



Dave Yost • Auditor of State



ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Federal Awards Receipts and Expenditures Schedule.....	1
Notes to Federal Awards Receipts and Expenditures Schedule .....	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	3
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program, on Internal Control Over Compliance in Accordance with OMB Circular A-133, and on the Federal Award Receipts and Expenditures Schedule .....	5
Schedule of Findings.....	9

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ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>					
<i>Passed Through Ohio Department of Education</i>					
Nutrition Cluster:					
National School Lunch Program	10.555	\$106,904	\$30,733	\$106,904	\$30,733
Total Nutrition Cluster		106,904	30,733	106,904	30,733
<b>Total U.S. Department of Agriculture</b>		<b>106,904</b>	<b>30,733</b>	<b>106,904</b>	<b>30,733</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>					
<i>Passed Through Ohio Department of Education</i>					
Title I Grants to Local Educational Agencies	84.010	184,527	0	186,011	0
Special Education Cluster:					
Special Education--Grants to States (IDEA, Part B)	84.027	475,815	0	490,868	0
Special Education--Preschool Grants	84.173	16,446	0	16,431	0
Total Special Education Cluster		492,261	0	507,299	0
English Language Acquisition States Grants	84.365	8,068	0	4,494	0
Improving Teacher Quality State Grants	84.367	39,150	0	39,186	0
ARRA - Race to the Top	84.395	0	0	5	0
<b>Total U.S. Department of Education</b>		<b>724,006</b>	<b>0</b>	<b>736,995</b>	<b>0</b>
<b>Total Federal Financial Assistance</b>		<b>\$830,910</b>	<b>\$30,733</b>	<b>\$843,899</b>	<b>\$30,733</b>

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Receipts and Expenditures Schedule (the Schedule) reports the Orange City School District's (the District) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at the fair value.

**CFDA** – Catalog of Federal Domestic Assistance



# 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

Orange City School District  
Cuyahoga County  
32000 Chagrin Blvd.  
Pepper Pike, Ohio 44124

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Orange City School District, Cuyahoga County, (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 14, 2015, wherein we noted the District adopted Government Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27.

### ***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

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

**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 14, 2015



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, AND ON THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE

Orange City School District  
Cuyahoga County  
32000 Chagrin Blvd.  
Pepper Pike, Ohio 44124

To the Board of Education:

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

We have audited the Orange City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Orange City School District's major federal program for the year ended June 30, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

### ***Management's Responsibility***

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

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

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the Orange City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2015.

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

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

### ***Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133***

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Orange City School District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 14, 2015, wherein we noted the District adopted Government Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27. We conducted our audit to opine on the Districts' basic financial statements. The accompanying schedule of federal awards receipts and expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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, 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.

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 14, 2015

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2015**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Special Education Cluster (IDEA): Special Education Grants to States, CFDA #84.027, and Special Education Preschool Grants, CFDA #84.173
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	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

Comprehensive  
Annual Financial  
Report

Fiscal Year Ended June 30, 2015

# Orange City School District

Cuyahoga County, Ohio



**To Learn.  
To Lead.  
To Make a Difference.**

Prepared by  
Treasurer's Department  
Todd Puster, Treasurer

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Comprehensive  
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Report

Fiscal Year Ended June 30, 2015

# Orange City School District

Cuyahoga County, Ohio



**To Learn.**  
**To Lead.**  
**To Make a Difference.**

Orange City School District  
32000 Chagrin Blvd.  
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[www.orangeschools.org](http://www.orangeschools.org)

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**Orange City School District**  
**Cuyahoga County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2015*  
*Table of Contents*

Title Page  
Table of Contents .....i

**I. Introductory Section**

Letter of Transmittal .....v  
List of Principal Officials.....xv  
Administrative Position Chart.....xvi  
GFOA Certificate of Achievement ..... xvii  
ASBO Certificate of Excellence in Financial Reporting ..... xviii

**II. Financial Section**

Independent Auditor’s Report..... 1  
Management’s Discussion and Analysis.....5

Basic Financial Statements

Government-wide Financial Statements:

Statement of Net Position .....23  
Statement of Activities.....24

Fund Financial Statements:

Balance Sheet - Governmental Funds.....26  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities .....27  
Statement of Revenues, Expenditures and Changes  
In Fund Balances - Governmental Funds.....28  
Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities .....29  
Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund.....30  
Statement of Net Position – Proprietary Funds.....31  
Statement of Revenues, Expenses and Changes in  
Net Position - Proprietary Funds.....32  
Statement of Cash Flows – Proprietary Funds.....33

Statement of Fiduciary Net Position – Fiduciary Funds .....	34
Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	35
Notes to the Basic Financial Statements .....	37
Required Supplementary Information:	
Schedule of the District’s Proportionate Share of the Net Pension Liability - School Employees Retirement System (SERS) of Ohio - Last Two Fiscal Years .....	80
Schedule of the District’s Proportionate Share of the Net Pension Liability - State Teachers Retirement System (STRS) of Ohio - Last Two Fiscal Years .....	81
Schedule of District Contributions - School Employees Retirement System (SERS) of Ohio - Last Ten Fiscal Years .....	82
Schedule of District Contributions - State Teachers Retirement System (STRS) of Ohio - Last Ten Fiscal Years .....	84
Notes to Required Supplementary Information .....	86
Combining Statements and Individual Fund Schedules:	
Major Funds:	
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Fund Equity-Budget and Actual (Non-GAAP Budgetary Basis):	
Major Funds Descriptions .....	88
General Fund .....	89
Bond Retirement Fund .....	93
Permanent Improvement Fund .....	94
Recreation Fund .....	95
Nonmajor Funds:	
Combining Balance Sheet - Nonmajor Governmental Funds.....	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds .....	97
Description of Funds – Nonmajor Governmental Funds .....	98
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	100
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds .....	104
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) – Nonmajor Special Revenue:	
Local Grants Fund .....	107
District Managed Activity Fund.....	108
Auxiliary Services Fund.....	109
Ohio K-12 Network Connectivity Fund.....	110
Race to the Top Fund.....	111
Title VI-B Fund.....	112
Title III Fund .....	113

Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance -  
 Budget and Actual (Non-GAAP Budgetary Basis) – Nonmajor Special Revenue:

Title I Fund.....	114
Preschool Disability Fund .....	115
Title II-A Fund .....	116
Food Service Fund.....	117
Memorial Fund.....	118
Unclaimed Monies Fund .....	119
Uniform School Supplies Fund .....	120
Special Education Fund.....	121
Public School Support Fund.....	122
Electric Holding Balance Fund .....	123
Termination Benefits Fund.....	124

Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance  
 -Budget and Actual (Non-GAAP Budgetary Basis) – Nonmajor Capital Projects:

Building Improvement Fund .....	125
Description of Funds - Internal Service Fund.....	126

Individual Fund Schedules of Revenues, Expenses and Changes in  
 Fund Equity-Budget and Actual (Non-GAAP Budgetary Basis):

Internal Service Fund .....	127
Description of Funds – Fiduciary Funds.....	128

Individual Fund Schedule of Revenues, Expenses and Changes in  
 Fund Equity-Budget and Actual (Non-GAAP Budgetary Basis) - Private Purpose Trust Fund:

Scholarship Fund.....	129
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	130

**III. Statistical Section**

Table of Contents.....	131
Net Position by Component - Last Ten Fiscal Years .....	132
Changes in Net Position - Last Ten Fiscal Years .....	133
Fund Balances, Governmental Funds - Last Ten Fiscal Years .....	140
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years.....	142
Assessed Valuation and Estimated Actual Value of Taxable Property - Last Ten Years .....	146
Direct and Overlapping Property Tax Rates – Last Ten Years .....	148

Principal Taxpayers, Real Estate Tax – December 31, 2014 and December 31, 2005 .....	149
Principal Taxpayers, Public Utilities Tax – December 31, 2014 and December 31, 2005 .....	150
Property Tax Levies and Collections - Last Ten Years.....	151
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years .....	152
Ratios of Net General Bonded Debt Outstanding – Last Ten Fiscal Years.....	153
Direct and Overlapping Governmental Activities Debt - As of June 30, 2015.....	154
Legal Debt Margin Information – Last Ten Fiscal Years .....	155
Demographic and Economic Statistics – Last Ten Years.....	156
Principal Employers - December 31, 2014 and Nine Years Ago .....	157
Staffing Statistics, Full Time Equivalents (FTE) by Type and Function - Last Ten Fiscal Years .....	158
Operating Indicators by Function - Last Ten Fiscal Years .....	159
Capital Asset Statistics - Last Ten Fiscal Years .....	160
School Building Information - Last Ten Fiscal Years .....	162
Operating Statistics - Last Ten Fiscal Years.....	164
Teacher Statistics – June 30, 2015.....	166

Comprehensive  
Annual Financial  
Report

Fiscal Year Ended June 30, 2015

# Orange City School District

Cuyahoga County, Ohio



**To Learn.  
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To Make a Difference.**

## Introductory Section

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December 14, 2015

Board of Education Members and Residents of the Orange City School District:

We are pleased to present to you the Orange City School District's (the "District") Comprehensive Annual Financial Report (CAFR). This report provides full disclosure of the financial operation of the District for the fiscal year ended June 30, 2015. This CAFR includes an opinion from an independent auditor and conforms to generally accepted accounting principles (GAAP) as applicable to governmental entities.

Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with management of the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds as well as the District as a whole. This report will provide the taxpayers of the District with comprehensive financial data in a format that will enable them to gain an understanding of the District's financial affairs. Copies will be made available to all interested parties.

### ***The School District***

#### *History*

More than a hundred years ago, a one-room school was built on land donated by the mother of President James A. Garfield. This school and seven other one-room schools located throughout the area were consolidated into the Orange City School District. The land for the first District school building was donated by the Stoneman Family.

The original, two-story school building opened in 1924 on the site of the current Orange High School. A total of 314 children in kindergarten through 12<sup>th</sup> grade were all educated in this one building. Dr. Terry Wickham, former president of Heidelberg College, was the School District's first superintendent. The first senior class graduated in 1927 with 11 members.

In the fall of 1954, Pepper Pike Elementary School was completed as the first separate elementary building in the Orange City School District. In 1994, the school was named a National Blue Ribbon School of Excellence by the United States Department of Education. In 1958, Moreland Hills Elementary School opened with all elementary grades housed for the first time in buildings apart from the high school. The original Moreland Hills Elementary School was used to educate students in grades K-2 as recently as the 2000-2001 school year, while the Pepper Pike Elementary School housed grades 3-4. Starting with the 2001-2002 school year, the original Moreland Hills Elementary School building was no longer used for K-12 education, but was replaced by the newly built Moreland Hills Elementary School serving students in grades pre-K-5. In 2003, the new school earned the distinction of becoming an Ohio Hall of Fame School based on its quality efforts. Beginning in the fall of 2009, the school served grades K-5 with the pre-K, the Orange Inclusive Preschool program, moved to the Pepper Pike Learning Center (formerly known as Pepper Pike Elementary School). The original Moreland Hills Elementary School was converted to a centralized maintenance and technology facility serving the entire District.

