance</i>	(22,009)	(19,870)	2,139
<i>Fund Balance at Beginning of Year</i>	24,292	24,292	0
Prior Year Encumbrances Appropriated	4,243	4,243	0
<i>Fund Balance at End of Year</i>	\$ 6,526	\$ 8,665	\$ 2,139

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Title III Limited English Proficiency Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
Current:			
Instructional:			
Special	4,124	0	4,124
<i>Net Change in Fund Balance</i>	(4,124)	0	4,124
<i>Fund Balance at Beginning of Year</i>	8,149	8,149	0
<i>Fund Balance at End of Year</i>	\$ 4,025	\$ 8,149	\$ 4,124

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 86,697	\$ 86,697	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	11,681	11,681	0
Special	13,055	13,055	0
Other	56,743	55,096	1,647
Support Services:			
Instructional Staff	20,045	20,045	0
Operation of Non-Instructional Services:			
Community Services	5,000	5,000	0
<i>Total Expenditures</i>	<u>106,524</u>	<u>104,877</u>	<u>1,647</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(19,827)</u>	<u>(18,180)</u>	<u>1,647</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	234	234	0
Advances In	13,000	13,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>13,234</u>	<u>13,234</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(6,593)	(4,946)	1,647
<i>Fund Balance at Beginning of Year</i>	<u>7,749</u>	<u>7,749</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,156</u>	<u>\$ 2,803</u>	<u>\$ 1,647</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Classroom Reduction Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 37,735	\$ 37,735	\$ 0
<b>Expenditures:</b>			
Current:			
Support Services:			
Instructional Staff	36,362	36,362	0
Operation of Non-Instructional Services:			
Community Services	3,792	3,792	0
<i>Total Expenditures</i>	40,154	40,154	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,419)	(2,419)	0
<b>Other Financing Sources (Uses):</b>			
Advances In	2,500	2,500	0
Advances Out	(5,000)	(5,000)	0
<i>Total Other Financing Sources (Uses)</i>	(2,500)	(2,500)	0
<i>Net Change in Fund Balance</i>	(4,919)	(4,919)	0
<i>Fund Balance at Beginning of Year</i>	953	953	0
Prior Year Encumbrances Appropriated	4,047	4,047	0
<i>Fund Balance at End of Year</i>	\$ 81	\$ 81	\$ 0

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 8,551	\$ 8,551	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	14,580	14,580	0
Operation of Non-Instructional Services:			
Community Services	1,351	1,351	0
<i>Total Expenditures</i>	15,931	15,931	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(7,380)	(7,380)	0
<b>Other Financing Sources (Uses):</b>			
Advances In	7,500	7,500	0
<i>Net Change in Fund Balance</i>	120	120	0
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$ 120	\$ 120	\$ 0

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Uniform School Supplies Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Tuition and Fees	\$ 217,276	\$ 217,343	\$ 67
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	188,663	188,580	83
Vocational	15,746	15,746	0
<i>Total Expenditures</i>	204,409	204,326	83
<i>Net Change in Fund Balance</i>	12,867	13,017	150
<i>Fund Balance at Beginning of Year</i>	75,759	75,759	0
Prior Year Encumbrances Appropriated	1,249	1,249	0
<i>Fund Balance at End of Year</i>	\$ 89,875	\$ 90,025	\$ 150

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Adult Education Fund*  
*For the Fiscal Year Ended June 30, 2019*

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	Final Budget	Actual	Variance
<i>Fund Balance at Beginning of Year</i>	\$ 12	\$ 12	\$ 0
<i>Fund Balance at End of Year</i>	\$ 12	\$ 12	\$ 0

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Rotary Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Tuition and Fees	\$ 1,075	\$ 4,375	\$ 3,300
Extracurricular	23,215	23,215	0
<i>Total Revenues</i>	<u>24,290</u>	<u>27,590</u>	<u>3,300</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	41,078	41,078	0
Support Services:			
Administration	6,636	6,636	0
<i>Total Expenditures</i>	<u>47,714</u>	<u>47,714</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(23,424)</u>	<u>(20,124)</u>	<u>3,300</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	23	23	0
<i>Net Change in Fund Balance</i>	(23,401)	(20,101)	3,300
<i>Fund Balance at Beginning of Year</i>	29,249	29,249	0
Prior Year Encumbrances Appropriated	2,242	2,242	0
<i>Fund Balance at End of Year</i>	<u>\$ 8,090</u>	<u>\$ 11,390</u>	<u>\$ 3,300</u>



**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Gifts and Donations	\$ 1,172	\$ 1,172	\$ 0
Miscellaneous	10,554	10,554	0
<i>Total Revenues</i>	<u>11,726</u>	<u>11,726</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	14,996	14,976	20
Support Services:			
Instructional	89	89	0
Administration	3,108	3,100	8
<i>Total Expenditures</i>	<u>18,193</u>	<u>18,165</u>	<u>28</u>
<i>Net Change in Fund Balance</i>	(6,467)	(6,439)	28
<i>Fund Balance at Beginning of Year</i>	9,391	9,391	0
Prior Year Encumbrances Appropriated	4,853	4,853	0
<i>Fund Balance at End of Year</i>	<u>\$ 7,777</u>	<u>\$ 7,805</u>	<u>\$ 28</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Other Grants Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Gifts and Donations	\$ 4,500	\$ 4,500	\$ 0
<b>Expenditures:</b>			
Current:			
Operation of Non-Instructional Services:			
Community Services	3,108	3,108	0
Extracurricular	370	280	90
<i>Total Expenditures</i>	<u>3,478</u>	<u>3,388</u>	<u>90</u>
<i>Net Change in Fund Balance</i>	1,022	1,112	90
<i>Fund Balance at Beginning of Year</i>	<u>12,951</u>	<u>12,951</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 13,973</u>	<u>\$ 14,063</u>	<u>\$ 90</u>

**West Geauga Local School District**  
**Gauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund*  
*For the Fiscal Year Ended June 30, 2019*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Property and Other Local Taxes	\$ 563,458	\$ 563,458	\$ 0
Intergovernmental	85,584	85,584	0
<i>Total Revenues</i>	<u>649,042</u>	<u>649,042</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Instructional Staff	76,105	76,105	0
Fiscal	11,999	9,090	2,909
Operation and Maintenance of Plant	546,456	505,041	41,415
Pupil Transportation	160,554	160,554	0
Capital Outlay	801,347	794,137	7,210
<i>Total Expenditures</i>	<u>1,596,461</u>	<u>1,544,927</u>	<u>51,534</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(947,419)</u>	<u>(895,885)</u>	<u>51,534</u>
<b>Other Financing Sources (Uses):</b>			
Transfers In	21,515	21,515	0
<i>Net Change in Fund Balance</i>	(925,904)	(874,370)	51,534
<i>Fund Balance at Beginning of Year</i>	2,477,660	2,477,660	0
Prior Year Encumbrances Appropriated	464,445	464,445	0
<i>Fund Balance at End of Year</i>	<u>\$ 2,016,201</u>	<u>\$ 2,067,735</u>	<u>\$ 51,534</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*SchoolNet Fund*  
*For the Fiscal Year Ended June 30, 2019*

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	Final Budget	Actual	Variance
<i>Fund Balance at Beginning of Year</i>	\$ 972	\$ 972	\$ 0
<i>Fund Balance at End of Year</i>	\$ 972	\$ 972	\$ 0

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Combining Statements – Agency Fund*

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***Agency Fund***

Agency funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results of operation. The following is the School District's agency fund:

***Student Activities Fund*** - This fund accounts for student activity programs which have student participation in the activity and have students involved in the management of the program.

**West Geauga Local School District**  
**Gauga County, Ohio**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2019*

	<b>Beginning Balance 6/30/18</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance 6/30/19</b>
<b>Student Activities</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 55,704	\$ 65,182	\$ 64,887	\$ 55,999
<b>Liabilities</b>				
Due to Students	\$ 55,704	\$ 65,182	\$ 64,887	\$ 55,999

## **STATISTICAL SECTION**





## *Statistical Section*

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

### **Contents**

### **Page(s)**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.

S-2 - S-13

#### **Revenue Capacity**

These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.

