

Dave Yost • Auditor of State

**OLENTANGY LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

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**OLENTANGY LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016**

| FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title | Federal CFDA Number | Expenditures |
|---|------------------------------------|-----------------------------------|
| U.S. DEPARTMENT OF AGRICULTURE | | |
| <i>Passed Through Ohio Department of Education</i> | | |
| Child Nutrition Cluster | | |
| Non-Cash Assistance (Food Distribution) | | |
| National School Lunch Program | 10.555 | \$ 308,323 |
| Cash Assistance: | | |
| School Breakfast Program | 10.553 | 128,199 |
| National School Lunch Program | 10.555 | 960,882 |
| Total Child Nutrition Cluster | | <u>1,397,404</u> |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | <u>1,397,404</u> |
| U.S. DEPARTMENT OF EDUCATION | | |
| <i>Passed Through Ohio Department of Education</i> | | |
| Title I Grants to Local Educational Agencies | 84.010 | 403,646 |
| Special Education Cluster | | |
| Special Education - Grants to States (IDEA, Part B) | 84.027 | 2,345,291 |
| Special Education - Preschool Grants (IDEA Preschool) | 84.173 | 19,852 |
| Total Special Education Cluster | | <u>2,365,143</u> |
| English Language Acquisition State Grants | 84.365 | 64,413 |
| Improving Teacher Quality State Grants | 84.367 | <u>114,428</u> |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | <u>2,947,630</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | <u><u>\$ 4,345,034</u></u> |

The accompanying notes are an integral part of this schedule.

**OLENTANGY LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Olentangy Local School District's (the School District's) under programs of the federal government for the year ended June 30, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - CHILD NUTRITION CLUSTER

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

NOTE D – FOOD DONATION PROGRAM

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



Dave Yost • Auditor of State

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

Olentangy Local School District
Delaware County
814 Shanahan Road
Lewis Center, Ohio 43035

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Olentangy Local School District, Delaware County, (the School District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 9, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Dave Yost
Auditor of State
Columbus, Ohio

December 9, 2016



Dave Yost • Auditor of State

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

Olentangy Local School District
Delaware County
814 Shanahan Road
Lewis Center, Ohio 43035

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Olentangy Local School District's (the School District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the School District's major federal program for the year ended June 30, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the School District's major federal program.

Management's Responsibilities

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the Olentangy Local School District, Delaware County, Ohio complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2016.

Report on Internal Control Over Compliance

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

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

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

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

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Olentangy Local School District, Delaware County, Ohio (the School District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our unmodified report thereon dated December 9, 2016. We conducted our audit to opine on the School District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

December 9, 2016

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**OLENTANGY LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2016**

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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**OLENTANGY LOCAL SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2016**

**INTRODUCTORY
SECTION**

OLENTANGY LOCAL SCHOOL DISTRICT DELAWARE COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2016

Prepared By:

Treasurer's Office

Emily Hatfield, Treasurer

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OLENTANGY LOCAL SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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OLENTANGY | LOCAL SCHOOLS



OFFICE OF THE TREASURER

814 Shanahan Road, Suite 100

Lewis Center, OH 43035

December 9, 2016

To the Board of Education and the Citizens of the Olentangy Local School District:

On behalf of the Olentangy Local School District, we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This Comprehensive Annual Financial Report contains financial statements, supplemental schedules, and statistical information conforming with generally accepted accounting principles (GAAP) as applicable to governmental entities. It provides complete and full disclosure of all material financial aspects of the School District. In addition, this report is designed so a reader can acquire the maximum understanding of the School District's financial activity and provided as a way for the School District to communicate openly about the School District's finances with its stakeholders.

School District management assumes full responsibility for the completeness and reliability of the information contained in this report based on a comprehensive framework of internal controls 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.

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

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires preparing financial statements in accordance with generally accepted accounting principles and Ohio Revised Code Section 117-38, which requires the School District to file an unaudited annual report with the Auditor of State within one hundred fifty days of fiscal year end.

State statute requires an annual audit by independent accountants. The Ohio Auditor of State conducted the School District's fiscal year 2016 audit. In addition to meeting the requirement set forth in statute, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

Profile of the School District

The School District, one of over 600 public school districts in the State of Ohio and four in Delaware County, provides education to 19,392 students in grades K through 12 as of June 2016. It is located in Delaware and Franklin Counties in Central Ohio, and approximately fifteen miles north of the City of Columbus. The School District was created by the consolidation, in 1952, of the Berlin, Hyatt, Liberty, and Orange Township schools to form the Olentangy Local School District. Less than one square mile of the School District's area is located in Franklin County. The School District's total area is approximately ninety-five square miles. Included in the School District's territory are seven townships: Berkshire, Berlin, Concord, Delaware, Genoa, Liberty, and Orange, as well as the City of Powell and portions of the cities of Columbus, Delaware, and Westerville.

An elected five-member Board of Education serves as the taxing authority and policy maker for the School District. The Board adopts an annual tax budget and an annual appropriations resolution, which serves as the basis for control over and authorization for all expenditures of School District's tax money. The Board directly approves all personnel-related expenditures.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. The Treasurer is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the School District, acting as custodian of all School District funds, and investing idle funds as permitted by Ohio law. The Treasurer also serves as Secretary to the Board. Administrative personnel reporting to the Superintendent include the Chief of Administrative Services, Chief Operations Officer, Chief Academic Officer, and Director of Communications.

As of June 2016, 19,392 students were enrolled in the School District's fifteen elementary schools, five middle schools, and three high schools. The high school population includes approximately one hundred students enrolled in cooperative vocational educational programs provided by the Delaware Area Career Center.

Faculty at each level is supported by the Office of Curriculum, which in turn is responsible for the School District's improvement efforts and facilitation of the School District's Continuous Improvement Plan (CIP). Efforts to continuously improve teaching and learning are guided by the School District's CIP. In addition, regular updates to courses of study are made with involvement of the faculty and input from the community.

The School District's curriculum includes a wide range of electives and comprehensive courses of study in college preparatory, liberal arts, and vocational programs. Test scores indicate that the School District's students generally achieve higher than national averages.

A full range of extracurricular programs and activities are available to students beginning at the elementary level. A complete competitive athletics program is offered beginning at the middle school level. An intramural sports program is also offered to students at selected grade levels throughout the School District.

Local Economy

Delaware County has experienced exponential growth in the past decade. The County is one of the fastest growing counties in the State and it is recognized as one of the most rapidly growing counties in the nation.

Additionally, the Columbus Metropolitan Area, nationally recognized as one of the emerging metropolitan areas, is among the more economically stable metropolitan areas in the United States and Columbus is one of just a handful of cities in the northeastern quadrant of the nation whose economy and population both grew steadily through the last three decades of the 20th century. A strong residential, commercial, and industrial tax base, a very diverse labor force, and an unemployment rate below the State and national averages have resulted in strong growth throughout the metropolitan area, as well as in and around the School District.

The School District is considered a high wealth district. The valuation per pupil for fiscal year 2016 was \$180,647 compared to the State average of \$141,305. A comparison of the median income shows that the School District’s median of \$75,346 is more than twice the State median of \$32,873 in tax year 2013. While the School District is considered high wealth, the School District strives to operate in the most cost effective manner. This is evidenced by the most recent cost per pupil numbers released by the Ohio Department of Education for fiscal year 2015. The School District’s cost per pupil is \$9,760 compared to the State average of \$10,985.

The School District is located in a high growth area and has the fastest growing student enrollment in the State. One mill of taxation raises \$180.65 per pupil compared to the State average of \$141.30 per pupil. The commercial tax base of the School District continues to grow at a robust pace. The Polaris Development provides the heaviest concentration of office and retail development. The cornerstones of Polaris consist of the 1,500,000 square foot Polaris Fashion Mall and the 1,200,000 square foot J.P. Morgan Chase office complex. By the year 2030, the total market value of Polaris is projected to approach \$1 billion.

The Mall opened in October 2001. The total value of the completed Mall was approximately \$118 million; however, a new 167,000 square foot, open-air “Lifestyle Center” opened adjacent to the mall adding several high-end retail shops and restaurants. Additionally, several stand-alone stores and retail centers, such as Ikea, are in the process of being constructed in Polaris. Cabelas constructed an 80,000 square foot store that opened in 2013. As of tax year 2015, the value of the Polaris TIF was \$269,279,580.

The School District's growth in the past decade is reflected, in part, in the degree of building activity in the School District. Building permit statistics are not available for the School District as such. The following table relating to the issuance of single family building permits by the Berlin, Liberty, and Orange Townships and the City of Powell from 2007 through 2016 is set forth for informational purposes only. It should not be implied from the inclusion of this data that the School District is representative of the townships or city or vice versa.

**Number of Single Family Building Permits Issued In
Selected Overlapping Subdivisions**

| Year | Berlin Twp. | Liberty Twp. | Orange Twp. | City of Powell | Total |
|-------|-------------|--------------|-------------|-------------------|-------|
| 2007 | 40 | 73 | 192 | 94 | 399 |
| 2008 | 30 | 65 | 129 | 41 | 265 |
| 2009 | 20 | 30 | 111 | 32 | 193 |
| 2010 | 35 | 45 | 119 | 34 | 233 |
| 2011 | 30 | 67 | 124 | 45 | 266 |
| 2012 | 26 | 104 | 160 | 50 | 340 |
| 2013 | 19 | 116 | 159 | 68 | 362 |
| 2014 | 28 | 82 | 155 | 104 | 369 |
| 2015 | 24 | 64 | 162 | 56 | 306 |
| 2016* | 21 | 52 | 111 | 40 | 224 |

* Preliminary data through June 2016.

Source: Delaware County Regional Planning Commission, City of Powell

While the tremendous growth provides revenue enhancing opportunities, it also provides challenges and expenditure pressures. The School District, along with many other public school systems in the State, still faces some difficult economic situations in the future since the School District's primary funding source is property tax revenue. Ohio law limits growth in real estate tax revenues by reducing millage as assessed values increase. This keeps revenues from each levy relatively constant. Statewide voters have proved reluctant to increase property taxes. Olentangy Local School District residents have passed the last five operating levies in support of the School District. Although the School District has received additional revenue from the valuation growth of new construction within the School District, the increased expenditures from the enrollment growth have outpaced the additional revenue.

Long-Term Financial Planning

The current financial forecast for the General Fund operations over the next five years demonstrates that the ending balance at the end of fiscal year 2017 is projected at \$63,761,934 with positive balances through fiscal year 2021. The School District utilizes a five-year forecasting model to monitor the School District's financial health and implement appropriate actions to maintain a positive cash balance. The School District's diminishing balance reflects the challenge of Ohio school district financing.

State funding was completely changed due to HB1 passed by legislature in June 2009. HB1 caused the School District to be placed back on a guarantee. This significantly decreased anticipated State aid as the School District was beginning to receive additional funding as a result of our rapid student growth. To add to this loss of anticipated revenue, HB153 accelerated the phase-out of the tangible personal property reimbursement and kept the School District on a guarantee for State foundation funding for fiscal years 2012 and 2013. The current biennium budget for fiscal years 2016 and 2017 did provide a minimal increase as did the previous budget for fiscal years 2014 and 2015, but a growth cap instituted prevented the School District from receiving the fully calculated funding it is entitled. For example, in fiscal year 2017 the School District per the formula is calculated to receive \$49 million, but the School District only receives \$10.8 million due to the growth cap. Considering our local taxpayers provide the majority of our funding through tax levies, this additional State aid could have helped stretch the levy cycle. This forecast assumes minimal growth in State basic aid in future biennial budgets.

Major Initiatives

The State of Ohio developed a new Local Report Card System which assigns traditional letter grades in different categories. The School District received the following grades by category for 2015-16 school year.

Achievement: Performance Index - B; Indicators Met - A

Gap Closing: Annual Measurable Objectives - C

*Progress: Overall - F; Gifted - F; Students with Disabilities - F; Lowest 20 Percent Achievement - F

Graduation Rates: 4 years - A; 5 years - A

*Changes in State measures have caused dramatic changes in ratings earned. The School District will continue to monitor these measures to improve our ratings.

Enrollment Growth - The School District's enrollment continues to be the fastest growing in the State of Ohio based on actual numbers in fiscal year 2016. The School District's enrollment grew by 572 students from fiscal year 2015 to fiscal year 2016. Enrollment for school year 1987-88 was 1,618 while enrollment for the 2015-16 school year was 19,392. During the last five years, the School District has experienced enrollment growth ranging from 1 percent to 4 percent. The enrollment projections, as well as development projections, indicate that the growth will continue well into this century. Student enrollment projections for fiscal year 2016-17 indicate an enrollment of approximately 20,091 and 22,954 by 2026-27.

Building Facilities - The School District is fortunate in that we have been able to keep pace with the School District's rapidly growing student enrollment. Since 1989, the School District has grown from utilizing only the Shanahan building to a total of twenty-three school buildings in the 2015-16 school year.

The School District's Development Committee (committee of citizen volunteers with construction and architectural background) is always evaluating the construction needs that will exist within the School District in the future. The School District continues to face the challenge of forecasting the number of students that will be entering the schools each year and trying to provide adequate space.

The residents of the School District have been supportive regarding the construction needs of the School District. Since May 1999, School District residents have supported eight consecutive bond levies. The most recent bond levy was for \$79.56 million in March 2016.

Since 1999, the School District has constructed the following schools/buildings:

| | |
|---|-------------------------------------|
| Oak Creek Elementary (FY 2001) | Tyler Run Elementary (FY 2002) |
| Liberty Middle School (FY 2002) | Bus/Maintenance Compound (FY 2003) |
| Liberty High School (FY 2004) | Walnut Creek Elementary (FY 2004) |
| Indian Springs Elementary (FY 2004) | Orange Middle School (FY 2005) |
| Glen Oak Elementary (FY 2006) | Meadows Elementary (FY 2007) |
| Liberty Tree Elementary (FY 2008) | Hyatts Middle School (FY 2008) |
| Johnnycakes Corners Elementary (FY 2008) | Orange High School (FY 2009) |
| Bus/Maintenance Facility (FY2009) | Expansion to Olentangy High |
| Freedom Trail Elementary School (FY 2010) | School (FY2010) |
| Cheshire Elementary School (FY 2011) | Heritage Elementary School (FY2012) |

March 2016 Ballot Issue - The School District passed a levy ballot issue on March 16, 2016. Due to the lack of substantial State funding, the School District had a 5.9 mill operating levy on the ballot to keep up with the additional costs from enrollment growth since the last levy in 2011. The School District's enrollment has increased by 19 percent or 3,081 students K-12 since 2011.

The School District is experiencing overcrowding at its three high schools where total design capacity is 4,800 and current enrollment is approximately 5,530. For almost the next forty years, the projected high school enrollment will be at least 6,600 students with twelve of those years at least 7,200 high school students. The ballot issue also had a \$79.56 million no-additional mill bond levy to build a fourth high school and for various permanent improvements such as building roof replacements.

Of the School District's twenty-three school buildings, fifteen are at least ten years old and of those nine are at least fifteen years old. The last part of the ballot issue on March 16, 2016, was a 1 mill permanent improvement levy that will be used, for among other things, to help maintain aging buildings and grounds and add new buses for enrollment growth and replace old ones no longer in use.

Financial Policies

Internal Control - In developing and revising the School District's accounting and internal control system, management has considered the adequacy of internal controls 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 recognizes that:

- the cost of a control should not exceed the benefits likely to be derived; and
- the evaluation of costs and benefits requires estimates and judgments by management.

Management believes that the internal controls adequately meet the above objectives.

Budgetary Controls - In addition, the School District maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriations resolution approved by the Board of Education. Activities of all funds are included in the annual appropriations resolution. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is by fund. The School District has chosen to present budgetary information at the function level in the basic financial statements and at the fund level in the individual fund statements.

The School District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriation balances are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year end are carried forward to succeeding fiscal year and are not re-appropriated.

As demonstrated by the statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management.

Employee Relations

In 2012, the Board of Education entered into a three-year agreement effective July 1, 2012, to June 30, 2015, with the Olentangy Teachers Association (OTA). These negotiations established the wage and benefit levels for the School District's certified employees. A second extension of the agreement through June 30, 2017, was approved by the Board of Education in January 2016.

In 2012, the Board of Education entered into a three-year agreement effective July 1, 2012, to June 30, 2015, with the Ohio Association of Public School Employees (OAPSE) and AFSCME AFL-CIO Local #322 (transportation drivers). A second extension of the agreement through June 30, 2017, was approved by the Board of Education in June 2016.

In 2012, the Board of Education entered into a three-year agreement effective July 1, 2012, to June 30, 2015, with the Ohio Association of Public School Employees (OAPSE) and AFSCME AFL-CIO Local #039 (maintenance and custodians). A second extension of the agreement through June 30, 2017, was approved by the Board of Education in June 2016.

Awards and Acknowledgements

The Auditor of the State of Ohio has issued an unmodified opinion on Olentangy Local School District's financial statements for the fiscal year ended June 30, 2016. The Independent Auditors' Report is located at the front of the financial section of this report.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Olentangy Local School District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2015. 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.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA for consideration.

The preparation of this report was made possible by the diligence of the staff of the Treasurer's Office and other departments throughout the School District. Their initiative and conscientious work ensured the integrity of the information contained herein and guaranteed this report's successful completion.

In closing, we would like to thank the Board of Education for their support without which the preparation of this report would not have been possible.

Respectively submitted,



Mark Raiff, Superintendent



Emily Hatfield, Treasurer



Government Finance Officers Association

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

Presented to

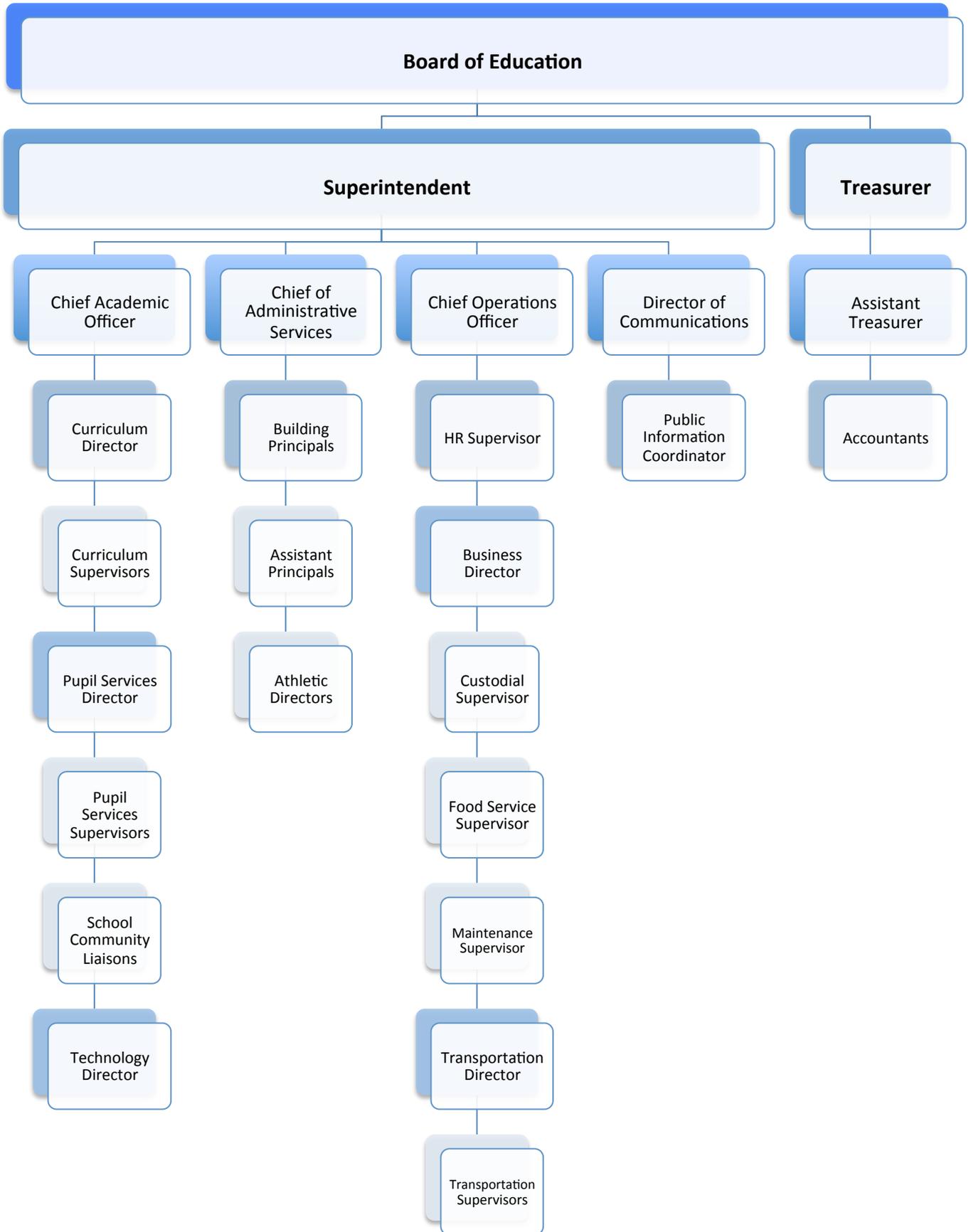
**Olentangy Local School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

**Olentangy Local Schools
Administrative Organization
Effective August 1, 2015**



OLENTANGY LOCAL SCHOOL DISTRICT

Elected Officials and Appointed Officials
as of June 30, 2016

BOARD OF EDUCATION MEMBERS



Julie

Dave King, Roger Bartz, Wagner Feasel, Kevin O'Brien, Mindy Patrick,
President Vice-President Member Member Member
(740) 657-4094 (740) 657-4093 (740) 657-4091 (740) 657-4090 (740) 657-4092

APPOINTED OFFICIALS

Mark Raiff, Superintendent
Brian Kern, Treasurer - 8/31/2016
Emily Hatfield, Treasurer

**FINANCIAL
SECTION**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Olentangy Local School District
Delaware County
814 Shanahan Road
Delaware, Ohio 43035

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Olentangy Local School District, Delaware County, Ohio (the School District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Olentangy Local School District, Delaware County, Ohio, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2016, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

December 9, 2016

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Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

The discussion and analysis of Olentangy Local School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Highlights

Highlights for fiscal year 2016 are as follows:

In total, net position increased \$13,314,305 or 9 percent from the prior fiscal year.

General revenues were \$213,232,347, or 91 percent of total revenues, and reflect the School District's substantial dependence on local property taxes and State funding.

Using the Basic Financial Statements

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

The statement of net position and the statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds, with all other nonmajor funds presented in total in a single column. For Olentangy Local School District, the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund are the most significant funds.

Reporting the School District as a Whole

The statement of net position and the statement of activities reflect how the School District did financially during fiscal year 2016. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

These 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 whether the financial position of the School District as a whole has increased or decreased from the prior fiscal year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Nonfinancial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the statement of net position and the statement of activities, all of the School District activities are reported as governmental activities, including instruction, support services, non-instructional services, and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund financial statements provide detailed information about the School District's major funds. While the School District uses many funds to account for its financial transactions, the fund financial statements focus on the School District's most significant funds. The School District's major funds are the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund.

Governmental Funds - All of the School District's programs are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year end for spending in future periods. These funds are reported using 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 determine whether there are more or less financial resources that can be spent in the near future to finance educational programs.

Proprietary Fund - The internal service fund is an accounting device used to accumulate and allocate costs internally among the School District's other programs and activities.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

The School District as a Whole

Table 1 provides a summary of the School District's net position for fiscal year 2016 and fiscal year 2015:

Table 1
Net Position

| | Governmental Activities | | Change |
|---------------------------------------|----------------------------|------------------------|----------------------|
| | 2016 | 2015 | |
| <u>Assets</u> | | | |
| Current and Other Assets | \$368,807,231 | \$275,201,066 | \$93,606,165 |
| Capital Assets, Net | 310,831,129 | 316,407,357 | (5,576,228) |
| Total Assets | <u>679,638,360</u> | <u>591,608,423</u> | <u>88,029,937</u> |
| <u>Deferred Outflows of Resources</u> | | | |
| Pension | 34,951,953 | 17,317,068 | 17,634,885 |
| Other Amounts | 23,736,598 | 24,480,061 | (743,463) |
| Total Deferred Outflows of Resources | <u>58,688,551</u> | <u>41,797,129</u> | <u>16,891,422</u> |
| <u>Liabilities</u> | | | |
| Current and Other Liabilities | 29,718,632 | 28,241,056 | (1,477,576) |
| Long-Term Liabilities | | | |
| Pension | 265,490,940 | 225,690,820 | (39,800,120) |
| Other Amounts | 433,715,037 | 362,319,367 | (71,395,670) |
| Total Liabilities | <u>728,924,609</u> | <u>616,251,243</u> | <u>(112,673,366)</u> |
| <u>Deferred Inflows of Resources</u> | | | |
| Pension | 17,364,078 | 40,886,537 | 23,522,459 |
| Other Amounts | 124,311,363 | 121,855,216 | (2,456,147) |
| Total Deferred Inflows of Resources | <u>141,675,441</u> | <u>162,741,753</u> | <u>21,066,312</u> |
| <u>Net Position</u> | | | |
| Net Investment in Capital Assets | 28,341,900 | 23,123,614 | 5,218,286 |
| Restricted | 30,363,756 | 32,482,810 | (2,119,054) |
| Unrestricted (Deficit) | (190,978,795) | (201,193,868) | 10,215,073 |
| Total Net Position (Deficit) | <u>(\$132,273,139)</u> | <u>(\$145,587,444)</u> | <u>\$13,314,305</u> |

The net pension liability is the single largest liability reported by the School District at June 30, 2016, and is reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions". For reasons discussed below, end users of these financial statements will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

GASB standards are national standards and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB Statement No. 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB Statement No. 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and State law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB Statement No. 68 requires the net pension liability to equal the School District's proportionate share of each plan's collective present value of estimated future pension benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

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

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

In accordance with GASB Statement No. 68, the School District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred outflows/inflows.

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

Including the changes related to pension, the above table reflects a couple of notable changes from the prior fiscal year. The significant increase in current and other assets can largely be attributed to two sources. There was an increase in cash and cash equivalents due to bond proceeds which were not spent as of fiscal year end (approximately \$76 million in unspent proceeds). There was also an increase in property taxes receivable. Property taxes are, of course, based on the assessed valuation of property so a portion of this increase can be attributed to the approximate \$128 million increase in assessed valuation. There was also a larger amount of taxes available for advance to the School District at the end of the fiscal year (approximately \$3 million more). Taxes collected by the County Auditor are available to be advanced to the School District at fiscal year end. This amount fluctuates due the timing of when taxpayers pay their property taxes as taxpayers have the option of paying their taxes in full early in the year or to pay half early in the year with a second payment made mid-year. While there were a number of increases and decreases related to current and other liabilities, the factor which primarily led to the overall increase was an increase in claims payable. Fiscal year 2016 was the first full year of the School District's self-insurance program. The increase in the net investment in capital assets was due to a combination of cash acquisitions of assets as well as the retirement of related debt.

Table 2 reflects the change in net position for fiscal year 2016 and fiscal year 2015.

Table 2
Change in Net Position

| | Governmental Activities | | Change |
|---|----------------------------|--------------------|-------------------|
| | 2016 | 2015 | |
| <u>Revenues</u> | | | |
| Program Revenues | | | |
| Charges for Services | \$10,814,839 | \$9,653,076 | \$1,161,763 |
| Operating Grants, Contributions, and Interest | 10,266,320 | 9,887,679 | 378,641 |
| Capital Grants and Contributions | 50,399 | 459,864 | (409,465) |
| Total Program Revenues | <u>21,131,558</u> | <u>20,000,619</u> | <u>1,130,939</u> |
| General Revenues | | | |
| Property Taxes Levied for General Purposes | 138,186,334 | 126,464,806 | 11,721,528 |
| Property Taxes Levied for Debt Service Purposes | 27,038,758 | 24,605,997 | 2,432,761 |
| Payment in Lieu of Taxes | 19,335,778 | 19,503,200 | (167,422) |
| Grants and Entitlements | 26,951,143 | 24,985,195 | 1,965,948 |
| Interest | 689,744 | 426,593 | 263,151 |
| Gifts and Donations | 22,006 | 14,498 | 7,508 |
| Miscellaneous | 1,008,584 | 904,158 | 104,426 |
| Total General Revenues | <u>213,232,347</u> | <u>196,904,447</u> | <u>16,327,900</u> |
| Total Revenues | <u>234,363,905</u> | <u>216,905,066</u> | <u>17,458,839</u> |

(continued)

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

Table 2
Change in Net Position
(continued)

| | Governmental Activities | | |
|--|----------------------------|------------------------|---------------------|
| | 2016 | 2015 | Change |
| <u>Expenses</u> | | | |
| Instruction | | | |
| Regular | \$107,797,658 | \$97,876,976 | (\$9,920,682) |
| Special | 28,614,923 | 25,204,973 | (3,409,950) |
| Vocational | 1,143,607 | 1,061,485 | (82,122) |
| Support Services | | | |
| Pupils | 7,221,744 | 7,173,038 | (48,706) |
| Instructional Staff | 4,741,912 | 4,130,375 | (611,537) |
| Board of Education | 977,288 | 973,004 | (4,284) |
| Administration | 9,164,321 | 8,546,672 | (617,649) |
| Fiscal | 3,963,122 | 3,689,625 | (273,497) |
| Business | 615,714 | 619,444 | 3,730 |
| Operation and Maintenance of Plant | 14,816,536 | 13,918,774 | (897,762) |
| Pupil Transportation | 9,939,903 | 9,710,146 | (229,757) |
| Central | 4,045,992 | 3,213,778 | (832,214) |
| Non-Instructional Services | 9,093,312 | 8,894,056 | (199,256) |
| Extracurricular Activities | 4,522,482 | 4,036,832 | (485,650) |
| Interest and Fiscal Charges | 14,391,086 | 15,160,955 | 769,869 |
| Total Expenses | <u>221,049,600</u> | <u>204,210,133</u> | <u>(16,839,467)</u> |
| Increase in Net Position | 13,314,305 | 12,694,933 | 619,372 |
| Net Position (Deficit) Beginning of Year | (145,587,444) | (158,282,377) | 12,694,933 |
| Net Position (Deficit) End of Year | <u>(\$132,273,139)</u> | <u>(\$145,587,444)</u> | <u>\$13,314,305</u> |

Program revenues, which are primarily represented by tuition and fees, charges for extracurricular activities, food service sales, and restricted intergovernmental revenues represented 9 percent of total revenues for fiscal year 2016 (same for fiscal year 2015). The increase in charges for services is largely due to an increase in lunchroom fees (the total number of lunches served increased) and an increase in outstanding student fees. The increase in operating grants and contributions was due to an increase in State foundation resources restricted for certain programs. The decrease in capital grants and contributions is the result of a donation of new turf for the football fields in the prior fiscal year.