Enrollment from kindergarten through grade 12 increased from 500 students in 1939 to 1,750 in the spring of 1958. Eighty-two students graduated in 1958.

The District then experienced a period of successful expansion as a result of the support of the citizens of the community and long-range planning by the Board of Education, administration and faculty.

Ballard Brady Middle School opened in 1965. It was named for Dr. Ballard Brady, superintendent from 1951 to 1967. Brady Middle School educated children in grades 5-7 through the 2000-2001 school year. Starting with the 2001-2002 school year, the school was reconfigured to educate children in grades 6-8. Grade 5 children attended the new Moreland Hills Elementary School starting with the 2001-2002 school year. In 2001, the school was named a National Blue Ribbon School of Excellence by the United States Department of Education. A new gymnasium broke ground in 2009 and was completed in 2011.

Orange High School was remodeled and expanded many times with the last two major renovations taking place in 2001 and 2007. The library and commons areas were renovated in the years 2006 and 2009, respectively. In the 1990-1991 school year, Orange High School was recognized as a National Blue Ribbon School of Excellence by the United States Department of Education. In 2003, the high school was awarded Tier One status in the Ohio Award for Excellence. Throughout the District's history, a heavy emphasis has been placed on the development of the whole person with the academic mission at the forefront of the school's attention.

### *Present*

The Orange Schools campus is located on 176 beautifully wooded acres in the Chagrin Valley, approximately 15 miles east of Cleveland. The campus setting offers students the advantage of moving between buildings for academic offerings, performances, and sports programs, as well as the opportunity to study the environment in a natural setting. The District encompasses the five separate municipalities of Pepper Pike, Moreland Hills, Orange, Hunting Valley and Woodmere as well as small portions of Solon, Bedford Heights, and Warrensville Heights.

Many of the District's 2,171 students are bused daily to the campus consisting of four school buildings: Moreland Hills Elementary School, Brady Middle School, Orange High School and Pepper Pike Learning Center, which houses an inclusive preschool program. The District's campus also includes an administration building, centralized maintenance and technology center and a transportation depot. The District also manages the Orange Community Education and Recreation Department, which encompasses public preschool services, a senior adult center, enrichment programs for students and adults plus a wide variety of sports and summer activities. The Recreation Department utilizes all District facilities in concert with the school system. Gund School, which adjoins the District's campus within the Beechbrook residential facility, provides instruction for 81 students with special needs. The District also serves 26 students from the New Directions residential drug treatment facility, which is located within the District's boundaries.

The population within the District is multi-racial and multi-cultural, with many students from other countries. Minority groups comprise approximately 35 percent of the student population in the District. The majority of residents in the District have a bachelor's degree or higher and are involved in professional careers. The population has a very high regard for education and expects an educational program which produces educated, mature, competent, and skilled high school graduates who are able to attend the college of their first or second choice. Approximately 98 percent of the District's graduates pursue post-secondary education. Over the past approximately 35 years, residents have passed all school operating levies placed on the ballot for their approval. Most recently, a general operating levy of 5 mills, which was on the ballot in November 2011, was approved by 60 percent of the voters. In addition, a \$36.5 million bond issue was approved in November 1998 by 68 percent of the voters and a one-mill permanent improvement levy was approved in November 2003 by 66 percent of the voters. Also, a .95-mill replacement levy for the Orange Community Education and Recreation Department was approved by 68 percent of the voters in November 2010. The District is fortunate to have residents who believe in, and are willing to support with tax dollars, a high quality of education for all children.

### ***Organizational Structure***

The District's Board of Education approved the Superintendent's recommendation for a central office re-organization plan in January 1998. The plan re-structured central office administrative roles and support for the Superintendent. New job titles and job descriptions for central office administrators were established at that time.

The Superintendent serves as the Chief Administrative Officer of the District, responsible for providing educational and administrative management leadership for the total operation of the District.

The Treasurer/Director of Budget Services is the Chief Financial Officer of the District and is responsible for maintaining records of all financial matters, issuing warrants and paying liabilities incurred by the District. The Treasurer also serves as custodian of all District funds with the responsibility for the investment of funds as specified by law. The Treasurer of the District reports directly to the five member Board of Education that serves as the taxing authority, the contracting body, and the policy developers for the District. The Board adopts the annual operating budget of the District to which the Treasurer ensures adherence.

The remaining administrative team recommended by the Superintendent and appointed by the School Board include the following: Director of Human Resources, Director of 21<sup>st</sup> Century Curriculum, Director of Student Support Services, Coordinator of Special Education, Coordinator of Communications, Director of Community Education and Recreation, Supervisory of Technology, Assistant Treasurer, Supervisor of Transportation Services, Supervisor of Food Services, Director of Operations and Business Services, Campus Supervisor, and Building Principals.

The District has implemented various aspects of Site Based Management with the building principals and supervisors for the purpose of providing site leadership while the central office directors strive to provide the highest quality services and support in order to fulfill the educational needs of the schools.

### ***The Reporting Entity***

The District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity", as amended by Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the District (the primary government) and its potential component units. Based upon the application of these criteria, the District has no component units and is not itself a component unit. The basic financial statements of the reporting entity include only those of the District (the primary government).

The District participates in certain organizations that are defined as jointly governed organizations and public entity risk pools. These organizations include the Northeast Ohio Network for Education Technology (NEOnet), the Ohio Schools Council and the Suburban Health Consortium. These organizations are presented in Notes 15 and 16 to the basic financial statements.

### ***Major Initiatives***

#### *Focus on Authentically Engaging Students in 21<sup>st</sup> Century Learning*

The District will authentically engage students in a positive, supportive, nurturing and safe environment in order to develop critical-thinking and civic-minded citizens who will contribute to the local community and our global society. This system will encourage the support and participation of the community it serves. The mission is based on the following basic beliefs and principles:

- Public education is a key element of a democratic society.
- All students have the ability and the right to grow intellectually. Thus, the District has a responsibility to provide programs and an environment to stimulate student engagement and growth.
- While the primary focus of the District is K-12 education, community participation and involvement is encouraged. This involvement enhances K-12 education, provides better use of facilities and fosters continued learning for all residents.
- High expectations promote high performance. All students and staff are expected to work to their highest potential.
- Given the current state of public education funding, financial support from the entire community is vital to a successful program.
- The District will maintain excellence through a continuous improvement process.

The educational plan for the District consists of the following:

1. Educational Programs - In order to develop students who will think critically to solve problems, acquire and apply knowledge to be life-long learners, communicate effectively, work collaboratively, utilize new technologies and are civic-minded, the District will:

- Focus all energies on the core business of schools, which is to design engaging work for students.
- Encourage and design professional development for both certified and non-certified staff that focuses on designing engaging and satisfying work for students. This includes, but is not limited to, Teachers' Academy, staff development days, Partnership for Next Generation Learning participation, opportunities for collaboration with other schools and community stakeholders, and Standard Bearer efforts.
- Create an environment that supports the work of the District in designing work for students that engages them in learning what we know they need to learn in order to be well educated.
- Design the schedule in each building to maximize available instructional and collaboration time to enhance student achievement.
- Incorporate at each grade level curricular experiences that involve students and teachers in using instructional technology.
- Maintain, improve and create programs that involve students from all grade levels in citizenship and school/community service programs.
- Encourage student selection of electives, co-curricular and extra-curricular offerings that will contribute to the development of a well-qualified and well-rounded graduate.
- Encourage involvement of all parties when implementing change or enacting new policies, programs and procedures.
- Provide a learner-centered, innovative experience for all students to help transform the District into one that appropriately reflects the needs of today's children through various initiatives, such as our work with the Partnership for Next Generation Learning and the Schlechty Center.
- Value the contributions of all employees while establishing an atmosphere that enhances continuous improvement of both the individual and the system.
- Establish a complementary and/or extended curriculum through courses offered by the Orange Community Education and Recreation Department.
- Analyze, plan, implement and evaluate strategies which demonstrate a commitment to excellence as measured by student test scores, college admissions, artistic and athletic accomplishments and other indicators of success.
- Encourage all parents to participate in the continuous improvement process.
- Plan and articulate a systematic approach to curriculum which is consistent and sequential.
- Improve the current parent/teacher communication process regarding student welfare.

2. Fiscal Management - To enhance the effectiveness and efficiency of fiscal operations, the District will:
  - Provide useful and timely financial information in accordance with recognized standards, including, but not limited to, detailed spending/revenue plans and financial forecasts.
  - Implement and maintain strong internal controls.
  - Seek out opportunities to increase efficiencies through the use of available technology, when feasible.
  - Pursue appropriate non-traditional school funding sources.
  - Provide a clear accounting of the revenues and expenditures from school operation, bond retirement, permanent improvement and recreation levies.
  - Revise and implement an on-going marketing plan for the passage of future school tax issues.
  - Complete the appropriation process in a manner that allows the Board of Education to act on a permanent appropriation measure prior to October 1.
3. Community Relations - To improve interaction with the community, the District will:
  - Periodically survey residents to determine where further communication is necessary and evaluate the perceptions and the extent of satisfaction or dissatisfaction with the District.
  - Keep the community well-informed by frequently and routinely providing news, information, and features about the District's programs, achievements and facilities. This is accomplished through various communication tools, such as school publications, public meetings, electronic correspondence, District web site, local media, social media, and letters to the community.
  - Identify and communicate with Orange Alumni.
4. Business Services - To maintain and improve buildings and facilities, transportation and food service, the District will:
  - Work with the staff to analyze cost effectiveness of present programs and offer recommendations.
  - Involve support staff in continuous improvement opportunities.
  - Work with representative groups to formulate a plan and recommend solutions to issues of space, programming, and maintenance.
  - Periodically review and update the District's facility and equipment permanent improvement plan in order to effectively use available capital funds for such purposes. This will allow the District to adequately maintain and improve the utilization of its physical plant assets.
5. Board of Education Operations - To foster greater effectiveness in Board/Administrative operations, the Orange Board of Education has established the following goals:
  - Maximize achievement for all Orange students.
  - Maintain fiscally responsible operation of the District.
  - Evaluate educational programs.

- Acknowledge, embrace and address diversity.
- Maintain a safe school environment.
- Improve District relationships and communications with residents.
- Expand community partnerships.
- Follow developed guidelines

*Major Initiatives and Accomplishments for School Year 2014-2015*

The Orange Board of Education and the District's administration continue to work to improve the quality of education for all children and to provide prudent financial management to adequately fund this quality education. The Board of Education and the District's administration with better than expected operating results were able to extend the 2004 levy cycle to seven years. In November 2011 the Board did place on the ballot and was successful in passing a new five mill continuing operating levy.