S-14 - S-19

#### **Debt Capacity**

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

S-20 - S-25

#### **Economic and Demographic Information**

These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.

S-26 - S-27

#### **Operating Information**

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

S-28 - S-34

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

#### **NOTE:**

With the implementation of GASB No. 54 for fiscal year 2011, there have been minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Prior year amounts have not been adjusted to reflect this change.

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

With the implementation of GASB No. 75 in fiscal year 2018, the calculation of pension expense has changed, however, government-wide expenses for 2017 and prior fiscal years were not restated to reflect this change.

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

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Net Position by Component*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	<u>2019</u>	<u>2018</u>	<u>Restated 2017</u>	<u>2016</u>
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$ 16,529,386	\$ 16,318,707	\$ 16,506,177	\$ 14,934,509
Restricted	1,938,301	2,832,946	3,083,969	2,396,064
Unrestricted	<u>(9,631,810)</u>	<u>(14,022,973)</u>	<u>(28,086,974)</u>	<u>(21,541,299)</u>
<i>Total Governmental Activities Net Position</i>	<u>\$ 8,835,877</u>	<u>\$ 5,128,680</u>	<u>\$ (8,496,828)</u>	<u>\$ (4,210,726)</u>
<b>Business-Type Activities:</b>				
Net Investment in Capital Assets	N/A	N/A	N/A	N/A
Unrestricted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Business-Type Activities Net Position</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	\$ 16,529,386	\$ 16,318,707	\$ 16,506,177	\$ 14,934,509
Restricted	1,938,301	2,832,946	3,083,969	2,396,064
Unrestricted	<u>(9,631,810)</u>	<u>(14,022,973)</u>	<u>(28,086,974)</u>	<u>(21,541,299)</u>
<i>Total Primary Government Net Position</i>	<u>\$ 8,835,877</u>	<u>\$ 5,128,680</u>	<u>\$ (8,496,828)</u>	<u>\$ (4,210,726)</u>

	<b>2015</b>	<b>Restated 2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
\$	14,875,516	\$ 14,635,407	\$ 14,864,667	\$ 13,251,326	\$ 11,425,167	\$ 8,359,303
	2,504,109	1,897,960	1,227,166	1,387,178	2,209,131	2,295,568
	(20,588,445)	(24,013,007)	7,250,386	5,632,628	4,004,346	2,605,747
\$	<u>(3,208,820)</u>	<u>(7,479,640)</u>	<u>23,342,219</u>	<u>20,271,132</u>	<u>17,638,644</u>	<u>13,260,618</u>
	N/A	N/A	N/A	N/A	N/A	\$ 1,200,169
	N/A	N/A	N/A	N/A	N/A	(26,444)
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>\$ 1,173,725</u>
\$	14,875,516	\$ 14,635,407	\$ 14,864,667	\$ 13,251,326	\$ 11,425,167	\$ 9,559,472
	2,504,109	1,897,960	1,227,166	1,387,178	2,209,131	2,295,568
	(20,588,445)	(24,013,007)	7,250,386	5,632,628	4,004,346	2,579,303
\$	<u>(3,208,820)</u>	<u>(7,479,640)</u>	<u>23,342,219</u>	<u>20,271,132</u>	<u>17,638,644</u>	<u>14,434,343</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Changes in Net Position*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2019	2018	2017	2016
<b>Expenses:</b>				
<b>Governmental Activities:</b>				
Regular Instruction	\$ 9,052,828	\$ 3,259,197	\$ 11,568,716	\$ 10,439,965
Special Instruction	3,924,196	3,186,054	4,662,464	3,411,738
Vocational Instruction	562,296	502,626	518,452	349,064
Student Intervention Services	1,101	6,083	1,330	7,151
Other Instruction	284,295	294,461	270,325	915,955
Pupil Support	1,241,292	505,108	1,617,569	2,089,554
Instructional Staff Support	909,723	629,949	798,072	873,905
Board of Education	184,894	128,056	100,840	88,286
Administration	1,891,407	1,051,391	2,180,870	1,887,437
Fiscal	858,793	692,451	830,383	734,655
Business	172,757	257,245	236,977	232,084
Operation and Maintenance of Plant	2,701,648	2,645,140	2,066,600	3,470,994
Pupil Transportation	1,642,783	1,825,932	1,666,326	2,015,219
Central	75,493	43,720	15,102	10,025
Food Service Operations	447,480	449,643	478,906	433,010
Community Services	240,367	196,653	569,233	575,929
Enterprise Operations	0	0	0	0
Extracurricular Activities	778,117	540,348	921,304	779,979
Interest and Fiscal Charges	9,200	15,825	22,950	29,700
<b>Total Governmental Activities Expenses</b>	<b>24,978,670</b>	<b>16,229,882</b>	<b>28,526,419</b>	<b>28,344,650</b>
<b>Business-Type Activities:</b>				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
<b>Total Business-Type Activities Expenses</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Primary Government Expenses</b>	<b>\$ 24,978,670</b>	<b>\$ 16,229,882</b>	<b>\$ 28,526,419</b>	<b>\$ 28,344,650</b>
<b>Program Revenues:</b>				
<b>Governmental Activities:</b>				
<b>Charges for Services:</b>				
Regular Instruction	\$ 1,214,214	\$ 1,417,450	\$ 1,029,401	\$ 1,052,644
Special Instruction	355,859	449,961	262,654	266,375
Vocational Instruction	16,794	0	0	0
Instructional Staff Support	0	0	194	0
Administration	4,029	7,017	6,518	10,702
Fiscal	0	23,469	25,169	11,549
Operation and Maintenance of Plant	3,237	0	0	0
Pupil Transportation	0	23,726	13,447	15,081
Central	0	0	0	0
Food Service Operations	343,699	312,938	272,495	303,324
Community Services	0	5,852	22,640	24,715
Extracurricular Activities	184,663	225,351	231,016	255,588
<b>Operating Grants and Contributions:</b>				
Regular Instruction	62,055	48,620	16,209	20,564
Special Instruction	319,833	351,528	352,286	215,645
Vocational Instruction	9,287	9,286	9,201	6,979
Student Intervention Services	0	0	0	0
Other Instruction	62,002	0	0	0
Pupil Support	133,375	209,433	256,738	410,176
Instructional Staff Support	61,357	160,294	58,324	43,481
Board of Education	0	37,199	33,681	0

	2015	2014 (1)	2013	2012	2011	2010
\$	10,582,136	\$ 10,814,046	\$ 10,677,700	\$ 11,306,827	\$ 11,011,297	\$ 10,066,334
	3,611,844	3,690,196	3,822,518	3,873,958	3,493,129	3,538,688
	488,752	571,774	347,411	332,260	309,061	289,587
	27,032	28,794	54,238	64,113	42,900	24,156
	676,889	768,083	495,618	406,071	502,297	505,827
	1,930,123	1,720,535	1,779,194	1,923,647	1,974,773	2,008,819
	875,905	1,172,723	889,090	942,218	833,666	833,338
	85,977	114,353	64,690	127,610	56,094	70,832
	1,862,573	1,771,680	1,821,255	1,789,418	1,797,465	1,886,260
	700,010	606,375	619,927	850,572	686,250	674,803
	293,760	287,875	302,471	324,808	323,354	356,402
	3,451,697	2,638,136	2,370,163	2,415,953	2,245,054	2,270,317
	1,830,477	2,090,161	1,959,575	2,045,889	2,066,693	2,007,110
	13,706	22,989	23,062	16,349	80,608	82,197
	435,836	439,938	398,563	494,548	678,763	0
	601,428	503,723	552,263	457,134	461,489	455,226
	0	0	0	400	1,001	1,257
	788,442	853,304	806,416	922,831	928,726	960,079
	33,954	44,054	93,215	203,746	280,273	405,754
	<u>28,290,541</u>	<u>28,138,739</u>	<u>27,077,369</u>	<u>28,498,352</u>	<u>27,772,893</u>	<u>26,436,986</u>
	N/A	N/A	N/A	N/A	N/A	764,410
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>259,829</u>
	N/A	N/A	N/A	N/A	N/A	1,024,239
\$	<u>28,290,541</u>	<u>28,138,739</u>	<u>27,077,369</u>	<u>28,498,352</u>	<u>27,772,893</u>	<u>27,461,225</u>