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

The primary sources of general revenues are property taxes and unrestricted State resources (generally State Foundation monies). The increase in property taxes is based on the increase in assessed valuation and a larger amount available for advance to the School District at fiscal year end (as discussed previously). The increase in unrestricted grants and contributions is due to additional State foundation resources.

Overall expenses increased 8 percent from the prior fiscal year. Increases were generally related to staffing increases (59 additional teachers and 83 additional personnel overall) and salary and benefit increases.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted state entitlements.

Table 3
Governmental Activities

| | Total Cost of Services | | Net Cost of Services | |
|------------------------------------|------------------------|----------------------|----------------------|----------------------|
| | 2016 | 2015 | 2016 | 2015 |
| Instruction | | | | |
| Regular | \$107,797,658 | \$97,876,976 | \$105,131,828 | \$95,728,162 |
| Special | 28,614,923 | 25,204,973 | 20,605,950 | 17,752,164 |
| Vocational | 1,143,607 | 1,061,485 | 1,068,981 | 995,237 |
| Support Services | | | | |
| Pupils | 7,221,744 | 7,173,038 | 7,221,744 | 7,173,038 |
| Instructional Staff | 4,741,912 | 4,130,375 | 4,741,912 | 4,130,375 |
| Board of Education | 977,288 | 973,004 | 977,288 | 973,004 |
| Administration | 9,164,321 | 8,546,672 | 9,164,321 | 8,546,672 |
| Fiscal | 3,963,122 | 3,689,625 | 3,963,122 | 3,689,625 |
| Business | 615,714 | 619,444 | 615,714 | 619,444 |
| Operation and Maintenance of Plant | 14,816,536 | 13,918,774 | 14,816,536 | 13,918,774 |
| Pupil Transportation | 9,939,903 | 9,710,146 | 9,633,338 | 9,448,960 |
| Central | 4,045,992 | 3,213,778 | 4,045,992 | 3,143,778 |
| Non-Instructional Services | 9,093,312 | 8,894,056 | 606,328 | 741,729 |
| Extracurricular Activities | 4,522,482 | 4,036,832 | 2,933,902 | 2,187,597 |
| Interest and Fiscal Charges | 14,391,086 | 15,160,955 | 14,391,086 | 15,160,955 |
| Total Expenses | <u>\$221,049,600</u> | <u>\$204,210,133</u> | <u>\$199,918,042</u> | <u>\$184,209,514</u> |

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

As demonstrated again in the above table, general revenues are relied upon to bear the burden of the costs of programs provided by the School District. In fiscal year 2016, general revenues provided for 90 percent of the costs of programs provided. Only a very few of the School District's programs receive a significant amount of program revenues to offset their costs. Almost 28 percent of special instruction costs are provided for with grants restricted for special instruction purposes. Approximately 93 percent of the non-instructional services program was provided for through program revenues. This is primarily due to cafeteria sales and state and federal subsidies and donated commodities for food service. In addition, this program includes resources received and spent on behalf of the parochial schools located within the School District. Approximately 35 percent of extracurricular activities expenses are covered by program revenues. This is the result of music and athletic fees, ticket sales, and gate receipts.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. For the General Fund, fund balance increased 6 percent from the prior fiscal year. Revenues increased 8 percent (primarily due to property tax increases, additional State foundation resources, and tuition). Expenditures also increased 6 percent due to staffing increases and salary and benefit increases; however, the increase in revenues was greater than the increase in expenditures.

Fund balance increased over \$8 million in the Bond Retirement debt service fund primarily due to the premium on bonds that were issued during the fiscal year.

Fund balance increased in the Building capital projects fund due to bonds issued during the fiscal year for construction. Over \$76 million of those proceeds were not spent as of fiscal year end.

General Fund Budgeting Highlights

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

During fiscal year 2016, the School District amended its General Fund budget as needed. For revenues, changes from the original budget to the final budget (less than 1 percent) were not significant. The most significant changes from the final budget to actual revenues were related to property taxes and State foundation resources (as previously discussed). For expenditures, changes from the original budget to the final budget (less than 1 percent) as well as changes from the final budget to actual expenditures (1 percent) were not significant.

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2016, the School District had \$310,831,129 invested in capital assets (net of accumulated depreciation). The most significant additions for fiscal year 2016 were construction in progress of a new high school, the purchase of a building, roof replacement, and the resurfacing of a track. Significant disposals included a van and miscellaneous equipment. For further information regarding the School District's capital assets, refer to Note 10 to the basic financial statements.

Debt

The School District's outstanding debt at June 30, 2016, consisted of general obligation bonds, in the amount of \$423,510,495. During fiscal year 2016, the School District issued \$79,560,000 in general obligation bonds for the construction of a fourth high school.

The School District's long-term obligations also included capital leases, in the amount of \$800,592, and the liability for compensated absences and the net pension liability. For further information regarding the School District's long-term obligations, refer to Notes 17 and 18 to the basic financial statements.

Current Issues

The School District faces various challenges with being one of the fastest growing school districts, not only in the State, but the nation. The School District has been fortunate over the years to be able to manage the growth pattern while maintaining the educational program and facilities. However, the future financial stability of the School District is not without challenges.

The first challenge is to ensure resources can be preserved as long as possible. The five-year forecast of the General Fund and the five-year building maintenance and construction plans are utilized as tools to manage resources effectively. The School District's five-year forecast, approved by the Board of Education in October 2016, shows a positive General Fund cash balance through the end of fiscal year 2021. This positive cash balance is the direct result of passing a combined levy ballot issue in March 2016 which included a 5.9 mill operating levy, and cost-saving measures implemented by the School District.

The second challenge the School District continues to face is incredible growth. During the past ten years, building permits have ranged from 200 to over 640 a year. The School District's enrollment has increased by over 62 percent or 7,420 students K-12 in that same ten-year period. The School District is experiencing overcrowding at its three high schools where total design capacity is 4,800 and current enrollment is approximately 5,921. For almost the next forty years, the projected high school enrollment will be at least 6,600 students with twelve of those years at least 7,200 high school students. The March 2016 ballot issue included a \$79.56 million no-additional mill bond levy to build a fourth high school and fund various permanent improvements such as roof replacements. If the growth pattern changes and student enrollment increases more than anticipated, the School District will have to change assumptions for its five-year financial models.

Olentangy Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

The third challenge the School District faces is the aging of facilities and capital assets. Of the School District's twenty-three school buildings, fifteen are at least ten years old and of those nine are at least fifteen years old. The last part of the ballot issue in March 2016 was a 1 mill permanent improvement levy that will be used, for among other things, to help maintain aging buildings and grounds and add new buses for enrollment growth and replace old buses no longer in use.

The final challenge facing the School District is the current economic climate and the future of State funding for education in Ohio. The State biennium budget for fiscal years 2010 and 2011 placed the School District back on a guarantee and decreased anticipated State aid as it was beginning to receive additional funding resulting from our rapid student growth. The next biennium budget kept the School District on a guarantee and accelerated the phase-out of tangible personal property reimbursement. The current biennium budget for fiscal years 2016 and 2017 does provide a minimal increase as did the previous budget, but a growth cap instituted prevented the School District from receiving the fully calculated funding it is entitled to receive. In fiscal year 2016, the School District, per the formula, was calculated to receive \$48.7 million but the School District only received \$10.1 million due to the growth cap. In fiscal year 2017, the School District, per the formula, was calculated to receive \$49 million but the School District will only receive \$10.8 million due to the growth cap. The School District's current five-year forecast assumes minimal growth in subsequent State biennium budgets.

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 reflect the School District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Emily Hatfield, Treasurer, Olentangy Local School District, 814 Shanahan Road, Suite 100, Lewis Center, Ohio 43035.

Olentangy Local School District
Statement of Net Position
June 30, 2016

| | Governmental Activities |
|--|----------------------------|
| <u>Assets</u> | |
| Equity in Pooled Cash and Cash Equivalents | \$184,763,614 |
| Accounts Receivable | 664,408 |
| Accrued Interest Receivable | 105,920 |
| Intergovernmental Receivable | 823,761 |
| Prepaid Items | 83,926 |
| Inventory Held for Resale | 156,571 |
| Materials and Supplies Inventory | 481,997 |
| Payment in Lieu of Taxes Receivable | 16,486,316 |
| Property Taxes Receivable | 165,240,718 |
| Nondepreciable Capital Assets | 31,798,297 |
| Depreciable Capital Assets, Net | 279,032,832 |
| Total Assets | 679,638,360 |
| <u>Deferred Outflows of Resources</u> | |
| Deferred Charge on Refunding | 23,736,598 |
| Pension | 34,951,953 |
| Total Deferred Outflows of Resources | 58,688,551 |
| <u>Liabilities</u> | |
| Accounts Payable | 536,233 |
| Contracts Payable | 388,692 |
| Accrued Wages and Benefits Payable | 17,663,977 |
| Matured Compensated Absences Payable | 172,602 |
| Intergovernmental Payable | 4,628,213 |
| Unearned Revenue | 231,308 |
| Accrued Interest Payable | 1,286,234 |
| Claims Payable | 4,811,373 |
| Long-Term Liabilities | |
| Due Within One Year | 11,652,771 |
| Due in More Than One Year | |
| Net Pension Liability | 265,490,940 |
| Other Amounts Due in More Than One Year | 422,062,266 |
| Total Liabilities | 728,924,609 |
| <u>Deferred Inflows of Resources</u> | |
| Property Taxes | 116,709,072 |
| Payment in Lieu of Taxes | 7,602,291 |
| Pension | 17,364,078 |
| Total Deferred Inflows of Resources | 141,675,441 |
| <u>Net Position</u> | |
| Net Investment in Capital Assets | 28,341,900 |
| Restricted For | |
| Debt Service | 19,098,022 |
| Capital Projects | 8,955,339 |
| Food Service | 800,648 |
| Athletic and Music | 958,056 |
| Other Purposes | 551,691 |
| Unrestricted (Deficit) | (190,978,795) |
| Total Net Position (Deficit) | (\$132,273,139) |

See Accompanying Notes to the Basic Financial Statements

Olentangy Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2016

| | Program Revenues | | | |
|------------------------------------|----------------------|----------------------|---|-----------------|
| | Expenses | Charges for Services | Operating Grants, Contributions, and Interest | |
| <u>Governmental Activities</u> | | | | |
| Instruction | | | | |
| Regular | \$107,797,658 | \$2,504,076 | \$157,055 | \$4,699 |
| Special | 28,614,923 | 80,210 | 7,928,763 | 0 |
| Vocational | 1,143,607 | 0 | 74,626 | 0 |
| Support Services | | | | |
| Pupils | 7,221,744 | 0 | 0 | 0 |
| Instructional Staff | 4,741,912 | 0 | 0 | 0 |
| Board of Education | 977,288 | 0 | 0 | 0 |
| Administration | 9,164,321 | 0 | 0 | 0 |
| Fiscal | 3,963,122 | 0 | 0 | 0 |
| Business | 615,714 | 0 | 0 | 0 |
| Operation and Maintenance of Plant | 14,816,536 | 0 | 0 | 0 |
| Pupil Transportation | 9,939,903 | 0 | 306,565 | 0 |
| Central | 4,045,992 | 0 | 0 | 0 |
| Non-Instructional Services | 9,093,312 | 6,687,848 | 1,799,136 | 0 |
| Extracurricular Activities | 4,522,482 | 1,542,705 | 175 | 45,700 |
| Interest and Fiscal Charges | 14,391,086 | 0 | 0 | 0 |
| Total Governmental Activities | <u>\$221,049,600</u> | <u>\$10,814,839</u> | <u>\$10,266,320</u> | <u>\$50,399</u> |

General Revenues:

Property Taxes Levied for General Purposes
Property Taxes Levied for Debt Service Purposes
Payment in Lieu of Taxes
Grants and Entitlements not Restricted to Specific Programs
Interest
Gifts and Donations
Miscellaneous
Total General Revenues

Change in Net Position

Net Position (Deficit) Beginning of Year
Net Position (Deficit) End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Position

Governmental
Activities

(\$105,131,828)

(20,605,950)

(1,068,981)

(7,221,744)

(4,741,912)

(977,288)

(9,164,321)

(3,963,122)

(615,714)

(14,816,536)

(9,633,338)

(4,045,992)

(606,328)

(2,933,902)

(14,391,086)

(199,918,042)

138,186,334

27,038,758

19,335,778

26,951,143

689,744

22,006

1,008,584

213,232,347

13,314,305

(145,587,444)

(\$132,273,139)

Olentangy Local School District
Balance Sheet
Governmental Funds
June 30, 2016

| | General | Bond Retirement | Building | Other Governmental | Total |
|--|-----------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| <u>Assets</u> | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$64,280,465 | \$21,952,400 | \$76,122,673 | \$11,553,405 | \$173,908,943 |
| Accounts Receivable | 659,926 | 0 | 0 | 4,482 | 664,408 |
| Accrued Interest Receivable | 105,920 | 0 | 0 | 0 | 105,920 |
| Interfund Receivable | 259,502 | 0 | 0 | 0 | 259,502 |
| Intergovernmental Receivable | 1,725 | 0 | 0 | 822,036 | 823,761 |
| Prepaid Items | 83,926 | 0 | 0 | 0 | 83,926 |
| Inventory Held for Resale | 0 | 0 | 0 | 156,571 | 156,571 |
| Materials and Supplies Inventory | 432,891 | 0 | 0 | 49,106 | 481,997 |
| <u>Restricted Assets:</u> | | | | | |
| Equity in Pooled Cash and Cash Equivalents | 283,573 | 0 | 0 | 0 | 283,573 |
| Payment in Lieu of Taxes Receivable | 16,486,316 | 0 | 0 | 0 | 16,486,316 |
| Property Taxes Receivable | 138,144,070 | 27,096,648 | 0 | 0 | 165,240,718 |
| Total Assets | <u>\$220,738,314</u> | <u>\$49,049,048</u> | <u>\$76,122,673</u> | <u>\$12,585,600</u> | <u>\$358,495,635</u> |
| <u>Liabilities</u> | | | | | |
| Accounts Payable | \$422,954 | \$0 | \$0 | \$113,279 | \$536,233 |
| Contracts Payable | 0 | 0 | 388,692 | 0 | 388,692 |
| Accrued Wages and Benefits Payable | 17,210,923 | 0 | 0 | 453,054 | 17,663,977 |
| Matured Compensated Absences Payable | 167,733 | 0 | 0 | 4,869 | 172,602 |
| Interfund Payable | 0 | 0 | 0 | 259,502 | 259,502 |
| Intergovernmental Payable | 4,404,314 | 0 | 0 | 223,899 | 4,628,213 |
| Unearned Revenue | 0 | 0 | 0 | 231,308 | 231,308 |
| Claims Payable | 445,358 | 0 | 0 | 18,305 | 463,663 |
| Total Liabilities | <u>22,651,282</u> | <u>0</u> | <u>388,692</u> | <u>1,304,216</u> | <u>24,344,190</u> |
| <u>Deferred Inflows of Resources</u> | | | | | |
| Property Taxes | 97,696,257 | 19,012,815 | 0 | 0 | 116,709,072 |
| Payment in Lieu of Taxes | 7,602,291 | 0 | 0 | 0 | 7,602,291 |
| Unavailable Revenue | 2,135,623 | 287,494 | 0 | 462,870 | 2,885,987 |
| Total Deferred Inflows of Resources | <u>107,434,171</u> | <u>19,300,309</u> | <u>0</u> | <u>462,870</u> | <u>127,197,350</u> |
| <u>Fund Balances</u> | | | | | |
| Nonspendable | 516,817 | 0 | 0 | 49,106 | 565,923 |
| Restricted | 283,573 | 29,748,739 | 75,733,981 | 10,787,299 | 116,553,592 |
| Assigned | 14,543,359 | 0 | 0 | 0 | 14,543,359 |
| Unassigned (Deficit) | 75,309,112 | 0 | 0 | (17,891) | 75,291,221 |
| Total Fund Balances | <u>90,652,861</u> | <u>29,748,739</u> | <u>75,733,981</u> | <u>10,818,514</u> | <u>206,954,095</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$220,738,314</u> | <u>\$49,049,048</u> | <u>\$76,122,673</u> | <u>\$12,585,600</u> | <u>\$358,495,635</u> |

See Accompanying Notes to the Basic Financial Statements

Olentangy Local School District
Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
June 30, 2016

| | | |
|---|---------------|-----------------|
| Total Governmental Fund Balances | | \$206,954,095 |
| <p>Amounts reported for governmental activities on the statement of net position are different because of the following:</p> | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | | 310,831,129 |
| Deferred outflows of resources includes deferred charges on refundings which do not provide current financial resources and, therefore, are not reported in the funds. | | 23,736,598 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. | | |
| Accounts Receivable | 660,179 | |
| Accrued Interest Receivable | 41,020 | |
| Intergovernmental Receivable | 459,172 | |
| Delinquent Property Taxes Receivable | 1,725,616 | |
| | | 2,885,987 |
| Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds; it is reported when due. | | (1,286,234) |
| Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. | | |
| General Obligation Bonds Payable | (423,510,495) | |
| Compensated Absences Payable | (9,403,950) | |
| Capital Leases Payable | (800,592) | |
| | | (433,715,037) |
| The net pension liability is not due and payable in the current period, therefore, the liability and related deferred outflows/inflows are not reported in the governmental funds. | | |
| Deferred Outflows - Pension | 34,951,953 | |
| Deferred Inflows - Pension | (17,364,078) | |
| Net Pension Liability | (265,490,940) | |
| | | (247,903,065) |
| An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position. | | 6,223,388 |
| Net Position (Deficit) of Governmental Activities | | (\$132,273,139) |

See Accompanying Notes to the Basic Financial Statements

Olentangy Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2016

| | General | Bond Retirement | Building | Other Governmental | Total |
|---|---------------------|---------------------|---------------------|-----------------------|----------------------|
| <u>Revenues</u> | | | | | |
| Property Taxes | \$138,573,573 | \$27,114,481 | \$0 | \$0 | \$165,688,054 |
| Payment in Lieu of Taxes | 19,335,778 | 0 | 0 | 0 | 19,335,778 |
| Intergovernmental | 28,762,671 | 3,575,489 | 0 | 4,830,723 | 37,168,883 |
| Interest | 701,836 | 0 | 256 | 2,074 | 704,166 |
| Tuition and Fees | 2,104,127 | 0 | 0 | 0 | 2,104,127 |
| Extracurricular Activities | 539,785 | 0 | 0 | 718,350 | 1,258,135 |
| Charges for Services | 104,500 | 0 | 0 | 6,701,145 | 6,805,645 |
| Gifts and Donations | 22,006 | 0 | 0 | 175 | 22,181 |
| Miscellaneous | 969,197 | 0 | 0 | 202,664 | 1,171,861 |
| Total Revenues | 191,113,473 | 30,689,970 | 256 | 12,455,131 | 234,258,830 |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| Instruction | | | | | |
| Regular | 100,956,686 | 0 | 197,416 | 182,161 | 101,336,263 |
| Special | 27,101,136 | 0 | 0 | 1,806,511 | 28,907,647 |
| Vocational | 1,176,766 | 0 | 0 | 0 | 1,176,766 |
| Support Services | | | | | |
| Pupils | 6,397,960 | 0 | 0 | 976,096 | 7,374,056 |
| Instructional Staff | 4,626,038 | 0 | 0 | 162,580 | 4,788,618 |
| Board of Education | 977,498 | 0 | 0 | 0 | 977,498 |
| Administration | 9,322,778 | 0 | 0 | 643 | 9,323,421 |
| Fiscal | 3,390,566 | 384,583 | 0 | 185,652 | 3,960,801 |
| Business | 606,913 | 0 | 0 | 0 | 606,913 |
| Operation and Maintenance of Plant | 14,580,465 | 0 | 0 | 61,612 | 14,642,077 |
| Pupil Transportation | 9,050,675 | 0 | 0 | 242,404 | 9,293,079 |
| Central | 3,792,484 | 0 | 0 | 295,605 | 4,088,089 |
| Non-Instructional Services | 433,551 | 0 | 0 | 8,520,369 | 8,953,920 |
| Extracurricular Activities | 3,545,045 | 0 | 0 | 760,818 | 4,305,863 |
| Capital Outlay | 51,573 | 0 | 4,503,377 | 451,585 | 5,006,535 |
| Debt Service: | | | | | |
| Principal Retirement | 305,774 | 15,427,261 | 0 | 0 | 15,733,035 |
| Interest and Fiscal Charges | 31,597 | 13,694,878 | 0 | 0 | 13,726,475 |
| Interest on Capital Appreciation Bonds | 0 | 2,042,739 | 0 | 0 | 2,042,739 |
| Total Expenditures | 186,347,505 | 31,549,461 | 4,700,793 | 13,646,036 | 236,243,795 |
| Excess of Revenues Over (Under) Expenditures | 4,765,968 | (859,491) | (4,700,537) | (1,190,905) | (1,984,965) |
| <u>Other Financing Sources</u> | | | | | |
| Sale of Capital Assets | 6,300 | 0 | 0 | 6,568 | 12,868 |
| Inception of Capital Lease | 291,553 | 0 | 0 | 0 | 291,553 |
| General Obligation Bonds Issued | 0 | 0 | 79,560,000 | 0 | 79,560,000 |
| Premium on Bonds Issued | 0 | 8,995,971 | 0 | 0 | 8,995,971 |
| Total Other Financing Sources | 297,853 | 8,995,971 | 79,560,000 | 6,568 | 88,860,392 |
| Changes in Fund Balances | 5,063,821 | 8,136,480 | 74,859,463 | (1,184,337) | 86,875,427 |
| Fund Balances Beginning of Year | 85,589,040 | 21,612,259 | 874,518 | 12,002,851 | 120,078,668 |
| Fund Balances End of Year | \$90,652,861 | \$29,748,739 | \$75,733,981 | \$10,818,514 | \$206,954,095 |

See Accompanying Notes to the Basic Financial Statements

Olentangy Local School District
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to Statement of Activities
 For the Fiscal Year Ended June 30, 2016

Changes in Fund Balances - Total Governmental Funds \$86,875,427

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

Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current fiscal year.

| | | |
|--|---------------------|-------------|
| Capital Outlay - Nondepreciable Capital Assets | 2,177,794 | |
| Capital Outlay - Depreciable Capital Assets | 3,404,909 | |
| Capital Contributions | 50,399 | |
| Depreciation | <u>(11,121,877)</u> | (5,488,775) |

The proceeds from the sale of capital assets are reported as other financing sources in the governmental funds. However, the cost of the capital assets is removed from the capital asset account on the statement of net position and is offset against the proceeds from the sale of capital assets resulting in a gain or loss on disposal of capital assets on the statement of activities.

| | | |
|--------------------------------------|-----------------|----------|
| Proceeds from Sale of Capital Assets | (12,868) | |
| Gain on Disposal of Capital Assets | 8,879 | |
| Loss on Disposal of Capital Assets | <u>(83,464)</u> | (87,453) |

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

| | | |
|----------------------------|---------------|---------|
| Delinquent Property Taxes | (462,962) | |
| Intergovernmental | 46,331 | |
| Interest | (12,348) | |
| Tuition and Fees | 480,159 | |
| Extracurricular Activities | 64,911 | |
| Charges for Services | 3,698 | |
| Miscellaneous | <u>30,508</u> | 150,297 |

Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net position.

| | | |
|--------------------------|----------------|------------|
| General Obligation Bonds | 15,427,261 | |
| Capital Leases | <u>305,774</u> | 15,733,035 |

The inception of a capital lease is reported as an other financing source in the governmental funds but increases long-term liabilities on the statement of net position. (291,553)

(continued)

Olentangy Local School District
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to Statement of Activities
 For the Fiscal Year Ended June 30, 2016
 (continued)

| | | |
|--|-------------|----------------|
| Bond proceeds are other financing sources in the governmental funds but the issuance increases long-term liabilities on the statement of net position. | | (\$79,560,000) |
| Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. Premiums are reported as revenues when the debt is first issued; however, this amount is deferred and amortized on the statement of activities. Accounting losses are amortized over the life of the debt on the statement of activities. | | |
| Accrued Interest Payable | (166,081) | |
| Annual Accretion on Capital Appreciation Bonds | (680,614) | |
| Payment of Accretion on Capital Appreciation Bonds | 2,042,739 | |
| Unamortized Premium | (8,995,971) | |
| Amortization of Premium | 925,547 | |
| Amortization of Deferred Charge on Refunding | (743,463) | (7,617,843) |
| Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | | (568,853) |
| Except for amounts reported as deferred outflows/inflows, changes in the net pension liability are reported as pension expense on the statement of activities. | | (14,938,054) |
| Contractually required contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows or a reduction in the net pension liability. | | 16,295,278 |
| The internal service fund used by management to charge the cost of insurance to individual funds is not reported on the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year. | | 2,812,799 |
| Change in Net Position of Governmental Activities | | \$13,314,305 |

See Accompanying Notes to the Basic Financial Statements

Olentangy Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2016

| | Budgeted Amounts | | Actual | Variance with Final Budget Over (Under) |
|------------------------------------|--------------------|--------------------|--------------------|--|
| | Original | Final | | |
| <u>Revenues</u> | | | | |
| Property Taxes | \$131,495,616 | \$131,495,616 | \$135,952,555 | \$4,456,939 |
| Payment in Lieu of Taxes | 18,437,556 | 18,747,239 | 19,568,649 | 821,410 |
| Intergovernmental | 26,686,715 | 26,899,006 | 28,758,040 | 1,859,034 |
| Interest | 322,448 | 333,054 | 620,488 | 287,434 |
| Tuition and Fees | 2,126,801 | 2,186,781 | 2,119,097 | (67,684) |
| Extracurricular Activities | 573,273 | 573,273 | 539,785 | (33,488) |
| Charges for Services | 450,000 | 450,000 | 104,500 | (345,500) |
| Gifts and Donations | 37,500 | 63,500 | 22,006 | (41,494) |
| Miscellaneous | 740,403 | 784,019 | 1,030,878 | 246,859 |
| Total Revenues | 180,870,312 | 181,532,488 | 188,715,998 | 7,183,510 |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular | 99,452,138 | 99,174,395 | 99,073,530 | 100,865 |
| Special | 27,640,385 | 28,285,983 | 27,406,406 | 879,577 |
| Vocational | 1,076,840 | 1,076,178 | 1,167,886 | (91,708) |
| Support Services | | | | |
| Pupils | 6,394,089 | 6,396,441 | 6,465,569 | (69,128) |
| Instructional Staff | 4,681,064 | 4,677,474 | 4,672,613 | 4,861 |
| Board of Education | 1,280,744 | 1,121,614 | 1,073,699 | 47,915 |
| Administration | 9,123,573 | 9,135,909 | 9,513,742 | (377,833) |
| Fiscal | 3,463,850 | 3,506,850 | 3,435,481 | 71,369 |
| Business | 641,522 | 641,522 | 564,261 | 77,261 |
| Operation and Maintenance of Plant | 15,614,596 | 15,581,369 | 15,335,244 | 246,125 |
| Pupil Transportation | 10,061,036 | 9,927,643 | 9,436,156 | 491,487 |
| Central | 4,012,398 | 3,901,863 | 3,932,097 | (30,234) |
| Extracurricular Activities | 3,591,734 | 3,606,734 | 3,644,548 | (37,814) |
| Capital Outlay | 30,000 | 30,000 | 21,836 | 8,164 |
| Uniform School Supplies | | | | |
| Instruction | | | | |
| Regular | 1,706,093 | 1,779,163 | 1,468,454 | 310,709 |
| Special | 4,500 | 4,500 | 2,972 | 1,528 |
| Rotary | | | | |
| Support Services | | | | |
| Operation and Maintenance of Plant | 5,000 | 5,000 | 0 | 5,000 |
| Public School Support | | | | |
| Non-Instructional Services | 497,062 | 702,185 | 461,900 | 240,285 |
| Workers' Compensation | | | | |
| Instruction | | | | |
| Regular | 377,500 | 377,500 | 173,655 | 203,845 |
| Support Services | | | | |
| Business | 127,637 | 127,637 | 60,594 | 67,043 |

(continued)

Olentangy Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2016
(continued)

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|---|----------------------------|----------------------------|----------------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| SMS Greenhouse | | | | |
| Extracurricular Activities | \$0 | \$450 | \$310 | \$140 |
| Imbrogno's Class | | | | |
| Extracurricular Activities | <u>1,800</u> | <u>1,800</u> | <u>1,209</u> | <u>591</u> |
| Total Expenditures | <u>189,783,561</u> | <u>190,062,210</u> | <u>187,912,162</u> | <u>2,150,048</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(8,913,249)</u> | <u>(8,529,722)</u> | <u>803,836</u> | <u>9,333,558</u> |
| <u>Other Financing Sources</u> | | | | |
| Sale of Capital Assets | 0 | 0 | 6,300 | 6,300 |
| Refund of Prior Year Expenditures | <u>25,000</u> | <u>25,000</u> | <u>68,489</u> | <u>43,489</u> |
| Total Other Financing Sources | <u>25,000</u> | <u>25,000</u> | <u>74,789</u> | <u>49,789</u> |
| Changes in Fund Balance | (8,888,249) | (8,504,722) | 878,625 | 9,383,347 |
| Fund Balance Beginning of Year | 59,623,850 | 59,623,850 | 59,623,850 | 0 |
| Prior Year Encumbrances Appropriated | <u>1,680,474</u> | <u>1,680,474</u> | <u>1,680,474</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$52,416,075</u></u> | <u><u>\$52,799,602</u></u> | <u><u>\$62,182,949</u></u> | <u><u>\$9,383,347</u></u> |

See Accompanying Notes to the Basic Financial Statements

Olentangy Local School District
Statement of Fund Net Position
Proprietary Fund
June 30, 2016

| | Governmental Activity |
|--|--------------------------|
| | Internal Service |
| <u>Current Assets</u> | |
| Equity in Pooled Cash and Cash Equivalents | \$10,571,098 |
| <u>Current Liabilities</u> | |
| Claims Payable | 4,347,710 |
| <u>Net Position</u> | |
| Unrestricted | \$6,223,388 |

See Accompanying Notes to the Basic Financial Statements

Olentangy Local School District
Statement of Revenues, Expenses, and Change in Fund Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2016

| | Governmental Activity |
|--|--------------------------|
| | Internal Service |
| <u>Operating Revenues</u> | |
| Charges for Services | \$29,609,467 |
| <u>Operating Expenses</u> | |
| Claims | 26,796,668 |
| Change in Net Position | 2,812,799 |
| Net Position at Beginning of Year | 3,410,589 |
| Net Position at End of Year | \$6,223,388 |
| See Accompanying Notes to the Basic Financial Statements | |

Olentangy Local School District
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2016

| | Governmental Activity |
|---|--------------------------|
| | Internal Service |
| <u>Increase in Cash and Cash Equivalents</u> | |
| <u>Cash Flows from Operating Activities</u> | |
| Cash Received from Transactions with Other Funds | \$29,609,467 |
| Cash Payments for Claims | (25,836,893) |
| Net Increase in Cash and Cash Equivalents | 3,772,574 |
| Cash and Cash Equivalents at Beginning of Year | 6,798,524 |
| Cash and Cash Equivalents at End of Year | \$10,571,098 |
| <u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u> | |
| Operating Income | \$2,812,799 |
| <u>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities</u> | |
| Increase in Claims Payable | 959,775 |
| Net Cash Provided by Operating Activities | \$3,772,574 |
| See Accompanying Notes to the Basic Financial Statements | |

Olentangy Local School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

| | Private Purpose Trust | Agency |
|--|--------------------------|-----------|
| <u>Assets</u> | | |
| Equity in Pooled Cash and Cash Equivalents | \$21,660 | \$782,053 |
| <u>Liabilities</u> | | |
| Undistributed Assets | 0 | 121,158 |
| Due to Students | 0 | 660,895 |
| Total Liabilities | 0 | \$782,053 |
| <u>Net Position</u> | | |
| Held in Trust for Scholarships | \$21,660 | |

See Accompanying Notes to the Basic Financial Statements

Olentangy Local School District
Statement of Change in Fiduciary Net Position
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2016

| | |
|--------------------------------|------------------------|
| <u>Additions</u> | |
| Interest | \$32 |
| | |
| <u>Deductions</u> | <u>0</u> |
| | |
| Change in Net Position | 32 |
| | |
| Net Position Beginning of Year | <u>21,628</u> |
| Net Position End of Year | <u><u>\$21,660</u></u> |

See Accompanying Notes to the Basic Financial Statements

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Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 1 - Description of the School District and Reporting Entity

Olentangy Local School District is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state and federal guidelines.