The Orange High School Advanced Placement Program was named first in class in the State of Ohio by the Siemens Corporation for the 2006-2007 school year. During the 2014-2015 school year, 80% of the Advanced Placement tests taken by Orange students earned a score of 3 or higher, representing college level achievement. In 2013, Orange was recognized among 367 high schools in the United States which has dramatically expanded access to AP courses while maintaining consistently high performance levels. Orange High School continues to be among the top rated high schools in the State of Ohio. In grades 3-10, student performance met or exceeded all state and national standards.

The Orange City School District performed well overall on the 2014 Ohio Department of Education school district report card.

- Earned an "A" = MET 24 out of 24 state indicators.
- Earned an "A" in Overall Value Added (Student Growth).
- Earned an "A" in Graduation rate.
- Scored a very high District Performance Index of 108.2, an increase of 1.40 (measures the achievement of every student).
- Orange High School scored a very high Performance Index of 111.4
- Made gains in narrowing the achievement gap in annual measurable objectives (AMO).

The District is advancing several professional development initiatives aimed at ensuring student success in the twenty-first century. Most notably, the District has been actively engaged in the pioneering work of the Innovation Lab Network (formerly known as the Partnership for Next Generation Learning). This project, sponsored by the Council of Chief State School Officers, seeks to redefine learning experiences for public school students in order to guarantee all students graduate with world class knowledge and skills, prepared to be successful citizens in life after high school. The District is engaged in maximizing the use of best instructional practices and technology in order to reach these goals.

Through its ability to demonstrate engaging opportunities for students and its membership with the Innovative Lab Network, Orange School District was one of only a handful of districts in the state that was allowed to apply for a waiver on state testing and assessment. In order to have this approved, the district had to show how it is capable of providing its own assessment of student learning.

During fiscal year 2015, the Board reviewed and revised several Board policies to ensure compliance with current law and to address certain operational areas within the District. This process was completed with the input of the Superintendent, Treasurer, directors and school building-level management.

In January 2012 the District completed the construction and opened a new gymnasium at the Brady Middle School. This 13,600 square foot facility was financed through the use of the Federal Stimulus program and the sale of Qualified School Construction Bonds. Under this program the Federal Government reimburses the District the amount of interest charged for the life of the loan which is ten years.

In 2012, the Board of Education initiated a 5-year facilities study to analyze the District's future needs in regards to repairs, renovations, and educational supports needed to be a 21<sup>st</sup> Century school district. As a result of the facilities

study, the District identified \$10 million in short-term permanent improvement needs across campus. These will be addressed over a 5 year period which began in school year 2013-2014.

In 2012, the District also used the data from the facilities study to launch its FutureVision plan which studies the various options for long-term facility and campus needs. This plan has included public forums, public meetings, community workshops and mass communications to share information and garner input from various stakeholder groups. More community involvement will be scheduled as the project moves forward.

During the 2013-2014 school year, the district gathered community data regarding the potential renovation or replacement of Brady Middle School and other campus updates through an online survey, interactive page on the district website, and in-person forums. This information and data process will continue as part of the FutureVision long-term planning.

Also as part of the FutureVision plan, the Orange High School Natatorium was completed renovated during the 2014-2015 school year due to the need for a new roof and for much needed improvements and repairs to the pool, locker rooms and handicap accesses. Also, work on renovating the 57 year old Orange High School Auditorium began and was scheduled for completion in late 2015.

### ***Student Accomplishments and Achievements***

Orange students continued to thrive, grow and achieve within the District's curriculum. Some examples of their successes were:

- 1) A four-year graduation rate of 95.4 percent and a five-year graduation rate of 96.8 percent in 2014, with more than 98 percent of graduates continuing their education at an institution of higher learning.
- 2) More than 80 percent of all Advanced Placement tests earned scores of 3 or better, placing the District's students among the top in the nation.
- 3) One hundred forty three students at Orange High School have been named Advanced Placement Scholars by the College Board in recognition of their exceptional achievements on advanced placement examinations.
- 4) Six National Merit semi-finalists competing for National Merit Scholarships.
- 5) Average student scores on the ACT are consistently above national and state averages, ranking Orange High School among the top 10% of all high schools in Ohio.

The District takes great pride in all of its students' achievements and recognizes the need to both maintain and enhance its curriculum to ensure our students' future academic and intellectual growth.

### ***Economic Outlook***

The boundaries of the District include residential parcels with a small portion of industrial/commercial property near interstate highway systems. Transportation access provides an excellent backdrop for commercial-industrial development. Interstate 271, the District's western boundary, access to Interstate 480 less than five minutes away and the Cleveland-Hopkins International Airport about thirty minutes travel time to the west makes the District a great location for all types of professionals. In addition, Interstate 480 permits easy connection with Interstates 71 and 77, leading south to Columbus and north to Cleveland. The District is an ideal suburban location to major hospitals and businesses in the Cleveland area.

Eighty-four percent of the District's valuation is comprised of residential property, which proves the District is an ideal suburban setting. The District's assessed valuation has increased approximately 17 percent since fiscal year 2001. The current economic trend in the nation of keeping and attracting businesses has had its effect on the District through some local tax abatements for businesses. In addition, legislative changes have resulted in a loss of revenue for the District. Most notably, Amended Substitute House Bill 66 passed in 2005, resulted in the complete phase out of revenues derived from tangible personal property taxes by the 2018 tax year. In July 2011, Amended Substitute House Bill 153 accelerated this phase out in fiscal years 2012 and 2013. Tangible personal property tax reimbursements remained level for fiscal years 2014 and 2015. Amended Substitute House Bill 64 passed in June 2015 will resume the phase-down of tangible personal property taxes, but implemented a tangible personal property tax supplement to ensure no district received less state formula funding in fiscal year 2016. However, this supplement was vetoed for fiscal year 2017.

Property taxes and related state entitlements made up over 85 percent of the District's total general fund revenue in fiscal year 2015. This shows that the District relies heavily upon the continued support of its residents through the passage of tax levies.

The District's enrollment has leveled off along with the growth of the five municipalities that make up the majority of enrollment. The 2014-2015 enrollment of 2,171 compared with the 1988-1989 enrollment of 1,973, this reflects an increase of 198 students, or 10 percent, over the 26 year period. In recent years, enrollment has remained fairly static and this trend is expected to continue into the foreseeable future.

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. Consequently, school districts throughout Ohio must regularly place funding issues on the ballot to receive significant revenue growth. As a result, all of the District's financial abilities will be called upon to meet the challenges the future will bring. It is imperative the District's Board and management team continue to carefully and prudently plan in order to provide the resources required to meet the students' needs over the next several years.

The District did pass a new 5-mill, continuous general operating levy in November 2011 with a 60 percent vote of confidence. This levy will generate approximately \$5 million per year for the general fund. The District also passed a 5.0-mill general operating levy in November 2004 with a 58 percent vote of confidence. This levy generates approximately \$5 million annually for the general fund. These levies, along with other operating levies passed prior to 2004, are projected to provide the funds needed to maintain current program levels. The District voters over the past approximately 35 years have not defeated an operating levy request. A \$36.5 million bond issue was passed with a 68 percent vote of confidence back in November 1998. In addition, a 1-mill, continuous permanent improvement levy was passed in November of 2003 with a 66 percent vote of confidence. These funds were used for various capital improvements and major equipment purchases (as required by law), including the construction of a new elementary school completed in 2001.

## ***Financial Information***

### *Internal Accounting and Budgetary Control*

The District's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Fund financial reports for general governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

In developing the District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation. Internal control over financial reporting involves limitations due to human diligence and is subject to lapses in judgment and breakdowns resulting from human failures. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis. These inherent limitations are part of the financial reporting process and the District has designed processes to reduce this risk.

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

As provided by Law, prior to the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure that remains in effect during the first three months of the ensuing fiscal year. Prior to October 1 of each fiscal year, the Board of Education adopts a permanent appropriation measure, which supersedes the previously passed temporary appropriation measure. Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled by the Board of Education at the fund level. Within the District's accounting system, a more stringent management budget is controlled at the object level within each function and fund. Budget transfers between and among budget accounts are approved by the Treasurer and Superintendent. All purchase order requests must be approved by the Building Principal or another appropriate Supervisor and certified by the Treasurer. Necessary funds are then encumbered and purchase orders are released to vendors. Those requests that exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports and transaction information that details year-to date expenditures and encumbrances versus the original appropriation plus any supplemental appropriations passed to date.

As an additional safeguard, a blanket bond covers all employees, and a separate, higher limit bond covers certain individuals in policy-making roles.

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

### *Financial Reporting*

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

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

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

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

This transmittal letter is designed to provide historical information about the District, as well as complement the required Management's Discussion and Analysis (MD&A). The District's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Auditor's Report and should be read in conjunction with this transmittal letter.

## ***Awards***

GFOA Certificate of Achievement - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Orange City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of the School Business Officials. The award is granted only after an intensive review of the financial report by an all-expert panel of certified public accountants and practicing school business officials. The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2014. The District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2015, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

The District was also presented with the Ohio Auditor of State Award with Distinction for the fiscal year 2014. This award is for excellence in financial reporting for the Comprehensive Annual Financial Report and is awarded to entities whose exemplary reporting serves as the standard for clean, accountable government, representing the highest level of service to Ohioans.

## ***Independent Audit***

State statute requires the District to be subjected to an annual audit by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. The Ohio Auditor of State was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2015. The opinion appears at the beginning of the financial section of this report. In addition to the financial audit, a single audit was performed as required by the Single Audit Act Amendments of 1996 and the provisions of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". The single audit report is not included in the CAFR.

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

## ***Acknowledgments***

The publication of this report continues in the tradition of providing a high level of accountability of the District's finances to the taxpayers and other internal and external users. This accomplishment would not have been possible without the support and efforts of the entire staff of the Treasurer's office and various administrators and employees of the District. Assistance from the County Fiscal Officer's office, surrounding community administrators and other outside agencies made possible the fair presentation of statistical data.

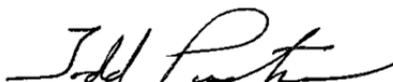
Special appreciation is expressed to the accounting firm of Julian & Grube, Inc. for their assistance in preparing this financial report.

Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully submitted,



Dr. Edwin Holland  
Superintendent



Todd Puster  
Treasurer

**Orange City School District  
List of Principal Officials  
As of June 30, 2015**

**Board of Education**

Mrs. Angela Wilkes	President
Ms. Melanie Weltman	Vice-President
Mrs. Jennifer Cohen	Member
Mrs. Dagmar Fellowes	Member
Mr. Jeffrey Leikin	Member

**Treasurer/Chief Financial Officer**

Mr. L. Greg Slemons <sup>(1)</sup>

**Administration**

Dr. Edwin Holland	Superintendent
Dr. Paula Snyder	Director of Human Resources
Mrs. Karen Moore	Director of 21 <sup>st</sup> Century Curriculum
Ms. Kershini Naidu	Director of Student Support Services
Mr. Philip Dickinson <sup>(2)</sup>	Director of Operations and Business Services
Mrs. Laura Guentner	Director of Community Education and Recreation
Mrs. Lori Wotowiec <sup>(3)</sup>	Coordinator of Special Education
Mr. Lou DeVincentis	Coordinator of Communications
Mr. Gary Platko	Assistant Treasurer
Mrs. Cindy Finohr	Supervisor of Food Services
Mr. Larry Lerch	Supervisor of Transportation Services
Mrs. Jennette Kane	Supervisor of Technology
Ms. Gina Marie Battaglia	Campus Supervisor

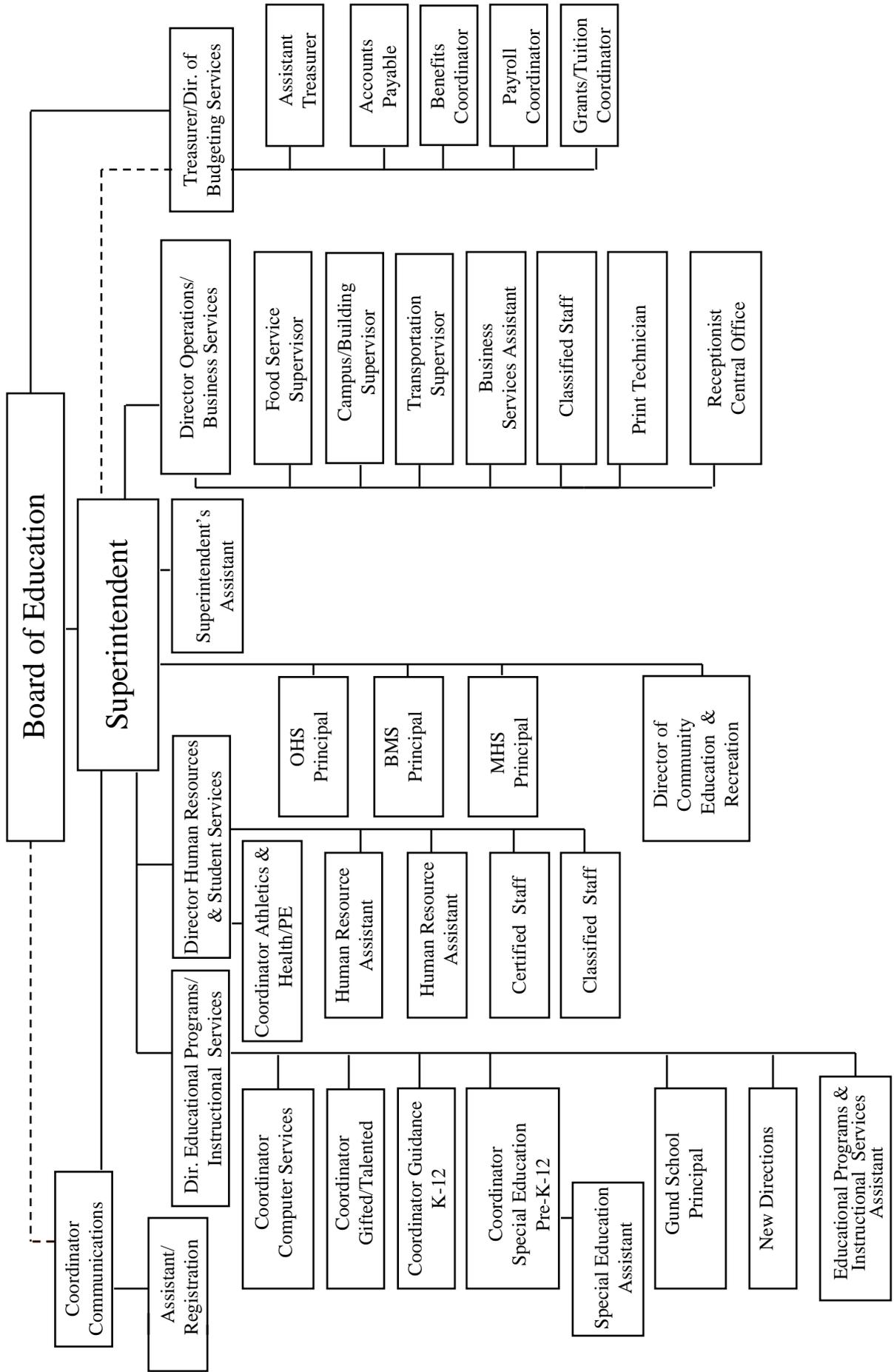
(1) On August 1, 2015, Mr. Todd Puster became the Treasurer/Chief Financial Officer.

(2) On August 1, 2015, Mr. Stephen Marlow became the Director of Operations and Business Services.

(3) On August 1, 2015, Mrs. Christine Goudy became the Coordinator of Special Education.

# Orange Schools Administrative Position Chart

2012-2013





Government Finance Officers Association

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

Presented to

**Orange City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

# Association of School Business Officials International



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

## Orange City School District

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

**Mark C. Pepera, MBA, RSBO, SFO**  
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

**John D. Musso, CAE, RSBA**  
Executive Director

Comprehensive  
Annual Financial  
Report

Fiscal Year Ended June 30, 2015

# Orange City School District

Cuyahoga County, Ohio



**To Learn.  
To Lead.  
To Make a Difference.**

## Financial Section

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Orange City School District  
Cuyahoga County  
32000 Chagrin Blvd.  
Pepper Pike, Ohio 44124

To the Board of Education:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Orange City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Orange City School District, Cuyahoga County, Ohio, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 3 to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

The introductory section, the financial section's combining statements, individual fund 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 14, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 14, 2015

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The management discussion and analysis of Orange City School District's (the District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for fiscal year 2015 are as follows:

- In total, net position increased \$5,007,791. Net position of governmental activities increased \$4,080,040, which represents a 26.74% increase from 2014's restated net position. Net position of business-type activities increased \$927,751 or 19.75% from 2014's restated net position.
- General revenues accounted for \$51,991,065 in revenue or 87.62% of all governmental revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$7,348,702 or 12.38% of total governmental revenues of \$59,339,767.
- The District had \$55,536,226 in expenses related to governmental activities; only \$7,348,702 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$51,991,065 were adequate to provide for these programs.
- One of the District's major governmental funds is the general fund. The general fund had \$53,671,680 in revenues and other financing sources and \$55,188,022 in expenditures and other financing uses. The general fund's fund balance decreased \$1,516,342 from \$29,463,128 to \$27,946,786.
- One of the District's other major governmental funds is the bond retirement fund. The bond retirement fund had \$2,676,101 in revenues and \$2,613,778 in expenditures. The bond retirement fund's fund balance increased \$62,323 from \$4,129,608 to \$4,191,931.
- The District's other major governmental fund is the permanent improvement fund. The permanent improvement fund had \$6,010,265 in revenues and other financing sources and \$2,731,812 in expenditures. The permanent improvement fund's fund balance increased \$3,278,453 from \$7,374,241 to \$10,652,694.
- Net position for the District's enterprise fund, the recreation fund, increased \$928,157 or 19.79%. The recreation fund's net position increased from \$4,690,841 to \$5,618,998 on expenses of \$1,584,827 and transfers out of \$276,499 versus revenues (both operating and non-operating) of \$2,789,483.

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

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

**Reporting the District as a Whole**

***Statement of Net Position and the Statement of Activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question: How did we do financially during 2015? The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the statement of net position and the statement of activities, the District is divided into two distinct kinds of activities:

Governmental Activities - Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities and food service operations.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's recreation fund is reported as a business-type activity.

The District's statement of net position and statement of activities can be found on pages 23-25 of this report.

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

***Fund Financial Statements***

The analysis of the District's major governmental funds and major enterprise fund begins on page 16. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, the bond retirement fund and the permanent improvement fund.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

***Governmental Funds***

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 26-30 of this report.

***Proprietary Funds***

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole. The District's only proprietary funds are the recreation fund and an internal service fund which was used to account for the District's workers' compensation fund. Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments on a cost-reimbursement basis. The basic proprietary fund financial statements can be found on pages 31-33 of this report. For reporting on the statement of net position and the statement of activities, internal service fund activities are eliminated and consolidated with governmental activities.

**Reporting the District's Fiduciary Responsibilities**

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in three agency funds. All of the District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages 34 and 35. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

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

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 37-77 of this report.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability. The required supplementary information can be found on pages 80-86 of this report.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position at June 30, 2015 and June 30, 2014. The net position at June 30, 2014 has been restated as described in Note 3.

**Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
<b>Assets</b>						
Current assets	\$ 87,513,818	\$ 86,024,912	\$ 5,077,985	\$ 5,498,587	\$ 92,591,803	\$ 91,523,499
Capital assets, net	44,189,098	43,539,764	3,176,249	3,342,225	47,365,347	46,881,989
Total assets	131,702,916	129,564,676	8,254,234	8,840,812	139,957,150	138,405,488
<b>Deferred outflows of resources</b>						
Unamortized deferred charges	329,742	368,919	-	-	329,742	368,919
Pension	4,983,246	4,266,792	194,240	170,928	5,177,486	4,437,720
Total deferred outflows of resources	5,312,988	4,635,711	194,240	170,928	5,507,228	4,806,639
<b>Liabilities</b>						
Current liabilities	5,700,863	6,013,390	124,888	130,558	5,825,751	6,143,948
Long-term liabilities:						
Due within one year	2,954,762	2,554,518	8,786	20,086	2,963,548	2,574,604
Net pension liability	67,145,814	78,785,863	2,130,008	3,462,258	69,275,822	82,248,121
Other amounts	26,160,453	27,397,971	51,721	34,651	26,212,174	27,432,622
Total liabilities	101,961,892	114,751,742	2,315,403	3,647,553	104,277,295	118,399,295
<b>Deferred inflows of resources</b>						
Property taxes	34,144,110	34,706,628	163,210	667,783	34,307,320	35,374,411
Pension	12,087,845	-	345,706	-	12,433,551	-
Total deferred inflows of resources	46,231,955	34,706,628	508,916	667,783	46,740,871	35,374,411
<b>Net Position</b>						
Net investment in capital assets	23,758,405	21,803,232	3,176,249	3,342,225	26,934,654	25,145,457
Restricted	8,999,104	8,712,389	-	-	8,999,104	8,712,389
Unrestricted	(43,935,452)	(45,773,604)	2,447,906	1,354,179	(41,487,546)	(44,419,425)
Total net position	\$ (11,177,943)	\$ (15,257,983)	\$ 5,624,155	\$ 4,696,404	\$ (5,553,788)	\$ (10,561,579)

During 2015, the District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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

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

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

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

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

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, for governmental activities from \$59,261,088 to (\$15,257,983) and business-type activities from \$7,987,734 to \$4,696,404.