\$	1,334,447	\$ 1,668,936	\$ 1,476,021	\$ 1,359,364	\$ 948,008	\$ 766,165
	510,719	685,649	582,794	553,016	509,556	212,462
	0	0	0	0	0	0
	0	0	0	0	2,126	0
	7,352	3,963	0	0	13,394	0
	10,483	6,558	8,282	6,886	0	0
	0	0	0	0	10,264	5,702
	28,504	22,278	35,847	24,667	7,028	8,282
	0	0	0	0	1,455	0
	295,054	276,289	258,986	285,356	297,398	0
	20,099	22,431	0	0	5,043	0
	221,937	252,345	246,676	280,290	336,726	366,967
	65,322	60,872	85,792	134,408	90,843	71,549
	186,565	230,680	179,636	156,359	435,538	569,738
	7,213	6,750	0	0	0	0
	0	0	0	3,567	19,997	16,256
	0	0	0	0	190,527	133,592
	379,583	371,517	357,822	421,447	546,963	305,580
	3,437	29,334	100,642	130,176	178,321	186,537
	0	0	0	0	0	0

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Changes in Net Position*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2019	2018	2017	2016
Administration	3,108	414	2,576	6,857
Fiscal	0	0	0	0
Business	0	0	0	0
Operation and Maintenance of Plant	11,450	0	0	0
Pupil Transportation	64,937	64,763	70,181	76,020
Central	6,333	7,200	7,200	7,200
Food Service Operations	119,169	124,682	114,461	87,476
Community Services	194,668	180,068	584,958	564,919
Extracurricular Activities	1,675	12,234	84,810	56,406
Capital Grants and Contributions:				
Operation and Maintenance of Plant	0	0	0	0
Community Services	0	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>3,171,744</u>	<u>3,671,485</u>	<u>3,454,159</u>	<u>3,435,701</u>
Business-Type Activities:				
Charges for Services:				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Operating Grants and Contributions:				
Food Service	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities Program Revenues</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government Program Revenues</i>	<u>3,171,744</u>	<u>3,671,485</u>	<u>3,454,159</u>	<u>3,435,701</u>
<b>Net (Expense) Revenue:</b>				
Governmental Activities	(21,806,926)	(12,558,397)	(25,072,260)	(24,908,949)
Business-Type Activities	N/A	N/A	N/A	N/A
<i>Total Primary Government Net Expense</i>	<u>\$ (21,806,926)</u>	<u>\$ (12,558,397)</u>	<u>\$ (25,072,260)</u>	<u>\$ (24,908,949)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 17,762,526	\$ 18,272,308	\$ 19,790,450	\$ 15,361,347
Debt Service	159,200	160,825	162,950	159,700
Capital Projects	569,579	934,891	2,348,956	1,818,731
Grants and Entitlements not Restricted				
to Specific Programs	6,398,799	6,466,571	6,721,044	6,442,812
Investment Earnings	501,320	253,351	124,699	58,972
Miscellaneous	122,699	95,959	66,954	65,481
Capital Contributions	0	0	0	0
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	<u>25,514,123</u>	<u>26,183,905</u>	<u>29,215,053</u>	<u>23,907,043</u>
Business-Type Activities:				
Miscellaneous	N/A	N/A	N/A	N/A
Transfers	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government</i>	<u>\$ 25,514,123</u>	<u>\$ 26,183,905</u>	<u>\$ 29,215,053</u>	<u>\$ 23,907,043</u>
<b>Change in Net Position</b>				
Governmental Activities	\$ 3,707,197	\$ 13,625,508	\$ 4,142,793	\$ (1,001,906)
Business-Type Activities	N/A	N/A	N/A	N/A
<i>Total Primary Government</i>	<u>\$ 3,707,197</u>	<u>\$ 13,625,508</u>	<u>\$ 4,142,793</u>	<u>\$ (1,001,906)</u>

(1) Certain foundation payments for special education and transportation were reclassified to program revenue from general revenue in fiscal year 2015. For comparability purposes, fiscal year 2014 was updated but no years prior to fiscal 2014 reflect this change.

2015	2014 (1)	2013	2012	2011	2010
51,715	37,597	39,445	0	47,808	21,954
0	0	0	112,675	0	0
0	0	0	5,940	0	0
0	0	2,896	0	0	0
79,353	83,636	0	32,667	0	0
7,200	7,200	7,200	7,200	9,100	9,145
130,386	140,905	92,203	124,941	133,017	0
531,305	531,508	483,959	472,026	409,968	416,932
257,406	28,390	16,090	21,724	59,601	36,760
0	0	0	0	19,270	1,450
0	0	0	0	0	5,120
4,128,080	4,466,838	3,974,291	4,132,709	4,271,951	3,134,191
N/A	N/A	N/A	N/A	N/A	379,598
N/A	N/A	N/A	N/A	N/A	229,868
N/A	N/A	N/A	N/A	N/A	90,590
N/A	N/A	N/A	N/A	N/A	700,056
4,128,080	4,466,838	3,974,291	4,132,709	4,271,951	3,834,247
(24,162,461)	(23,671,901)	(23,103,078)	(24,365,643)	(23,500,942)	(23,302,795)
N/A	N/A	N/A	N/A	N/A	(324,183)
\$ (24,162,461)	\$ (23,671,901)	\$ (23,103,078)	\$ (24,365,643)	\$ (23,500,942)	\$ (23,626,978)
\$ 19,070,265	\$ 17,255,454	\$ 17,139,804	\$ 17,773,567	\$ 12,081,806	\$ 11,452,809
211,975	189,535	1,030,208	2,126,810	2,195,812	2,413,096
2,239,576	1,987,488	1,334,558	303,437	5,561,466	4,980,626
6,801,287	6,698,639	6,579,325	6,663,911	6,742,781	6,790,611
26,468	44,117	63,355	81,413	89,044	118,459
83,710	79,135	26,915	48,893	34,434	23,654
0	0	0	0	0	7,314
0	0	0	0	0	(215,066)
28,433,281	26,254,368	26,174,165	26,998,031	26,705,343	25,571,503
N/A	N/A	N/A	N/A	N/A	0
N/A	N/A	N/A	N/A	N/A	215,066
N/A	N/A	N/A	N/A	N/A	215,066
\$ 28,433,281	\$ 26,254,368	\$ 26,174,165	\$ 26,998,031	\$ 26,705,343	\$ 25,786,569
\$ 4,270,820	\$ 2,582,467	\$ 3,071,087	\$ 2,632,388	\$ 3,204,401	\$ 2,268,708
N/A	N/A	N/A	N/A	N/A	(109,117)
\$ 4,270,820	\$ 2,582,467	\$ 3,071,087	\$ 2,632,388	\$ 3,204,401	\$ 2,159,591

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Program Revenues by Function/Program*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2019	2018	2017	2016
<b>Governmental Activities</b>				
Instruction:				
Regular	\$ 1,276,269	\$ 1,466,070	\$ 1,045,610	\$ 1,073,208
Special	675,692	801,489	614,940	482,020
Vocational	26,081	9,286	9,201	6,979
Student Intervention Services	0	0	0	0
Other	62,002	0	0	0
Support Services:				
Pupil	133,375	209,433	256,738	410,176
Instructional	61,357	160,294	58,518	43,481
Board of Education	0	37,199	0	0
Administration	7,137	7,431	33,681	17,559
Fiscal	0	23,469	9,094	11,549
Business	0	0	25,169	0
Operation and Maintenance of Plant	14,687	0	0	0
Pupil Transportation	64,937	88,489	83,628	91,101
Central	6,333	7,200	7,200	7,200
Food Service Operations	462,868	437,620	386,956	390,800
Community Services	194,668	185,920	607,598	589,634
Extracurricular Activities	186,338	237,585	315,826	311,994
<i>Total Governmental Activities</i>	<u>3,171,744</u>	<u>3,671,485</u>	<u>3,454,159</u>	<u>3,435,701</u>
<b>Business-Type Activities</b>				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government</i>	<u>\$ 3,171,744</u>	<u>\$ 3,671,485</u>	<u>\$ 3,454,159</u>	<u>\$ 3,435,701</u>

(1) Certain foundation payments for special education and transportation were reclassified to program revenue from general revenue in fiscal year 2015. For comparability purposes, fiscal year 2014 was updated but no years prior to fiscal 2014 reflect this change.