The School District was established in 1911. The School District serves an area of approximately ninety-five square miles and is located in Delaware and Franklin Counties. It is staffed by seven hundred seventy-seven classified employees, one thousand two hundred thirty-four certified employees (one thousand one hundred forty-nine teachers and eighty-five others), and eighty-three administrative employees who provide services to 19,392 students and other community members. The School District currently operates eight preschools, fifteen elementary schools, five middle schools, and three high schools.

Reporting Entity

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

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

The following activity is included within the School District's reporting entity:

Within the School District boundaries Goddard School, Polaris Christian, Powell Prep, and Village Academy are operated as private schools. Current State legislation provides funding to these parochial schools. The monies are received and disbursed on behalf of the parochial school by the Treasurer of the School District, as directed by the parochial school. This activity is reflected in a special revenue fund for financial reporting purposes by the School District.

The School District participates in two jointly governed organizations, the Metropolitan Educational Technology Association and the Delaware Area Career Center. These organizations are presented in Note 21 to the basic financial statements.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the School District that are governmental activities (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges). However, the School District has no business-type activities. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

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

Fund Financial Statements

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

Note 2 - Summary of Significant Accounting Policies (continued)

B. Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions of the School District 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 liabilities and deferred inflows of resources is reported as fund balance. The School District's major funds are the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund.

General Fund - The General Fund is used to account for and report 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.

Bond Retirement Fund - The Bond Retirement Fund is used to account for and report property taxes and related revenues restricted for the payment of principal and interest on general obligation bonds.

Building - The Building fund is used to account for and report debt proceeds and other resources restricted for building improvements.

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

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income, change in net position, financial position, and cash flows. The School District's only proprietary fund is an internal service fund.

Internal Service Fund - The internal service fund accounts for the financing of services provided one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's internal service fund accounts for the activities of the self insurance program for employee health care benefits.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are not available to support the School District's own programs. The School District's private purpose trust fund accounts for college scholarships for students after graduation. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for various non-instructional staff-related activities and student-managed activities.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects 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 fund financial statements for governmental funds.

Like the government-wide financial statements, the proprietary fund is accounted for using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of this fund are included on the statement of fund net position. The statement of revenues, expenses, and change in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the School District finances and meets the cash flow needs of its proprietary fund.

The private purpose trust fund is accounted for using a flow of economic resources measurement focus.

Note 2 - Summary of Significant Accounting Policies (continued)

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means 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 fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the 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 both measurable and available at fiscal year end: property taxes available as an advance, grants, interest, tuition, student fees, and charges for services.

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met but for which revenue recognition criteria have not yet been met because these amounts have not yet been earned.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report 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 that time. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for a deferred charge on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and the reacquisition price. This amount is deferred and amortized over the life of the old debt or the life of the new debt, whichever is shorter. Deferred outflows of resources related to pension are reported on the government-wide statement of net position and explained in Note 14 to the basic financial statements.

In addition to liabilities, the statement of financial position may report 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 consists of property taxes, payment in lieu of taxes, unavailable revenue, and pension. Property taxes represent amounts for which there was an enforceable legal claim as of June 30, 2016, but which were levied to finance fiscal year 2017 operations. Payment in lieu of taxes represents a contractual promise to make payment of property taxes which reflect all or a portion of the taxes which would have been paid if the taxes had not been exempted. These amounts have been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes accrued interest, intergovernmental revenue including grants, delinquent property taxes, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. For further details on unavailable revenue, refer to the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities on page 19. Deferred inflows of resources related to pension are reported on the government-wide statement of net position and explained in Note 14 to the basic financial statements.

Expenses/Expenditures

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The alternative tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of budgetary control is at the fund level for all funds. Budgetary allocations at the function and object level within all funds are made by the School District Treasurer.

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

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

F. Cash and Investments

To improve cash management, 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. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

During fiscal year 2016, the School District invested in negotiable and nonnegotiable certificates of deposit, federal agency securities, commercial paper, mutual funds, and STAR Ohio. Investments are reported at fair value, except for nonnegotiable certificates of deposit which are reported at cost. Fair value is based on quoted market price or current share price. 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 the investment in STAR Ohio at net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 2 - Summary of Significant Accounting Policies (continued)

For the fiscal year 2016, 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 twenty-four hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant are combined for these purposes.

The Board of Education has allocated interest earnings according to State statutes. Interest revenue credited to the General Fund during fiscal year 2016 was \$701,836, which includes \$241,188 assigned from other School District funds.

Investments of the School District's cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2016, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

H. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of administrative supplies and donated and purchased food.

I. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the General Fund represent unexpended revenues restricted for bus purchases.

J. Capital Assets

All of the School District's capital assets are general capital assets generally resulting from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are capitalized at cost and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their acquisition value on the date donated. The School District maintains a capitalization threshold of two thousand dollars. 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.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 2 - Summary of Significant Accounting Policies (continued)

All 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 | Useful Lives |
|-------------------------------------|--------------|
| Land Improvements | 7 - 40 years |
| Buildings and Building Improvements | 5 - 50 years |
| Furniture, Fixtures, and Equipment | 5 - 50 years |
| Vehicles | 5 - 15 years |

K. Deferred Charge on Refunding

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This deferred amount is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as deferred outflows of resources on the statement of net position.

L. Interfund Assets/Liabilities

On fund financial statements, receivables and payables resulting from short-term interfund loans or unpaid amounts for interfund services provided are classified as “Interfund Receivables/Payables”. Interfund balances within governmental activities are eliminated on the statement of net position.

M. 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 the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting 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 fiscal year end, taking into consideration any limits specified in the School District’s termination policy. The School District records a liability for accumulated unused sick leave for all employees after ten years of service.

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

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employees who have accumulated unpaid leave are paid.

Note 2 - Summary of Significant Accounting Policies (continued)

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on 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, net pension liability and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

O. Unamortized Premiums

On government-wide financial statements, premiums are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of bonds payable.

On the governmental fund financial statements, bond premiums are recognized in the period when the debt is issued.

P. Capital Contributions

Capital contributions arise from contributions of capital assets from outside sources.

Q. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes consists of resources restricted for federal and state grants.

The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

R. Fund Balance

Fund balance is divided into five classifications 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 classifications are as follows:

Nonspendable - The nonspendable classification 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" includes items that are not expected to be converted to cash.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 2 - Summary of Significant Accounting Policies (continued)

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 are imposed by law through constitutional provisions.

Committed - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Education. The committed amounts cannot be used for any other purpose unless the 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 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. Assigned fund balance represents the remaining amount that is not restricted or committed. Assigned amounts represent intended uses established by the Board of Education. Fund balance policy of the Board of Education has authorized the Treasurer to assign fund balance for purchases on order provided those amounts have been lawfully appropriated. The Board of Education has also assigned fund balance to cover a gap between estimated resources and appropriations in the fiscal year 2017 budget as well as instruction related and educational activities.

Unassigned - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The School District first applies restricted resources when an expenditure is 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 can be used.

S. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are health insurance premiums charged to the funds from which employees are paid. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

T. Pension

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

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 2 - Summary of Significant Accounting Policies (continued)

U. Estimates

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

Note 3 - Change in Accounting Principles

For fiscal year 2016, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application", GASB Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68 and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68", GASB Statement No. 76, "Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", GASB Statement No. 79, "Certain External Investment Pools and Pool Participants", and GASB Statement No. 82, "Pension Issues-an Amendment of GASB Statements No. 67, No. 69, and No. 73".

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes for applying fair value to certain investments and disclosures related to all fair value measurements. These changes were incorporated in the School District's fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement No. 67 and Statement No. 68. The implementation of this statement did not result in any changes to the School District's financial statements.

GASB Statement No. 76 identifies, in the context of the current governmental financial reporting environment, the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with generally accepted accounting principles (GAAP) and the framework for selecting those principles. The implementation of this statement did not result in any changes to the School District's financial statements.

GASB Statement No. 79 establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure, for financial reporting purposes, all of their investments at amortized cost. The Statement provides accounting and financial reporting guidance that also establishes additional note disclosure requirements for governments that participate in these pools. The School District participates in STAR Ohio which implemented GASB Statement No. 79 for fiscal year 2016. The School District incorporated the corresponding GASB Statement No. 79 guidance into the fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the School District's fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 4 - Accountability and Compliance

A. Accountability

At June 30, 2016, the Title VI-B and Title II-A special revenue funds had deficit fund balances, in the amount of \$4,662 and \$13,229, respectively, resulting from adjustments for accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

B. Compliance

The Bond Retirement debt service fund had expenditures plus encumbrances in excess of appropriations, in the amount of \$581,766, for the fiscal year ended June 30, 2016. The Treasurer will monitor budgetary transactions to ensure that expenditures are within amounts appropriated.

Note 5 - Budgetary Basis of Accounting

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed, or assigned fund balance (GAAP basis).

The adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund are as follows:

| Changes in Fund Balance | |
|--|--------------|
| GAAP Basis | \$5,063,821 |
| <u>Increase (Decrease) Due To:</u> | |
| Revenue Accruals: | |
| Accrued FY 2015, Received in Cash FY 2016 | 45,690,272 |
| Accrued FY 2016, Not Yet Received in Cash | (47,963,786) |
| | (continued) |

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 5 - Budgetary Basis of Accounting (continued)

Changes in Fund Balance
(continued)

| | |
|--|----------------|
| Expenditure Accruals: | |
| Accrued FY 2015, Paid in Cash FY 2016 | (\$21,939,926) |
| Accrued FY 2016, Not Yet Paid in Cash | 22,651,282 |
| Cash Adjustments: | |
| Unrecorded Cash Activity FY 2015 | 82,132 |
| Unrecorded Cash Activity FY 2016 | (137,604) |
| Prepaid Items | (83,926) |
| Materials and Supplies Inventory | 19,347 |
| Encumbrances Outstanding at Fiscal Year End (Budget Basis) | (2,502,987) |
| Budget Basis | \$878,625 |

Note 6 - Deposits and Investments

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

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

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

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

Interim monies held by the School District may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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;

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 6 - Deposits and Investments (continued)

2. Bonds, notes, debentures, or any other obligation or security 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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities described in (1) or (2) provided 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 daily, and the term of the agreement must not exceed thirty days.
4. Bonds and other obligations of the State of Ohio and, with certain limitations, bonds and other obligations of political subdivisions of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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.

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year end, \$27,481,603 of the School District's bank balance of \$42,583,067 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 6 - Deposits and Investments (continued)

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

Investments

Investments are reported at fair value. As of June 30, 2016, the School District had the following investments:

| Measurement/Investment | Measurement Amount | Less Than Six Months | Six Months to One Year | One Year to Two Years | More Than Two Years |
|--|-----------------------|----------------------------|------------------------------|-----------------------------|------------------------|
| Fair Value | | | | | |
| Negotiable Certificates of Deposit | \$1,772,224 | \$0 | \$0 | \$248,102 | \$1,524,122 |
| Federal Farm Credit Bank Notes | 1,250,050 | 0 | 0 | 0 | 1,250,050 |
| Federal Home Loan Bank Notes | 8,031,630 | 3,841,532 | 4,190,098 | 0 | 0 |
| Federal Home Loan Mortgage Corporation Notes | 7,749,956 | 0 | 0 | 0 | 7,749,956 |
| Federal National Mortgage Association Notes | 12,236,851 | 0 | 0 | 2,906,179 | 9,330,672 |
| Commercial Paper | 68,427,207 | 30,510,746 | 37,916,461 | 0 | 0 |
| Mutual Funds | 25,649,852 | 25,649,852 | 0 | 0 | 0 |
| Net Value Per Share | | | | | |
| STAR Ohio | 18,663,265 | 18,663,265 | 0 | 0 | 0 |
| Total Investments | <u>\$143,781,035</u> | <u>\$78,665,395</u> | <u>\$42,106,559</u> | <u>\$3,154,281</u> | <u>\$19,854,800</u> |

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the School District's recurring fair value measurements as of June 30, 2016. All of the School District's investments measured at fair value are valued using quoted market prices (Level 1 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the School District.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 6 - Deposits and Investments (continued)

The negotiable certificates of deposit are generally covered by FDIC insurance. The federal agency securities and mutual funds carry a rating of Aaa by Moody's. The commercial paper carries a rating of P-1 or P-2 by Moody's. STAR Ohio carries a rating of AAA by Standard and Poor's. The School District has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that commercial paper must be rated in the highest category at the time of purchase by two nationally recognized standard rating services, mutual funds must be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service, and STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

The School District places no limit on the amount of its interim monies it may invest in a particular security.

| | Fair Value | Percentage of Portfolio |
|--|---------------|----------------------------|
| Negotiable Certificates of Deposit | \$1,772,224 | 1.23% |
| Federal Farm Credit Bank | 1,250,050 | .87 |
| Federal Home Loan Bank | 8,031,630 | 5.59 |
| Federal Home Loan Mortgage Corporation | 7,749,956 | 5.39 |
| Federal National Mortgage Association | 12,236,851 | 8.51 |
| Commercial Paper | 68,427,207 | 47.59 |

Note 7 - Receivables

Receivables at June 30, 2016, consisted of accounts (student fees and billings for user charged services), accrued interest, interfund, intergovernmental, payment in lieu of taxes, and property taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

| | Amount |
|-------------------------------------|-----------|
| Governmental Activities | |
| General Fund | |
| State of Ohio | \$1,725 |
| Other Governmental Funds | |
| Food Service | 88,707 |
| Title VI-B | 377,322 |
| Title III | 11,135 |
| Title I | 190,723 |
| Title II-A | 154,149 |
| Total Other Governmental Funds | 822,036 |
| Total Intergovernmental Receivables | \$823,761 |

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 8 - Payment in Lieu of Taxes

In accordance with agreements related to tax incremental financing districts, Delaware County has entered into agreements with a number of property owners under which the County has granted property tax exemptions to those property owners. The property owners have agreed to make payments to the County which reflect all or a portion of the property taxes which the property owners would have paid if their taxes had not been exempted. The agreements require a portion of these payments to be made to the School District. The property owners' contractually promise to make these payments in lieu of taxes until the agreement expires.

Note 9 - Property Taxes

Property taxes are levied and assessed on a calendar year basis, while the School District's fiscal year runs from July through June. First-half tax distributions are received by the School District in the second half of the fiscal year. Second-half tax distributions are received 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 revenues received in calendar year 2016 represent the collection of calendar year 2015 taxes. Real property taxes received in calendar year 2016 were levied after April 1, 2015, on the assessed values as of January 1, 2015, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2016 represent the collection of calendar year 2015 taxes. Public utility real and tangible personal property taxes received in calendar year 2016 became a lien on December 31, 2014, were levied after April 1, 2015, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The School District receives property taxes from Delaware and Franklin Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the counties by June 30, 2016, are available to finance fiscal year 2016 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents real and public utility property taxes which were measurable as of June 30, 2016, and for which there was an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources - property taxes.

The amount available as an advance at June 30, 2016, was \$38,973,311 in the General Fund and \$7,796,339 in the Bond Retirement debt service fund. The amount available as an advance at June 30, 2015, was \$36,388,673 in the General Fund and \$7,226,852 in the Bond Retirement debt service fund.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 9 - Property Taxes (continued)

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

The assessed values upon which fiscal year 2016 taxes were collected are:

| | 2015 Second- Half Collections | | 2016 First- Half Collections | |
|---|----------------------------------|----------------|---------------------------------|----------------|
| | Amount | Percent | Amount | Percent |
| Agricultural/Residential and Other Real Estate | \$3,232,700,030 | 97.33% | \$3,340,576,490 | 96.85% |
| Public Utility Personal | 88,547,400 | 2.67 | 108,626,410 | 3.15 |
| Total Assessed Value | <u>\$3,321,247,430</u> | <u>100.00%</u> | <u>\$3,449,202,900</u> | <u>100.00%</u> |
| Tax rate per \$1,000 of assessed valuation | \$78.62 | | \$78.62 | |

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2016, was as follows:

| | Balance at 6/30/15 | Additions | Reductions | Balance at 6/30/16 |
|---|-----------------------|----------------------|--------------------|-----------------------|
| Governmental Activities | | | | |
| Nondepreciable Capital Assets | | | | |
| Land | \$29,709,256 | \$0 | \$0 | \$29,709,256 |
| Construction in Progress | 188,600 | 2,177,794 | (277,353) | 2,089,041 |
| Total Nondepreciable Capital Assets | <u>29,897,856</u> | <u>2,177,794</u> | <u>(277,353)</u> | <u>31,798,297</u> |
| Depreciable Capital Assets | | | | |
| Land Improvements | 5,309,332 | 405,273 | (6,170) | 5,708,435 |
| Buildings and Building Improvements | 351,068,107 | 2,608,950 | 0 | 353,677,057 |
| Furniture, Fixtures, and Equipment | 29,080,702 | 635,706 | (299,358) | 29,417,050 |
| Vehicles | 13,496,489 | 82,732 | (15,234) | 13,563,987 |
| Total Depreciable Capital Assets | <u>398,954,630</u> | <u>3,732,661</u> | <u>(320,762)</u> | <u>402,366,529</u> |
| Less Accumulated Depreciation | | | | |
| Land Improvements | (1,504,898) | (409,382) | 5,005 | (1,909,275) |
| Buildings and Building Improvements | (81,565,958) | (7,600,551) | 0 | (89,166,509) |
| Furniture, Fixtures, and Equipment | (19,665,325) | (2,284,054) | 213,070 | (21,736,309) |
| Vehicles | (9,708,948) | (827,890) | 15,234 | (10,521,604) |
| Total Accumulated Depreciation | <u>(112,445,129)</u> | <u>(11,121,877)</u> | <u>233,309</u> | <u>(123,333,697)</u> |
| Depreciable Capital Assets, Net | <u>286,509,501</u> | <u>(7,389,216)</u> | <u>(87,453)</u> | <u>279,032,832</u> |
| Governmental Activities, Capital Assets, Net | <u>\$316,407,357</u> | <u>(\$5,211,422)</u> | <u>(\$364,806)</u> | <u>\$310,831,129</u> |

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 10 - Capital Assets (continued)

During fiscal year 2016, the School District accepted contributions of depreciable capital assets from outside sources with a fair value of \$50,399.

Depreciation expense was charged to governmental functions as follows:

| | |
|------------------------------------|---------------------|
| Instruction | |
| Regular | \$8,016,155 |
| Special | 243,954 |
| Support Services | |
| Pupils | 8,524 |
| Instructional Staff | 6,474 |
| Administration | 71,970 |
| Fiscal | 5,520 |
| Business | 12,517 |
| Operation and Maintenance of Plant | 843,725 |
| Pupil Transportation | 918,658 |
| Central | 20,030 |
| Non-Instructional Services | 427,291 |
| Extracurricular Activities | 547,059 |
| Total Depreciation Expense | <u>\$11,121,877</u> |

Note 11 - Interfund

At June 30, 2016, the General Fund had an interfund receivable from other governmental funds, in the amount of \$259,502, for short-term loans made to those funds. All amounts are expected to be repaid within one year.

Note 12 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2016, the School District contracted for the following insurance coverage.

Coverage provided by the Netherlands Insurance Company is as follows:

| | |
|-----------------------|---------------|
| Building and Contents | \$447,213,885 |
|-----------------------|---------------|

Coverage provided by the Indiana Insurance Company is as follows:

| | |
|--------------------|-------------|
| General Liability | |
| Per Occurrence | \$1,000,000 |
| General Aggregate | 2,000,000 |
| Vehicle Liability | 1,000,000 |
| Umbrella Liability | 3,000,000 |

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years and there has been no significant reduction in insurance coverage from the prior fiscal year.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 12 - Risk Management (continued)

Claims payable is based on the requirements of Governmental Accounting Standards Board Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount can be reasonably estimated. The estimates were not affected by incremental claim adjustment expenses and do not include other allocated or unallocated claim adjustment expenses.

The School District is self-insured for workers' compensation coverage and utilizes a third party to manage claims processing. The workers' compensation premium is a fixed rate determined annually based on claims experience. The rate for fiscal year 2016 was .0468 percent per \$100 of payroll. The School District purchases stop-loss insurance for any claims exceeding \$450,000. Expenses related to workers' compensation claims are recorded in the General Fund and the Food Service special revenue fund. Claims payable at June 30, 2016, was estimated by the third party administrator at \$463,663.

The change in the claims liability for fiscal year 2016 is as follows:

| | Beginning Balance | Current Year Claims and Changes in Estimates | Claims Payments | Ending Balance |
|------|----------------------|---|--------------------|-------------------|
| 2016 | \$453,497 | \$229,394 | \$219,228 | \$463,663 |
| 2015 | 703,248 | 132,968 | 382,719 | 453,497 |

The School District offers medical insurance to all employees through a self-insured program. All funds of the School District participate in the program and make payments to the internal service fund based on actuarial estimates of the amounts needed to pay prior and current year claims. Stop loss insurance covers claims exceeding \$125,000 per individual and \$5,820,500 total aggregate annually. Claims payable at June 30, 2016, was estimated by the third party administrator at \$4,347,710.

The change in the claims liability for fiscal year 2016 is as follows:

| | Beginning Balance | Current Year Claims and Changes in Estimates | Claims Payments | Ending Balance |
|------|----------------------|---|--------------------|-------------------|
| 2016 | \$3,387,935 | \$26,796,668 | \$25,836,893 | \$4,347,710 |
| 2015 | 0 | 12,795,762 | 9,407,827 | 3,387,935 |

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 13 - Contractual Commitments

The School District has several outstanding contracts for professional services. The following amounts remain on these contracts as of June 30, 2016:

| Vendor | Contract Amount | Amount Paid as of 6/30/16 | Outstanding Balance |
|----------------------------|--------------------|------------------------------|------------------------|
| Chemcote Roofing Company | \$247,875 | \$0 | \$247,875 |
| Fanning/Howey Associates | 498,752 | 0 | 498,752 |
| Fisher Tracks, Inc. | 113,494 | 0 | 113,494 |
| Gilbane Building Company | 115,048 | 0 | 115,048 |
| Rush Truck Centers of Ohio | 691,630 | 0 | 691,630 |

At fiscal year end, the amount of significant encumbrances expected to be honored upon performance by the vendor in fiscal year 2017 are as follows:

| | |
|--------------------------|-------------|
| General Fund | \$2,502,987 |
| Other Governmental Funds | 2,932,479 |
| Total | \$5,435,466 |

Note 14 - Defined Benefit Pension Plans

Net Pension Liability

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

The 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.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 14 - Defined Benefit Pension Plans (continued)

GASB Statement No. 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 the employers. All contributions to date have come solely from the employer (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within thirty years. If the amortization period exceeds thirty 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 fiscal year is included as an intergovernmental payable on both the accrual and modified accrual basis of accounting.

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows.

| | Eligible to retire on or before August 1, 2017 * | Eligible to retire on or after August 1, 2017 |
|------------------------------|--|---|
| Full Benefits | Any age with 30 years of service credit | Age 67 with 10 years of service credit; 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; Age 60 with 25 years of service credit |

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

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

One year after an effective benefit date, a benefit recipient is entitled to a 3 percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 14 - Defined Benefit Pension Plans (continued)

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, 2016, the allocation to pension, death benefits, and Medicare B was 14 percent. No allocation was made to the Health Care Fund.

The School District's contractually required contribution to SERS was \$3,583,655 for fiscal year 2016. Of this amount, \$994,042 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - School District licensed teachers and other certified 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 publicly available stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS' fiduciary net position. The report can be obtained by writing to STRS, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit Plan (DBP), a Defined Contribution Plan (DCP), and a Combined Plan (CP). Benefits are established by Ohio Revised Code Chapter 3307.

The DBP offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by 2 percent of the original base benefit. For members retiring August 1, 2013, or later, the first 2 percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age sixty with five years of qualifying service credit, at age fifty-five with twenty-five years of service credit, or thirty years of service credit regardless of age. Age and service requirements for retirement increased effective August 1, 2015, and will continue to increase periodically until they reach age sixty with thirty-five years of service or age sixty-five with five years of service on August 1, 2026.

The DCP allows members to place all their member contributions and 9.5 percent of the 14 percent employer contribution into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age fifty and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 14 - Defined Benefit Pension Plans (continued)

The CP offers features of both the DBP and the DCP. In the CP, 11 percent of the 12 percent member rate goes to the DCP and 1 percent goes to the DBP. Member contributions to the DCP are allocated among investment choices by the member and contributions to the DBP from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DBP. The defined benefit portion of the CP payment is payable to a member on or after age sixty with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty.

New members who choose the DCP or CP 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 CP 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 Statement No. 68 reporting purposes.

A DBP or CP member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DCP who become disabled are entitled only to their account balance. If a member of the DCP 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, 2016, plan members were required to contribute 13 percent of their annual covered salary. Effective July 1, 2016, the statutory maximum employee contribution rate was increased 1 percent to 14 percent. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2016 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$12,711,623 for fiscal year 2016. Of this amount, \$2,291,572 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 14 - Defined Benefit Pension Plans (continued)

Following is information related to the proportionate share and pension expense.