Total governmental assets and deferred outflows of resources increased by \$2,815,517 while total governmental liabilities and deferred inflows of resources decreased by \$1,264,523 resulting in an increase to net position of \$4,080,040. Total assets and deferred outflows of resources of business-type activities decreased \$563,266 while total liabilities and deferred inflows of business-type activities decreased by \$1,491,017 resulting in an increase to net position of \$927,751.

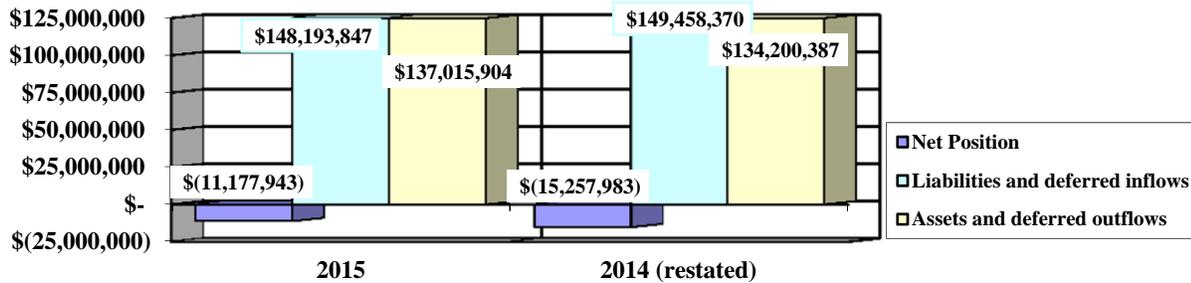
**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

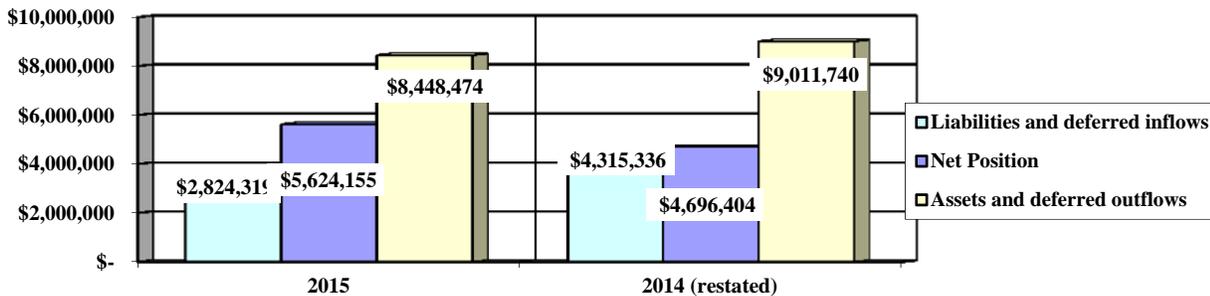
The increase in governmental assets can primarily be attributed to an increase in cash and investments with escrow agent, property taxes receivable and capital assets. Liabilities and deferred inflows of resources for governmental activities totaled \$148,193,847; of this amount \$96,261,029 or 64.96% is long-term liabilities. The decrease in liabilities is primarily the result of current year principal payments on long-term general obligation bonds as well as a large decrease in net pension liability which was offset by an increase in deferred inflows of resources related to pensions.

The graphs below present the District's governmental and business-type assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2015 and June 30, 2014. The net position at June 30, 2014 was restated as described in Note 3.

**Governmental - Net Position**



**Business-Type - Net Position**



**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The table below shows the changes in net position for fiscal year 2015 and 2014. The net position at June 30, 2014 has been restated as described in Note 3.

**Change in Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>Restated 2014</u>	<u>2015</u>	<u>Restated 2014</u>	<u>2015</u>	<u>Restated 2014</u>
<b><u>Revenues</u></b>						
Program revenues:						
Charges for services and sales	\$ 5,306,518	\$ 4,709,143	\$ 1,769,740	\$ 1,831,696	\$ 7,076,258	\$ 6,540,839
Operating grants and contributions	2,042,184	1,967,425	117,529	117,952	2,159,713	2,085,377
Capital grants and contributions	-	14,598	-	-	-	14,598
Total program revenues	<u>7,348,702</u>	<u>6,691,166</u>	<u>1,887,269</u>	<u>1,949,648</u>	<u>9,235,971</u>	<u>8,640,814</u>
General revenues:						
Property taxes	43,665,167	42,706,496	825,947	825,721	44,491,114	43,532,217
Grants and entitlements, not restricted	8,022,976	7,941,897	-	-	8,022,976	7,941,897
Investment earnings	257,364	510,822	27,407	52,006	284,771	562,828
Miscellaneous	45,558	65,853	48,860	39,148	94,418	105,001
Total general revenues	<u>51,991,065</u>	<u>51,225,068</u>	<u>902,214</u>	<u>916,875</u>	<u>52,893,279</u>	<u>52,141,943</u>
Total revenues	<u>\$ 59,339,767</u>	<u>\$ 57,916,234</u>	<u>\$ 2,789,483</u>	<u>\$ 2,866,523</u>	<u>\$ 62,129,250</u>	<u>\$ 60,782,757</u>

(Continued)

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Change in Net Position – (Continued)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
<b><u>Expenses</u></b>						
Program expenses:						
Instruction:						
Regular	\$ 19,785,171	\$ 20,311,007	\$ -	\$ -	\$ 19,785,171	\$ 20,311,007
Special	9,565,638	10,248,934	-	-	9,565,638	10,248,934
Vocational	290,087	287,690	-	-	290,087	287,690
Other	764,597	208,427	-	-	764,597	208,427
Support services:						
Pupil	3,686,794	3,601,927	-	-	3,686,794	3,601,927
Instructional staff	1,534,005	976,339	-	-	1,534,005	976,339
Board of education	89,820	78,226	-	-	89,820	78,226
Administration	3,600,621	3,665,874	-	-	3,600,621	3,665,874
Fiscal	1,416,262	1,327,247	-	-	1,416,262	1,327,247
Business	634,654	605,040	-	-	634,654	605,040
Operations and maintenance	5,374,524	5,088,454	-	-	5,374,524	5,088,454
Pupil transportation	3,573,419	3,786,870	-	-	3,573,419	3,786,870
Central	1,054,215	954,363	-	-	1,054,215	954,363
Operation of non-instructional services:						
Other non-instructional services	714,736	625,874	-	-	714,736	625,874
Food service operations	632,532	683,835	-	-	632,532	683,835
Extracurricular activities	1,731,632	1,954,690	-	-	1,731,632	1,954,690
Interest and fiscal charges	1,087,519	1,186,489	-	-	1,087,519	1,186,489
Recreation	-	-	1,585,233	2,462,120	1,585,233	2,462,120
<b>Total expenses</b>	<u>55,536,226</u>	<u>55,591,286</u>	<u>1,585,233</u>	<u>2,462,120</u>	<u>57,121,459</u>	<u>58,053,406</u>
Excess of revenues over (under)						
expenses before transfers	3,803,541	2,324,948	1,204,250	404,403	5,007,791	2,729,351
Transfers	276,499	-	(276,499)	-	-	-
<b>Changes in net position</b>	4,080,040	2,324,948	927,751	404,403	5,007,791	2,729,351
Net position at beginning of year (restated)	<u>(15,257,983)</u>	N/A	<u>4,696,404</u>	N/A	<u>(10,561,579)</u>	N/A
<b>Net position at end of year</b>	<u>\$ (11,177,943)</u>	<u>\$ (15,257,983)</u>	<u>\$ 5,624,155</u>	<u>\$ 4,696,404</u>	<u>\$ (5,553,788)</u>	<u>\$ (10,561,579)</u>

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$4,266,792 computed under GASB 27 for governmental activities. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$4,085,191 for governmental activities and (\$834,331) for business-type activities.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-Type Activities
Total 2015 program expenses under GASB 68	\$ 55,536,226	\$ 1,585,233
Pension expense under GASB 68	(4,085,191)	834,331
2015 contractually required contributions	4,353,849	175,525
Adjusted 2015 program expenses	55,804,884	2,595,089
Total 2014 program expenses under GASB 27	55,591,286	2,462,120
Increase in program expenses not related to pension	\$ 213,598	\$ 132,969

**Governmental Activities**

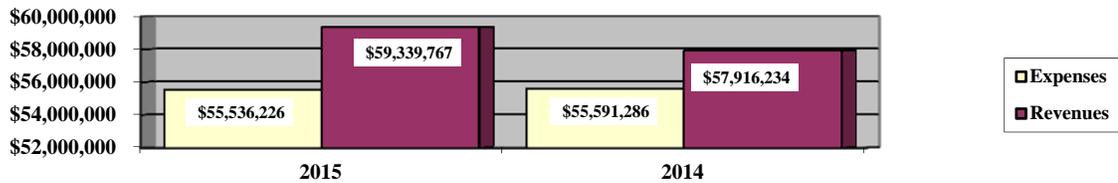
Net position of the District's governmental activities increased \$4,080,040. Total governmental expenses of \$55,536,226 were offset by program revenues of \$7,348,702 and general revenues of \$51,991,065. Program revenues supported 13.23% of the total governmental expenses.

Charges for services increased \$597,375, which is primarily due to an increase in tuition at the Gund School. Operating grants and contributions increased \$74,759. This increase is due to an increase in preschool special education and special education transportation foundation funding from the State.

The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements. These two revenue sources represent 87.11% of total governmental revenues. Property taxes increased \$958,671 due to better than expected real estate property tax collections. The District has carefully projected the financial future by forecasting revenues and expenditures for a five-year period. Over the past approximately 35 years, residents of the District have, without exception, supported all operating levies placed on the ballot. In November of 2011, the District successfully passed a 5-mill operating levy that generates approximately \$5 million in revenue per year. Collections on this levy began during the second half of fiscal year 2012 with full collection of this levy realized in fiscal year 2013. The additional income has been dedicated to fund the day-to-day operations of the District (e.g., salaries, utilities, textbooks, transportation). This levy was originally expected to cover four years of operation, but it has since been determined that it will cover five years. Ohio H.B. 920 effectively freezes tax revenue to a specific dollar amount the minute a levy is passed. This state law, enacted in 1976, also eliminates any growth from local revenue with the exception of additional tax dollars created by new construction. As a result, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of academically excellent service.

The graphs below present the District's governmental and business-type activities revenues and expenses for fiscal year 2015 and 2014.