	2015	2014 (1)	2013	2012	2011	2010
\$	1,399,769	\$ 1,729,808	\$ 1,561,813	\$ 1,493,772	\$ 1,038,851	\$ 837,714
	697,284	916,329	762,430	709,375	945,094	782,200
	7,213	6,750	0	0	0	0
	0	0	0	3,567	19,997	16,256
	0	0	0	0	190,527	133,592
	379,583	371,517	357,822	421,447	546,963	305,580
	3,437	29,334	100,642	130,176	180,447	186,537
	0	0	0	0	0	0
	59,067	41,560	39,445	112,675	61,202	21,954
	10,483	6,558	8,282	6,886	0	0
	0	0	0	5,940	0	0
	0	0	2,896	0	29,534	7,152
	107,857	105,914	35,847	57,334	7,028	8,282
	7,200	7,200	7,200	7,200	10,555	9,145
	425,440	417,194	351,189	410,297	430,415	0
	551,404	553,939	483,959	472,026	415,011	422,052
	479,343	280,735	262,766	302,014	396,327	403,727
	4,128,080	4,466,838	3,974,291	4,132,709	4,271,951	3,134,191
	N/A	N/A	N/A	N/A	N/A	470,188
	N/A	N/A	N/A	N/A	N/A	229,868
	N/A	N/A	N/A	N/A	N/A	700,056
\$	4,128,080	\$ 4,466,838	\$ 3,974,291	\$ 4,132,709	\$ 4,271,951	\$ 3,834,247

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(Modified Accrual Basis of Accounting)*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>General Fund</b>				
Reserved	N/A	N/A	N/A	N/A
Unreserved (Deficit)	N/A	N/A	N/A	N/A
Nonspendable	\$ 357,638	\$ 346,746	\$ 364,466	\$ 318,420
Restricted	0	0	0	0
Assigned	1,031,528	6,217,025	2,097,225	1,882,684
Unassigned	16,500,352	10,526,251	13,047,741	10,135,485
<i>Total General Fund</i>	<u>17,889,518</u>	<u>17,090,022</u>	<u>15,509,432</u>	<u>12,336,589</u>
<b>All Other Governmental Funds</b>				
Reserved	N/A	N/A	N/A	N/A
Unreserved, Reported in:				
Special Revenue Funds	N/A	N/A	N/A	N/A
Debt Service Funds	N/A	N/A	N/A	N/A
Capital Projects Funds	N/A	N/A	N/A	N/A
Nonspendable	8,895	13,411	15,139	12,349
Restricted	1,797,541	2,750,083	2,942,926	2,228,808
Committed	902,368	535,700	476,499	230,549
Unassigned (Deficit)	(19,637)	(1,022)	(49,627)	(10,085)
<i>Total All Other Governmental Funds</i>	<u>2,689,167</u>	<u>3,298,172</u>	<u>3,384,937</u>	<u>2,461,621</u>
<i>Total Governmental Funds</i>	<u>\$ 20,578,685</u>	<u>\$ 20,388,194</u>	<u>\$ 18,894,369</u>	<u>\$ 14,798,210</u>

For fiscal year 2011, the School District implemented GASB 54 which changes governmental fund classifications. The School District has elected not to restate fund balance amounts for fiscal years prior to implementation.

2015	2014	2013	2012	2011	2010
N/A	N/A	N/A	N/A	N/A	\$ 2,612,539
N/A	N/A	N/A	N/A	N/A	1,653,481
\$ 276,942	\$ 252,379	\$ 0	\$ 0	\$ 30,390	N/A
0	0	0	0	783,137	N/A
2,395,585	1,547,094	789,734	1,305,498	3,506,373	N/A
10,727,015	8,636,069	7,563,675	5,375,973	1,485,144	N/A
13,399,542	10,435,542	8,353,409	6,681,471	5,805,044	4,266,020
N/A	N/A	N/A	N/A	N/A	371,341
N/A	N/A	N/A	N/A	N/A	268,934
N/A	N/A	N/A	N/A	N/A	1,053,366
N/A	N/A	N/A	N/A	N/A	41,241
10,338	10,581	0	0	11,213	N/A
2,353,516	1,749,450	1,126,941	1,252,910	1,405,669	N/A
315,651	165,340	235,643	256,555	249,724	N/A
(46,285)	(38,127)	(21,258)	(45,114)	(124,848)	N/A
2,633,220	1,887,244	1,341,326	1,464,351	1,541,758	1,734,882
\$ 16,032,762	\$ 12,322,786	\$ 9,694,735	\$ 8,145,822	\$ 7,346,802	\$ 6,000,902

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years (1)*  
*(Modified Accrual Basis of Accounting)*

	2019	2018	2017	2016
<b>Revenues:</b>				
Property and Other Local Taxes	\$ 18,507,536	\$ 19,400,674	\$ 22,401,982	\$ 17,359,041
Intergovernmental	7,286,941	7,662,218	8,194,624	7,831,022
Investment Earnings	504,344	253,350	124,696	59,407
Tuition and Fees	1,537,211	1,825,271	1,266,567	1,290,234
Extracurricular Activities	253,611	260,449	275,975	313,407
Rentals	16,298	23,469	25,169	11,549
Charges for Services	352,512	318,791	295,135	324,480
Contributions and Donations	73,285	59,871	121,085	89,323
Miscellaneous	58,585	96,607	67,647	65,791
<i>Total Revenues</i>	<u>28,590,323</u>	<u>29,900,700</u>	<u>32,772,880</u>	<u>27,344,254</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	11,068,256	10,925,032	10,499,686	10,261,537
Special	4,221,924	4,328,650	4,480,428	3,386,226
Vocational	562,296	502,626	518,452	349,064
Student Intervention Services	1,101	6,083	1,330	1,109
Other	314,799	294,461	321,613	922,243
Support Services:				
Pupils	1,541,684	1,571,533	1,531,478	2,088,777
Instructional Staff	1,032,754	928,925	1,349,293	821,909
Board of Education	174,351	117,513	97,557	77,745
Administration	2,091,717	1,978,738	1,999,731	1,922,567
Fiscal	845,115	730,900	800,597	725,280
Business	166,174	287,155	221,551	226,431
Operation and Maintenance of Plant	2,497,608	2,512,409	2,254,841	2,707,473
Pupil Transportation	1,634,902	1,694,040	1,714,964	1,857,523
Central	75,493	43,720	15,102	9,977
Extracurricular Activities	830,390	789,931	833,064	768,734
Operation of Non-Instructional Services:				
Food Service Operations	422,765	460,932	436,184	388,747
Community Services	210,700	161,472	629,451	552,419
Enterprise Operations	0	0	0	0
Capital Outlay	598,056	914,606	810,857	1,359,537
Debt Service:				
Principal Retirement	150,000	145,000	140,000	130,000
Interest and Fiscal Charges	9,200	15,825	22,950	29,700
<i>Total Expenditures</i>	<u>28,449,285</u>	<u>28,409,551</u>	<u>28,679,129</u>	<u>28,586,998</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	<u>141,038</u>	<u>1,491,149</u>	<u>4,093,751</u>	<u>(1,242,744)</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Assets	31,199	2,676	2,408	8,192
Insurance Recoveries	18,254	0	0	0
Transfers In	36,515	87,000	50,000	64,769
Transfers Out	(36,515)	(87,000)	(50,000)	(64,769)
<i>Total Financing Sources and (Uses)</i>	<u>49,453</u>	<u>2,676</u>	<u>2,408</u>	<u>8,192</u>
<i>Net Change in Fund Balance</i>	<u>\$ 190,491</u>	<u>\$ 1,493,825</u>	<u>\$ 4,096,159</u>	<u>\$ (1,234,552)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.58%	0.58%	0.62%	0.57%

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds.