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|---|--------------------|--------------------|---------------|
| Proportion of the Net Pension Liability Prior Measurement Date | 0.75475100% | 0.77083316% | |
| Proportion of the Net Pension Liability Current Measurement Date | <u>0.78157450%</u> | <u>0.79926527%</u> | |
| Change in Proportionate Share | <u>0.02682350%</u> | <u>0.02843211%</u> | |
| Proportionate Share of the Net Pension Liability | \$44,597,399 | \$220,893,541 | \$265,490,940 |
| Pension Expense | \$3,266,484 | \$11,671,570 | \$14,938,054 |

At June 30, 2016, 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> |
|---|--------------------|---------------------|---------------------|
| Deferred Outflows of Resources | | | |
| Differences Between Expected and Actual Experience | \$718,101 | \$10,069,958 | \$10,788,059 |
| Changes in Proportionate Share and Difference Between School District Contributions and Proportionate Share of Contributions School District Contributions Subsequent to the Measurement Date | 1,376,105 | 6,492,511 | 7,868,616 |
| Total Deferred Outflows of Resources | <u>3,583,655</u> | <u>12,711,623</u> | <u>16,295,278</u> |
| | <u>\$5,677,861</u> | <u>\$29,274,092</u> | <u>\$34,951,953</u> |
| Deferred Inflows of Resources | | | |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | <u>\$1,477,657</u> | <u>\$15,886,421</u> | <u>\$17,364,078</u> |

\$16,295,278 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, 2017.

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

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|----------------------------|------------------|------------------|--------------------|
| Fiscal Year Ended June 30, | | | |
| 2017 | (\$96,966) | (\$1,961,912) | (\$2,058,878) |
| 2018 | (96,966) | (1,961,912) | (2,058,878) |
| 2019 | (100,366) | (1,961,912) | (2,062,278) |
| 2020 | 910,847 | 6,561,784 | 7,472,631 |
| Total | <u>\$616,549</u> | <u>\$676,048</u> | <u>\$1,292,597</u> |

Note 14 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation prepared as of June 30, 2015, are presented below.

| | |
|--|--|
| Wage Inflation | 3.25 percent |
| Future Salary Increases, including inflation | 4 percent to 22 percent |
| COLA or Ad Hoc COLA | 3 percent |
| Investment Rate of Return | 7.75 percent net of investment expenses, including inflation |
| Actuarial Cost Method | entry age normal |

For postretirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the pension plan investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating 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 rebalanced uncorrelated asset classes.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 14 - Defined Benefit Pension Plans (continued)

The target allocation and the long-term expected real rate of return for each major asset class are summarized in the following table.

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------|----------------------|---|
| Cash | 1.00% | 0.00% |
| U.S. Stocks | 22.50 | 5.00 |
| Non-U.S. Stocks | 22.50 | 5.50 |
| Fixed Income | 19.00 | 1.50 |
| Private Equity | 10.00 | 10.00 |
| Real Assets | 10.00 | 5.00 |
| Multi-Asset Strategies | 15.00 | 7.50 |
| Total | 100.00% | |

Discount Rate - The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 7.75 percent as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent) or one percentage point higher (8.75 percent) than the current rate.

| | 1% Decrease (6.75%) | Current Discount Rate (7.75%) | 1% Increase (8.75%) |
|---|------------------------|-------------------------------------|------------------------|
| School District's Proportionate Share of the Net Pension Liability | \$61,840,566 | \$44,597,399 | \$30,077,230 |

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 14 - Defined Benefit Pension Plans (continued)

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

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

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022-Scale AA) for males and females. Males ages are set back two years through age eighty-nine and no set back for age ninety and above. Females younger than age eighty are set back four years, one year set back from age eighty through eighty-nine, and no set back from age ninety and above.

Actuarial assumptions used in the June 30, 2015, valuation are based on the results of an actuarial experience study effective July 1, 2012.

STRS' investment consultant develops best estimates 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 Nominal Rate of Return *</u> |
|----------------------|--------------------------|--|
| Domestic Equity | 31.00% | 8.00% |
| International Equity | 26.00 | 7.85 |
| Alternatives | 14.00 | 8.00 |
| Fixed Income | 18.00 | 3.75 |
| Real Estate | 10.00 | 6.75 |
| Liquidity Reserves | 1.00 | 3.00 |
| | <u>100.00%</u> | |

* 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.5 percent.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 14 - Defined Benefit Pension Plans (continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2015. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2015. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2015.

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

| | 1% Decrease (6.75%) | Current Discount Rate (7.75%) | 1% Increase (8.75%) |
|---|------------------------|-------------------------------------|------------------------|
| School District's Proportionate Share of the Net Pension Liability | \$306,837,793 | \$220,893,541 | \$148,214,864 |

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2016, all of the Board of Education members have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 15 - Postemployment Benefits

School Employees Retirement System (SERS)

Health Care Plan Description - The School District contributes to the SERS Health Care Fund administered by SERS for classified retirees and their beneficiaries. For GASB Statement No. 45 purposes, this plan is considered a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained by visiting the SERS website at www.ohsers.org under employers/audit resources.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 15 - Postemployment Benefits (continued)

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2016, no allocation of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2016, this amount was \$23,000. State statute provides that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS covered payroll for the health care surcharge. For fiscal year 2016, the School District's surcharge obligation was \$416,199.

The School District's contribution for health care for the fiscal years ended June 30, 2016, 2015, and 2014 was \$0, \$208,896, and \$29,003, respectively. The full amount has been contributed for all three fiscal years.

State Teachers Retirement System (STRS)

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

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the health care plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the health care plan. 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 postemployment health care may be deducted from employer contributions. For the fiscal years ended June 30, 2016, and June 30, 2015, STRS did not allocate any employer contributions to postemployment health care. For the fiscal year ended June 30, 2014, 1 percent of covered payroll was allocated to postemployment health care. The School District's contribution for health care for the fiscal years ended June 30, 2016, 2015, and 2014 were \$0, \$0, and \$794,000 respectively. The full amount has been contributed for all three fiscal years.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 16 - Other Employee Benefits

A. 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 days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

All employees of the School District earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of three hundred days. Upon retirement, payment is made for thirty percent of accrued but unused sick leave credit to a maximum of ninety days for all employees.

B. Health Care Benefits

The School District offers employee medical benefits through a self-insured program administered by Medical Mutual. Depending upon the plan chosen, the employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. The School District offers life insurance to all employees through Unum Life Insurance Company of America. Dental and vision insurance is offered to all employees through Metlife Dental and Vision Service Plan, respectively.

Note 17 - Long-Term Obligations

Changes in the School District's long-term obligations during fiscal year 2016 were as follows:

| | Balance at 6/30/15 | Additions | Reductions | Balance at 6/30/16 | Amounts Due Within One Year |
|---|-----------------------|-----------|-------------|-----------------------|--------------------------------------|
| Governmental Activities | | | | | |
| General Long-Term Obligations | | | | | |
| Refunding School Improvement Bonds FY 2006 | | | | | |
| Serial Bonds 3.75-5% | \$10,770,000 | \$0 | \$8,600,000 | \$2,170,000 | \$2,170,000 |
| Capital Appreciation Bonds 7.15% | 1,212,306 | 0 | 0 | 1,212,306 | 1,212,306 |
| Accretion on Capital Appreciation Bonds | 1,207,518 | 87,588 | 0 | 1,295,106 | 0 |
| Bond Premium | 413,298 | 0 | 296,634 | 116,664 | 0 |
| Refunding School Improvement Bonds FY 2007 (2006A) | | | | | |
| Serial Bonds 4-5% | 22,275,000 | 0 | 0 | 22,275,000 | 0 |
| Capital Appreciation Bonds 4.2-4.25% | 972,553 | 0 | 527,261 | 445,292 | 445,292 |
| Accretion on Capital Appreciation Bonds | 3,946,603 | 117,922 | 2,042,739 | 2,021,786 | 0 |
| Bond Premium | 363,012 | 0 | 8,233 | 354,779 | 0 |

(continued)

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

| | Balance at 6/30/15 | Additions | Reductions | Balance at 6/30/16 | Amounts Due Within One Year |
|--|-----------------------|-----------|------------|-----------------------|--------------------------------------|
| Governmental Activities (continued) | | | | | |
| General Long-Term Obligations (continued) | | | | | |
| Refunding School Improvement Bonds FY 2007 | | | | | |
| Serial Bonds 3.75-5% | \$935,000 | \$0 | \$475,000 | \$460,000 | \$460,000 |
| Term Bonds 4.375% | 5,000,000 | 0 | 0 | 5,000,000 | 0 |
| Capital Appreciation Bonds 29.110% | 29,997 | 0 | 0 | 29,997 | 0 |
| Accretion on Capital Appreciation Bonds | 208,860 | 74,579 | 0 | 283,439 | 0 |
| Bond Premium | 105,937 | 0 | 8,436 | 97,501 | 0 |
| School Facilities Construction and Improvement Bonds FY 2008 | | | | | |
| Serial Bonds 3-5.25% | 1,130,000 | 0 | 5,000 | 1,125,000 | 1,125,000 |
| Capital Appreciation Bonds 41.630% | 34,995 | 0 | 0 | 34,995 | 0 |
| Accretion on Capital Appreciation Bonds | 435,345 | 216,167 | 0 | 651,512 | 0 |
| Bond Premium | 10,541 | 0 | 45 | 10,496 | 0 |
| School Facilities Construction and Improvement Bonds FY 2009A | | | | | |
| Serial Bonds 2-4.3% | 2,550,000 | 0 | 1,480,000 | 1,070,000 | 1,070,000 |
| Bond Premium | 56,900 | 0 | 33,025 | 23,875 | 0 |
| School Facilities Construction and Improvement Bonds FY 2010A | | | | | |
| Term Bonds 1.85-4.375% | 80,000 | 0 | 5,000 | 75,000 | 5,000 |
| Capital Appreciation Bonds 13.060% | 204,997 | 0 | 0 | 204,997 | 0 |
| Accretion on Capital Appreciation Bonds | 192,647 | 53,615 | 0 | 246,262 | 0 |
| School Facilities Construction and Improvement Bonds FY 2010B | | | | | |
| Serial Bonds 6-6.11% | 4,670,000 | 0 | 0 | 4,670,000 | 0 |
| Term Bonds 6.06-6.26% | 12,940,000 | 0 | 0 | 12,940,000 | 0 |
| Bond Premium | 218,911 | 0 | 0 | 218,911 | 0 |
| Refunding School Improvement Bonds FY 2012 | | | | | |
| Serial Bonds 2.25-3% | 9,570,000 | 0 | 0 | 9,570,000 | 0 |
| Bond Premium | 414,977 | 0 | 0 | 414,977 | 0 |
| Refunding School Improvement Bonds FY 2012A | | | | | |
| Serial Bonds 2.5-3.45% | 19,935,000 | 0 | 1,000,000 | 18,935,000 | 1,160,000 |
| Bond Premium | 1,119,853 | 0 | 56,175 | 1,063,678 | 0 |

(continued)

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

| | Balance at 6/30/15 | Additions | Reductions | Balance at 6/30/16 | Amounts Due Within One Year |
|--|-----------------------|------------|------------|-----------------------|--------------------------------------|
| Governmental Activities (continued) | | | | | |
| General Long-Term Obligations (continued) | | | | | |
| School Facilities Construction and Improvement Bonds FY 2012B | | | | | |
| Serial Bonds 1.5-2% | \$420,000 | \$0 | \$25,000 | \$395,000 | \$25,000 |
| Term Bonds 2.15-3% | 1,630,000 | 0 | 0 | 1,630,000 | 0 |
| Refunding School Improvement Bonds FY 2013A | | | | | |
| Serial Bonds 3-5% | 17,600,000 | 0 | 2,780,000 | 14,820,000 | 2,840,000 |
| Bond Premium | 2,757,110 | 0 | 435,498 | 2,321,612 | 0 |
| Refunding School Improvement Bonds FY 2013B | | | | | |
| Serial Bonds 1.5-4% | 38,825,000 | 0 | 525,000 | 38,300,000 | 415,000 |
| Capital Appreciation Bonds 27.890% | 239,917 | 0 | 0 | 239,917 | 0 |
| Accretion on Capital Appreciation Bonds | 198,306 | 130,743 | 0 | 329,049 | 0 |
| Bond Premium | 6,489,471 | 0 | 87,213 | 6,402,258 | 0 |
| Refunding School Improvement Bonds FY 2014 | | | | | |
| Serial Bonds 2-5% | 28,460,000 | 0 | 0 | 28,460,000 | 0 |
| Term Bonds 4.5% | 4,605,000 | 0 | 0 | 4,605,000 | 0 |
| Bond Premium | 1,843,756 | 0 | 0 | 1,843,756 | 0 |
| School Facilities Construction and Improvement Bonds FY 2014 | | | | | |
| Serial Bonds 2-5% | 5,950,000 | 0 | 5,000 | 5,945,000 | 5,000 |
| Term Bonds 4.5% | 1,045,000 | 0 | 0 | 1,045,000 | 0 |
| Bond Premium | 403,012 | 0 | 288 | 402,724 | 0 |
| Refunding School Improvement Bonds FY 2015A | | | | | |
| Serial Bonds 3.15-5% | 78,000,000 | 0 | 0 | 78,000,000 | 0 |
| Bond Premium | 6,831,408 | 0 | 0 | 6,831,408 | 0 |
| Refunding School Improvement Bonds FY 2015B | | | | | |
| Serial Bonds 4-5% | 50,485,000 | 0 | 0 | 50,485,000 | 0 |
| Bond Premium | 5,882,227 | 0 | 0 | 5,882,227 | 0 |
| School Facilities Construction and Improvement Bonds FY 2016 | | | | | |
| Serial Bonds 2-5% | 0 | 36,935,000 | 0 | 36,935,000 | 0 |
| Term Bonds 3-5% | 0 | 42,625,000 | 0 | 42,625,000 | 0 |
| Bond Premium | 0 | 8,995,971 | 0 | 8,995,971 | 0 |
| Total General Long-Term Obligations | 352,669,457 | 89,236,585 | 18,395,547 | 423,510,495 | 10,932,598 |

(continued)

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

| | Balance at 6/30/15 | Additions | Reductions | Balance at 6/30/16 | Amounts Due Within One Year |
|--|-----------------------|----------------------|---------------------|-----------------------|--------------------------------------|
| Governmental Activities (continued) | | | | | |
| Net Pension Liability | | | | | |
| SERS | \$38,197,519 | \$6,399,880 | \$0 | \$44,597,399 | \$0 |
| STRS | 187,493,301 | 33,400,240 | 0 | 220,893,541 | 0 |
| Total Net Pension Liability | <u>225,690,820</u> | <u>39,800,120</u> | <u>0</u> | <u>265,490,940</u> | <u>0</u> |
| Compensated Absences | 8,835,097 | 1,306,364 | 737,511 | 9,403,950 | 406,099 |
| Capital Leases | 814,813 | 291,553 | 305,774 | 800,592 | 314,074 |
| Total Governmental Activities Long-Term Obligations | <u>\$588,010,187</u> | <u>\$130,634,622</u> | <u>\$19,438,832</u> | <u>\$699,205,977</u> | <u>\$11,652,771</u> |

FY 2006 Refunding School Improvement Bonds - On February 1, 2006, the School District issued general obligation bonds, in the amount of \$117,762,306; \$43,532,306 to refund bonds previously issued for improving and constructing school buildings and facilities and \$74,230,000 for improving and constructing school buildings and facilities. The bond issue included serial, term, and capital appreciation bonds, in the original amount of \$81,510,000, \$35,040,000, and \$1,212,306, respectively. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2034. During fiscal year 2013, a portion of the serial and term bonds were refunded, in the amount of \$32,400,000 and \$19,345,000, respectively. During fiscal year 2015, a portion of the serial bonds and all of the term bonds were refunded, in the amount of \$12,420,000 and \$15,695,000, respectively. The bonds are being retired through the Bond Retirement debt service fund.

The serial bonds are subject to prior redemption on or after December 1, 2016, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2017. The maturity amount of the bonds is \$2,595,000. For fiscal year 2016, \$87,588 was accreted on the capital appreciation bonds for a total value of \$2,507,412, at fiscal year end.

The refunded bonds are fully retired.

FY 2007 (2006A) Refunding School Improvement Bonds - On November 9, 2006, the School District issued general obligation bonds, in the amount of \$89,949,954, to partially refund bonds previously issued for improving and constructing school buildings and facilities. The refunding bond issue included serial and capital appreciation bonds, in the original amount of \$88,977,401 and \$972,553, respectively. The bonds were issued for a twenty-six fiscal year period, with final maturity in fiscal year 2033. During fiscal year 2015, a portion of the serial bonds were refunded, in the amount of \$66,355,000. The bonds are being retired through the Bond Retirement debt service fund.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds mature in fiscal years 2016 and 2017. The maturity amount of the bonds is \$5,155,000. For fiscal year 2016, \$117,922 was accreted and \$2,570,000 was retired on the capital appreciation bonds for a total value of \$2,467,078, at fiscal year end.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

The refunded bonds are fully retired.

FY 2007 Refunding School Improvement Bonds - On November 14, 2007, the School District issued general obligation bonds, in the amount of \$9,339,997, to partially refund bonds previously issued for improving and constructing school buildings and facilities. The refunding bond issue included serial, term, and capital appreciation bonds, in the original amount of \$4,310,000, \$5,000,000, and \$29,997, respectively. The bonds were issued for a twenty-four fiscal year period, with final maturity in fiscal year 2031. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2030, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|----------|
| 2018 | \$15,000 |
| 2019 | 15,000 |
| 2020 | 15,000 |
| 2021 | 15,000 |
| 2022 | 15,000 |
| 2023 | 15,000 |
| 2024 | 15,000 |
| 2025 | 20,000 |
| 2026 | 15,000 |
| 2027 | 20,000 |
| 2028 | 20,000 |
| 2029 | 545,000 |

The remaining principal, in the amount of \$4,275,000, will be paid at stated maturity on December 1, 2030.

The serial bonds are subject to prior redemption on or after December 1, 2017, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2017. The maturity amount of the bonds is \$460,000. For fiscal year 2016, \$74,579 was accreted on the capital appreciation bonds for a total value of \$313,436, at fiscal year end.

The refunded bonds are fully retired.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

FY 2008 School Facilities Construction and Improvement Bonds - On August 20, 2008, the School District issued general obligation bonds, in the amount of \$36,399,995, for improving and constructing school buildings and facilities. The bond issue included serial, term, and capital appreciation bonds, in the original amount of \$9,065,000, \$27,300,000 and \$34,995, respectively. The bonds were issued for a twenty-nine fiscal year period, with final maturity in fiscal year 2037. During fiscal year 2015, a portion of the serial bonds and all of the term bonds were refunded, in the amount of \$7,910,000 and \$27,300,000, respectively. The bonds are being retired through the Bond Retirement debt service fund.

The serial bonds are subject to prior redemption on or after December 1, 2018, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2018. The maturity amount of the bonds is \$1,170,000. For fiscal year 2016, \$216,167 was accreted on the capital appreciation bonds for a total value of \$686,507 at fiscal year end.

FY 2009A School Facilities Construction and Improvement Bonds - On September 3, 2009, the School District issued general obligation bonds, in the amount of \$14,450,000, for improving and constructing school buildings and facilities. The bond issue consisted of serial bonds, in the original amount of \$14,450,000. The bonds were issued for an eight fiscal year period, with final maturity in fiscal year 2017. The bonds are being retired through the Bond Retirement debt service fund.

FY 2010A School Facilities Construction and Improvement Bonds - On April 6, 2010, the School District issued general obligation bonds, in the amount of \$309,997, for improving and constructing school buildings and facilities. The bond issue included term and capital appreciation bonds, in the original amount of \$105,000 and \$204,997, respectively. The bonds were issued for a twenty-one fiscal year period, with final maturity in fiscal year 2031. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2018, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2016 | \$5,000 |
| 2017 | 5,000 |

The remaining principal, in the amount of \$10,000, will be paid at stated maturity on December 1, 2018.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

The bonds maturing on December 1, 2025, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|---------|
| 2020 | \$5,000 |
| 2021 | 5,000 |
| 2022 | 5,000 |
| 2023 | 5,000 |
| 2024 | 5,000 |

The remaining principal, in the amount of \$5,000, will be paid at stated maturity on December 1, 2025.

The bonds maturing on December 1, 2030, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|---------|
| 2026 | \$5,000 |
| 2027 | 5,000 |
| 2028 | 5,000 |
| 2029 | 5,000 |

The remaining principal, in the amount of \$5,000, will be paid at stated maturity on December 1, 2030.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2020. The maturity amount of the bonds is \$695,000. For fiscal year 2016, \$53,615 was accreted on the capital appreciation bonds for a total value of \$451,259 at fiscal year end.

FY 2010B School Facilities Construction and Improvement Bonds - On April 6, 2010, the School District issued general obligation bonds, in the amount of \$17,610,000, for improving and constructing school buildings and facilities. The bond issue included serial and term bonds, in the original amount of \$4,670,000 and \$12,940,000, respectively. The bonds were issued for a twenty-nine fiscal year period, with final maturity in fiscal year 2039. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2032, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-----------|
| 2031 | \$850,000 |

The remaining principal, in the amount of \$900,000, will be paid at stated maturity on December 1, 2032.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

The bonds maturing on December 1, 2036, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-------------|
| 2035 | \$2,550,000 |

The remaining principal, in the amount of \$2,710,000, will be paid at stated maturity on December 1, 2036.

The bonds maturing on December 1, 2038, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-------------|
| 2037 | \$2,875,000 |

The remaining principal, in the amount of \$3,055,000, will be paid at stated maturity on December 1, 2038.

The serial bonds are subject to prior redemption on or after December 1, 2020, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The bonds are subject to extraordinary optional redemption, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, at a redemption price greater than or equal to the greater of (1) 100 percent of the principal amount redeemed plus accrued interest to the redemption date in the event that the Build America payments from the federal government cease or are in an amount less than 35 percent of the corresponding interest payable on the bonds or (2) the sum of the present value of the remaining scheduled payments of principal and interest redeemed to December 31, 2019, plus accrued interest to the redemption date.

FY 2012 Refunding School Improvement Bonds - On March 6, 2012, the School District issued bonds, in the amount of \$9,570,000, to partially refund bonds previously issued in fiscal year 2002 (2002A) for improving and constructing school buildings and facilities. The refunding bond issue consisted of serial bonds, in the original amount of \$9,570,000. The bonds were issued for a sixteen fiscal year period, with final maturity in fiscal year 2028. The bonds are being retired through the Bond Retirement debt service fund.

The serial bonds are subject to prior redemption on or after December 1, 2021, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The refunded bonds are fully retired.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

FY 2013 (2012A) Refunding School Improvement Bonds - On September 25, 2012, the School District issued general obligation bonds, in the original amount of \$19,935,000, to partially refund bonds previously issued in fiscal years 2004 (2004B) and 2005 for improving and constructing school buildings and facilities. The refunding bond issue consisted of serial bonds, in the amount of \$19,935,000. The bonds were for a issued for a fifteen fiscal year period, with maturity in fiscal year 2028. The bonds are being retired though the Bond Retirement debt service fund.

The refunded bonds are fully retired.

FY 2013 (2012B) School Facilities Construction and Improvement Bonds - On September 25, 2012, the School District issued general obligation bonds, in the amount of \$2,100,000, for improving and constructing school buildings and facilities. The bond issue includes serial and term bonds, in the original amount of \$470,000 and \$1,630,000, respectively. The bonds were issued for a twenty fiscal year period, with final maturity in fiscal year 2033. The bonds are being retired though the Bond Retirement debt service fund.

The bonds maturing on December 1, 2022, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-----------|
| 2021 | \$120,000 |

The remaining principal, in the amount of \$120,000, will be paid at stated maturity on December 1, 2022.

The bonds maturing on December 1, 2025, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-----------|
| 2023 | \$125,000 |
| 2024 | 130,000 |

The remaining principal, in the amount of \$130,000, will be paid at stated maturity on December 1, 2025.

The bonds maturing on December 1, 2028, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-----------|
| 2026 | \$130,000 |
| 2027 | 135,000 |

The remaining principal, in the amount of \$140,000, will be paid at stated maturity on December 1, 2028.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

The bonds maturing on December 1, 2032, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2029 | \$145,000 |
| 2030 | 150,000 |
| 2031 | 150,000 |

The remaining principal, in the amount of \$155,000, will be paid at stated maturity on December 1, 2032.

The serial bonds are subject to prior redemption on or after December 1, 2022, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

FY 2013A Refunding School Improvement Bonds - On March 12, 2013, the School District issued general obligation bonds, in the amount of \$17,770,000, to partially refund bonds previously issued in fiscal years 2005 and 2006 for improving and constructing school buildings and facilities. The refunding bond issue consists of serial bonds, in the original amount of \$17,770,000. The bonds were issued for an eleven fiscal year period, with maturity in fiscal year 2024. The bonds are being retired through the Bond Retirement debt service fund.

The refunded bonds are fully retired.

FY 2013B Refunding School Improvement Bonds - On March 12, 2013, the School District issued general obligation bonds, in the amount of \$40,519,917, to partially refund bonds previously issued in fiscal years 2002 and 2006 for improving and constructing school buildings and facilities. The refunding bond issue included serial and capital appreciation bonds, in the original amount of \$40,280,000 and \$239,917, respectively. The bonds were issued for an eighteen fiscal year period, with maturity in fiscal year 2031. The bonds are being retired through the Bond Retirement debt service fund.

The serial bonds are subject to prior redemption on or after December 1, 2022, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2023. The maturity amount of the bonds is \$3,035,000. For fiscal year 2016, \$130,743 was accreted on the capital appreciation bonds for a total value of \$568,966, at fiscal year end.

As of June 30, 2016, all of the bond proceeds had been spent and \$27,976,592 was spent on items which were not capitalized.

The refunded bonds are fully retired.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

FY 2014 Refunding School Improvement Bonds - On August 12, 2013, the School District issued general obligation bonds, in the amount of \$33,315,000, to currently refund bonds previously issued in fiscal year 2009 for improving and constructing school building and facilities. The refunding bond issue included serial and term bonds, in the original amount of \$28,710,000 and \$4,605,000, respectively. The bonds were for a twenty-four fiscal year period, with maturity in fiscal year 2038. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2037, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-------------|
| 2036 | \$2,250,000 |

The remaining principal, in the amount of \$2,355,000, will be paid at stated maturity on December 1, 2037.

The serial bonds are subject to prior redemption on or after December 1, 2023, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

FY 2014 School Facilities Construction and Improvement Bonds - On August 12, 2013, the School District issued general obligation bonds, in the amount of \$7,055,000, for improving and constructing school buildings and facilities. The bond issue included serial and term bonds, in the original amount of \$6,010,000 and \$1,045,000, respectively. The bonds were issued for a twenty-four fiscal year period, with final maturity in fiscal year 2038. The bonds are being retired though the Bond Retirement debt service fund.

The bonds maturing on December 1, 2037, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-----------|
| 2036 | \$510,000 |

The remaining principal, in the amount of \$535,000, will be paid at stated maturity on December 1, 2037.

The serial bonds are subject to prior redemption on or after December 1, 2023, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

FY 2015A Refunding School Improvement Bonds - On February 11, 2015, the School District issued general obligation bonds, in the amount of \$78,000,000, to partially refund bonds previously issued in fiscal years 2006 and 2007 to refund bonds previously issued for improving and constructing school buildings and facilities. The refunding bond issue consisted of serial bonds, in the original amount of \$78,000,000. The bonds were issued for a fifteen fiscal year period, with maturity in fiscal year 2030. The bonds are being retired through the Bond Retirement debt service fund.

The serial bonds are subject to prior redemption on or after June 1, 2025, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

As of June 30, 2016, \$66,355,000 of the refunded bonds was still outstanding.

FY 2015B Refunding School Improvement Bonds - On February 11, 2015, the School District issued general obligation bonds, in the amount of \$50,485,000, to partially refund bonds previously issued in fiscal year 2006 to refund bonds previously issued for improving and constructing school buildings and facilities and in fiscal year 2008 for improving and constructing school buildings and facilities. The refunding bond issue consisted of serial bonds, in the original amount of \$50,485,000. The bonds were issued for a twenty-two fiscal year period, with maturity in fiscal year 2037. The bonds are being retired through the Bond Retirement debt service fund.

The serial bonds are subject to prior redemption on or after June 1, 2025, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

As of June 30, 2016, \$35,210,000 of the refunded bonds was still outstanding.

FY 2016 School Facilities Construction and Improvement Bonds - On June 23, 2016, the School District issued general obligation bonds, in the amount of \$79,560,000, for improving and constructing school buildings and facilities. The bond issue includes serial and term bonds, in the amount of \$36,935,000 and \$42,625,000, respectively. The bonds were issued at a premium of \$8,995,971. The bonds were issued for a thirty-six fiscal year period, with final maturity in fiscal year 2052. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2041, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2039 | \$2,450,000 |
| 2040 | 2,575,000 |

The remaining principal, in the amount of \$2,700,000, will be paid at stated maturity on December 1, 2041.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

The bonds maturing on December 1, 2041, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|----------|
| 2039 | \$55,000 |
| 2040 | 55,000 |

The remaining principal, in the amount of \$60,000, will be paid at stated maturity on December 1, 2041.

The bonds maturing on December 1, 2046, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-------------|
| 2042 | \$2,810,000 |
| 2043 | 2,925,000 |
| 2044 | 3,045,000 |
| 2045 | 3,165,000 |

The remaining principal, in the amount of \$3,290,000, will be paid at stated maturity on December 1, 2046.

The bonds maturing on December 1, 2046, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|----------|
| 2042 | \$85,000 |
| 2043 | 85,000 |
| 2044 | 85,000 |
| 2045 | 90,000 |

The remaining principal, in the amount of \$95,000, will be paid at stated maturity on December 1, 2046.

The bonds maturing on December 1, 2051, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

| Year | Amount |
|------|-------------|
| 2047 | \$3,520,000 |
| 2048 | 3,660,000 |
| 2049 | 3,805,000 |
| 2050 | 3,955,000 |

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 17 - Long-Term Obligations (continued)

The remaining principal, in the amount of \$4,155,000, will be paid at stated maturity on December 1, 2051.

The serial bonds are subject to prior redemption on or after June 1, 2026, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

As of June 30, 2016, \$76,018,229 of bond proceeds had not been spent.