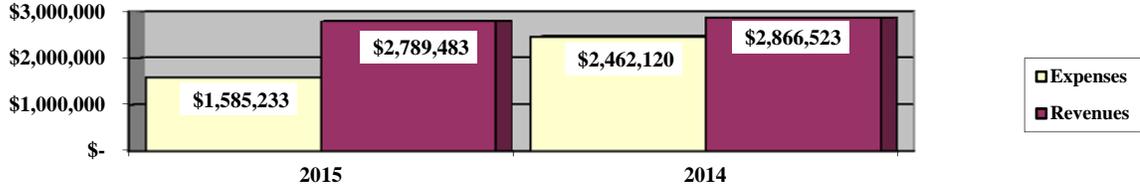
**Governmental Activities - Revenues and Expenses**



**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Business-Type Activities - Revenues and Expenses**



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2015 and 2014. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**Governmental Activities**

	Total Cost of Services <u>2015</u>	Net Cost of Services <u>2015</u>	Total Cost of Services <u>2014</u>	Net Cost of Services <u>2014</u>
Program expenses:				
Instruction:				
Regular	\$ 19,785,171	\$ 18,997,151	\$ 20,311,007	\$ 19,478,548
Special	9,565,638	5,203,842	10,248,934	6,726,384
Vocational	290,087	223,456	287,690	156,950
Other	764,597	764,597	208,427	208,427
Support services:				
Pupil	3,686,794	3,423,038	3,601,927	3,347,565
Instructional staff	1,534,005	1,525,093	976,339	954,683
Board of education	89,820	89,820	78,226	78,226
Administration	3,600,621	3,584,369	3,665,874	3,651,181
Fiscal	1,416,262	1,415,634	1,327,247	1,327,247
Business	634,654	634,654	605,040	605,040
Operations and maintenance of plant	5,374,524	5,365,493	5,088,454	5,073,164
Pupil transportation	3,573,419	3,412,123	3,786,870	3,671,358
Central	1,054,215	1,048,815	954,363	945,363
Operation of non-instructional services:				
Other non-instructional services	714,736	68,500	625,874	68,224
Food service operations	632,532	(5,184)	683,835	23,838
Extracurricular activities	1,731,632	1,465,428	1,954,690	1,514,370
Interest and fiscal charges	<u>1,087,519</u>	<u>970,695</u>	<u>1,186,489</u>	<u>1,069,552</u>
Total expenses	<u>\$ 55,536,226</u>	<u>\$ 48,187,524</u>	<u>\$ 55,591,286</u>	<u>\$ 48,900,120</u>

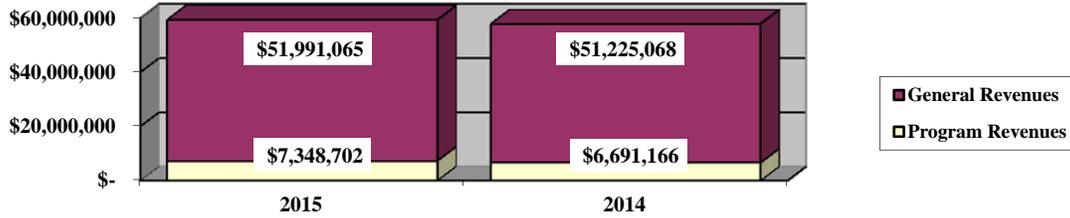
The dependence upon tax revenues and unrestricted grants and entitlements during fiscal year 2015 for governmental activities is apparent, as 82.84% of 2015 instruction activities are supported through taxes and other general revenues. All governmental activities' general revenue support is 86.77% in 2015. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio are by far the primary support for the District's students.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

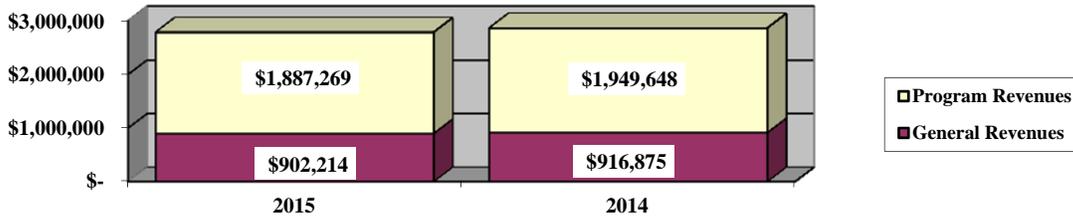
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The graphs below present the District's governmental and business-type activities revenues for fiscal years 2015 and 2014.

**Governmental Activities - General and Program Revenues**



**Business-Type Activities - General and Program Revenues**



**Business-Type Activities**

Business-type activities include the recreation operation. This program had revenues of \$2,789,483 and expenses of \$1,585,233 for fiscal year 2015. During fiscal year 2015, the District's business activities received \$825,947 in support from tax revenues. The District passed a new replacement recreation levy in November of 2010. Collections for this replacement levy began in January of 2011. For fiscal year 2015, the Recreation fund had operating income of \$233,733 (prior to non-operating revenues, such as interest revenue, grants and taxes) and a change in net position of \$928,157. As can be seen, the recreation fund is dependent upon the tax levy to sustain profitable operations. Total net position of the recreation fund at June 30, 2015 was \$5,618,998.

**The District's Funds**

The District's governmental funds (as presented on the balance sheet on page 26) reported a combined fund balance of \$43,363,696, which is above last year's total of \$41,559,941. Of the total fund balance at fiscal year-end:

- \$117,152 is reported as nonspendable as these amounts cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- \$10,553,119 is reported as restricted as these amounts have constraints place on the use of resources from externally imposed by creditors (such as through debt covenants), grants, contributors, or laws or regulations of other governments.
- \$5,294,253 is reported as committed as these amounts can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Education.
- \$953,807 is reported as assigned as these amounts are constrained by the District's intent to be used for specific purposes
- The remaining balance of \$26,445,365 is reported as unassigned as these amounts have not been restricted, committed or assigned to specific purposes.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2015 and 2014.

	Fund Balance <u>June 30, 2015</u>	Fund Balance <u>June 30, 2014</u>	<u>Change</u>
General	\$ 27,946,786	\$ 29,463,128	\$ (1,516,342)
Bond retirement	4,191,931	4,129,608	62,323
Permanent improvement	10,652,694	7,374,241	3,278,453
Other Governmental	<u>572,285</u>	<u>592,964</u>	<u>(20,679)</u>
Total	<u>\$ 43,363,696</u>	<u>\$ 41,559,941</u>	<u>\$ 1,803,755</u>

**General Fund**

The general fund is by far the District's most significant fund. The fund balance of the general fund decreased \$1,516,342. The table that follows assists in illustrating the revenues of the general fund.

	2015 <u>Amount</u>	2014 <u>Amount</u>	<u>Change</u>	Percentage <u>Change</u>
<b><u>Revenues</u></b>				
Property taxes	\$ 41,026,203	\$ 39,749,239	\$ 1,276,964	3.21 %
Tuition	3,958,334	3,592,886	365,448	10.17 %
Investment earnings	201,593	229,224	(27,631)	(12.05) %
Intergovernmental	7,890,816	7,804,600	86,216	1.10 %
Other revenues	<u>294,112</u>	<u>527,229</u>	<u>(233,117)</u>	<u>(44.22) %</u>
Total	<u>\$ 53,371,058</u>	<u>\$ 51,903,178</u>	<u>\$ 1,467,880</u>	<u>2.83 %</u>

Revenues of the general fund increased \$1,467,880 or 2.83%. The most significant increase was in the area of property taxes which increased \$1,276,964. This increase was the result of better tax collections throughout the District.

The table that follows assists in illustrating the expenditures of the general fund.

	2015 <u>Amount</u>	2014 <u>Amount</u>	<u>Change</u>	Percentage <u>Change</u>
<b><u>Expenditures</u></b>				
Instruction	\$ 28,646,560	\$ 28,183,638	\$ 462,922	1.64 %
Support services	19,717,281	18,999,415	717,866	3.78 %
Extracurricular activities	1,311,040	1,323,801	(12,761)	(0.96) %
Capital outlay	299,503	-	299,503	100.00 %
Debt service	<u>37,638</u>	<u>7,076</u>	<u>30,562</u>	<u>431.91 %</u>
Total	<u>\$ 50,012,022</u>	<u>\$ 48,513,930</u>	<u>\$ 1,498,092</u>	<u>3.09 %</u>

General fund expenditures increased by \$1,498,092 or 3.09%. The most significant increases were in the areas of instruction and support services which increased \$462,922 and \$717,866, respectively. These increases were the results of wages and benefits increases to District employees.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

***General Fund Budgeting Highlights***

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. Encumbrances are commitments for the expenditure of monies in a future period. The general fund is the most significant fund to be budgeted and is the main operating fund of the District.

During the course of fiscal year 2015, the District amended its total general fund permanent budget several times and had numerous intrafund budget transfers were made amongst the various accounts within the general fund. None were significant. The District uses a modified site-based style of budgeting that has in place systems designed to tightly control expenses, but provide flexibility for site based decision-making by management.

The general fund's original budgeted revenues and other financing sources totaled \$46,672,108. Final budgeted revenues were decreased to \$42,827,811. Actual budget basis revenues and other financing sources of \$48,078,978 were higher than final budgeted revenues by \$5,251,167 primarily due to an increase in property taxes. The original budgeted expenditures of \$48,694,492 were increased to \$51,760,492 in the final budget. Actual budget basis expenditures and other financing uses of \$51,435,504 were \$324,988 lower than the final budgeted expenditures due to decreases in multiple functional line items.

The District's ending unencumbered cash balance totaled \$23,472,252, which was lower than that originally budgeted.

**Bond Retirement Fund**

The bond retirement fund had \$2,676,101 in revenues and \$2,613,778 in expenditures. The bond retirement fund's fund balance increased \$62,323 from \$4,129,608 to \$4,191,931. The fund balance increase is due to revenues surpassing required principal and interest payments for fiscal year 2015.

**Permanent Improvement Fund**

The permanent improvement fund had \$6,010,265 in revenues and other financing sources and \$2,731,812 in expenditures. The permanent improvement fund's fund balance increased \$3,278,453 from \$7,374,241 to \$10,652,694. This increase is primarily due to a \$5.0 million transfer from the general fund. The District has set aside this amount for educational improvements throughout the District.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal year 2015, the District had \$47,365,347 invested in land, construction in progress (CIP), land improvements, buildings, equipment and vehicles. Of this total, \$44,189,098 was reported in governmental activities and \$3,176,249 was reported in business-type activities.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The following table shows June 30, 2015 balances compared to June 30, 2014:

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

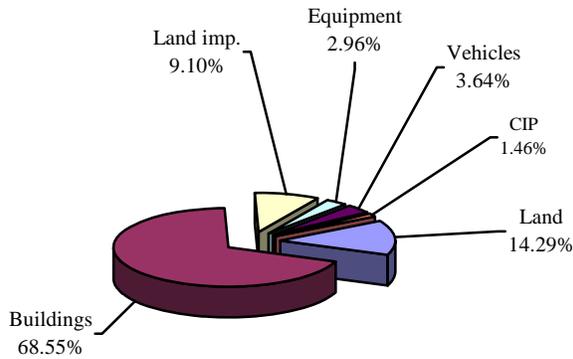
	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 6,315,782	\$ 6,315,782	\$ -	\$ -	\$ 6,315,782	\$ 6,315,782
Construction in progress	645,323	1,148,798	-	-	645,323	1,148,798
Land improvements	4,021,647	4,379,666	22,143	24,956	4,043,790	4,404,622
Buildings	30,289,257	28,916,233	3,149,210	3,317,269	33,438,467	32,233,502
Equipment	1,309,712	1,233,820	4,896	-	1,314,608	1,233,820
Vehicles	1,607,377	1,545,465	-	-	1,607,377	1,545,465
<b>Total</b>	<b>\$ 44,189,098</b>	<b>\$ 43,539,764</b>	<b>\$ 3,176,249</b>	<b>\$ 3,342,225</b>	<b>\$ 47,365,347</b>	<b>\$ 46,881,989</b>

Governmental activities capital assets increased \$649,334. This is due to additions of \$3,086,330 exceeding depreciation of \$2,436,996. Major additions of governmental capital assets during the fiscal year included high school improvements, roof restoration and natatorium renovations.