	2015	2014	2013	2012	2011	2010
\$	21,644,202	\$ 19,403,464	\$ 19,505,485	\$ 20,220,677	\$ 19,825,970	\$ 18,889,263
	8,196,674	8,092,147	7,882,291	7,992,179	8,778,508	8,471,553
	26,810	44,455	63,891	82,212	89,996	119,598
	1,840,191	2,374,116	2,036,527	1,873,355	1,411,363	750,821
	262,510	287,687	282,086	330,765	407,287	512,437
	10,483	6,558	8,282	6,886	10,264	5,702
	315,153	294,989	279,047	301,358	319,525	13,746
	290,292	92,145	128,049	170,424	102,492	77,474
	83,968	79,478	27,785	49,219	47,004	43,924
	32,670,283	30,675,039	30,213,443	31,027,075	30,992,409	28,884,518
	10,306,025	10,016,991	10,236,637	10,855,577	10,512,559	9,542,008
	3,659,100	3,684,238	3,789,319	3,840,509	3,466,303	3,507,252
	488,752	571,774	347,411	332,260	309,061	289,587
	4,779	2,897	53,619	62,115	42,900	24,156
	690,965	768,083	495,618	406,750	501,618	505,827
	1,950,776	1,746,208	1,771,516	1,909,158	1,993,589	2,004,415
	824,429	1,148,504	851,840	1,064,845	810,116	806,586
	75,842	103,810	54,147	117,067	45,551	60,289
	1,926,162	1,753,638	1,783,789	1,771,424	1,797,065	1,854,627
	698,778	626,813	617,164	846,987	694,901	661,796
	294,228	283,899	295,461	324,547	317,122	348,028
	3,034,943	2,363,714	2,199,894	2,408,034	2,160,890	2,168,602
	1,739,532	1,910,844	1,820,031	1,986,343	1,947,501	1,862,795
	13,609	22,892	22,810	16,097	84,487	77,592
	775,850	804,038	773,821	888,648	894,287	926,430
	409,877	412,247	373,597	470,048	656,787	0
	575,888	421,392	531,028	439,968	442,267	414,139
	0	0	521,019	400	1,001	1,257
	1,282,738	1,196,371	0	59,681	552,606	1,329,590
	180,000	170,000	2,025,077	2,219,776	2,124,948	2,688,069
	37,450	44,925	110,592	220,416	294,843	421,750
	28,969,723	28,053,278	28,674,390	30,240,650	29,650,402	29,494,795
	3,700,560	2,621,761	1,539,053	786,425	1,342,007	(610,277)
	9,416	6,290	9,860	12,595	0	0
	0	0	0	0	0	0
	13,663	0	45,000	154,000	225,056	2,387
	(13,663)	0	(45,000)	(154,000)	(225,056)	(217,453)
	9,416	6,290	9,860	12,595	0	(215,066)
\$	3,709,976	\$ 2,628,051	\$ 1,548,913	\$ 799,020	\$ 1,342,007	\$ (825,343)
	0.78%	78.00%	7.58%	8.22%	8.32%	11.04%

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Assessed Valuation and Estimated Actual Value of Taxable Property*  
*Last Ten Collection Years*

<u>Collection Year</u>	<u>Real Property (1)</u>		<u>Public Utility (2)</u>		<u>Tangible Personal Property (3)</u>	
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
2019	\$ 637,122,360	\$ 1,820,349,600	\$ 33,782,350	\$ 38,389,034	\$ 0	\$ 0
2018	632,212,110	1,806,320,314	29,248,830	33,237,307	0	0
2017	613,643,240	1,753,266,400	28,182,380	32,025,432	0	0
2016	612,204,090	1,749,154,543	24,745,110	28,119,443	0	0
2015	610,517,480	1,744,335,657	23,555,380	26,767,477	0	0
2014	609,217,530	1,740,621,514	22,167,580	25,190,432	0	0
2013	607,686,610	1,736,247,457	20,295,250	23,062,784	0	0
2012	608,760,220	1,739,314,914	18,522,470	21,048,261	0	0
2011	646,667,530	1,847,621,514	18,047,880	20,508,955	0	0
2010	647,578,970	1,850,225,629	17,645,940	20,052,205	0	0

- (1) Real property is reappraised every six years with a State mandated update of the current market value in the third year following each appraisal.
- (2) The assessed value of real property (including public utility real property) is 35% of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment. General business inventory tangible personal property tax was phased out beginning 2006. The listing percentage is 12.5% for 2007, 6.25% for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was in 2010).
- (3) The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, the 2 1/2% and the homestead exemptions before being billed.

Source: Geauga County Auditor. Data is presented on calendar year basis because that is the manner in which the information is maintained by the County Auditor.

<b>Total</b>				
	<b><u>Assessed Value</u></b>	<b><u>Estimated Actual Value</u></b>	<b><u>Ratio</u></b>	<b><u>Direct Rate</u></b>
\$	670,904,710	\$ 1,858,738,634	36.09%	\$ 52.33
	661,460,940	1,839,557,621	35.96%	52.46
	641,825,620	1,785,291,832	35.95%	55.48
	636,949,200	1,777,273,986	35.84%	55.55
	634,072,860	1,771,103,134	35.80%	55.60
	631,385,110	1,765,811,946	35.76%	55.70
	627,981,860	1,759,310,241	35.69%	55.70
	627,282,690	1,760,363,175	35.63%	55.84
	664,715,410	1,868,130,469	35.58%	55.84
	665,224,910	1,870,277,834	35.57%	54.68

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Property Tax Rates - All Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Collection Years*

Year	Direct Rates				Overlapping Rates				Total Levy
	Operating Millage	Permanent Improvement Millage	Debt Service Millage	Total School District	Recreation District	Russell Township	Library	Geauga County Levy	
2019	\$ 51.33	\$ 1.00	\$ 0	\$ 52.33	\$ 0.20	\$ 27.10	\$ 2.50	\$ 15.60	\$ 97.73
2018	51.46	1.00	0	52.46	0.20	27.10	2.50	15.60	97.86
2017	51.73	3.75	0	55.48	0.20	27.10	2.00	15.60	100.38
2016	51.80	3.75	0	55.55	0.20	22.85	2.00	15.10	95.70
2015	51.85	3.75	0	55.60	0.20	22.85	2.00	15.10	95.75
2014	51.95	3.75	0	55.70	0.20	22.85	2.00	15.10	95.85
2013	51.95	3.75	0	55.70	0.20	22.85	2.00	15.10	95.85
2012	51.95	1.00	2.89	55.84	0.20	22.85	2.00	15.10	95.99
2011	51.41	1.00	3.41	55.82	0.20	22.85	2.00	15.10	95.97
2010	51.39	1.00	2.29	54.68	0.20	22.85	1.00	15.10	93.83

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



**West Geauga Local School District**  
**Geauga County, Ohio**  
*Property Tax Levies and Collections, Real, Public Utility Tax and Tangible Personal Property (1)*  
*Last Ten Collection Years*

<b>Year (2)</b>	<b>Total Tax Levy</b>	<b>Delinquent Levy (3)</b>	<b>Total Levy</b>	<b>Current Collections</b>	<b>Percent of Current Levy Collected</b>	<b>Delinquent Collection</b>	<b>Total Collection (4)</b>	<b>Percent of Total Tax Collections to Tax Levy</b>
2018	\$ 21,346,397	\$ 623,512	\$ 21,969,909	\$ 20,579,016	96.41%	\$ 332,190	\$ 20,911,206	97.96%
2017	22,936,641	925,416	23,862,057	22,554,562	98.33%	390,737	22,945,299	100.04%
2016	22,681,341	986,581	23,667,922	22,130,003	97.57%	484,924	22,614,927	99.71%
2015	22,534,594	1,161,215	23,695,809	22,092,499	98.04%	627,704	22,720,203	100.82%
2014	22,478,771	983,089	23,461,860	22,002,833	97.88%	465,611	22,468,444	99.95%
2013	22,280,839	1,017,840	23,298,679	21,817,368	97.92%	515,316	22,332,684	100.23%
2012	22,275,922	1,161,093	23,437,015	21,705,731	97.44%	639,365	22,345,096	100.31%
2011	22,833,880	920,694	23,754,574	22,273,893	97.55%	509,552	22,783,445	99.78%
2010	22,038,272	1,930,908	23,969,180	21,400,605	97.11%	621,893	22,022,498	99.93%
2009	22,545,996	533,122	23,079,118	21,922,546	97.23%	541,041	22,463,587	99.63%

Source: Geauga County Auditor.