The School District pays obligations related to employee compensation from the fund benefitting from their service. For additional information related to the net pension liability, see Note 14 to the basic financial statements.

Compensated absences will be paid from the General Fund and the Food Service special revenue fund.

Capital leases will be paid from the General Fund.

The School District's overall debt margin was (\$53,301,881) with an unvoted debt margin of \$3,340,576 at June 30, 2016. The School District has been authorized by the Ohio Superintendent of Public Instruction to exceed its overall limitation because it has been designated as a "special needs" school district.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2016, were as follows:

| Fiscal Year Ending June 30, | General Obligation Bonds | | | | |
|--------------------------------|--------------------------|---------------------|-------------------------|----------------------|----------------------|
| | Serial | Term | Capital Appreciation | Interest | Total |
| 2017 | \$9,270,000 | \$5,000 | \$1,657,598 | \$18,963,654 | \$29,896,252 |
| 2018 | 14,085,000 | 5,000 | 64,992 | 16,783,021 | 30,938,013 |
| 2019 | 14,540,000 | 25,000 | 0 | 14,737,929 | 29,302,929 |
| 2020 | 15,215,000 | 15,000 | 204,997 | 14,661,715 | 30,096,712 |
| 2021 | 15,740,000 | 20,000 | 0 | 13,530,404 | 29,290,404 |
| 2022-2026 | 80,930,000 | 730,000 | 239,917 | 60,758,994 | 142,658,911 |
| 2027-2031 | 90,385,000 | 5,600,000 | 0 | 39,800,288 | 135,785,288 |
| 2032-2036 | 63,975,000 | 4,605,000 | 0 | 21,661,083 | 90,241,083 |
| 2037-2041 | 9,475,000 | 19,425,000 | 0 | 10,281,921 | 39,181,921 |
| 2042-2046 | 0 | 15,050,000 | 0 | 6,040,025 | 21,090,025 |
| 2047-2051 | 0 | 18,325,000 | 0 | 2,712,025 | 21,037,025 |
| 2052 | 0 | 4,115,000 | 0 | 82,300 | 4,197,300 |
| | <u>\$313,615,000</u> | <u>\$67,920,000</u> | <u>\$2,167,504</u> | <u>\$220,013,359</u> | <u>\$603,715,863</u> |

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 18 - Capital Leases - Lessee Disclosure

The School District has entered into capitalized leases for equipment. New capital leases are reflected in the accounts “Regular Instruction,” “Operation and Maintenance of Plant,” and “Inception of Capital Lease” in the funds which will be making the lease payments. Capital lease payments are reflected as debt service expenditures on the statement of revenues, expenditures, and changes in fund balances for the governmental funds. Principal payments in fiscal year 2016 were \$305,774.

| | |
|---------------------------------|----------------------------|
| | Governmental Activities |
| Equipment | \$2,098,526 |
| Less Accumulated Depreciation | (1,288,359) |
| Carrying Value at June 30, 2016 | \$810,167 |

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2016.

| | | |
|-------|----------------------------|----------|
| | Governmental Activities | |
| Year | Principal | Interest |
| 2017 | \$314,074 | \$21,953 |
| 2018 | 249,897 | 12,257 |
| 2019 | 171,483 | 4,632 |
| 2020 | 60,471 | 988 |
| 2021 | 4,667 | 43 |
| Total | \$800,592 | \$39,873 |

Note 19 - Fund Balance

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

| | | | | | |
|------------------------|-----------|--------------------|----------|-----------------------|--------------------------------|
| | General | Bond Retirement | Building | Other Governmental | Total Governmental Funds |
| Nonspendable for: | | | | | |
| Materials and Supplies | | | | | |
| Inventory | \$432,891 | \$0 | \$0 | \$49,106 | \$481,997 |
| Prepaid Items | 83,926 | 0 | 0 | 0 | 83,926 |
| Total Nonspendable | 516,817 | 0 | 0 | 49,106 | 565,923 |

(continued)

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 19 - Fund Balance (continued)

| Fund Balance | General | Bond Retirement | Building | Other Governmental | Total Governmental Funds |
|---------------------------|---------------------|---------------------|---------------------|-----------------------|--------------------------------|
| Restricted for: | | | | | |
| Athletics and Music | \$0 | \$0 | \$0 | \$958,056 | \$958,056 |
| Building Construction | 0 | 0 | 75,733,981 | 0 | 75,733,981 |
| Bus Purchase | 283,573 | 0 | 0 | 0 | 283,573 |
| Debt Retirement | 0 | 29,748,739 | 0 | 0 | 29,748,739 |
| Food Service Operations | 0 | 0 | 0 | 867,938 | 867,938 |
| Non-Public Schools | 0 | 0 | 0 | 101,087 | 101,087 |
| Permanent Improvements | 0 | 0 | 0 | 8,850,895 | 8,850,895 |
| Regular Instruction | 0 | 0 | 0 | 9,323 | 9,323 |
| Total Restricted | <u>283,573</u> | <u>29,748,739</u> | <u>75,733,981</u> | <u>10,787,299</u> | <u>116,553,592</u> |
| Assigned for: | | | | | |
| Educational Activities | 449,387 | 0 | 0 | 0 | 449,387 |
| Projected Budget Shortage | 11,362,226 | 0 | 0 | 0 | 11,362,226 |
| Regular Instruction | 1,303,949 | 0 | 0 | 0 | 1,303,949 |
| Unpaid Obligations | 1,427,797 | 0 | 0 | 0 | 1,427,797 |
| Total Assigned | <u>14,543,359</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>14,543,359</u> |
| Unassigned (Deficit) | <u>75,309,112</u> | <u>0</u> | <u>0</u> | <u>(17,891)</u> | <u>75,291,221</u> |
| Total Fund Balance | <u>\$90,652,861</u> | <u>\$29,748,739</u> | <u>\$75,733,981</u> | <u>\$10,818,514</u> | <u>\$206,954,095</u> |

Note 20 - Set Asides

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

The following cash basis information identifies the change in the fund balance reserve for capital improvements during fiscal year 2016.

| | |
|------------------------------------|---------------------------------|
| | <u>Capital Improvements</u> |
| Balance June 30, 2015 | \$0 |
| Current Year Set Aside Requirement | 3,158,573 |
| Current Year Offsets | <u>(3,158,573)</u> |
| Balance June 30, 2016 | <u>\$0</u> |

Note 21 - Jointly Governed Organizations

A. Metropolitan Educational Technology Association

The School District is a participant in the Metropolitan Educational Technology Association (META), which is a computer consortium. META is an association of public school districts within the boundaries of Athens, Crawford, Delaware, Erie, Fairfield, Franklin, Jackson, Knox, Licking, Madison, Mahoning, Marion, Morrow, Muskingum, Pickaway, Richland, Trumbull, Union, and Wyandot Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of META consists of the superintendents from eight member districts. During fiscal year 2016, the School District paid \$383,447 to META for various services. Financial information can be obtained from the Metropolitan Educational Technology Association, 100 Executive Drive, Marion, Ohio 43302.

B. Delaware Area Career Center

The Delaware Area Career Center is a distinct political subdivision of the State of Ohio which provides vocational education. The Career Center operates under the direction of a Board consisting of one representative from each of the eleven participating school district's Boards of Education. The Board possesses its own budgeting and taxing authority. The degree of control exercised by the School District is limited to its representation on the Board. Financial information can be obtained from the Delaware Area Career Center, 4565 Columbus Pike Road, Delaware, Ohio 43015.

Note 22 - Contingencies

A. 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, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2016.

B. School Foundation

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for fiscal year 2015, traditional school districts must comply with minimum hours of instruction instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the School District, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2016, foundation funding for the School District, therefore, any financial statement impact is not determinable at this time. This may result in a receivable to or a liability of the School District.

Olentangy Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 22 - Contingencies (continued)

C. Litigation

The School District is party to legal proceedings seeking damages or injunctive relief generally incidental to operations. As of the date of the financial statements, the School District anticipates liability insurance will cover any damages that may result from the litigation.

Note 23 - Subsequent Event

On September 6, 2016, the School District issued general obligation bonds, in the amount of \$19,675,000 to currently refund bonds previously issued in fiscal year 2007 for improving and constructing school buildings and facilities. The bonds have an interest rate 5 percent and mature on December 1, 2032.

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

| | 2016 | 2015 | 2014 |
|--|--------------|--------------|--------------|
| School District's Proportion of the Net Pension Liability | 0.78157450% | 0.75475100% | 0.75475100% |
| School District's Proportionate Share of the Net Pension Liability | \$44,597,399 | \$38,197,519 | \$44,882,620 |
| School District's Covered Employee Payroll | \$25,475,086 | \$20,716,122 | \$19,482,580 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll | 175.06% | 184.39% | 230.37% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 69.16% | 71.70% | 65.52% |

(1) Information prior to 2014 is not available. Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

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

| | 2016 | 2015 | 2014 |
|--|---------------|---------------|---------------|
| School District's Proportion of the Net Pension Liability | 0.79926527% | 0.77083316% | 0.77083316% |
| School District's Proportionate Share of the Net Pension Liability | \$220,893,541 | \$187,493,301 | \$223,340,794 |
| School District's Covered Employee Payroll | \$84,495,143 | \$79,400,046 | \$74,421,900 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll | 261.43% | 236.14% | 300.10% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 72.10% | 74.70% | 69.30% |

(1) Information prior to 2014 is not available. Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

Olentangy Local School District
 Required Supplementary Information
 Schedule of the School District's Contributions
 School Employees Retirement System of Ohio
 Last Ten Fiscal Years

| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|--------------------|--------------------|--------------------|--------------------|
| Contractually Required Contribution | \$3,583,655 | \$3,357,616 | \$2,871,255 | \$2,696,389 |
| Contributions in Relation to the Contractually Required Contribution | <u>(3,583,655)</u> | <u>(3,357,616)</u> | <u>(2,871,255)</u> | <u>(2,696,389)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| School District Covered Employee Payroll | \$25,597,536 | \$25,475,086 | \$20,716,122 | \$19,482,580 |
| Contributions as a Percentage of Covered Employee Payroll | 14.00% | 13.18% | 13.86% | 13.84% |

| <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$2,613,419 | \$2,504,095 | \$2,649,028 | \$2,566,627 | \$2,182,699 | \$1,988,000 |
| <u>(2,613,419)</u> | <u>(2,504,095)</u> | <u>(2,649,028)</u> | <u>(2,566,627)</u> | <u>(2,182,699)</u> | <u>(1,988,000)</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| \$19,430,622 | \$19,921,202 | \$19,564,460 | \$26,083,608 | \$22,227,074 | \$18,614,232 |
| 13.45% | 12.57% | 13.54% | 9.84% | 9.82% | 10.68% |

Olentangy Local School District
Required Supplementary Information
Schedule of the School District's Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|---------------------|---------------------|---------------------|--------------------|
| Contractually Required Contribution | \$12,711,623 | \$11,829,320 | \$10,322,006 | \$9,674,847 |
| Contributions in Relation to the Contractually Required Contribution | <u>(12,711,623)</u> | <u>(11,829,320)</u> | <u>(10,322,006)</u> | <u>(9,674,847)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| School District Covered Employee Payroll | \$90,797,307 | \$84,495,143 | \$79,400,046 | \$74,421,900 |
| Contributions as a Percentage of Covered Employee Payroll | 14.00% | 14.00% | 13.00% | 13.00% |

| <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$9,629,793 | \$9,368,072 | \$8,435,583 | \$7,771,818 | \$7,017,674 | \$6,562,000 |
| <u>(9,629,793)</u> | <u>(9,368,072)</u> | <u>(8,435,583)</u> | <u>(7,771,818)</u> | <u>(7,017,674)</u> | <u>(6,562,000)</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| \$74,075,331 | \$72,062,092 | \$64,889,100 | \$59,783,215 | \$53,982,108 | \$50,476,923 |
| 13.00% | 13.00% | 13.00% | 13.00% | 13.00% | 13.00% |

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes, other than for debt service or capital projects. Following is a description of the School District's nonmajor special revenue funds:

Food Service

To account for grants and charges for services restricted for the School District's food service operations.

Other Local Grants

To account for local grants restricted for purposes outlined by the grant.

Athletic and Music

To account for gate receipts and other revenues from athletic and other events restricted to expenditure for the School District's athletic and music programs (except for supplemental coaching contracts).

Auxiliary Services

To account for State resources restricted to providing services and materials to students attending non-public schools within the School District.

Network Connectivity

To account for grants restricted for the installation and ongoing support of data communication links connecting public school buildings to the statewide network and to the internet.

Straight A

To account for State grants restricted to providing online educational resources for students.

Title VI-B

To account for Federal grants restricted to assisting the School District in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Title III

To account for Federal grants restricted to educating children who are not proficient in the English language.

Title I

To account for Federal grants restricted to assisting the School District in meeting the special needs of educationally deprived children.

Early Childhood Special Education

To account for Federal grants restricted to supporting the improvement and expansion of services for handicapped children ages three to five.

(continued)

Olentangy Local School District
Combining Statements - Nonmajor Governmental Funds

**Nonmajor Special Revenue Funds
(continued)**

Title II-A

To account for Federal grants restricted to hiring additional classroom teachers in grades 1 through 3 so that the number of students per teacher will be reduced.

Nonmajor Capital Projects Fund

Capital projects funds are used to account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities and other capital assets.

Permanent Improvement

To account for debt and related proceeds restricted to acquiring, constructing, or improving permanent improvements.

Olentangy Local School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Fund | Total Nonmajor Governmental Funds |
|--|---|---|--|
| <u>Assets</u> | | | |
| Equity in Pooled Cash and Cash Equivalents | \$2,698,787 | \$8,854,618 | \$11,553,405 |
| Accounts Receivable | 4,482 | 0 | 4,482 |
| Intergovernmental Receivable | 822,036 | 0 | 822,036 |
| Inventory Held for Resale | 156,571 | 0 | 156,571 |
| Materials and Supplies Inventory | 49,106 | 0 | 49,106 |
| Total Assets | \$3,730,982 | \$8,854,618 | \$12,585,600 |
| <u>Liabilities</u> | | | |
| Accounts Payable | \$109,556 | \$3,723 | \$113,279 |
| Accrued Wages and Benefits Payable | 453,054 | 0 | 453,054 |
| Matured Compensated Absences Payable | 4,869 | 0 | 4,869 |
| Interfund Payable | 259,502 | 0 | 259,502 |
| Intergovernmental Payable | 223,899 | 0 | 223,899 |
| Unearned Revenue | 231,308 | 0 | 231,308 |
| Claims Payable | 18,305 | 0 | 18,305 |
| Total Liabilities | 1,300,493 | 3,723 | 1,304,216 |
| <u>Deferred Inflows of Resources</u> | | | |
| Unavailable Revenue | 462,870 | 0 | 462,870 |
| <u>Fund Balances</u> | | | |
| Nonspendable | 49,106 | 0 | 49,106 |
| Restricted | 1,936,404 | 8,850,895 | 10,787,299 |
| Unassigned (Deficit) | (17,891) | 0 | (17,891) |
| Total Fund Balances | 1,967,619 | 8,850,895 | 10,818,514 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$3,730,982 | \$8,854,618 | \$12,585,600 |

Olentangy Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

| | Food Service | Other Local Grants | Athletic and Music | Auxiliary Services |
|--|--------------------|-----------------------|-----------------------|-----------------------|
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$1,592,998 | \$9,323 | \$960,304 | \$136,162 |
| Accounts Receivable | 4,482 | 0 | 0 | 0 |
| Intergovernmental Receivable | 88,707 | 0 | 0 | 0 |
| Inventory Held for Resale | 129,368 | 0 | 27,203 | 0 |
| Materials and Supplies Inventory | 49,106 | 0 | 0 | 0 |
| Total Assets | \$1,864,661 | \$9,323 | \$987,507 | \$136,162 |
| <u>Liabilities</u> | | | | |
| Accounts Payable | \$14,248 | \$0 | \$29,437 | \$35,075 |
| Accrued Wages and Benefits Payable | 453,054 | 0 | 0 | 0 |
| Matured Compensated Absences Payable | 4,869 | 0 | 0 | 0 |
| Interfund Payable | 0 | 0 | 0 | 0 |
| Intergovernmental Payable | 222,135 | 0 | 14 | 0 |
| Unearned Revenue | 231,308 | 0 | 0 | 0 |
| Claims Payable | 18,305 | 0 | 0 | 0 |
| Total Liabilities | 943,919 | 0 | 29,451 | 35,075 |
| <u>Deferred Inflows of Resources</u> | | | | |
| Unavailable Revenue | 3,698 | 0 | 0 | 0 |
| <u>Fund Balances</u> | | | | |
| Nonspendable | 49,106 | 0 | 0 | 0 |
| Restricted | 867,938 | 9,323 | 958,056 | 101,087 |
| Unassigned (Deficit) | 0 | 0 | 0 | 0 |
| Total Fund Balances (Deficit) | 917,044 | 9,323 | 958,056 | 101,087 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$1,864,661 | \$9,323 | \$987,507 | \$136,162 |

| Title VI-B | Title III | Title I | Title II-A | Total |
|------------------|-----------------|------------------|------------------|--------------------|
| \$0 | \$0 | \$0 | \$0 | \$2,698,787 |
| 0 | 0 | 0 | 0 | 4,482 |
| 377,322 | 11,135 | 190,723 | 154,149 | 822,036 |
| 0 | 0 | 0 | 0 | 156,571 |
| 0 | 0 | 0 | 0 | 49,106 |
| <u>\$377,322</u> | <u>\$11,135</u> | <u>\$190,723</u> | <u>\$154,149</u> | <u>\$3,730,982</u> |
| \$15,938 | \$0 | \$114 | \$14,744 | \$109,556 |
| 0 | 0 | 0 | 0 | 453,054 |
| 0 | 0 | 0 | 0 | 4,869 |
| 124,614 | 6,788 | 96,578 | 31,522 | 259,502 |
| 0 | 0 | 0 | 1,750 | 223,899 |
| 0 | 0 | 0 | 0 | 231,308 |
| 0 | 0 | 0 | 0 | 18,305 |
| <u>140,552</u> | <u>6,788</u> | <u>96,692</u> | <u>48,016</u> | <u>1,300,493</u> |
| <u>241,432</u> | <u>4,347</u> | <u>94,031</u> | <u>119,362</u> | <u>462,870</u> |
| 0 | 0 | 0 | 0 | 49,106 |
| 0 | 0 | 0 | 0 | 1,936,404 |
| (4,662) | 0 | 0 | (13,229) | (17,891) |
| <u>(4,662)</u> | <u>0</u> | <u>0</u> | <u>(13,229)</u> | <u>1,967,619</u> |
| <u>\$377,322</u> | <u>\$11,135</u> | <u>\$190,723</u> | <u>\$154,149</u> | <u>\$3,730,982</u> |

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Olentangy Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2016

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Fund | Total Nonmajor Governmental Funds |
|--|---|---|--|
| <u>Revenues</u> | | | |
| Intergovernmental | \$4,830,723 | \$0 | \$4,830,723 |
| Interest | 2,074 | 0 | 2,074 |
| Extracurricular Activities | 718,350 | 0 | 718,350 |
| Charges for Services | 6,701,145 | 0 | 6,701,145 |
| Gifts and Donations | 175 | 0 | 175 |
| Miscellaneous | 202,664 | 0 | 202,664 |
| Total Revenues | 12,455,131 | 0 | 12,455,131 |
| <u>Expenditures</u> | | | |
| Current: | | | |
| Instruction | | | |
| Regular | 32,382 | 149,779 | 182,161 |
| Special | 1,806,511 | 0 | 1,806,511 |
| Support Services | | | |
| Pupils | 951,819 | 24,277 | 976,096 |
| Instructional Staff | 162,580 | 0 | 162,580 |
| Administration | 643 | 0 | 643 |
| Fiscal | 185,652 | 0 | 185,652 |
| Operation and Maintenance of Plant | 0 | 61,612 | 61,612 |
| Pupil Transportation | 21,932 | 220,472 | 242,404 |
| Central | 70,650 | 224,955 | 295,605 |
| Non-Instructional Services | 8,520,369 | 0 | 8,520,369 |
| Extracurricular Activities | 760,818 | 0 | 760,818 |
| Capital Outlay | 7,680 | 443,905 | 451,585 |
| Total Expenditures | 12,521,036 | 1,125,000 | 13,646,036 |
| Excess of Revenues Under Expenditures | (65,905) | (1,125,000) | (1,190,905) |
| <u>Other Financing Sources</u> | | | |
| Sale of Capital Assets | 6,568 | 0 | 6,568 |
| Changes in Fund Balances | (59,337) | (1,125,000) | (1,184,337) |
| Fund Balances Beginning of Year | 2,026,956 | 9,975,895 | 12,002,851 |
| Fund Balances End of Year | \$1,967,619 | \$8,850,895 | \$10,818,514 |

Olentangy Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016

| | Food Service | Other Local Grants | Athletic and Music | Auxiliary Services |
|---|------------------|-----------------------|-----------------------|-----------------------|
| <u>Revenues</u> | | | | |
| Intergovernmental | \$1,435,938 | \$34,798 | \$0 | \$361,124 |
| Interest | 1,825 | 0 | 0 | 249 |
| Extracurricular Activities | 0 | 0 | 718,350 | 0 |
| Charges for Services | 6,683,888 | 0 | 17,257 | 0 |
| Gifts and Donations | 0 | 0 | 175 | 0 |
| Miscellaneous | 262 | 0 | 202,402 | 0 |
| Total Revenues | 8,121,913 | 34,798 | 938,184 | 361,373 |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular | 0 | 32,382 | 0 | 0 |
| Special | 0 | 1,984 | 0 | 0 |
| Support Services | | | | |
| Pupils | 0 | 0 | 0 | 0 |
| Instructional Staff | 0 | 0 | 0 | 0 |
| Administration | 0 | 0 | 0 | 0 |
| Fiscal | 185,652 | 0 | 0 | 0 |
| Pupil Transportation | 0 | 0 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 |
| Non-Instructional Services | 8,163,315 | 0 | 0 | 352,212 |
| Extracurricular Activities | 0 | 0 | 760,818 | 0 |
| Capital Outlay | 0 | 0 | 7,680 | 0 |
| Total Expenditures | 8,348,967 | 34,366 | 768,498 | 352,212 |
| Excess of Revenues Over (Under) Expenditures | (227,054) | 432 | 169,686 | 9,161 |
| <u>Other Financing Sources</u> | | | | |
| Sale of Capital Assets | 6,568 | 0 | 0 | 0 |
| Changes in Fund Balances | (220,486) | 432 | 169,686 | 9,161 |
| Fund Balances (Deficit) Beginning of Year | 1,137,530 | 8,891 | 788,370 | 91,926 |
| Fund Balances (Deficit) End of Year | <u>\$917,044</u> | <u>\$9,323</u> | <u>\$958,056</u> | <u>\$101,087</u> |

| Network Connectivity | Straight A | Title VI-B | Title III | Title I | Early Childhood Special Education |
|-------------------------|------------|-------------|-----------|-----------|--------------------------------------|
| \$41,400 | \$29,250 | \$2,355,704 | \$64,414 | \$372,794 | \$19,852 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 41,400 | 29,250 | 2,355,704 | 64,414 | 372,794 | 19,852 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 1,352,077 | 63,634 | 368,964 | 19,852 |
| 0 | 0 | 951,819 | 0 | 0 | 0 |
| 0 | 0 | 34,073 | 0 | 3,814 | 0 |
| 0 | 0 | 643 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 21,932 | 0 | 0 | 0 |
| 41,400 | 29,250 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 41,400 | 29,250 | 2,360,544 | 63,634 | 372,778 | 19,852 |
| 0 | 0 | (4,840) | 780 | 16 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | (4,840) | 780 | 16 | 0 |
| 0 | 0 | 178 | (780) | (16) | 0 |
| \$0 | \$0 | (\$4,662) | \$0 | \$0 | \$0 |

(continued)

Olentangy Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016
(continued)

| | Title II-A | Total |
|---|------------|-------------|
| <u>Revenues</u> | | |
| Intergovernmental | \$115,449 | \$4,830,723 |
| Interest | 0 | 2,074 |
| Extracurricular Activities | 0 | 718,350 |
| Charges for Services | 0 | 6,701,145 |
| Gifts and Donations | 0 | 175 |
| Miscellaneous | 0 | 202,664 |
| | 0 | |
| Total Revenues | 115,449 | 12,455,131 |
| <u>Expenditures</u> | | |
| Current: | | |
| Instruction | | |
| Regular | 0 | 32,382 |
| Special | 0 | 1,806,511 |
| Support Services | | |
| Pupils | 0 | 951,819 |
| Instructional Staff | 124,693 | 162,580 |
| Administration | 0 | 643 |
| Fiscal | 0 | 185,652 |
| Pupil Transportation | 0 | 21,932 |
| Central | 0 | 70,650 |
| Non-Instructional Services | 4,842 | 8,520,369 |
| Extracurricular Activities | 0 | 760,818 |
| Capital Outlay | 0 | 7,680 |
| | 129,535 | 12,521,036 |
| Total Expenditures | 129,535 | 12,521,036 |
| Excess of Revenues Over (Under) Expenditures | (14,086) | (65,905) |
| <u>Other Financing Sources</u> | | |
| Sale of Capital Assets | 0 | 6,568 |
| | 0 | 6,568 |
| Changes in Fund Balances | (14,086) | (59,337) |
| Fund Balances (Deficit) Beginning of Year | 857 | 2,026,956 |
| | 857 | 2,026,956 |
| Fund Balances (Deficit) End of Year | (\$13,229) | \$1,967,619 |

Olentangy Local School District
Combining Statements - Agency Funds

Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Agency Funds

Staff

To account for donations from employees to purchase flowers, gifts, etc. for various personal events.

Athletic Tournaments

To account for resources collected from sports tournaments that are submitted to OSHAA.

Student Activities

To account for student activity programs which have student participation in the activity and student involvement in the management of the program.