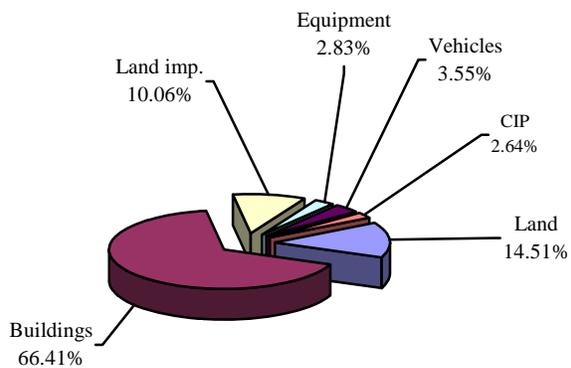
Business-type activities capital assets decreased \$165,976. This is due to current year depreciation of \$171,416 exceeding additions of \$5,440.

The following graphs show the breakdown of governmental activities and business-type capital assets by category for 2015 and 2014.

**Capital Assets - Governmental Activities  
2015**



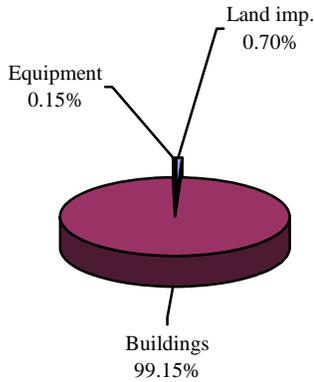
**Capital Assets - Governmental Activities  
2014**



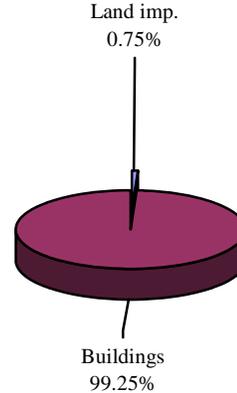
**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Capital Assets - Business-Type Activities  
2015**



**Capital Assets - Business-Type Activities  
2014**



See Note 9 to the basic financial statements for additional information on the District's capital assets.

***Debt Administration***

At June 30, 2015 the District had \$21,760,570 in capital lease obligations and general obligation bonds outstanding. The following table summarizes the capital lease and general obligation bonds outstanding.

**Outstanding Debt, at Year End**

	Governmental Activities <u>2015</u>	Governmental Activities <u>2014</u>
General obligation bonds - Series 2004	\$ 3,055,000	\$ 3,233,500
General obligation bonds - Series 2007	15,767,807	17,050,438
General obligation bonds - Series 2010	2,670,000	2,670,000
Capital lease obligation	<u>267,763</u>	<u>5,730</u>
Total	<u>\$ 21,760,570</u>	<u>\$ 22,959,668</u>

In an election held on November 3, 1998 the electors of the District approved the issuance of bonds (Series 1999 bonds) for the purpose of acquiring improved and additional educational technology, installing computer stations in school buildings, renovating school libraries (media centers), reconstructing and equipping of science and technology laboratories, constructing, furnishing and equipping a new elementary school, and renovating, remodeling, adding to, furnishing, equipping and otherwise improving school facilities and their sites

The Series 2004 bonds were issued to provide funding for various school improvement projects throughout the District.

The Series 2007 bonds were issued to refund a significant portion of the Series 1999 general obligation bonds.

The Series 2010 bonds were issued for the construction of the Brady Middle School gym.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

During fiscal year 2015, the District entered into capital lease obligations for laptops and copier equipment. See Note 8 for detail on the capital lease obligations.

See Note 14 to the basic financial statements for additional information on the District's debt administration.

***Current Financial Related Activities***

The District has continued to maintain the highest standards of service to our students, parents and community. The District is always presented with challenges and opportunities. National events economically affect the Orange City School District and the surrounding area and the District continually reviews and analyzes the impact this has on its property tax base and collections.

The District has a relatively strong financial outlook as evidenced by the fact that two nationally recognized financial rating services, Moody's Investors Service and Standard & Poor's, gave the District their highest ratings of Aaa and AAA, respectively. The Orange City School District was the first district in the State of Ohio to ever receive Standard & Poor's highest rating. These achievements will allow the District to secure better interest rates on all credits. The Board of Education and administration closely monitor the District's revenues and expenditures in accordance with its financial forecast.

Overall, the District continues to academically perform at a high level as determined by the State of Ohio. Our most recent State report card shows the District's students achieving a score "A" and met 24 out of 24 state indicators. The District also earned a score of "A" in Overall Value Added (Student Growth) and in Graduation Rate. The District's Performance Index of 108.2 was scored very high and the Orange High School scored a 111.4 on the Performance Index.

As the preceding information shows, the District heavily depends on its property taxpayers. Our communities' support was recently measured by six most outstanding accomplishments. In the fall of 1998 the community passed a \$36.5 million bond issue, in November of 2000 they passed a 9.5-mill operating levy, in November of 2003 they passed a 1-mill permanent improvement levy, in November of 2004 they passed a 5-mill operating levy and in November 2010 they passed a .95-mill replacement levy for the District's recreation operations. In November of 2011, voters approved the passage of a 5-mill operating levy. The support of these six issues demonstrates the strong belief of parents and community members that their schools are one of the highest priorities and one of the most important public institutions in their communities.

The District has communicated to its communities its reliance upon their support for the major part of its operations, and will continue to work diligently to plan expenses, staying carefully within the District's five-year financial plan. State law impedes the growth of income generated by local levies rendering revenue relatively constant. This lack of revenue growth forces the District to come back to the voters from time to time and ask for additional financial support.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

On December 11, 2002, the Ohio Supreme Court issued its opinion regarding the state's school funding plan. The decision reaffirmed the earlier decisions that Ohio's current school funding plan is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school funding scheme that is thorough and efficient...". Further, on May 16, 2003, the Ohio Supreme Court rejected a motion from the plaintiffs requesting that they enforce a remedy for the December 11 decision. Following this decision, the plaintiffs filed a writ of certiorari with the United States Supreme Court to have the high court consider enforcement of a remedy in this case. On October 20, 2003, the United States Supreme Court informed the plaintiffs that they have declined to hear their petition, effectively ending the school funding litigation. In response to the school funding issue, the Governor of the State of Ohio assembled a "Blue Ribbon Task Force on Financing Student Success" to offer recommendations on how the State can better fund education. This task force issued its report to the Governor in February of 2005. A copy of this report in its entirety can be accessed at <http://www.blueribbontaskforce.ohio.gov/>. The District is currently unable to determine what effect, if any, these recommendations or those initiatives of the current State administration will have on its future state funding and its financial operations. Furthermore, the passage of Am. Sub. House Bill 66 will result in the complete phase out of revenues derived from tangible personal property taxes by the 2018 tax year.

As a result, all of the District's financial abilities will be called upon to meet the challenges the future will bring. It is imperative the District's Board and management team continue to carefully and prudently plan in order to provide the resources required to meet the student's desired needs over the next several years.

The District has committed itself to financial and educational excellence for many years. The District has received the Governmental Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the 2014 CAFR. Orange City School District is committed to continuous improvement in financial reporting to our communities.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Todd Puster, Treasurer, Orange City School District, 32000 Chagrin Blvd., Pepper Pike, Ohio 44124-5974 or e-mail him at [tpuster@orangecsd.org](mailto:tpuster@orangecsd.org).

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET POSITION  
JUNE 30, 2015

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 40,097,085	\$ 4,717,363	\$ 44,814,448
Cash and investments with escrow agent . . . . .	1,385,357	-	1,385,357
Receivables:			
Property taxes . . . . .	44,484,002	347,102	44,831,104
Accounts . . . . .	964	515	1,479
Accrued interest . . . . .	40,949	5,026	45,975
Intergovernmental . . . . .	1,414,148	-	1,414,148
Materials and supplies inventory . . . . .	92,443	2,822	95,265
Inventory held for resale . . . . .	4,027	-	4,027
Internal balance . . . . .	(5,157)	5,157	-
Capital assets:			
Nondepreciable capital assets . . . . .	6,961,105	-	6,961,105
Depreciable capital assets, net . . . . .	37,227,993	3,176,249	40,404,242
Capital assets, net . . . . .	44,189,098	3,176,249	47,365,347
Total assets . . . . .	131,702,916	8,254,234	139,957,150
<b>Deferred outflows of resources:</b>			
Unamortized deferred charges on debt refunding . . . . .	329,742	-	329,742
Pension - STRS . . . . .	3,639,986	-	3,639,986
Pension - SERS . . . . .	1,343,260	194,240	1,537,500
Total deferred outflows of resources . . . . .	5,312,988	194,240	5,507,228
<b>Liabilities:</b>			
Accounts payable . . . . .	107,394	4,116	111,510
Contracts payable . . . . .	219,913	-	219,913
Accrued wages and benefits payable . . . . .	4,458,079	99,068	4,557,147
Intergovernmental payable . . . . .	61,948	707	62,655
Pension obligation payable . . . . .	676,455	20,997	697,452
Accrued interest payable . . . . .	83,096	-	83,096
Claims payable . . . . .	93,978	-	93,978
Long-term liabilities:			
Due within one year . . . . .	2,954,762	8,786	2,963,548
Due in more than one year:			
Net pension liability . . . . .	67,145,814	2,130,008	69,275,822
Other amounts due in more than one year . . . . .	26,160,453	51,721	26,212,174
Total liabilities . . . . .	101,961,892	2,315,403	104,277,295
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . . . . .	34,144,110	163,210	34,307,320
Pension - STRS . . . . .	9,697,130	-	9,697,130
Pension - SERS . . . . .	2,390,715	345,706	2,736,421
Total deferred inflows of resources . . . . .	46,231,955	508,916	46,740,871
<b>Net position:</b>			
Net investment in capital assets . . . . .	23,758,405	3,176,249	26,934,654
Restricted for:			
Capital projects . . . . .	5,895,979	-	5,895,979
Debt service . . . . .	2,685,509	-	2,685,509
Locally funded programs . . . . .	60,407	-	60,407
Federally funded programs . . . . .	19,820	-	19,820
Student activities . . . . .	128,260	-	128,260
Other purposes . . . . .	209,129	-	209,129
Unrestricted (deficit) . . . . .	(43,935,452)	2,447,906	(41,487,546)
Total net position . . . . .	\$ (11,177,943)	\$ 5,624,155	\$ (5,553,788)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Expenses	Program Revenues	
		Charges for Services and Sales	Operating Grants and Contributions
<b>Governmental activities:</b>			
Instruction:			
Regular . . . . .	\$ 19,785,171	\$ 660,462	\$ 127,558
Special . . . . .	9,565,638	3,800,609	561,187
Vocational . . . . .	290,087	64,148	2,483
Other . . . . .	764,597	-	-
Support services:			
Pupil . . . . .	3,686,794	50,531	213,225
Instructional staff . . . . .	1,534,005	1,944	6,968
Board of education . . . . .	89,820	-	-
Administration . . . . .	3,600,621	-	16,252
Fiscal . . . . .	1,416,262	568	60
Business . . . . .	634,654	-	-
Operations and maintenance . . . . .	5,374,524	9,031	-
Pupil transportation . . . . .	3,573,419	53,983	107,313
Central . . . . .	1,054,215	-	5,400
Operation of non-instructional services:			
Other non-instructional services . . . . .	714,736	-	646,236
Food service operations . . . . .	632,532	481,023	156,693
Extracurricular activities . . . . .	1,731,632	184,219	81,985
Interest and fiscal charges . . . . .	1,087,519	-	116,824
Total governmental activities . . . . .	55,536,226	5,306,518	2,042,184
<b>Business-type activities:</b>			
Recreation . . . . .	1,585,233	1,769,740	117,529
Total business-type activities . . . . .	1,585,233	1,769,740	117,529
Totals . . . . .	\$ 57,121,459	\$ 7,076,258	\$ 2,159,713