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. 2019 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.
- (4) This amount includes penalties and interest. The amounts are not easily accessible to report at this time.

Note: Geauga County collects property taxes on a calendar year basis, therefore, the above data has been presented on a calendar year basis. The county does not identify delinquent collections by the year for which the tax was levied. Thus the "total collection" represents the total collections for the year instead of total collections of a particular tax year. As a result, "Percent of total tax collections to total levy" can exceed 100% in any particular year.

The County and School District requires additional time to identify and implement an efficient system to report these amounts. This system will consider the value and need of providing these amounts to the users of the Financial Statements, materiality and compliance in accordance with the GASB.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Principal Taxpayers*  
*Real Estate Tax*  
*December 31, 2018 and December 31, 2009*

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
<b>December 31, 2018</b>		
Petronzio Management Company LLC	\$ 1,580,520	0.24%
Nash, Lucia S	1,457,140	0.23%
West Geauga Plaza LLC	1,399,480	0.22%
12575 Chillicothe LLC	1,394,260	0.22%
Brody Efram	1,053,090	0.16%
Cianci Angelo & Anna Ma & Beg Rais & Nuzhat	993,810	0.15%
MR3 LLC	991,240	0.15%
Miller, David P Trustee	905,350	0.14%
2015 Berkshire Hills LLC	902,520	0.14%
Di Nardo Armand R & Maria J Trustees	867,220	0.13%
Totals	<u>\$ 11,544,630</u>	<u>1.78%</u>
Total Assessed Valuation	<u>\$ 637,122,360</u>	
<b>December 31, 2009</b>		
Nash, Lucia S	\$ 1,820,630	0.28%
Consolidated Investment Corporation	1,702,810	0.26%
Petronzio Management Company LLC	1,431,550	0.22%
West Geauga Plaza LLC	1,396,500	0.22%
Cianci, Angelo	1,357,850	0.21%
Waxman, Gary	1,218,570	0.19%
Miller, David Paul	1,030,960	0.16%
Eutrophia Farm Ltd	977,780	0.15%
Vadas, Robert	969,720	0.15%
Pitorek, Larry J & Loretta M	794,820	0.12%
Totals	<u>\$ 12,701,190</u>	<u>1.96%</u>
Total Assessed Valuation	<u>\$ 647,578,970</u>	

Source: Geauga County Auditor.

(1) Assessed values are for the 2019 collection year for 2018 and the 2010 collection year for 2009.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Principal Taxpayers*  
*Public Utility Property Tax*  
*December 31, 2018 and December 31, 2008*

<b>Name of Taxpayer</b>	<b>Assessed Value</b>	<b>Percent of Real Assessed Value</b>
<b>December 31, 2018 (1)</b>		
Cleveland Electric Illuminating Company	\$ 16,777,600	49.66%
American Transmission Systems, Inc.	10,086,150	29.86%
Dominion East Ohio Gas Company	2,362,100	6.99%
Totals	<u>\$ 29,225,850</u>	<u>86.51%</u>
Total Assessed Valuation	<u>\$ 33,782,350</u>	
<b>December 31, 2009 (2)</b>		
Cleveland Electric Illuminating Co/First Energy	\$ 12,585,660	71.32%
American Transmission Systems Inc	3,618,280	20.50%
East Ohio Gas Co	1,422,690	8.06%
Totals	<u>\$ 17,626,630</u>	<u>99.88%</u>
Total Assessed Valuation	<u>\$ 17,645,940</u>	

Source: Geauga County Auditor.

(1) Assessed values are for the 2019 collection year

(2) Assessed values are for the 2010 collection year

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Computation of Legal Debt Margin*  
*June 30, 2019*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Assessed Valuation (2)	<u>\$ 637,122,360</u>	<u>\$ 632,212,110</u>	<u>\$ 613,643,240</u>	<u>\$ 612,204,090</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 57,341,012	\$ 56,899,090	\$ 55,227,892	\$ 55,098,368
Outstanding debt:				
General Obligation Bonds	155,000	305,000	450,000	590,000
Less Amount Available in Debt Service Fund	<u>0</u>	<u>(21,515)</u>	<u>(21,515)</u>	<u>(21,515)</u>
Amount of Debt Subject to Debt Limit:	<u>155,000</u>	<u>283,485</u>	<u>428,485</u>	<u>568,485</u>
Overall Debt Margin	<u>\$ 57,186,012</u>	<u>\$ 56,615,605</u>	<u>\$ 54,799,407</u>	<u>\$ 54,529,883</u>
Bonded Debt Limit - .1% of Assessed Value (1)	\$ 637,122	\$ 632,212	\$ 613,643	\$ 612,204
Amount of Debt Applicable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$ 637,122</u>	<u>\$ 632,212</u>	<u>\$ 613,643</u>	<u>\$ 612,204</u>
Additional Limit for Unvoted Energy Conservation Conservation Bonds:				
Debt Limit - .9% of Assessed Valuation	<u>\$ 5,734,101</u>	<u>\$ 5,689,909</u>	<u>\$ 5,522,789</u>	<u>\$ 5,509,837</u>

Sources: Geauga County Auditor and School District Financial Records.

- (1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.
- (2) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

2015	2014	2013	2012	2011	2010
<u>\$ 610,517,480</u>	<u>\$ 609,217,530</u>	<u>\$ 607,686,610</u>	<u>\$ 608,760,220</u>	<u>\$ 646,667,530</u>	<u>\$ 647,578,970</u>
\$ 54,946,573	\$ 54,829,578	\$ 54,691,795	\$ 54,788,420	\$ 58,200,078	\$ 58,282,107
720,000 (21,515)	900,000 (26,990)	1,070,000 (52,380)	2,870,000 (1,017,110)	4,875,000 (1,159,526)	6,795,000 (1,181,443)
698,485	873,010	1,017,620	1,852,890	3,715,474	5,613,557
<u>\$ 54,248,088</u>	<u>\$ 53,956,568</u>	<u>\$ 53,674,175</u>	<u>\$ 52,935,530</u>	<u>\$ 54,484,604</u>	<u>\$ 52,668,550</u>
\$ 610,517 0	\$ 609,218 0	\$ 607,687 0	\$ 608,760 0	\$ 646,668 0	\$ 647,579 0
<u>\$ 610,517</u>	<u>\$ 609,218</u>	<u>\$ 607,687</u>	<u>\$ 608,760</u>	<u>\$ 646,668</u>	<u>\$ 647,579</u>
<u>\$ 5,494,657</u>	<u>\$ 5,482,958</u>	<u>\$ 5,469,179</u>	<u>\$ 5,478,842</u>	<u>\$ 5,820,008</u>	<u>\$ 5,828,211</u>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Computation of Direct & Overlapping General Obligation Bonded Debt*  
*as of June 30, 2019*

	<b>General Obligation Bonded Debt Outstanding</b>	<b>Percentage Applicable to School District (1)</b>	<b>Amount Application to School District</b>
<b>Direct:</b>			
West Geauga Local School District	\$ 155,000	100.00%	\$ 155,000
<b>Overlapping:</b>			
Geauga County	4,257,822	20.79%	885,201
Russell Township	680,000	95.74%	651,032
Geauga County Library District	23,615,000	22.52%	5,318,098
Total Overlapping	28,552,822		6,854,331
Total	\$ 28,707,822		\$ 7,009,331