Olentangy Local School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2016

| | Balance at 6/30/15 | Additions | Reductions | Balance at 6/30/16 |
|--|-----------------------|-----------|------------|-----------------------|
| <u>Staff</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$119,006 | \$0 | \$1,739 | \$117,267 |
| <u>Liabilities</u> | | | | |
| Undistributed Assets | \$119,006 | \$0 | \$1,739 | \$117,267 |
| <u>Athletic Tournaments</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$0 | \$3,891 | \$0 | \$3,891 |
| <u>Liabilities</u> | | | | |
| Undistributed Assets | \$0 | \$3,891 | \$0 | \$3,891 |
| <u>Student Activities</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$599,859 | \$61,036 | \$0 | \$660,895 |
| <u>Liabilities</u> | | | | |
| Due to Students | \$599,859 | \$61,036 | \$0 | \$660,895 |
| <u>Total - All Funds</u> | | | | |
| <u>Assets</u> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$718,865 | \$64,927 | \$1,739 | \$782,053 |
| <u>Liabilities</u> | | | | |
| Undistributed Assets | \$119,006 | \$3,891 | \$1,739 | \$121,158 |
| Due to Students | 599,859 | 61,036 | 0 | 660,895 |
| Total Liabilities | \$718,865 | \$64,927 | \$1,739 | \$782,053 |

**INDIVIDUAL FUND SCHEDULES
OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

Olentangy Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016

| | Original Budget | Budget | Actual | Variance Over (Under) |
|----------------------------|--------------------|--------------------|--------------------|-----------------------------|
| <u>Revenues</u> | | | | |
| Property Taxes | \$131,495,616 | \$131,495,616 | \$135,952,555 | \$4,456,939 |
| Payment in Lieu of Taxes | 18,437,556 | 18,747,239 | 19,568,649 | 821,410 |
| Intergovernmental | 26,686,715 | 26,899,006 | 28,758,040 | 1,859,034 |
| Interest | 322,448 | 333,054 | 620,488 | 287,434 |
| Tuition and Fees | 2,126,801 | 2,186,781 | 2,119,097 | (67,684) |
| Extracurricular Activities | 573,273 | 573,273 | 539,785 | (33,488) |
| Charges for Services | 450,000 | 450,000 | 104,500 | (345,500) |
| Gifts and Donations | 37,500 | 63,500 | 22,006 | (41,494) |
| Miscellaneous | 740,403 | 784,019 | 1,030,878 | 246,859 |
| Total Revenues | 180,870,312 | 181,532,488 | 188,715,998 | 7,183,510 |
| <u>Expenditures</u> | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular | | | | |
| Salaries | 67,179,123 | 67,196,907 | 67,255,124 | (58,217) |
| Fringe Benefits | 24,372,991 | 24,369,741 | 24,455,883 | (86,142) |
| Purchased Services | 5,879,408 | 5,585,196 | 5,507,331 | 77,865 |
| Materials and Supplies | 1,938,511 | 1,940,446 | 1,780,755 | 159,691 |
| Other | 81,755 | 81,755 | 74,087 | 7,668 |
| Capital Outlay | 350 | 350 | 350 | 0 |
| Total Regular | 99,452,138 | 99,174,395 | 99,073,530 | 100,865 |
| Special | | | | |
| Salaries | 14,942,101 | 14,942,101 | 14,525,297 | 416,804 |
| Fringe Benefits | 5,976,531 | 5,976,531 | 5,548,097 | 428,434 |
| Purchased Services | 446,933 | 447,433 | 359,545 | 87,888 |
| Materials and Supplies | 61,991 | 60,089 | 51,918 | 8,171 |
| Other | 6,212,829 | 6,859,829 | 6,921,549 | (61,720) |
| Total Special | 27,640,385 | 28,285,983 | 27,406,406 | 879,577 |
| Vocational | | | | |
| Salaries | 776,135 | 776,135 | 857,013 | (80,878) |
| Fringe Benefits | 293,505 | 293,505 | 306,425 | (12,920) |
| Purchased Services | 3,600 | 2,600 | 778 | 1,822 |
| Materials and Supplies | 3,600 | 3,938 | 3,670 | 268 |
| Total Vocational | 1,076,840 | 1,076,178 | 1,167,886 | (91,708) |
| Total Instruction | 128,169,363 | 128,536,556 | 127,647,822 | 888,734 |

(continued)

Olentangy Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016
(continued)

| | Original Budget | Budget | Actual | Variance Over (Under) |
|---------------------------|--------------------|------------------|------------------|-----------------------------|
| Support Services | | | | |
| Pupils | | | | |
| Salaries | \$4,243,372 | \$4,243,372 | \$4,369,517 | (\$126,145) |
| Fringe Benefits | 1,507,569 | 1,507,569 | 1,528,253 | (20,684) |
| Purchased Services | 470,380 | 470,075 | 419,448 | 50,627 |
| Materials and Supplies | 39,198 | 38,338 | 33,509 | 4,829 |
| Other | 123,570 | 123,320 | 101,107 | 22,213 |
| Capital Outlay | 10,000 | 13,767 | 13,735 | 32 |
| Total Pupils | <u>6,394,089</u> | <u>6,396,441</u> | <u>6,465,569</u> | <u>(69,128)</u> |
| Instructional Staff | | | | |
| Salaries | 2,909,333 | 2,909,333 | 3,009,651 | (100,318) |
| Fringe Benefits | 1,074,242 | 1,080,242 | 1,087,033 | (6,791) |
| Purchased Services | 424,916 | 455,106 | 385,637 | 69,469 |
| Materials and Supplies | 269,248 | 229,468 | 188,575 | 40,893 |
| Other | 2,325 | 2,325 | 1,717 | 608 |
| Capital Outlay | 1,000 | 1,000 | 0 | 1,000 |
| Total Instructional Staff | <u>4,681,064</u> | <u>4,677,474</u> | <u>4,672,613</u> | <u>4,861</u> |
| Board of Education | | | | |
| Salaries | 15,000 | 15,000 | 13,740 | 1,260 |
| Fringe Benefits | 5,656 | 5,656 | 3,410 | 2,246 |
| Purchased Services | 1,075,283 | 895,883 | 854,236 | 41,647 |
| Materials and Supplies | 0 | 110 | 110 | 0 |
| Other | 184,805 | 204,965 | 202,203 | 2,762 |
| Total Board of Education | <u>1,280,744</u> | <u>1,121,614</u> | <u>1,073,699</u> | <u>47,915</u> |
| Administration | | | | |
| Salaries | 5,916,554 | 5,916,554 | 6,326,386 | (409,832) |
| Fringe Benefits | 3,027,971 | 3,027,971 | 3,025,961 | 2,010 |
| Purchased Services | 106,858 | 117,061 | 100,513 | 16,548 |
| Materials and Supplies | 40,282 | 38,281 | 33,540 | 4,741 |
| Other | 31,908 | 31,408 | 22,708 | 8,700 |
| Capital Outlay | 0 | 4,634 | 4,634 | 0 |
| Total Administration | <u>9,123,573</u> | <u>9,135,909</u> | <u>9,513,742</u> | <u>(377,833)</u> |
| Fiscal | | | | |
| Salaries | 635,671 | 635,671 | 658,845 | (23,174) |
| Fringe Benefits | 261,998 | 261,998 | 277,906 | (15,908) |
| Purchased Services | 173,833 | 159,583 | 142,256 | 17,327 |
| Materials and Supplies | 8,153 | 9,553 | 8,702 | 851 |
| Other | 2,384,195 | 2,440,045 | 2,347,772 | 92,273 |
| Total Fiscal | <u>3,463,850</u> | <u>3,506,850</u> | <u>3,435,481</u> | <u>71,369</u> |

(continued)

Olentangy Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016
(continued)

| | Original Budget | Budget | Actual | Variance Over (Under) |
|---|--------------------|-------------------|-------------------|-----------------------------|
| Business | | | | |
| Salaries | \$392,051 | \$392,051 | \$340,038 | \$52,013 |
| Fringe Benefits | 186,020 | 186,020 | 163,182 | 22,838 |
| Purchased Services | 55,311 | 55,311 | 52,923 | 2,388 |
| Materials and Supplies | 6,755 | 6,755 | 6,755 | 0 |
| Other | 1,385 | 1,385 | 1,363 | 22 |
| Total Business | 641,522 | 641,522 | 564,261 | 77,261 |
| Operation and Maintenance of Plant | | | | |
| Salaries | 6,029,437 | 6,029,437 | 5,912,826 | 116,611 |
| Fringe Benefits | 2,847,554 | 2,847,554 | 2,753,505 | 94,049 |
| Purchased Services | 5,022,902 | 4,931,675 | 4,999,367 | (67,692) |
| Materials and Supplies | 1,444,851 | 1,502,851 | 1,403,844 | 99,007 |
| Other | 18,756 | 18,756 | 14,894 | 3,862 |
| Capital Outlay | 251,096 | 251,096 | 250,808 | 288 |
| Total Operation and Maintenance of Plant | 15,614,596 | 15,581,369 | 15,335,244 | 246,125 |
| Pupil Transportation | | | | |
| Salaries | 4,855,280 | 4,855,280 | 4,939,626 | (84,346) |
| Fringe Benefits | 2,881,848 | 2,881,848 | 2,763,760 | 118,088 |
| Purchased Services | 546,359 | 658,466 | 624,193 | 34,273 |
| Materials and Supplies | 1,751,330 | 1,505,830 | 1,089,166 | 416,664 |
| Other | 100 | 100 | 100 | 0 |
| Capital Outlay | 26,119 | 26,119 | 19,311 | 6,808 |
| Total Pupil Transportation | 10,061,036 | 9,927,643 | 9,436,156 | 491,487 |
| Central | | | | |
| Salaries | 1,773,351 | 1,773,351 | 1,869,778 | (96,427) |
| Fringe Benefits | 828,748 | 828,748 | 822,890 | 5,858 |
| Purchased Services | 668,629 | 561,744 | 513,390 | 48,354 |
| Materials and Supplies | 736,360 | 732,610 | 722,789 | 9,821 |
| Other | 2,310 | 2,410 | 1,800 | 610 |
| Capital Outlay | 3,000 | 3,000 | 1,450 | 1,550 |
| Total Central | 4,012,398 | 3,901,863 | 3,932,097 | (30,234) |
| Total Support Services | 55,272,872 | 54,890,685 | 54,428,862 | 461,823 |
| Extracurricular Activities | | | | |
| Academic and Subject Oriented Activities | | | | |
| Salaries | 612,202 | 612,202 | 555,882 | 56,320 |
| Fringe Benefits | 101,256 | 101,256 | 97,378 | 3,878 |
| Total Academic and Subject Oriented Activities | 713,458 | 713,458 | 653,260 | 60,198 |

(continued)

Olentangy Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016
(continued)

| | Original Budget | Budget | Actual | Variance Over (Under) |
|------------------------------------|--------------------|------------------|------------------|-----------------------------|
| Sport Oriented Activities | | | | |
| Salaries | \$2,196,124 | \$2,196,124 | \$2,281,137 | (\$85,013) |
| Fringe Benefits | 525,740 | 525,740 | 571,931 | (46,191) |
| Purchased Services | 156,412 | 156,412 | 121,363 | 35,049 |
| Other | 0 | 15,000 | 16,857 | (1,857) |
| Total Sport Oriented Activities | <u>2,878,276</u> | <u>2,893,276</u> | <u>2,991,288</u> | <u>(98,012)</u> |
| Total Extracurricular Activities | <u>3,591,734</u> | <u>3,606,734</u> | <u>3,644,548</u> | <u>(37,814)</u> |
| Capital Outlay | | | | |
| Site Acquisition Services | | | | |
| Other | 30,000 | 30,000 | 21,836 | 8,164 |
| Uniform School Supplies | | | | |
| Instruction | | | | |
| Regular | | | | |
| Salaries | 30,000 | 50,400 | 79,809 | (29,409) |
| Fringe Benefits | 6,000 | 9,152 | 11,173 | (2,021) |
| Purchased Services | 0 | 6,500 | 5,622 | 878 |
| Materials and Supplies | 1,670,093 | 1,713,111 | 1,371,850 | 341,261 |
| Total Regular | <u>1,706,093</u> | <u>1,779,163</u> | <u>1,468,454</u> | <u>310,709</u> |
| Special | | | | |
| Materials and Supplies | 4,500 | 4,500 | 2,972 | 1,528 |
| Total Uniform School Supplies | <u>1,710,593</u> | <u>1,783,663</u> | <u>1,471,426</u> | <u>312,237</u> |
| Rotary | | | | |
| Support Services | | | | |
| Operation and Maintenance of Plant | | | | |
| Purchased Services | 5,000 | 5,000 | 0 | 5,000 |
| Public School Support | | | | |
| Non-Instructional Services | | | | |
| Other | 497,062 | 702,185 | 461,900 | 240,285 |
| Workers' Compensation | | | | |
| Instruction | | | | |
| Regular | | | | |
| Fringe Benefits | 200,000 | 200,000 | 74,281 | 125,719 |
| Purchased Services | 85,500 | 85,500 | 45,197 | 40,303 |
| Materials and Supplies | 7,000 | 7,000 | 994 | 6,006 |
| Other | 85,000 | 85,000 | 53,183 | 31,817 |
| Total Instruction | <u>377,500</u> | <u>377,500</u> | <u>173,655</u> | <u>203,845</u> |

(continued)

Olentangy Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016
(continued)

| | Original Budget | Budget | Actual | Variance Over (Under) |
|--|---------------------|---------------------|---------------------|-----------------------------|
| Support Services | | | | |
| Business | | | | |
| Salaries | \$80,341 | \$80,341 | \$40,105 | \$40,236 |
| Fringe Benefits | 47,296 | 47,296 | 20,489 | 26,807 |
| Total Support Services | 127,637 | 127,637 | 60,594 | 67,043 |
| Total Workers' Compensation | 505,137 | 505,137 | 234,249 | 270,888 |
| SMS Greenhouse | | | | |
| Extracurricular Activities | | | | |
| School and Public Service Co-Curricular Activites | | | | |
| Other | 0 | 450 | 310 | 140 |
| Imbrogno's Class | | | | |
| Extracurricular Activities | | | | |
| Occupation Oriented Activities | | | | |
| Other | 1,800 | 1,800 | 1,209 | 591 |
| Total Expenditures | 189,783,561 | 190,062,210 | 187,912,162 | 2,150,048 |
| Excess of Revenues Over (Under) Expenditures | (8,913,249) | (8,529,722) | 803,836 | 9,333,558 |
| <u>Other Financing Sources</u> | | | | |
| Sale of Capital Assets | 0 | 0 | 6,300 | 6,300 |
| Refund of Prior Year Expenditures | 25,000 | 25,000 | 68,489 | 43,489 |
| Total Other Financing Sources | 25,000 | 25,000 | 74,789 | 49,789 |
| Changes in Fund Balance | (8,888,249) | (8,504,722) | 878,625 | 9,383,347 |
| Fund Balance Beginning of Year | 59,623,850 | 59,623,850 | 59,623,850 | 0 |
| Prior Year Encumbrances Appropriated | 1,680,474 | 1,680,474 | 1,680,474 | 0 |
| Fund Balance End of Year | <u>\$52,416,075</u> | <u>\$52,799,602</u> | <u>\$62,182,949</u> | <u>\$9,383,347</u> |

Olentangy Local School District
Special Revenue Funds

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016

| | Budget | Actual | Variance Over (Under) |
|--------------------------------------|--------------------|--------------------|-----------------------------|
| <u>Food Service</u> | | | |
| Total Revenues and Other Sources | \$8,200,400 | \$7,784,715 | (\$415,685) |
| Total Expenditures and Other Uses | 8,744,673 | 8,305,342 | 439,331 |
| Changes in Fund Balance | (544,273) | (520,627) | 23,646 |
| Fund Balance Beginning of Year | 1,868,022 | 1,868,022 | 0 |
| Prior Year Encumbrances Appropriated | 167,490 | 167,490 | 0 |
| Fund Balance End of Year | <u>\$1,491,239</u> | <u>\$1,514,885</u> | <u>\$23,646</u> |
| <u>Other Local Grants</u> | | | |
| Total Revenues and Other Sources | \$40,000 | \$34,798 | (\$5,202) |
| Total Expenditures and Other Uses | 34,797 | 34,366 | 431 |
| Changes in Fund Balance | 5,203 | 432 | (4,771) |
| Fund Balance Beginning of Year | 8,891 | 8,891 | 0 |
| Fund Balance End of Year | <u>\$14,094</u> | <u>\$9,323</u> | <u>(\$4,771)</u> |
| <u>Athletic and Music</u> | | | |
| Total Revenues and Other Sources | \$995,404 | \$938,400 | (\$57,004) |
| Total Expenditures and Other Uses | 1,044,041 | 792,173 | 251,868 |
| Changes in Fund Balance | (48,637) | 146,227 | 194,864 |
| Fund Balance Beginning of Year | 732,555 | 732,555 | 0 |
| Prior Year Encumbrances Appropriated | 34,445 | 34,445 | 0 |
| Fund Balance End of Year | <u>\$718,363</u> | <u>\$913,227</u> | <u>\$194,864</u> |
| <u>Auxiliary Services</u> | | | |
| Total Revenues and Other Sources | \$491,413 | \$361,373 | (\$130,040) |
| Total Expenditures and Other Uses | 511,755 | 440,139 | 71,616 |
| Changes in Fund Balance | (20,342) | (78,766) | (58,424) |
| Fund Balance Beginning of Year | 12,764 | 12,764 | 0 |
| Prior Year Encumbrances Appropriated | 137,866 | 137,866 | 0 |
| Fund Balance End of Year | <u>\$130,288</u> | <u>\$71,864</u> | <u>(\$58,424)</u> |
| <u>Network Connectivity</u> | | | |
| Total Revenues and Other Sources | \$42,000 | \$41,400 | (\$600) |
| Total Expenditures and Other Uses | 42,000 | 41,400 | 600 |
| Changes in Fund Balance | 0 | 0 | 0 |
| Fund Balance Beginning of Year | 0 | 0 | 0 |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

(continued)

Olentangy Local School District
Special Revenue Funds

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016
(continued)

| | Budget | Actual | Variance Over (Under) |
|--|-------------|--------------------|-----------------------------|
| <u>Straight A</u> | | | |
| Total Revenues and Other Sources | \$58,250 | \$58,250 | \$0 |
| Total Expenditures and Other Uses | 29,250 | 29,250 | 0 |
| Changes in Fund Balance | 29,000 | 29,000 | 0 |
| Fund Balance (Deficit) Beginning of Year | (29,000) | (29,000) | 0 |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>Title VI-B</u> | | | |
| Total Revenues and Other Sources | \$2,815,040 | \$2,362,335 | (\$452,705) |
| Total Expenditures and Other Uses | 2,673,382 | 2,526,537 | 146,845 |
| Changes in Fund Balance | 141,658 | (164,202) | (305,860) |
| Fund Balance (Deficit) Beginning of Year | (224,969) | (224,969) | 0 |
| Prior Year Encumbrances Appropriated | 83,311 | 83,311 | 0 |
| Fund Balance (Deficit) End of Year | <u>\$0</u> | <u>(\$305,860)</u> | <u>(\$305,860)</u> |
| <u>Title III</u> | | | |
| Total Revenues and Other Sources | \$76,845 | \$61,439 | (\$15,406) |
| Total Expenditures and Other Uses | 73,032 | 64,414 | 8,618 |
| Changes in Fund Balance | 3,813 | (2,975) | (6,788) |
| Fund Balance (Deficit) Beginning of Year | (3,813) | (3,813) | 0 |
| Fund Balance (Deficit) End of Year | <u>\$0</u> | <u>(\$6,788)</u> | <u>(\$6,788)</u> |
| <u>Title I</u> | | | |
| Total Revenues and Other Sources | \$612,626 | \$337,837 | (\$274,789) |
| Total Expenditures and Other Uses | 581,857 | 405,616 | 176,241 |
| Changes in Fund Balance | 30,769 | (67,779) | (98,548) |
| Fund Balance (Deficit) Beginning of Year | (34,381) | (34,381) | 0 |
| Prior Year Encumbrances Appropriated | 3,612 | 3,612 | 0 |
| Fund Balance (Deficit) End of Year | <u>\$0</u> | <u>(\$98,548)</u> | <u>(\$98,548)</u> |
| <u>Early Childhood Special Education</u> | | | |
| Total Revenues and Other Sources | \$19,852 | \$19,852 | \$0 |
| Total Expenditures and Other Uses | 19,852 | 19,852 | 0 |
| Changes in Fund Balance | 0 | 0 | 0 |
| Fund Balance Beginning of Year | 0 | 0 | 0 |
| Fund Balance End of Year | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

(continued)

Olentangy Local School District
Special Revenue Funds

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016
(continued)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|--|-----------------------|--------------------------|--------------------------------------|
| <u>Title II-A</u> | | | |
| Total Revenues and Other Sources | \$392,546 | \$93,024 | (\$299,522) |
| Total Expenditures and Other Uses | <u>377,921</u> | <u>119,912</u> | <u>258,009</u> |
| Changes in Fund Balance | 14,625 | (26,888) | (41,513) |
| Fund Balance (Deficit) Beginning of Year | (23,651) | (23,651) | 0 |
| Prior Year Encumbrances Appropriated | <u>13,533</u> | <u>13,533</u> | <u>0</u> |
| Fund Balance (Deficit) End of Year | <u><u>\$4,507</u></u> | <u><u>(\$37,006)</u></u> | <u><u>(\$41,513)</u></u> |

Olentangy Local School District
Debt Service Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|-----------------------------------|----------------------------|----------------------------|--------------------------------------|
| <u>Bond Retirement</u> | | | |
| Total Revenues and Other Sources | \$29,321,338 | \$39,116,454 | \$9,795,116 |
| Total Expenditures and Other Uses | <u>30,967,695</u> | <u>31,549,461</u> | <u>(581,766)</u> |
| Changes in Fund Balance | (1,646,357) | 7,566,993 | 9,213,350 |
| Fund Balance Beginning of Year | <u>14,385,407</u> | <u>14,385,407</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$12,739,050</u></u> | <u><u>\$21,952,400</u></u> | <u><u>\$9,213,350</u></u> |

Olentangy Local School District
Capital Projects Funds

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016

| | Budget | Actual | Variance Over (Under) |
|--------------------------------------|--------------|---------------------|-----------------------------|
| <u>Permanent Improvement</u> | | | |
| Total Revenues and Other Sources | \$0 | \$0 | \$0 |
| Total Expenditures and Other Uses | 10,021,890 | 3,132,715 | 6,889,175 |
| Changes in Fund Balance | (10,021,890) | (3,132,715) | 6,889,175 |
| Fund Balance Beginning of Year | 9,815,482 | 9,815,482 | 0 |
| Prior Year Encumbrances Appropriated | 206,408 | 206,408 | 0 |
| Fund Balance End of Year | <u>\$0</u> | <u>\$6,889,175</u> | <u>\$6,889,175</u> |
| <u>Building</u> | | | |
| Total Revenues and Other Sources | \$79,560,600 | \$79,560,256 | (\$344) |
| Total Expenditures and Other Uses | 80,928,163 | 5,527,344 | 75,400,819 |
| Changes in Fund Balance | (1,367,563) | 74,032,912 | 75,400,475 |
| Fund Balance Beginning of Year | 234,308 | 234,308 | 0 |
| Prior Year Encumbrances Appropriated | 1,133,961 | 1,133,961 | 0 |
| Fund Balance End of Year | <u>\$706</u> | <u>\$75,401,181</u> | <u>\$75,400,475</u> |

Olentangy Local School District
Internal Service Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|-----------------------------------|---------------------------|----------------------------|--------------------------------------|
| <u>Internal Service</u> | | | |
| Total Revenues and Other Sources | \$25,000,000 | \$29,609,467 | \$4,609,467 |
| Total Expenditures and Other Uses | <u>26,630,000</u> | <u>25,843,510</u> | <u>786,490</u> |
| Changes in Fund Balance | (1,630,000) | 3,765,957 | 5,395,957 |
| Fund Balance Beginning of Year | <u>6,798,524</u> | <u>6,798,524</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$5,168,524</u></u> | <u><u>\$10,564,481</u></u> | <u><u>\$5,395,957</u></u> |

Olentangy Local School District
Private Purpose Trust Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2016

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Over (Under)</u> |
|-----------------------------------|------------------------|------------------------|--------------------------------------|
| <u>Private Purpose Trust</u> | | | |
| Total Revenues and Other Sources | \$0 | \$32 | \$32 |
| Total Expenditures and Other Uses | <u>205</u> | <u>0</u> | <u>205</u> |
| Changes in Fund Balance | (205) | 32 | 237 |
| Fund Balance Beginning of Year | <u>21,628</u> | <u>21,628</u> | <u>0</u> |
| Fund Balance End of Year | <u><u>\$21,423</u></u> | <u><u>\$21,660</u></u> | <u><u>\$237</u></u> |

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**STATISTICAL
SECTION**

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**Olentangy Local School District
Statistical Section**

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

Contents **Page**

Financial Trends..... S-2

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

Revenue Capacity S-10

These schedules contain information to help the reader assess the School District’s most significant local revenue sources.

Debt Capacity..... S-17

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

Demographic and Economic Information..... S-22

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

Operating Information S-24

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.

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

Olentangy Local School District
 Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|----------------------------------|------------------------|------------------------|------------------------|---------------------|---------------------|
| Net Investment in Capital Assets | \$28,341,900 | \$23,123,614 | \$18,358,958 | \$12,513,255 | \$6,433,947 |
| Restricted for | | | | | |
| Debt Service | 19,098,022 | 20,165,959 | 22,311,937 | 24,192,140 | 13,224,110 |
| Capital Projects | 8,955,339 | 9,985,182 | 11,286,495 | 13,374,154 | 28,801,768 |
| Other Purposes | 2,310,395 | 2,331,669 | 2,680,270 | 2,778,333 | 3,306,364 |
| Unrestricted (Deficit) | <u>(190,978,795)</u> | <u>(201,193,868)</u> | <u>(212,920,037)</u> | <u>17,645,472</u> | <u>(2,071,882)</u> |
| Total Net Position (Deficit) | <u>(\$132,273,139)</u> | <u>(\$145,587,444)</u> | <u>(\$158,282,377)</u> | <u>\$70,503,354</u> | <u>\$49,694,307</u> |

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$5,020,431 | \$3,163,011 | \$14,819,090 | \$10,647,873 | \$13,137,514 |
| 17,598,716 | 18,455,440 | 19,414,435 | 17,944,019 | 14,367,730 |
| 12,183,497 | 12,194,000 | 29,146 | 301,596 | 300,957 |
| 3,160,657 | 2,904,533 | 2,494,650 | 3,234,702 | 3,077,896 |
| <u>9,141,491</u> | <u>13,009,548</u> | <u>11,087,727</u> | <u>19,425,032</u> | <u>18,032,699</u> |
| <u>\$47,104,792</u> | <u>\$49,726,532</u> | <u>\$47,845,048</u> | <u>\$51,553,222</u> | <u>\$48,916,796</u> |

Olentangy Local School District
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>Expenses</u> | | | | | |
| Instruction | | | | | |
| Regular | \$107,797,658 | \$97,876,976 | \$99,371,146 | \$90,416,256 | \$93,027,871 |
| Special | 28,614,923 | 25,204,973 | 24,524,851 | 19,380,780 | 19,164,412 |
| Vocational | 1,143,607 | 1,061,485 | 1,009,721 | 1,027,364 | 943,086 |
| Support Services | | | | | |
| Pupils | 7,221,744 | 7,173,038 | 7,697,497 | 7,177,957 | 7,249,637 |
| Instructional Staff | 4,741,912 | 4,130,375 | 3,184,581 | 10,230,181 | 9,540,075 |
| Board of Education | 977,288 | 973,004 | 526,544 | 649,903 | 484,618 |
| Administration | 9,164,321 | 8,546,672 | 8,308,312 | 7,942,782 | 7,901,994 |
| Fiscal | 3,963,122 | 3,689,625 | 3,693,971 | 3,670,625 | 3,929,314 |
| Business | 615,714 | 619,444 | 542,984 | 377,158 | 0 |
| Operation and Maintenance of Plant | 14,816,536 | 13,918,774 | 14,234,587 | 14,358,642 | 14,176,286 |
| Pupil Transportation | 9,939,903 | 9,710,146 | 9,774,022 | 9,091,088 | 8,392,246 |
| Central | 4,045,992 | 3,213,778 | 2,987,365 | 2,770,588 | 2,572,285 |
| Non-Instructional Services | 9,093,312 | 8,894,056 | 8,241,776 | 9,163,686 | 7,582,076 |
| Extracurricular Activities | 4,522,482 | 4,036,832 | 5,073,861 | 4,426,499 | 4,174,552 |
| Interest and Fiscal Charges | 14,391,086 | 15,160,955 | 15,412,949 | 14,981,360 | 19,100,034 |
| Total Expenses | <u>221,049,600</u> | <u>204,210,133</u> | <u>204,584,167</u> | <u>195,664,869</u> | <u>198,238,486</u> |
| <u>Program Revenues</u> | | | | | |
| Charges for Services | | | | | |
| Regular | 2,504,076 | 1,848,679 | 2,136,039 | 2,229,155 | 2,110,494 |
| Special | 80,210 | 91,889 | 58,590 | 42,715 | 0 |
| Non-Instructional Services | 6,687,848 | 6,316,239 | 6,062,076 | 6,130,567 | 6,325,520 |
| Extracurricular Activities | 1,542,705 | 1,396,269 | 1,444,871 | 1,203,110 | 1,676,494 |
| Total Charges for Services | <u>10,814,839</u> | <u>9,653,076</u> | <u>9,701,576</u> | <u>9,605,547</u> | <u>10,112,508</u> |
| Operating Grants, Contributions, and Interest | 10,266,320 | 9,887,679 | 8,834,909 | 4,417,528 | 4,421,144 |
| Capital Grants and Contributions | 50,399 | 459,864 | 1,567,375 | 65,748 | 0 |
| Total Program Revenues | <u>21,131,558</u> | <u>20,000,619</u> | <u>20,103,860</u> | <u>14,088,823</u> | <u>14,533,652</u> |
| Net Expense | <u>(199,918,042)</u> | <u>(184,209,514)</u> | <u>(184,480,307)</u> | <u>(181,576,046)</u> | <u>(183,704,834)</u> |
| <u>General Revenues and Other Changes in Net Position</u> | | | | | |
| Property Taxes Levied for General Purposes | 138,186,334 | 126,464,806 | 137,907,136 | 131,353,248 | 122,379,744 |
| Property Taxes Levied for Debt Service Purposes | 27,038,758 | 24,605,997 | 26,375,066 | 25,118,766 | 24,150,878 |
| Payment in Lieu of Taxes | 19,335,778 | 19,503,200 | 18,300,610 | 17,969,609 | 11,507,041 |
| Grants and Entitlements not Restricted to Specific Programs | 26,951,143 | 24,985,195 | 26,575,797 | 26,713,772 | 27,300,310 |
| Interest | 689,744 | 426,593 | 402,355 | 248,054 | 318,524 |
| Gifts and Donations | 22,006 | 14,498 | 30,061 | 33,756 | 0 |
| Miscellaneous | 1,008,584 | 904,158 | 1,067,951 | 947,888 | 637,852 |
| Total General Revenues | <u>213,232,347</u> | <u>196,904,447</u> | <u>210,658,976</u> | <u>202,385,093</u> | <u>186,294,349</u> |
| Changes in Net Position | <u>\$13,314,305</u> | <u>\$12,694,933</u> | <u>\$26,178,669</u> | <u>\$20,809,047</u> | <u>\$2,589,515</u> |

| 2011 | 2010 | 2009 | 2008 | 2007 |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$88,154,533 | \$77,514,603 | \$69,871,104 | \$63,351,084 | \$51,595,190 |
| 18,791,653 | 17,094,917 | 14,217,873 | 13,891,719 | 12,455,942 |
| 881,778 | 907,406 | 1,106,266 | 993,021 | 1,052,851 |
| 6,547,426 | 6,469,777 | 6,159,601 | 4,542,879 | 4,181,363 |
| 9,116,113 | 8,444,707 | 8,125,921 | 6,645,984 | 5,461,880 |
| 610,703 | 394,642 | 533,635 | 396,744 | 286,484 |
| 7,730,868 | 8,328,364 | 7,718,207 | 7,681,963 | 6,029,579 |
| 3,479,616 | 3,983,948 | 3,208,353 | 2,227,233 | 2,819,975 |
| 0 | 0 | 0 | 0 | 0 |
| 15,534,373 | 15,642,735 | 15,245,349 | 12,924,366 | 11,352,535 |
| 8,510,975 | 7,916,609 | 7,904,571 | 7,230,673 | 6,303,408 |
| 3,495,008 | 2,641,064 | 2,487,193 | 2,367,639 | 2,101,499 |
| 6,966,666 | 6,625,352 | 6,276,750 | 5,525,299 | 4,573,743 |
| 4,748,530 | 5,318,511 | 5,386,650 | 4,338,454 | 4,005,261 |
| 18,968,861 | 18,961,460 | 17,325,099 | 16,131,220 | 13,925,336 |
| <u>193,537,103</u> | <u>180,244,095</u> | <u>165,566,572</u> | <u>148,248,278</u> | <u>126,145,046</u> |
| 1,968,582 | 833,934 | 731,890 | 656,917 | 683,200 |
| 0 | 0 | 0 | 0 | 0 |
| 5,531,305 | 5,245,811 | 5,007,556 | 4,494,932 | 4,110,020 |
| 715,740 | 1,512,914 | 1,501,913 | 1,293,592 | 1,236,589 |
| <u>8,215,627</u> | <u>7,592,659</u> | <u>7,241,359</u> | <u>6,445,441</u> | <u>6,029,809</u> |
| 9,170,786 | 8,963,858 | 6,387,084 | 6,382,771 | 6,165,611 |
| 0 | 0 | 0 | 0 | 498,681 |
| <u>17,386,413</u> | <u>16,556,517</u> | <u>13,628,443</u> | <u>12,828,212</u> | <u>12,694,101</u> |
| <u>(176,150,690)</u> | <u>(163,687,578)</u> | <u>(151,938,129)</u> | <u>(135,420,066)</u> | <u>(113,450,945)</u> |
| 132,244,731 | 133,075,955 | 111,190,249 | 114,673,843 | 89,541,969 |
| n/a | n/a | n/a | n/a | n/a |
| 12,063,164 | 8,014,579 | 10,941,327 | 0 | 0 |
| 23,849,493 | 23,426,024 | 23,256,179 | 17,973,698 | 16,332,422 |
| 475,887 | 447,746 | 2,159,194 | 4,474,517 | 6,539,783 |
| 0 | 0 | 0 | 0 | 0 |
| 4,895,675 | 604,758 | 683,006 | 934,434 | 701,586 |
| <u>173,528,950</u> | <u>165,569,062</u> | <u>148,229,955</u> | <u>138,056,492</u> | <u>113,115,760</u> |
| <u>(\$2,621,740)</u> | <u>\$1,881,484</u> | <u>(\$3,708,174)</u> | <u>\$2,636,426</u> | <u>(\$335,185)</u> |