Source: Ohio Municipal Advisory Council.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2017 collection year.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Ratio of Net General Obligation Bonded Debt  
to Assessed Value and Bonded Debt per Capita  
Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>Net General Obligation Bonded Debt (1)</b>	<b>Assessed Value (2)</b>	<b>Population (3)</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Debt Bonded Debt Per Capita</b>
2019	\$ 155,000	\$ 637,122,360	15,556	0.02%	\$ 9.96
2018	283,485	632,212,110	15,556	0.04%	18.22
2017	428,485	613,643,240	15,911	0.07%	26.93
2016	568,485	612,204,090	15,911	0.09%	35.73
2015	698,485	610,517,480	15,911	0.11%	43.90
2014	873,010	609,217,530	15,911	0.14%	54.87
2013	1,017,620	607,686,610	15,970	0.17%	63.72
2012	1,852,890	608,760,220	15,944	0.30%	116.21
2011	3,715,474	646,667,530	16,841	0.57%	220.62
2010	5,613,557	647,578,970	16,841	0.87%	333.33

Source:

- (1) School District Records. Also, See page S-20 - S-21 for the amount of resources restricted by an outside party for the repayment of debt.
- (2) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized to exclude tangible personal property as well as railroad and telephone tangible property.
- (3) U.S. Census of Population.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Tax Anticipation Notes</b>	<b>Lease Purchase Agreements</b>	<b>Total Primary Government</b>	<b>West Geauga LSD Area Personal Income (1)</b>
2019	\$ 155,000	\$ 0	\$ 0	\$ 155,000	\$ 1,059,092,930
2018	305,000	0	0	305,000	956,009,536
2017	450,000	0	0	450,000	982,762,398
2016	590,000	0	0	590,000	881,533,044
2015	720,000	0	0	720,000	880,944,337
2014	900,000	0	0	900,000	858,716,670
2013	1,070,000	0	0	1,070,000	813,160,460
2012	2,870,000	0	225,077	3,095,077	762,601,520
2011	4,875,000	0	439,853	5,314,853	N/A
2010	6,795,000	0	644,801	7,439,801	N/A

Source: School District Records

(1) Personal income calculated on S-27

N/A - Information not available.



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<b>Percentage of Personal Income</b>		<b>Net Debt Per Capita</b>
0.01%	\$	10
0.03%		20
0.05%		28
0.07%		37
0.08%		45
0.10%		56
0.13%		67
0.41%		194
N/A		316
N/A		442

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Principal Employers*  
*December 31, 2018 and December 31, 2009*

		<b>December 31, 2018</b>		
<b>Employer</b>	<b>Nature of Business</b>	<b>Established Date</b>	<b>Number of Employees</b>	<b>Percentage of Total Employment</b>
Kraftmaid Cabinetry Inc/Masco Corp.	Manufacturer	1969	1,200	2.46%
University Hospital Health Systems	Hospital/Health Care	1930	1,192	2.44%
Geauga County	Government	1806	818	1.68%
Walmart	(a) Retailer	1962*	816	1.67%
Kenston Local School District	(b) School District	---	648	1.33%
Great Lake Cheese	Cheese Packager	1958	636	1.30%
Chardon Local School District	(b) School District	---	593	1.22%
The HC Companies (Dillen Products/Meyers)	Manufacturer	2008	564	1.16%
West Geauga Local School District	(b) School District	---	440	0.90%
Giant Eagle	(a) Retailer	1931*	415	0.85%
<b>Total</b>			<b>7,322</b>	<b>15.01%</b>
Total County Civilian Workforce			48,800	

		<b>December 31, 2009</b>		
<b>Employer</b>	<b>Nature of Business</b>	<b>Established Date</b>	<b>Number of Employees</b>	<b>Percentage of Total Employment</b>
Kraftmaid Cabinetry Inc./Masco Corp.	Manufacturer	1969	2,647	5.23%
University Hospital Health Systems	Hospital/Health Care	1930	1,203	2.38%
Geauga County	Government	1806	1,080	2.13%
Walmart	(a) Retailer	1962*	853	1.69%
Great Lakes Cheese	Cheese Packager	1958	600	1.19%
West Geauga School District	(b) School District	---	450	0.89%
Giant Eagle	(b) Retailer	1931*	431	0.85%
Kenston Local School District	(b) School District	---	429	0.85%
Dillen Products	Manufacturer	1985	415	0.82%
Chardon Local School District	(b) School District	---	383	0.76%
<b>Total</b>			<b>8,491</b>	<b>16.79%</b>
Total County Civilian Workforce			50,600	

(a) Includes all Geauga County locations.

(b) Includes all W-2's issued.

\* Indicates date national entity began.

Sources: Human Resource Departments  
Ohio Department of Job and Family Services, Labor Market Information

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

<b>Fiscal Year</b>	<b>Geauga County Population (1)</b>	<b>Geauga County Personal Income Per Capita (2)</b>	<b>West Geauga LSD Area Population</b>	<b>West Geauga LSD Area Personal Income (3)</b>	<b>West Geauga LSD Enrollment (4)</b>	<b>Unemployment Rate (5)</b>
2019	94,031	\$ 66,214	15,995	\$ 1,059,092,930	2,009	4.4%
2018	93,918	61,456	15,556	956,009,536	2,016	4.2%
2017	94,060	61,323	16,026	982,762,398	2,052	5.4% *
2016	93,389	55,404	15,911	881,533,044	2,002	4.0%
2015	94,295	55,367	15,911	880,944,337	2,016	5.1%
2014	93,972	53,970	15,911	858,716,670	2,199	5.0%
2013	93,680	50,918	15,970	813,160,460	2,238	6.0%
2012	93,228	47,830	15,944	762,601,520	2,262	5.7%
2011	95,676	N/A	11,617	N/A	2,278	6.6%
2010	95,676	N/A	11,514	N/A	2,245	7.3%

Source:

\* Unemployment Report released June 2017

- (1) Estimated Figure from Ohio Department of Development
- (2) U.S. Census Bureau, U.S. Bureau of Economic Analysis  
Fiscal Year 2007-2011 is presented for Chesterland.  
Fiscal Year 2012-2019 is presented for Geauga County.
- (3) Estimated using West Geauga LSD population multiplied by Geauga County per capita income.  
Information for fiscal years 2010 and 2011 not available.
- (4) School District Records.
- (5) Ohio Department of Job and Family Services for Geauga County.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Building Enrollment and Capacity*  
*Last Ten Fiscal Years*

	2019	2018	2017	2016
<b>Lindsey Elementary School</b>				
Constructed in 1965 with an addition in 1969 & 1996				
Total Building Square Footage	58,106	58,106	58,106	58,106
Enrollment	352	368	373	336
Student Capacity	534	534	534	534
Percentage of Capacity	65.9%	68.9%	69.9%	62.9%
<b>Westwood Elementary School</b>				
Constructed in 1959 with an addition in 1960 & 1996				
Total Building Square Footage	60,400	60,400	60,400	60,400
Enrollment	445	426	425	410
Student Capacity	575	575	575	575
Percentage of Capacity	77.4%	74.1%	73.9%	71.3%
<b>West Geauga Middle School</b>				
Constructed in 1962 with additions in 1963, 1964 & 1996				
Total Building Square Footage	113,416	113,416	113,416	113,416
Enrollment	427	496	511	474
Student Capacity	727	727	727	727
Percentage of Capacity	58.7%	68.2%	70.3%	65.2%
<b>West Geauga High School</b>				
Constructed in 1954 with additions in 1956, 1958, 1961, 1966, 1969 & 1996				
Total Building Square Footage	162,520	162,520	162,520	162,520
Enrollment	735	726	743	645
Student Capacity	1,003	1,003	1,003	1,003
Percentage of Capacity	73.3%	72.4%	74.1%	64.3%

Source: School District Records

2015	2014	2013	2012	2011	2010
58,106	58,106	58,106	58,106	58,106	58,106
338	389	397	411	430	439
534	534	534	534	534	534
63.3%	72.8%	74.3%	77.0%	80.5%	82.2%
60,400	60,400	60,400	60,400	60,400	60,400
413	435	444	441	419	426
575	575	575	575	575	575
71.8%	75.7%	77.2%	76.7%	72.9%	74.1%
113,416	113,416	113,416	113,416	113,416	113,416
488	540	538	531	518	555
727	727	727	727	727	727
67.1%	74.3%	74.0%	73.0%	71.3%	76.3%
162,520	162,520	162,520	162,520	162,520	162,520
777	835	859	879	895	919
1,003	1,003	1,003	1,003	1,003	1,003
77.5%	83.3%	85.6%	87.6%	89.2%	91.6%