Olentangy Local School District
Fund Balances
Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|------------------------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| General Fund | | | | | |
| Reserved | \$0 | \$0 | \$0 | \$0 | \$0 |
| Unreserved | 0 | 0 | 0 | 0 | 0 |
| Nonspendable | 516,817 | 452,238 | 428,738 | 403,033 | 371,477 |
| Restricted | 283,573 | 283,573 | 283,573 | 283,573 | 0 |
| Assigned | 14,543,359 | 9,786,502 | 7,642,505 | 2,738,579 | 1,582,214 |
| Unassigned | <u>75,309,112</u> | <u>75,066,727</u> | <u>75,332,280</u> | <u>55,054,182</u> | <u>35,613,681</u> |
| Total General Fund | <u>90,652,861</u> | <u>85,589,040</u> | <u>83,687,096</u> | <u>58,479,367</u> | <u>37,567,372</u> |
| All Other Governmental Funds | | | | | |
| Reserved | 0 | 0 | 0 | 0 | 0 |
| Unreserved, Reported in | | | | | |
| Special Revenue Funds | 0 | 0 | 0 | 0 | 0 |
| Debt Service Fund | 0 | 0 | 0 | 0 | 0 |
| Capital Projects Funds | 0 | 0 | 0 | 0 | 0 |
| Nonspendable | 49,106 | 37,208 | 30,177 | 33,851 | 177,497 |
| Restricted | 116,270,019 | 34,453,216 | 43,246,502 | 41,422,150 | 48,874,957 |
| Unassigned (Deficit) | <u>(17,891)</u> | <u>(796)</u> | <u>(45,881)</u> | <u>(14,992)</u> | <u>34,150</u> |
| Total All Other Governmental Funds | <u>116,301,234</u> | <u>34,489,628</u> | <u>43,230,798</u> | <u>41,441,009</u> | <u>49,086,604</u> |
| Total Governmental Funds | <u>\$206,954,095</u> | <u>\$120,078,668</u> | <u>\$126,917,894</u> | <u>\$99,920,376</u> | <u>\$86,653,976</u> |

Note: The School District implemented GASB Statement No. 54 in fiscal year 2012.

| 2011 | 2010 | 2009 | 2008 | 2007 |
|---------------------|----------------------|---------------------|----------------------|---------------------|
| \$0 | \$11,631,899 | \$13,483,003 | \$15,059,283 | \$11,930,490 |
| 0 | 15,413,535 | 8,459,258 | 7,230,616 | 8,967,542 |
| 319,796 | n/a | n/a | n/a | n/a |
| 0 | n/a | n/a | n/a | n/a |
| 16,244,978 | n/a | n/a | n/a | n/a |
| 12,363,405 | n/a | n/a | n/a | n/a |
| <u>28,928,179</u> | <u>27,045,434</u> | <u>21,942,261</u> | <u>22,289,899</u> | <u>20,898,032</u> |
| 0 | 21,099,510 | 17,950,259 | 28,180,064 | 28,800,162 |
| 0 | 3,016,225 | 2,845,975 | 2,934,440 | 2,698,550 |
| 0 | 16,896,363 | 17,200,636 | 14,483,257 | 11,776,749 |
| 0 | 42,955,268 | 29,180,805 | 37,609,710 | 29,137,802 |
| 200,791 | n/a | n/a | n/a | n/a |
| 61,759,800 | n/a | n/a | n/a | n/a |
| (19,175) | n/a | n/a | n/a | n/a |
| <u>61,941,416</u> | <u>83,967,366</u> | <u>67,177,675</u> | <u>83,207,471</u> | <u>72,413,263</u> |
| <u>\$90,869,595</u> | <u>\$111,012,800</u> | <u>\$89,119,936</u> | <u>\$105,497,370</u> | <u>\$93,311,295</u> |

Olentangy Local School District
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|---------------------|----------------------|---------------------|---------------------|----------------------|
| <u>Revenues</u> | | | | | |
| Property Taxes | \$165,688,054 | \$151,009,416 | \$165,847,890 | \$157,058,877 | \$145,041,957 |
| Payment in Lieu of Taxes | 19,335,778 | 19,503,200 | 18,300,610 | 17,969,609 | 11,507,041 |
| Intergovernmental | 37,168,883 | 34,938,576 | 35,700,813 | 30,675,611 | 31,674,704 |
| Interest | 704,166 | 397,691 | 390,276 | 267,329 | 353,754 |
| Tuition and Fees | 2,104,127 | 1,872,108 | 1,764,723 | 1,623,044 | 1,718,769 |
| Extracurricular Activities | 1,258,135 | 1,246,420 | 1,301,213 | 1,063,122 | 568,545 |
| Charges for Services | 6,805,645 | 6,793,043 | 6,527,562 | 6,795,300 | 6,317,209 |
| Gifts and Donations | 22,181 | 14,498 | 30,061 | 33,756 | 0 |
| Miscellaneous | 1,171,861 | 1,003,401 | 1,176,029 | 1,071,969 | 2,094,213 |
| Total Revenues | 234,258,830 | 216,778,353 | 231,039,177 | 216,558,617 | 199,276,192 |
| <u>Expenditures</u> | | | | | |
| Current: | | | | | |
| Instruction | | | | | |
| Regular | 101,336,263 | 96,411,362 | 89,563,027 | 81,051,983 | 81,173,204 |
| Special | 28,907,647 | 26,209,172 | 24,171,113 | 19,113,483 | 19,022,024 |
| Vocational | 1,176,766 | 1,127,493 | 1,039,919 | 1,022,456 | 920,697 |
| Support Services | | | | | |
| Pupils | 7,374,056 | 7,619,706 | 7,681,474 | 7,125,981 | 7,235,596 |
| Instructional Staff | 4,788,618 | 4,289,693 | 3,348,123 | 10,155,815 | 9,578,325 |
| Board of Education | 977,498 | 979,378 | 526,544 | 649,903 | 514,618 |
| Administration | 9,323,421 | 8,816,974 | 8,144,845 | 7,982,442 | 7,849,556 |
| Fiscal | 3,960,801 | 3,710,842 | 3,684,295 | 3,690,928 | 3,915,732 |
| Business | 606,913 | 613,616 | 518,948 | 361,680 | 0 |
| Operation and Maintenance of Plant | 14,642,077 | 13,627,995 | 13,481,251 | 13,791,033 | 13,739,567 |
| Pupil Transportation | 9,293,079 | 10,088,823 | 9,609,418 | 8,867,524 | 8,516,401 |
| Central | 4,088,089 | 3,385,425 | 2,956,418 | 2,721,525 | 2,526,579 |
| Non-Instructional Services | 8,953,920 | 9,030,420 | 8,136,922 | 8,944,607 | 7,314,161 |
| Extracurricular Activities | 4,305,863 | 3,965,428 | 4,659,691 | 4,163,066 | 3,899,016 |
| Capital Outlay | 5,006,535 | 3,587,429 | 2,452,490 | 2,441,576 | 8,453,053 |
| Debt Service: | | | | | |
| Principal Retirement | 15,733,035 | 14,219,020 | 49,654,514 | 16,622,636 | 12,714,142 |
| Interest and Fiscal Charges | 13,726,475 | 13,830,670 | 15,409,097 | 16,130,688 | 18,105,744 |
| Interest on Capital Appreciation Bonds | 2,042,739 | 2,011,180 | 1,978,826 | 0 | 0 |
| Total Expenditures | 236,243,795 | 223,524,626 | 247,016,915 | 204,837,326 | 205,478,415 |
| Excess of Revenues Over (Under) Expenditures | (1,984,965) | (6,746,273) | (15,977,738) | 11,721,291 | (6,202,223) |
| <u>Other Financing Sources (Uses)</u> | | | | | |
| Sale of Capital Assets | 12,868 | 8,055 | 0 | 0 | 0 |
| Inception of Capital Lease | 291,553 | 502,237 | 341,091 | 38,184 | 340,845 |
| Bond Anticipation Notes Issued | 0 | 0 | 0 | 0 | 2,100,000 |
| General Obligation Bonds Issued | 79,560,000 | 128,485,000 | 40,370,000 | 80,324,917 | 9,570,000 |
| Premium on Bonds Issued | 8,995,971 | 12,713,635 | 2,264,165 | 10,634,770 | 440,134 |
| Payment to Refunded Bond Escrow Agent | 0 | (141,801,880) | 0 | (89,452,762) | (10,464,375) |
| Transfers In | 0 | 0 | 0 | 13,000,000 | 0 |
| Transfers Out | 0 | 0 | 0 | (13,000,000) | 0 |
| Total Other Financing Sources (Uses) | 88,860,392 | (92,953) | 42,975,256 | 1,545,109 | 1,986,604 |
| Changes in Fund Balances | \$86,875,427 | (\$6,839,226) | \$26,997,518 | \$13,266,400 | (\$4,215,619) |
| Debt Service as a Percentage of Noncapital Expenditures | 13.7% | 13.8% | 27.4% | 16.2% | 15.5% |

| 2011 | 2010 | 2009 | 2008 | 2007 |
|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
| \$134,916,576 | \$132,605,075 | \$111,067,249 | \$113,844,843 | \$89,358,969 |
| 9,792,122 | 8,014,579 | 10,941,327 | 0 | 0 |
| 33,048,334 | 32,126,149 | 29,777,269 | 24,341,532 | 22,615,950 |
| 447,564 | 415,746 | 2,159,194 | 4,474,517 | 6,539,783 |
| 1,643,236 | 1,439,510 | 1,371,787 | 1,223,276 | 1,219,479 |
| 581,782 | 533,173 | 590,144 | 455,463 | 455,374 |
| 5,525,311 | 5,245,079 | 5,007,556 | 4,493,533 | 4,106,838 |
| 0 | 0 | 0 | 0 | 0 |
| 5,334,942 | 933,532 | 909,292 | 1,186,247 | 1,092,728 |
| <u>191,289,867</u> | <u>181,312,843</u> | <u>161,823,818</u> | <u>150,019,411</u> | <u>125,389,121</u> |
| 76,579,732 | 69,317,025 | 63,087,442 | 56,635,706 | 47,043,417 |
| 18,692,597 | 16,818,543 | 13,995,119 | 13,770,332 | 12,193,335 |
| 908,770 | 941,756 | 1,095,048 | 981,998 | 1,092,596 |
| 6,549,321 | 6,373,339 | 6,115,407 | 4,554,433 | 4,153,301 |
| 9,073,372 | 8,392,172 | 8,076,686 | 6,604,827 | 5,430,964 |
| 580,703 | 394,642 | 533,635 | 396,744 | 286,484 |
| 7,917,428 | 8,124,900 | 7,626,637 | 7,018,217 | 5,620,889 |
| 3,659,615 | 3,757,654 | 3,201,539 | 2,214,112 | 2,790,643 |
| 0 | 0 | 0 | 0 | 0 |
| 15,221,656 | 15,093,647 | 14,744,349 | 12,973,111 | 10,872,325 |
| 7,238,715 | 8,207,437 | 6,946,812 | 6,805,361 | 6,636,861 |
| 3,461,718 | 2,652,203 | 2,469,635 | 2,337,809 | 1,934,402 |
| 6,789,489 | 6,419,953 | 6,035,217 | 5,316,186 | 4,408,999 |
| 4,446,021 | 5,046,502 | 5,178,232 | 4,183,807 | 3,854,237 |
| 19,662,275 | 22,141,945 | 28,103,217 | 29,192,799 | 57,651,499 |
| 10,984,736 | 22,733,270 | 44,010,563 | 6,469,166 | 3,999,519 |
| 19,831,988 | 18,447,581 | 16,556,877 | 15,117,165 | 15,763,877 |
| 0 | 0 | 0 | 0 | 0 |
| <u>211,598,136</u> | <u>214,862,569</u> | <u>227,776,415</u> | <u>174,571,773</u> | <u>183,733,348</u> |
| <u>(20,308,269)</u> | <u>(33,549,726)</u> | <u>(65,952,597)</u> | <u>(24,552,362)</u> | <u>(58,344,227)</u> |
| 36,617 | 0 | 41,586 | 18,578 | 0 |
| 128,447 | 743,473 | 0 | 0 | 574,868 |
| 0 | 0 | 11,900,000 | 36,400,000 | 0 |
| 0 | 66,839,997 | 36,400,000 | 9,339,997 | 89,949,954 |
| 0 | 1,209,119 | 1,233,577 | 598,093 | 4,715,470 |
| 0 | (13,349,999) | 0 | (9,618,231) | (96,174,520) |
| 0 | 12,200,000 | 0 | 0 | 0 |
| 0 | (12,200,000) | 0 | 0 | 0 |
| <u>165,064</u> | <u>55,442,590</u> | <u>49,575,163</u> | <u>36,738,437</u> | <u>(934,228)</u> |
| <u>(\$20,143,205)</u> | <u>\$21,892,864</u> | <u>(\$16,377,434)</u> | <u>\$12,186,075</u> | <u>(\$59,278,455)</u> |
| 16.1% | 16.2% | 14.8% | 14.8% | 15.7% |

Olentangy Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

| Collection Year | Real Property | | | Public Utility Personal Property | |
|-----------------|------------------------------|---|------------------------|----------------------------------|------------------------|
| | Assessed Value | | Estimated Actual Value | Assessed Value | Estimated Actual Value |
| | Residential/ Agricultural | Commercial/ Industrial Public Utility | | | |
| 2016 | \$2,872,521,260 | \$468,055,230 | \$9,544,504,257 | \$108,626,410 | \$123,439,102 |
| 2015 | 2,787,701,810 | 444,998,220 | 9,236,285,800 | 88,547,400 | 100,622,045 |
| 2014 | 2,640,318,590 | 417,165,300 | 8,735,668,257 | 85,641,340 | 97,319,705 |
| 2013 | 2,582,920,270 | 414,180,930 | 8,563,146,285 | 81,562,270 | 92,684,398 |
| 2012 | 2,552,759,910 | 417,287,270 | 8,485,849,085 | 82,315,630 | 93,540,489 |
| 2011 | 2,683,097,990 | 436,032,180 | 8,911,800,485 | 77,006,760 | 87,507,682 |
| 2010 | 2,665,490,200 | 425,548,650 | 8,831,539,571 | 74,450,730 | 84,603,102 |
| 2009 | 2,628,403,830 | 409,513,880 | 8,679,764,885 | 72,103,980 | 81,936,341 |
| 2008 | 2,566,484,370 | 390,902,970 | 8,449,678,114 | 69,515,060 | 78,994,386 |
| 2007 | 2,439,763,300 | 381,209,190 | 8,059,921,400 | 82,111,990 | 93,309,080 |

Source: Delaware County Auditor

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

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax was assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax was phased out beginning in 2006. The assessment percentage was 12.5 percent 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 on the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected from general business taxpayers since 2009 or telephone companies since 2010.

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

| Tangible Personal Property | | Total | | Percentage of Total Assessed Value to Total Estimated Actual Value | Direct Tax Rate |
|----------------------------|------------------------|-----------------|------------------------|--|-----------------|
| Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | | |
| \$0 | \$0 | \$3,449,202,900 | \$9,667,943,359 | 35.68% | \$78.62 |
| 0 | 0 | 3,321,247,430 | 9,336,907,845 | 35.57 | 78.62 |
| 0 | 0 | 3,143,125,230 | 8,832,987,962 | 35.58 | 78.62 |
| 0 | 0 | 3,078,663,470 | 8,655,830,683 | 35.57 | 78.62 |
| 0 | 0 | 3,052,362,810 | 8,579,389,574 | 35.58 | 78.62 |
| 5,478,050 | 87,648,800 | 3,201,614,980 | 9,086,956,967 | 35.23 | 70.72 |
| 8,967,040 | 143,472,640 | 3,174,456,620 | 9,059,615,313 | 35.04 | 70.72 |
| 43,937,491 | 702,999,856 | 3,153,959,181 | 9,464,701,082 | 33.32 | 70.72 |
| 83,207,781 | 1,331,324,496 | 3,110,110,181 | 9,859,996,996 | 31.54 | 62.00 |
| 100,878,103 | 807,024,824 | 3,003,962,583 | 8,960,255,304 | 33.53 | 62.00 |

Olentangy Local School District
Property Tax Rates - Direct and All Overlapping Governments
(Per \$1,000 of Assessed Values)
Last Ten Years

| Collection Year | 2016 | 2015 | 2014 | 2013 | 2012 |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Olentangy Local School District | | | | | |
| Voted Millage | | | | | |
| General | \$64.9000 | \$64.9000 | \$64.9000 | \$64.9000 | \$64.9000 |
| Bond Retirement | 8.7200 | 8.7200 | 8.7200 | 8.7200 | 8.7200 |
| Total Voted Millage | 73.6200 | 73.6200 | 73.6200 | 73.6200 | 73.6200 |
| Unvoted Millage | | | | | |
| General | 5.0000 | 5.0000 | 5.0000 | 5.0000 | 5.0000 |
| Total Millage (Total Direct Rate) | 78.6200 | 78.6200 | 78.6200 | 78.6200 | 78.6200 |
| Delaware Area Career Center | 3.2000 | 3.2000 | 3.2000 | 3.2000 | 3.2000 |
| Delaware County | 7.2000 | 7.9600 | 7.9600 | 7.1000 | 7.1000 |
| Delaware Library | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| Columbus Corporation | 2.1000 | 2.1000 | 2.1000 | 2.1000 | 2.1000 |
| Columbus Corporation/Orange Township | 11.1000 | 11.1000 | 11.1000 | 3.6000 | 8.6000 |
| Delaware Corporation | 2.8000 | 2.8000 | 2.8000 | 2.8000 | 2.8000 |
| Powell Corporation | 3.8000 | 3.8000 | 3.8800 | 5.9100 | 11.8400 |
| Westerville Corporation | 19.7500 | 19.7500 | 19.7500 | 19.7500 | 19.7500 |
| Berkshire Township | 5.8000 | 5.8000 | 5.8000 | 5.8000 | 4.8000 |
| Berlin Township | 5.7800 | 5.7800 | 5.7800 | 5.7800 | 5.7800 |
| Concord Township | 11.6000 | 11.6000 | 11.6000 | 12.0000 | 12.0000 |
| Delware Township | 9.5000 | 9.5000 | 8.5000 | 8.5000 | 8.5000 |
| Genoa Township | 14.0000 | 12.4000 | 12.0000 | 12.0000 | 12.0000 |
| Liberty Township | 8.7500 | 8.7500 | 8.7500 | 3.1500 | 9.1500 |
| Orange Township | 11.8000 | 11.8000 | 11.8000 | 4.3000 | 9.3000 |

Source: Delaware County Auditor

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The basic property rate can be increased only by a majority vote of the School District's residents.

Overlapping rates are those of local and county governments that apply to property owners within the School District. Property tax rates for all overlapping governments are based upon the original voted levy.

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

| 2011 | 2010 | 2009 | 2008 | 2007 |
|-----------|-----------|-----------|-----------|-----------|
| \$57.0000 | \$57.0000 | \$57.0000 | \$49.1000 | \$49.1000 |
| 8.7200 | 8.7200 | 8.7200 | 7.9000 | 7.9000 |
| 65.7200 | 65.7200 | 65.7200 | 57.0000 | 57.0000 |
| 5.0000 | 5.0000 | 5.0000 | 5.0000 | 5.0000 |
| 70.7200 | 70.7200 | 70.7200 | 62.0000 | 62.0000 |
| 3.2000 | 3.2000 | 3.2000 | 3.2000 | 3.2000 |
| 7.1000 | 7.0900 | 4.2500 | 4.2500 | 5.9800 |
| 1.0000 | 1.0300 | 0.0800 | 0.0800 | 0.0800 |
| 2.1000 | 2.1000 | 3.7400 | 2.1000 | 2.1000 |
| 8.6000 | 8.6000 | 10.2400 | 10.0600 | 14.0000 |
| 2.8000 | 2.8000 | 4.8900 | 2.8000 | 2.8000 |
| 10.9500 | 11.7400 | 13.6800 | 13.4300 | 11.9500 |
| 19.7500 | 17.1500 | 18.7900 | 18.5500 | 17.4200 |
| 4.8000 | 4.8000 | 6.8900 | 6.7100 | 3.5000 |
| 5.7800 | 5.7800 | 7.8700 | 7.6900 | 5.3000 |
| 12.0000 | 12.0000 | 14.0900 | 13.9100 | 12.0000 |
| 8.5000 | 8.5000 | 10.5900 | 10.2100 | 7.3000 |
| 12.0000 | 10.1000 | 12.1900 | 12.0100 | 10.1000 |
| 9.1300 | 9.1400 | 11.1700 | 11.0400 | 9.2000 |
| 9.3000 | 9.3000 | 11.3900 | 11.2100 | 14.7000 |

Olentangy Local School District
Property Tax Levies and Collections
Last Ten Years

| Collection Year (1) | Current Tax Levy (2) | Current Tax Collections | Percentage of Current Tax Collections to Current Tax Levy | Delinquent Tax Collections | Total Tax Collections | Percentage of Total Tax Collections to Total Tax Levy |
|---------------------|----------------------|-------------------------|---|----------------------------|-----------------------|---|
| 2015 | \$177,779,142 | \$174,929,708 | 98.40% | \$2,849,434 | \$177,779,142 | 100.00% |
| 2014 | 171,088,221 | 174,243,882 | 101.84 | 2,849,434 | 177,093,316 | 103.51 |
| 2013 | 167,446,131 | 162,745,799 | 97.19 | 3,757,828 | 166,503,627 | 99.44 |
| 2012 | 165,428,373 | 160,062,867 | 96.76 | 3,098,824 | 163,161,691 | 98.63 |
| 2011 | 143,261,103 | 138,677,327 | 96.80 | 3,349,302 | 142,026,629 | 99.14 |
| 2010 | 142,292,495 | 137,560,399 | 96.67 | 3,955,920 | 141,516,319 | 99.45 |
| 2009 | 139,610,900 | 135,618,208 | 97.14 | 3,237,249 | 138,855,457 | 99.46 |
| 2008 | 111,412,784 | 109,307,393 | 98.11 | 2,314,697 | 111,622,090 | 100.19 |
| 2007 | 110,063,600 | 110,321,239 | 100.23 | 1,091,685 | 111,412,924 | 101.23 |
| 2006 | 102,310,038 | 103,179,311 | 100.85 | 2,288,112 | 105,467,423 | 103.09 |

Source: Delaware County Auditor

(1) The 2016 information cannot be presented because all collections have not been made by June 30, 2016.

(2) State reimbursement of rollback and homestead exemptions are included.

Note: The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

Olentangy Local School District
Principal Taxpayers - Real Property
Current Year and Nine Years Ago

| Taxpayer | 2016 | |
|-------------------------------------|----------------------------------|---|
| | Real Property Assessed Valuation | Percentage of Total School District Assessed Valuation (2016 Collection Year) |
| Citigroup Technology, Inc. | \$19,639,690 | 0.59% |
| The Kroger Company | 19,431,550 | 0.58 |
| Bank One Management Corporation | 15,029,870 | 0.45 |
| BRE DDR BR Lewis Center OH, LLC | 9,975,010 | 0.30 |
| Nationwide Mutual Insurance Company | 9,972,390 | 0.30 |
| Lake Club Endeavors, LLC | 8,466,920 | 0.25 |
| Knickerbocker Properties | 8,102,510 | 0.24 |
| Oak Creek Apartments, LLC | 6,063,770 | 0.18 |
| Market at Livery Crossing, LLC | 5,911,790 | 0.18 |
| Tuller Square Northpoint, LLC | 5,623,550 | 0.17 |
| Total | 108,217,050 | 3.24 |
| All Other Taxpayers | 3,232,359,440 | 96.76 |
| Total Assessed Valuation | \$3,340,576,490 | 100.00% |

| Taxpayer | 2007 | |
|-------------------------------------|----------------------------------|---|
| | Real Property Assessed Valuation | Percentage of Total School District Assessed Valuation (2007 Collection Year) |
| Bank One Management Corporation | \$14,669,060 | 0.51% |
| Evans Capital Investments | 10,219,990 | 0.36 |
| NP Limited Partnership | 10,030,430 | 0.36 |
| Nationwide Mutual Insurance Company | 9,772,570 | 0.35 |
| Knickerbocker Properties | 8,505,000 | 0.30 |
| Tuller Square Northpoint, LLC | 7,674,690 | 0.27 |
| UH Columbus Investment Limited | 6,700,830 | 0.24 |
| The Kroger Company | 6,072,260 | 0.22 |
| Worthington I, LLC | 5,509,000 | 0.20 |
| Rennob, Inc. | 5,339,370 | 0.19 |
| Total | 84,493,200 | 3.00 |
| All Other Taxpayers | 2,736,479,290 | 97.00 |
| Total Assessed Valuation | \$2,820,972,490 | 100.00% |

Source: Delaware County Auditor

Olentangy Local School District
Principal Taxpayers - Public Utility Personal Property
Current Year and Nine Years Ago

| Taxpayer | 2016 | |
|---|-----------------------|--|
| | Assessed Valuation | Percentage of Total School District Assessed Valuation (2016 Collection Year) |
| Ohio Power Company | \$63,672,730 | 58.61% |
| American Transmission Systems, Inc. | 25,231,870 | 23.23 |
| Columbia Gas of Ohio | 7,699,600 | 7.09 |
| AEP Ohio Transmission Company, Inc. | 6,721,430 | 6.19 |
| Suburban Natural Gas Company | 1,908,020 | 1.76 |
| Ohio Edison Company | 1,879,160 | 1.73 |
| Consolidated Electric Cooperative, Inc. | 664,640 | 0.61 |
| Del-Mar Pipeline Company, LLC | 358,800 | 0.33 |
| Total | 108,136,250 | 99.55 |
| All Other Taxpayers | 490,160 | 0.45 |
| Total Assessed Valuation | <u>\$108,626,410</u> | <u>100.00%</u> |

| Taxpayer | 2007 | |
|-------------------------------------|--------------------------------|--|
| | Total Assessed Valuation | Percentage of Total School District Assessed Valuation (2007 Collection Year) |
| Columbus Southern Power | \$45,353,060 | 55.22% |
| American Transmission Systems, Inc. | 10,386,590 | 12.65 |
| New Par | 7,140,370 | 8.70 |
| Verizon North, Inc. | 4,620,190 | 5.63 |
| Columbia Gas of Ohio | 2,265,950 | 2.76 |
| Total | 69,766,160 | 84.96 |
| All Other Taxpayers | 12,345,830 | 15.04 |
| Total Assessed Valuation | <u>\$82,111,990</u> | <u>100.00%</u> |

Source: Delaware County Auditor

Olentangy Local School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| Fiscal Year | General Obligation Bonds | Capital Leases | Total Debt | Per Capita (1) | Percentage of Personal Income (1) |
|-------------|--------------------------|----------------|---------------|----------------|-----------------------------------|
| 2016 | \$423,510,495 | \$800,592 | \$424,311,087 | \$5,756 | 9.02% |
| 2015 | 352,669,457 | 814,813 | 353,484,270 | 4,795 | 7.12 |
| 2014 | 359,393,617 | 589,778 | 359,983,395 | 4,883 | 7.62 |
| 2013 | 368,240,194 | 502,283 | 368,742,477 | 5,002 | 8.56 |
| 2012 | 374,090,916 | 651,735 | 374,742,651 | 5,084 | 9.49 |
| 2011 | 369,205,248 | 519,316 | 369,724,564 | 5,016 | 9.74 |
| 2010 | 379,894,755 | 686,098 | 380,580,853 | 5,565 | 12.04 |
| 2009 | 346,832,017 | 228,632 | 347,060,649 | 5,462 | 12.21 |
| 2008 | 338,821,825 | 335,272 | 339,157,097 | 5,391 | 12.80 |
| 2007 | 310,171,014 | 437,100 | 310,608,114 | 5,149 | 12.65 |

Source: School District Records

(1) See Schedule on S-22 for population and personal income.

Olentangy Local School District
Ratio of General Bonded Debt to Estimated Actual Value
and Bonded Debt Per Capita
Last Ten Fiscal Years

| Fiscal Year | Population (1) | Estimated Actual Value | General Bonded Debt | General Bonded Debt to Estimated Actual Value | General Bonded Debt Per Capita |
|-------------|----------------|------------------------|---------------------|---|--------------------------------|
| 2016 | 73,715 | \$9,667,943,359 | \$423,510,495 | 4.38% | \$5,745 |
| 2015 | 73,715 | 9,336,907,845 | 352,669,457 | 3.78 | 4,784 |
| 2014 | 73,715 | 8,832,987,962 | 359,393,617 | 4.07 | 4,875 |
| 2013 | 73,715 | 8,655,830,683 | 368,240,194 | 4.25 | 4,995 |
| 2012 | 73,715 | 8,579,389,574 | 374,090,916 | 4.36 | 5,075 |
| 2011 | 73,715 | 9,086,956,967 | 369,205,248 | 4.06 | 5,009 |
| 2010 | 68,390 | 9,059,615,313 | 379,894,755 | 4.19 | 5,555 |
| 2009 | 63,544 | 9,464,701,082 | 346,832,017 | 3.66 | 5,458 |
| 2008 | 62,915 | 9,859,996,996 | 338,821,825 | 3.44 | 5,385 |
| 2007 | 60,321 | 8,960,255,304 | 310,171,014 | 3.46 | 5,142 |

Source: School District Records

(1) United States Census Bureau - 2010 U.S. Census Data

Note: Resources have not been externally restricted for the repayment of debt.

Olentangy Local School District
 Computation of Direct and Overlapping Debt
 June 30, 2016

| Political Subdivision | Debt Outstanding | Percentage Applicable to School District (1) | Amount Applicable to School District |
|---------------------------------|------------------------|---|---|
| Olentangy Local School District | \$424,311,087 | 100.00% | \$424,311,087 |
| Delaware County | 53,386,000 | 50.11 | 26,751,725 |
| Franklin County | 221,165,000 | 0.01 | 22,117 |
| City of Columbus | 781,880,000 | 1.71 | 13,370,148 |
| City of Delaware | 11,665,000 | 10.86 | 1,266,819 |
| City of Powell | 8,600,000 | 100.00 | 8,600,000 |
| City of Westerville | 10,045,000 | 2.99 | 300,346 |
| Liberty Township | 8,780,000 | 99.86 | 8,767,708 |
| Total Overlapping Debt | <u>1,095,521,000</u> | | <u>59,078,863</u> |
| Total | <u>\$1,519,832,087</u> | | <u>\$483,389,950</u> |

Source: Delaware County Auditor

(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 political subdivision. The valuations used were for the 2016 collection year.

Olentangy Local School District
 Computation of Legal Debt Margin
 Last Ten Fiscal Years

| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--|-----------------------|----------------------|-----------------------|-----------------------|
| Total Assessed Valuation | \$3,449,202,900 | \$3,321,247,430 | \$3,143,125,230 | \$3,078,663,470 |
| Less: | | | | |
| Public Utility Tangible Personal Property | (108,626,410) | (88,547,400) | (85,641,340) | (81,562,270) |
| Tangible Personal Property | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Assessed Valuation used to calculate Legal Debt Margin | 3,340,576,490 | 3,232,700,030 | 3,057,483,890 | 2,997,101,200 |
| Overall Debt Limitation - 9 Percent of Assessed Valuation | <u>300,651,884</u> | <u>290,943,003</u> | <u>275,173,550</u> | <u>269,739,108</u> |
| Gross Indebtedness | 383,702,504 | 319,569,765 | 334,710,986 | 343,747,160 |
| Less Fund Balance in Debt Service Fund | <u>29,748,739</u> | <u>21,612,259</u> | <u>24,295,982</u> | <u>25,928,631</u> |
| Net Debt Within 9 Percent Limitation | <u>353,953,765</u> | <u>297,957,506</u> | <u>310,415,004</u> | <u>317,818,529</u> |
| Legal Debt Margin Within 9 Percent Limitation | <u>(\$53,301,881)</u> | <u>(\$7,014,503)</u> | <u>(\$35,241,454)</u> | <u>(\$48,079,421)</u> |
| Legal Debt Margin as a Percentage of the Overall Debt Limitation | (17.73%) | (2.41%) | (12.81%) | (17.82%) |
| Unvoted Debt Limitation - .10 Percent of Assessed Valuation | \$3,340,576 | \$3,232,700 | \$3,057,484 | \$2,997,101 |
| Gross Indebtedness | 0 | 0 | 0 | 0 |
| Less Debt Outside Limitation | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Debt Within .10 Percent Limitation | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Legal Debt Margin Within .10 Percent Limitation | <u>\$3,340,576</u> | <u>\$3,232,700</u> | <u>\$3,057,484</u> | <u>\$2,997,101</u> |
| Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation | 100.00% | 100.00% | 100.00% | 100.00% |

Source: School District Records

Note: Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.

Note: The School District has been authorized by the Ohio Superintendent of Public Instruction to exceed its overall limitation because it has been designated as a "special needs" School District.

| 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|-----------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|-------------------------------|
| \$3,052,362,810 | \$3,201,614,980 | \$3,174,456,620 | \$3,153,959,181 | \$3,110,110,181 | \$3,003,962,583 |
| (82,315,630) 0 | (77,006,760) (5,478,050) | (74,450,730) (8,967,040) | (72,103,980) (43,937,491) | (69,515,060) (83,207,781) | (82,111,990) (100,878,103) |
| 2,970,047,180 | 3,119,130,170 | 3,091,038,850 | 3,037,917,710 | 2,957,387,340 | 2,820,972,490 |
| 267,304,246 | 280,721,715 | 278,193,497 | 273,412,594 | 266,164,861 | 253,887,524 |
| 358,327,243 | 369,205,248 | 379,894,755 | 346,832,017 | 338,821,825 | 306,837,680 |
| 15,076,856 | 18,453,865 | 19,391,120 | 20,230,636 | 18,502,257 | 14,851,749 |
| 343,250,387 | 350,751,383 | 360,503,635 | 326,601,381 | 320,319,568 | 291,985,931 |
| <u>(\$75,946,141)</u> | <u>(\$70,029,668)</u> | <u>(\$82,310,139)</u> | <u>(\$53,188,787)</u> | <u>(\$54,154,707)</u> | <u>(\$38,098,407)</u> |
| (28.41%) | (24.95%) | (29.59%) | (19.45%) | (20.35%) | (15.01%) |
| \$2,970,047 | \$3,119,130 | \$3,091,039 | \$3,037,918 | \$2,957,387 | \$2,820,972 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$2,970,047</u> | <u>\$3,119,130</u> | <u>\$3,091,039</u> | <u>\$3,037,918</u> | <u>\$2,957,387</u> | <u>\$2,820,972</u> |
| 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Olentangy Local School District
Demographic Statistics
Last Ten Years

| <u>Year</u> | <u>Population (1)</u> | <u>Total Personal Income (2)</u> | <u>Delaware County Personal Income Per Capita (1)</u> | <u>Delaware County Unemployment Rate (3)</u> |
|-------------|-----------------------|--------------------------------------|---|--|
| 2016 | 73,715 | \$4,702,279,850 | \$63,790 | 3.70% |
| 2015 | 73,715 | 4,961,682,935 | 67,309 | 3.60 |
| 2014 | 73,715 | 4,726,237,225 | 64,115 | 4.10 |
| 2013 | 73,715 | 4,310,116,050 | 58,470 | 5.30 |
| 2012 | 73,715 | 3,947,143,390 | 53,546 | 5.20 |
| 2011 | 73,715 | 3,794,774,485 | 51,479 | 6.60 |
| 2010 | 68,390 | 3,161,464,530 | 46,227 | 7.60 |
| 2009 | 63,544 | 2,842,831,472 | 44,738 | 7.50 |
| 2008 | 62,915 | 2,650,483,120 | 42,128 | 5.20 |
| 2007 | 60,321 | 2,455,245,663 | 40,703 | 4.20 |

Source: (1) United States Census Bureau from 2010 U.S. Census Data

(2) Computation of per capita personal income multiplied by population

(3) Ohio Department of Job and Family Services/Ohio Labor Market

Olentangy Local School District
Principal Employers
Current Year and Nine Years Ago

| Employer (1) | 2016 | | | 2007 | | |
|---|---------------------|------|-----------------------------|---------------------|------|-----------------------------|
| | Number of Employees | Rank | Percent of Total Employment | Number of Employees | Rank | Percent of Total Employment |
| JP Morgan Chase | 9,947 | 1 | 9.90% | 7,605 | 1 | 9.33% |
| The Kroger Company | 2,209 | 2 | 2.20 | 1,184 | 3 | 1.45 |
| Olentangy Local School District | 2,109 | 3 | 2.10 | 1,360 | 2 | 1.67 |
| Delaware County | 1,119 | 4 | 1.11 | 1,004 | 4 | 1.23 |
| Meijer, Inc. | 1,046 | 5 | 1.04 | | | |
| Grady Memorial Hospital | 1,014 | 6 | 1.01 | 631 | 6 | 0.77 |
| American Showa, Inc. | 668 | 7 | 0.66 | 633 | 5 | 0.78 |
| Exel, Inc. | 624 | 8 | 0.62 | | | |
| Delaware City School District | 619 | 9 | 0.62 | 526 | 8 | 0.65 |
| Ohio Wesleyan University | 535 | 10 | 0.53 | 500 | 9 | 0.61 |
| Wal-Mart | | | | 608 | 7 | 0.75 |
| Leibert Corporation | | | | 450 | 10 | 0.55 |
| Total | <u>19,890</u> | | <u>19.79%</u> | <u>14,501</u> | | <u>17.79%</u> |
| Total Employment Within Delaware County | <u>100,504</u> | | | <u>81,500</u> | | |

Source: Delaware County Office of Economic Development

(1) Specific information for the School District is not available; therefore, the information is for Delaware County.

Olentangy Local School District
Staffing
Last Ten Fiscal Years

| Program | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|----------------|----------------|----------------|----------------|----------------|
| Professional Staff | | | | | |
| Adapted Physical Education Therapist | 1.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Administrative Assistant | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Administrative Intern | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Art Education K-8 | 23.5 | 22.0 | 22.0 | 21.0 | 21.0 |
| Assistant Principal | 20.5 | 19.0 | 22.0 | 19.0 | 19.0 |
| Assistant Superintendent | 1.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Career-Technical Programs/Pathways | 9.0 | 10.0 | 9.5 | 9.5 | 9.0 |
| Coordinator | 7.5 | 6.5 | 9.5 | 8.0 | 8.0 |
| Counseling | 39.0 | 37.0 | 41.0 | 36.0 | 32.0 |
| Director | 3.0 | 2.0 | 1.0 | 0.0 | 0.0 |
| Education Administrative Specialist | 4.0 | 2.0 | 1.0 | 0.0 | 0.0 |
| Educational Service Center Supervisor | 0.0 | 1.0 | 3.0 | 3.0 | 3.0 |
| Educational Service Personnel Teacher | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| English as Second Language Specialist | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Gifted | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Gifted and Talented | 26.0 | 17.0 | 17.0 | 20.5 | 21.0 |
| General Education | 847.0 | 802.0 | 798.0 | 753.0 | 744.0 |
| Home School Liaison | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Librarian/Media | 24.0 | 23.0 | 24.0 | 24.0 | 24.0 |
| Multi-Handicapped Teacher | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Music Education K-8 | 34.0 | 33.0 | 33.0 | 33.0 | 33.0 |
| Occupational Therapist | 0.0 | 0.0 | 0.0 | 0.0 | 8.0 |
| Other Administrative (Dean) | 3.0 | 2.0 | 3.0 | 1.0 | 1.0 |
| Other Professional | 7.0 | 7.5 | 10.5 | 10.0 | 10.0 |
| Physical Education K-8 | 30.0 | 29.0 | 29.0 | 28.0 | 28.0 |
| Physical Therapist | 0.0 | 0.0 | 0.0 | 0.0 | 2.0 |
| Preschool Handicapped Itinerant | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Principal | 22.0 | 23.0 | 23.0 | 23.0 | 23.0 |
| Psychologist | 0.0 | 0.0 | 0.0 | 0.0 | 15.0 |
| Registered Nursing | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Regular Education Teaching | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Remedial Specialist | 20.0 | 19.5 | 23.0 | 24.0 | 25.5 |
| Severe Behavior Handicapped Teacher | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Special Education | 10.0 | 24.0 | 24.0 | 23.0 | 23.0 |
| Special Education Supervisor | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Special Education Teaching | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Speech and Language Therapist | 0.0 | 0.0 | 0.0 | 0.0 | 15.0 |
| State Support Team/Work Study | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Superintendent | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Supervise/Manage/Direct | 19.0 | 17.0 | 15.0 | 13.0 | 14.0 |
| Supplemental Service Teacher (Special Ed) | 133.0 | 117.0 | 96.0 | 88.0 | 79.0 |
| Tutor/Small Group Instructor | 16.0 | 16.0 | 19.0 | 14.0 | 12.0 |
| Vocational Education Teaching | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Professional Staff | <u>1,308.5</u> | <u>1,240.5</u> | <u>1,233.5</u> | <u>1,162.0</u> | <u>1,179.5</u> |

| 2011 | 2010 | 2009 | 2008 | 2007 |
|----------------|----------------|----------------|--------------|--------------|
| 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 0.0 | 0.0 | 0.0 | 1.0 | 0.0 |
| 20.0 | 19.0 | 20.0 | 0.0 | 0.0 |
| 23.0 | 22.0 | 21.0 | 22.0 | 16.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 9.0 | 12.0 | 13.0 | 0.0 | 0.0 |
| 11.0 | 11.0 | 8.0 | 7.0 | 7.0 |
| 30.0 | 33.0 | 28.0 | 26.0 | 24.0 |
| 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 3.0 | 4.0 | 4.0 | 0.0 | 0.0 |
| 0.0 | 0.0 | 0.0 | 84.0 | 72.0 |
| 0.0 | 0.0 | 0.0 | 4.0 | 5.0 |
| 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| 19.0 | 17.0 | 16.0 | 0.0 | 0.0 |
| 730.0 | 714.0 | 679.0 | 0.0 | 0.0 |
| 0.0 | 0.0 | 0.0 | 2.0 | 2.0 |
| 21.0 | 20.0 | 19.0 | 18.0 | 15.0 |
| 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| 32.0 | 33.0 | 32.0 | 0.0 | 0.0 |
| 7.0 | 5.0 | 5.0 | 4.0 | 3.0 |
| 1.0 | 1.0 | 2.0 | 0.0 | 0.0 |
| 5.0 | 5.0 | 5.0 | 4.0 | 6.0 |
| 27.0 | 27.0 | 25.0 | 0.0 | 0.0 |
| 2.0 | 2.0 | 1.0 | 1.0 | 1.0 |
| 1.0 | 1.0 | 2.0 | 0.0 | 0.0 |
| 21.0 | 20.0 | 20.0 | 15.0 | 16.0 |
| 15.0 | 13.0 | 12.0 | 11.0 | 9.0 |
| 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| 0.0 | 0.0 | 0.0 | 620.0 | 561.0 |
| 29.0 | 30.0 | 31.0 | 36.0 | 28.0 |
| 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| 35.0 | 31.0 | 37.0 | 0.0 | 0.0 |
| 0.0 | 0.0 | 0.0 | 0.0 | 5.0 |
| 0.0 | 0.0 | 0.0 | 36.0 | 39.0 |
| 15.0 | 13.0 | 11.0 | 10.0 | 8.0 |
| 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| 1.0 | 1.0 | 0.0 | 1.0 | 1.0 |
| 16.0 | 16.0 | 16.0 | 19.0 | 15.0 |
| 54.0 | 56.0 | 45.0 | 52.0 | 38.0 |
| 11.0 | 9.0 | 3.0 | 2.0 | 0.0 |
| 0.0 | 0.0 | 0.0 | 12.0 | 11.0 |
| <u>1,147.0</u> | <u>1,124.0</u> | <u>1,064.0</u> | <u>998.0</u> | <u>896.0</u> |

(continued)

Olentangy Local School District
Staffing
Last Ten Fiscal Years
(continued)

| Program | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Support Staff | | | | | |
| Accountant | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Accounting | 6.0 | 6.0 | 5.0 | 5.0 | 5.0 |
| Aides | 0.0 | 0.0 | 0.0 | 0.0 | 10.0 |
| Bookkeeping (Finance) | 2.0 | 2.0 | 3.0 | 3.0 | 3.0 |
| Clerical | 114.0 | 112.0 | 107.0 | 106.0 | 103.0 |
| Computer Operating | 17.0 | 17.0 | 16.0 | 18.0 | 19.0 |
| Custodian | 101.0 | 98.0 | 88.0 | 96.0 | 98.0 |
| Extended Service for General Supervisor | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Food Service | 157.0 | 154.0 | 134.0 | 85.0 | 84.0 |
| General Maintenance | 16.0 | 17.0 | 16.0 | 17.0 | 17.0 |
| Groundskeeping | 16.0 | 15.0 | 15.0 | 14.0 | 13.0 |
| Library Aide | 7.0 | 8.0 | 8.0 | 8.0 | 7.0 |
| Mechanic | 7.0 | 7.0 | 6.0 | 5.0 | 6.0 |
| Monitoring | 27.0 | 33.0 | 31.0 | 20.0 | 19.0 |
| Planning/Research/Development | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Public Relations | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Records Managing | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Special Education Clerks | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Secretarial | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Teaching Aide | 151.5 | 129.0 | 98.0 | 78.0 | 64.0 |
| Treasurer | 1.0 | 1.0 | 3.0 | 2.0 | 2.0 |
| Vehicle Operator (Bus) | 162.0 | 171.0 | 148.0 | 146.0 | 140.0 |
| Total Support Staff | <u>785.5</u> | <u>771.0</u> | <u>679.0</u> | <u>604.0</u> | <u>593.0</u> |
| Total Staff | <u><u>2,094.0</u></u> | <u><u>2,011.5</u></u> | <u><u>1,912.5</u></u> | <u><u>1,766.0</u></u> | <u><u>1,772.5</u></u> |

Source: School District Records

Method: Using 1.0 for each full-time employee and 0.50 for each part-time employee.

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|----------------|----------------|----------------|----------------|----------------|
| 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| 5.0 | 5.0 | 3.0 | 3.0 | 3.0 |
| 10.0 | 17.0 | 21.0 | 26.0 | 33.0 |
| 3.0 | 3.0 | 4.0 | 4.0 | 4.0 |
| 106.0 | 104.0 | 103.0 | 91.0 | 73.0 |
| 20.0 | 20.0 | 20.0 | 20.0 | 19.0 |
| 108.0 | 111.0 | 109.0 | 100.0 | 87.0 |
| 0.0 | 0.0 | 4.0 | 5.0 | 4.0 |
| 80.0 | 75.0 | 71.0 | 66.0 | 57.0 |
| 18.0 | 18.0 | 17.0 | 16.0 | 12.0 |
| 13.0 | 14.0 | 12.0 | 11.0 | 10.0 |
| 7.0 | 7.0 | 12.0 | 11.0 | 13.0 |
| 6.0 | 6.0 | 6.0 | 6.0 | 5.0 |
| 15.0 | 14.0 | 13.0 | 11.0 | 18.0 |
| 1.0 | 1.0 | 1.0 | 0.0 | 0.0 |
| 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 0.0 | 0.0 | 0.0 | 11.0 | 11.0 |
| 1.0 | 1.0 | 1.0 | 2.0 | 2.0 |
| 49.0 | 39.0 | 38.0 | 14.0 | 5.0 |
| 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| <u>135.0</u> | <u>134.0</u> | <u>137.0</u> | <u>189.0</u> | <u>128.0</u> |
| <u>580.0</u> | <u>572.0</u> | <u>575.0</u> | <u>589.0</u> | <u>489.0</u> |
| <u>1,727.0</u> | <u>1,696.0</u> | <u>1,639.0</u> | <u>1,587.0</u> | <u>1,385.0</u> |

Olentangy Local School District
 Enrollment Statistics
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

| Fiscal Year | Annual Expenses | Enrollment | Annual Expenses Per Enrollment | Teaching Staff | Pupil/ Teacher Ratio |
|----------------|--------------------|------------|--------------------------------------|-------------------|----------------------------|
| 2016 | \$221,049,600 | 19,392 | \$11,399 | 1,149 | 16.88 |
| 2015 | 204,210,133 | 18,820 | 10,851 | 1,090 | 17.27 |
| 2014 | 204,584,167 | 18,108 | 11,298 | 1,135 | 15.95 |
| 2013 | 195,664,869 | 17,855 | 10,959 | 1,073 | 16.64 |
| 2012 | 197,069,470 | 17,126 | 11,507 | 1,054 | 16.25 |
| 2011 | 193,537,103 | 16,311 | 11,865 | 1,025 | 15.91 |
| 2010 | 180,244,095 | 15,316 | 11,768 | 1,034 | 14.81 |
| 2009 | 165,566,572 | 14,044 | 11,789 | 975 | 14.40 |
| 2008 | 148,248,278 | 13,002 | 11,402 | 901 | 14.43 |
| 2007 | 126,145,046 | 11,972 | 10,537 | 818 | 14.64 |

Source: School District Records

Olentangy Local School District
School Building Statistics

| Building | Grades | Capacity | Year Building Completed |
|-------------------------------|--------|----------|-------------------------|
| Alum Creek Elementary | K-5 | 650 | 1996 |
| Arrowhead Elementary | PS-5 | 650 | 1998 |
| Cheshire Elementary | PS-5 | 650 | 2010 |
| Freedom Trail Elementary | K-5 | 650 | 2009 |
| Glen Oak Elementary | PS-5 | 650 | 2005 |
| Heritage Elementary | PS-5 | 650 | 2011 |
| Indian Springs Elementary | K-5 | 650 | 2003 |
| Johnnycake Corners Elementary | PS-5 | 650 | 2007 |
| Liberty Tree Elementary | PS-5 | 650 | 2007 |
| Meadows Elementary | K-5 | 650 | 2006 |
| Oak Creek Elementary | K-5 | 650 | 2000 |
| Scioto Ridge Elementary | K-5 | 650 | 1998 |
| Tyler Run Elementary | PS-5 | 650 | 2001 |
| Walnut Creek Elementary | K-5 | 650 | 2003 |
| Wyandot Run Elementary | PS-5 | 650 | 1993 |
| Berkshire Middle School | 6-8 | 900 | 2011 |
| Hyatts Middle School | 6-8 | 900 | 2007 |
| Liberty Middle School | 6-8 | 900 | 2001 |
| Orange Middle School | 6-8 | 900 | 2004 |
| Shanahan Middle School | 6-8 | 900 | 1952 |
| Olentangy High School | 9-12 | 1,600 | 1990 |
| Liberty High School | 9-12 | 1,600 | 2003 |
| Orange High School | 9-12 | 1,600 | 2008 |

Source: School District Records

Olentangy Local School District
Staff Salary Statistics
Last Ten Fiscal Years

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|----------|----------|----------|----------|----------|
| Percentage of Teachers with Masters Degree or Beyond | 75.3% | 80.6% | 78.0% | 78.3% | 78.9% |
| Average Teaching Salary | \$65,959 | \$64,113 | \$63,307 | \$63,539 | \$63,887 |
| Total Full-Time Equivalent | 1,149.00 | 1,090.00 | 1,135.00 | 1,073.00 | 1,054.00 |
| <u>Salary Ranges</u> | | | | | |
| Bachelor Degree - Step 0 | \$38,566 | \$37,810 | \$37,622 | \$37,435 | \$37,064 |
| Bachelor Degree - Step 22 | n/a | n/a | n/a | n/a | 72,697 |
| Bachelor Degree - Step 25 | 76,855 | 75,348 | 74,973 | 74,600 | n/a |
| BA+15 - Step 0 | \$40,109 | \$39,322 | \$39,127 | \$38,932 | \$38,547 |
| BA+15 - Step 22 | n/a | n/a | n/a | n/a | 75,118 |
| BA+15 - Step 25 | 81,467 | 79,870 | 79,473 | 79,078 | n/a |
| BA+30 - Step 0 | \$41,266 | \$40,457 | \$40,256 | \$40,055 | \$39,658 |
| BA+30 - Step 22 | n/a | n/a | n/a | n/a | 76,741 |
| BA+30 - Step 25 | 83,773 | 82,131 | 81,723 | 81,316 | n/a |
| Masters Degree - Step 0 | \$43,561 | \$42,706 | \$42,494 | \$42,283 | \$41,864 |
| Masters Degree - Step 22 | n/a | n/a | n/a | n/a | 78,364 |
| Masters Degree - Step 25 | 86,080 | 84,392 | 83,972 | 83,555 | n/a |
| Master+15 - Step 0 | \$45,720 | \$44,824 | \$44,601 | \$44,379 | \$43,939 |
| Master+15 - Step 22 | n/a | n/a | n/a | n/a | 81,241 |
| Master+15 - Step 25 | 90,696 | 88,918 | 88,476 | 88,036 | n/a |
| Master+30 - Step 0 | \$47,880 | \$46,941 | \$46,708 | \$46,476 | \$46,015 |
| Master+30 - Step 22 | n/a | n/a | n/a | n/a | 87,100 |
| Master+30 - Step 25 | 95,309 | 93,440 | 92,975 | 92,513 | n/a |
| Master+45 - Step 0 | \$50,040 | \$49,058 | \$48,815 | \$48,572 | \$48,091 |
| Master+45 - Step 22 | n/a | n/a | n/a | n/a | 93,216 |
| Master+45 - Step 25 | 99,925 | 97,966 | 97,479 | 96,994 | n/a |

Source: Ohio Department of Education, Local Report Cards
School District Records

| 2011 | 2010 | 2009 | 2008 | 2007 |
|----------|----------|----------|----------|----------|
| 76.0% | 73.5% | 71.3% | 67.4% | 62.8% |
| \$64,694 | \$59,848 | \$57,126 | \$54,778 | \$53,158 |
| 1,025.00 | 1,034.00 | 975.00 | 901.00 | 818.00 |
| \$37,064 | \$36,054 | \$35,072 | \$34,117 | \$33,366 |
| 72,697 | 70,716 | 68,790 | 66,917 | 65,444 |
| n/a | n/a | n/a | n/a | n/a |
| \$38,547 | \$37,496 | \$36,475 | \$35,482 | \$34,700 |
| 75,118 | 73,071 | 71,080 | 69,145 | 67,623 |
| n/a | n/a | n/a | n/a | n/a |
| \$39,658 | \$38,578 | \$37,527 | \$36,505 | \$35,701 |
| 76,741 | 74,650 | 72,617 | 70,639 | 69,084 |
| n/a | n/a | n/a | n/a | n/a |
| \$41,864 | \$40,723 | \$39,614 | \$38,535 | \$37,687 |
| 78,364 | 76,229 | 74,153 | 72,134 | 70,545 |
| n/a | n/a | n/a | n/a | n/a |
| \$43,939 | \$42,742 | \$41,578 | \$40,446 | \$39,555 |
| 81,241 | 79,027 | 76,874 | 74,781 | 73,135 |
| n/a | n/a | n/a | n/a | n/a |
| \$46,015 | \$44,761 | \$43,542 | \$42,356 | \$41,424 |
| 87,100 | 84,727 | 82,419 | 80,175 | 78,410 |
| n/a | n/a | n/a | n/a | n/a |
| \$48,091 | \$46,780 | \$45,506 | \$44,267 | \$43,292 |
| 93,216 | 90,676 | 88,206 | 85,804 | 83,915 |
| n/a | n/a | n/a | n/a | n/a |

Olentangy Local School District
 Percentage of Students Who Receive Free and Reduced Lunches
 Last Ten Fiscal Years

| District Buildings | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------|-----------|-----------|-----------|-----------|
| Meals Served to Students | 1,604,436 | 1,512,812 | 1,489,412 | 1,523,356 | 1,605,872 |
| Percentage of Students Receiving Free Meals | 5.58% | 5.68% | 5.90% | 6.20% | 6.63% |
| Percentage of Students Receiving Reduced Meals | 1.43% | 1.29% | 1.40% | 1.54% | 1.54% |

Source: School District Records

n/a - not available

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> |
|-------------|-------------|-------------|-------------|-------------|
| 1,507,088 | 1,427,189 | 1,304,988 | n/a | n/a |
| 5.73% | 6.25% | 5.67% | 4.84% | 4.47% |
| 1.85% | 1.90% | 1.69% | 1.47% | 1.81% |

Olentangy Local School District
 Attendance and Graduation Rates
 Last Ten Fiscal Years

| Fiscal Year | Attendance Rate | State Average | Graduation Rate | State Average |
|-------------|-----------------|---------------|-----------------|---------------|
| 2016 | 96.00% | 94.10% | n/a | n/a |
| 2015 | 97.00 | 94.10 | 98.50 | 83.00 |
| 2014 | 95.90 | 94.20 | 98.50 | 82.30 |
| 2013 | 95.90 | 94.20 | 97.70 | 82.20 |
| 2012 | 95.60 | 94.50 | 97.80 | 81.30 |
| 2011 | 96.10 | 94.50 | 98.10 | 79.70 |
| 2010 | 95.60 | 94.30 | 98.10 | 78.00 |
| 2009 | 95.70 | 94.30 | 98.30 | 84.60 |
| 2008 | 95.90 | 94.20 | 97.70 | 86.90 |
| 2007 | 95.70 | 94.10 | 98.10 | 86.10 |

Source: Ohio Department of Education, Local Report Cards
 School District Records

n/a - not available



Dave Yost • Auditor of State

OLENTANGY LOCAL SCHOOL DISTRICT

DELAWARE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 29, 2016**