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Per Pupil Cost*  
*Last Ten Fiscal Years*

<b>Year</b>	<b>Government Wide Expenditures</b>	<b>Average Daily Student Enrollment (1)</b>	<b>Per Pupil Cost</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil/Teacher Ratio</b>	<b>Students Receiving Reduced or No Cost Lunches</b>	<b>% Students Receiving Reduced or No Cost Lunches</b>
2019	\$ 24,978,670	1,959	\$ 12,751	58.38%	116	16.89	191	9.75%
2018	16,229,882	2,016	8,051	-42.09%	116	17.38	195	9.67%
2017	28,526,419	2,052	13,902	-1.81%	116	17.69	202	9.84%
2016	28,344,650	2,002	14,158	0.89%	118	16.97	227	11.34%
2015	28,290,541	2,016	14,033	9.67%	129	15.63	281	13.94%
2014	28,138,739	2,199	12,796	5.76%	129	17.05	297	13.51%
2013	27,077,369	2,238	12,099	-3.97%	129	17.35	297	13.27%
2012	28,498,352	2,262	12,599	3.34%	131	17.27	321	14.19%
2011	27,772,893	2,278	12,192	-0.33%	132	17.26	266	11.68%
2010	27,461,225	2,245	12,232	36.75%	137	16.39	213	9.49%

Source: School District Financial Records, Ohio Department of Education

(1) 2010 - 2014 Information is based on EMIS information provided by the Ohio Department of Education.  
2015 - 2019 Information is based on the October headcount.

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Teacher Salaries*  
*Last Ten Fiscal Years*

<b>Year</b>	<b>West Geauga LSD Average Salary</b>	<b>Statewide Average Salary</b>
2019	\$ 74,101	N/A
2018	71,644	58,202
2017	69,937	71,078
2016	66,842	67,584
2015	64,181	64,523
2014	61,824	60,344
2013	64,126	63,335
2012	64,779	63,335
2011	63,109	60,399
2010	60,465	57,655

(1) Source: Ohio Department of Education Local Report Card (2010-2017)

(2) Ohio Department of Education, District Profile Reports (SY 2017-18).

N/A - Not available at this time

**West Geauga Local School District**  
**Geauga County, Ohio**  
*School District Employees by Function/Program*  
*Last Ten Fiscal Years*

<b>Function</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Regular Instruction</b>				
Teachers	100.50	101.00	101.50	103.00
<b>Special Instruction</b>				
Teachers	16.00	15.00	14.40	15.00
Tutors	0.00	0.00	0.00	0.00
<b>Pupil Support Services</b>				
Guidance counselors	5.00	5.00	5.00	5.00
Nurses	4.00	3.00	3.00	3.00
Occupational Therapist	1.00	1.00	1.00	0.00
Psychologists	2.00	2.00	2.00	2.00
Speech/language pathologists	2.00	3.00	3.00	3.00
Non-teaching support staff	15.00	20.00	19.50	21.50
Admin - central	1.00	1.00	1.00	1.00
<b>Instructional Support Service</b>				
Librarians	1.00	1.00	2.00	1.00
Non-teaching support staff	2.00	2.00	2.00	2.00
Admin - central	0.00	1.00	1.00	1.00
<b>Administration</b>				
Admin - elementary	2.00	2.00	2.00	2.00
Admin - middle school	2.00	2.00	2.00	2.00
Admin - high school	2.00	2.00	2.00	2.00
Staff - central/schools	13.50	14.00	11.00	11.00
Admin - central	2.00	1.50	2.00	3.00
<b>Fiscal</b>				
Staff - central	3.00	3.00	2.50	2.50
Admin - central	1.00	1.00	1.00	1.00
<b>Business - central staff</b>	0.50	1.00	1.00	1.00
<b>Operation of plant</b>				
Custodial department	15.25	15.25	15.25	15.25
Maintenance department	3.00	3.00	3.00	3.00
Admin - central	2.00	2.50	1.00	1.00
<b>Support services - transportation</b>				
Bus drivers/van drivers	22.00	22.00	24.00	24.00
Bus aides	1.00	1.00	0.00	1.00
Mechanics	2.00	2.00	2.00	2.00
Admin	1.00	1.00	1.00	1.00
<b>Food Service Program</b>				
Support services	8.00	8.50	8.50	8.50
Admin	0.00	1.00	1.00	1.00
<b>Extracurricular-athletic department</b>	1.00	1.00	1.00	1.00
Totals	230.75	238.75	235.65	239.75

Source: School District Records.

Method: Using 1.0 for each full-time employee and .50 for each part-time and seasonal employee.



<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
108.00	108.00	118.00	120.50	124.50	127.00
20.00	20.00	16.00	17.00	16.00	16.00
1.00	1.00	1.00	1.00	1.00	1.00
5.00	5.00	5.00	5.00	6.00	6.00
3.00	1.00	1.00	1.50	2.00	2.00
0.00	0.00	0.00	0.00	0.00	0.00
2.00	2.00	2.00	2.00	2.00	2.00
3.00	3.00	3.00	3.00	3.00	3.00
23.50	26.00	30.00	28.00	26.00	26.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	2.00
11.00	2.00	1.00	1.00	1.00	1.00
3.00	4.00	5.00	5.50	6.50	7.00
2.00	2.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	2.00	2.00	2.00	2.00	2.00
17.00	15.50	15.00	16.00	16.00	17.00
3.00	3.00	3.00	3.00	3.00	3.00
1.00	3.00	0.00	0.00	0.00	1.00
25.00	25.00	27.00	31.00	34.00	34.00
1.50	1.50	2.00	2.00	3.00	2.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00
8.50	8.50	9.00	11.00	16.00	17.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
<b>255.50</b>	<b>249.50</b>	<b>260.00</b>	<b>269.50</b>	<b>283.00</b>	<b>289.00</b>

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Enrollment Statistics*  
*Last Ten Fiscal Years*

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<b>Year</b>	<b>Elementary School</b>	<b>Middle School</b>	<b>High School</b>	<b>Total</b>
2019	797	427	735	1,959
2018	794	496	726	2,016
2017	798	511	743	2,052
2016	746	474	782	2,002
2015	751	488	777	2,016
2014	824	540	835	2,199
2013	841	538	859	2,238
2012	852	531	879	2,262
2011	849	540	889	2,278
2010	833	547	865	2,245

Source: School District Records

**West Geauga Local School District**  
**Geauga County, Ohio**  
*Attendance and Graduation Rates*  
*Last Ten School Years*

<b>Fiscal Year</b>	<b>West Geauga LSD Attendance Rate</b>	<b>State Average</b>	<b>West Geauga LSD Graduation Rate</b>	<b>State Average</b>
2019	94.8	N/A	95.9	85.3
2018	95.1	N/A	97.1	84.1
2017	95.0	93.9	96.2	83.6
2016	95.1	94.1	93.1	83.4
2015	95.0	94.1	94.9	83.0
2014	96.1	94.3	93.8	82.2
2013	95.6	94.2	93.3	82.2
2012	95.8	94.5	96.0	81.3
2011	95.4	94.5	94.8	79.7
2010	95.2	94.3	99.6	84.3

Source: Ohio Department of Education Local Report Cards

N/A - Information not currently available

**Independent Auditor's Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards***

Board of Education  
West Geauga Local School District  
Chesterland, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Geauga Local School District (the "District"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 18, 2019.

**Internal Control over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Cienni + Panichi, Inc.*

Cleveland, Ohio  
December 18, 2019

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# OHIO AUDITOR OF STATE KEITH FABER



**WEST GEAUGA LOCAL SCHOOL DISTRICT**

**GEAUGA COUNTY**

## **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY, 11 2020**