**General revenues:**

Property taxes levied for:

General purposes . . . . .

Debt service . . . . .

Capital outlay . . . . .

Recreation . . . . .

Grants and entitlements not restricted to specific programs . . . . .

Investment earnings . . . . .

Miscellaneous . . . . .

Total general revenues . . . . .

Transfers . . . . .

Total general revenues and transfers . . . . .

Change in net position . . . . .

**Net position at beginning of year (restated)**

**Net position at end of year . . . . .**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue  
and Changes in Net Position**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (18,997,151)	\$ -	\$ (18,997,151)
(5,203,842)	-	(5,203,842)
(223,456)	-	(223,456)
(764,597)	-	(764,597)
(3,423,038)	-	(3,423,038)
(1,525,093)	-	(1,525,093)
(89,820)	-	(89,820)
(3,584,369)	-	(3,584,369)
(1,415,634)	-	(1,415,634)
(634,654)	-	(634,654)
(5,365,493)	-	(5,365,493)
(3,412,123)	-	(3,412,123)
(1,048,815)	-	(1,048,815)
(68,500)	-	(68,500)
5,184	-	5,184
(1,465,428)	-	(1,465,428)
(970,695)	-	(970,695)
(48,187,524)	-	(48,187,524)
-	302,036	302,036
-	302,036	302,036
(48,187,524)	302,036	(47,885,488)
40,643,066	-	40,643,066
2,242,313	-	2,242,313
779,788	-	779,788
-	825,947	825,947
8,022,976	-	8,022,976
257,364	27,407	284,771
45,558	48,860	94,418
51,991,065	902,214	52,893,279
276,499	(276,499)	-
52,267,564	625,715	52,893,279
4,080,040	927,751	5,007,791
(15,257,983)	4,696,404	(10,561,579)
\$ (11,177,943)	\$ 5,624,155	\$ (5,553,788)

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Equity in pooled cash and investments. . . . .	\$ 25,773,882	\$ 2,642,827	\$ 10,424,448	\$ 569,013	\$ 39,410,170
Cash and investments with escrow agent . . . . .	-	1,108,286	277,071	-	1,385,357
<b>Receivables:</b>					
Property taxes. . . . .	41,448,812	2,205,497	829,693	-	44,484,002
Accounts . . . . .	964	-	-	-	964
Accrued interest . . . . .	26,195	6,667	6,954	397	40,213
Interfund loans . . . . .	4,814	-	-	-	4,814
Intergovernmental. . . . .	1,247,801	-	-	166,347	1,414,148
Materials and supplies inventory. . . . .	90,752	-	-	1,691	92,443
Inventory held for resale. . . . .	-	-	-	4,027	4,027
<b>Total assets</b> . . . . .	<u>\$ 68,593,220</u>	<u>\$ 5,963,277</u>	<u>\$ 11,538,166</u>	<u>\$ 741,475</u>	<u>\$ 86,836,138</u>
<b>Liabilities:</b>					
Accounts payable . . . . .	\$ 104,906	\$ -	\$ -	\$ 2,488	\$ 107,394
Contracts payable. . . . .	-	-	219,913	-	219,913
Accrued wages and benefits payable . . . . .	4,348,241	-	-	109,838	4,458,079
Compensated absences payable . . . . .	722,721	-	-	-	722,721
Intergovernmental payable . . . . .	60,712	-	-	1,236	61,948
Pension obligation payable . . . . .	662,630	-	-	13,825	676,455
Interfund loans payable. . . . .	-	-	-	4,814	4,814
<b>Total liabilities.</b> . . . .	<u>5,899,210</u>	<u>-</u>	<u>219,913</u>	<u>132,201</u>	<u>6,251,324</u>
<b>Deferred inflows of resources:</b>					
Property taxes levied for the next fiscal year. . . . .	31,838,491	1,676,835	628,784	-	34,144,110
Delinquent property tax revenue not available. . . . .	1,685,733	89,698	33,744	-	1,809,175
Intergovernmental revenue not available. . . . .	-	-	-	36,852	36,852
Accrued interest not available. . . . .	9,052	4,813	3,031	137	17,033
Miscellaneous revenue not available. . . . .	1,213,948	-	-	-	1,213,948
<b>Total deferred inflows of resources</b> . . . . .	<u>34,747,224</u>	<u>1,771,346</u>	<u>665,559</u>	<u>36,989</u>	<u>37,221,118</u>
<b>Fund balances:</b>					
<b>Nonspendable:</b>					
Materials and supplies inventory. . . . .	90,752	-	-	1,691	92,443
Unclaimed monies . . . . .	24,709	-	-	-	24,709
<b>Restricted:</b>					
Debt service . . . . .	-	4,191,931	-	-	4,191,931
Capital improvements . . . . .	-	-	5,820,895	38,295	5,859,190
Food service operations . . . . .	-	-	-	247,539	247,539
Non-public schools . . . . .	-	-	-	45,583	45,583
Special education . . . . .	-	-	-	12,272	12,272
Targeted academic assistance . . . . .	-	-	-	1,672	1,672
Other purposes. . . . .	-	-	-	66,672	66,672
Extracurricular activities . . . . .	-	-	-	128,260	128,260
<b>Committed:</b>					
Capital improvements . . . . .	-	-	4,831,799	-	4,831,799
Termination benefits. . . . .	432,153	-	-	-	432,153
Other purposes. . . . .	-	-	-	30,301	30,301
<b>Assigned:</b>					
Student instruction . . . . .	284,034	-	-	-	284,034
Student and staff support. . . . .	94,317	-	-	-	94,317
Subsequent year's appropriations . . . . .	509,921	-	-	-	509,921
Other purposes. . . . .	65,535	-	-	-	65,535
Unassigned . . . . .	26,445,365	-	-	-	26,445,365
<b>Total fund balances</b> . . . . .	<u>27,946,786</u>	<u>4,191,931</u>	<u>10,652,694</u>	<u>572,285</u>	<u>43,363,696</u>
<b>Total liabilities, deferred inflows and fund balances</b> . . . . .	<u>\$ 68,593,220</u>	<u>\$ 5,963,277</u>	<u>\$ 11,538,166</u>	<u>\$ 741,475</u>	<u>\$ 86,836,138</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2015

<b>Total governmental fund balances</b>		\$	43,363,696
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			44,189,098
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	1,809,175	
Accrued interest receivable		17,033	
Intergovernmental receivable		1,250,800	
Total			3,077,008
An internal service fund is used by management to charge the costs of workers' compensation to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.			588,516
Unamortized premiums on bonds issued are not recognized in the funds.			(517,702)
Unamortized amounts on refundings are not recognized in the funds.			329,742
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(83,096)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/ outflows are not reported in governmental funds:			
Deferred outflows of resources - pension		4,983,246	
Deferred inflows of resources - pension		(12,087,845)	
Net pension liability		(67,145,814)	
Total			(74,250,413)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(21,492,807)	
Capital lease obligations		(267,763)	
Compensated absences		(6,114,222)	
Total			(27,874,792)
<b>Net position of governmental activities</b>		<b>\$</b>	<b>(11,177,943)</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
From local sources:					
Property taxes . . . . .	\$ 41,026,203	\$ 2,264,083	\$ 788,774	\$ -	\$ 44,079,060
Tuition . . . . .	3,958,334	-	-	-	3,958,334
Earnings on investments . . . . .	201,593	34,376	36,622	3,041	275,632
Charges for services . . . . .	-	-	-	481,023	481,023
Extracurricular . . . . .	113,611	-	-	124,512	238,123
Classroom materials and fees . . . . .	61,962	-	-	-	61,962
Rental income . . . . .	9,031	-	-	-	9,031
Contributions and donations . . . . .	10,993	-	-	45,278	56,271
Contract services . . . . .	53,983	-	-	-	53,983
Other local revenues . . . . .	44,532	-	1,985	30,458	76,975
Intergovernmental - intermediate . . . . .	-	-	-	80,168	80,168
Intergovernmental - state . . . . .	7,890,816	260,818	116,884	651,904	8,920,422
Intergovernmental - federal . . . . .	-	116,824	-	880,745	997,569
Total revenues . . . . .	<u>53,371,058</u>	<u>2,676,101</u>	<u>944,265</u>	<u>2,297,129</u>	<u>59,288,553</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular . . . . .	18,856,519	-	-	96,737	18,953,256
Special . . . . .	8,775,930	-	-	443,106	9,219,036
Vocational . . . . .	257,428	-	-	-	257,428
Other . . . . .	756,683	-	-	-	756,683
Support services:					
Pupil . . . . .	3,334,725	-	-	231,017	3,565,742
Instructional staff . . . . .	1,489,534	-	-	11,401	1,500,935
Board of education . . . . .	87,062	-	-	-	87,062
Administration . . . . .	3,546,211	-	-	15,976	3,562,187
Fiscal . . . . .	1,356,526	36,509	12,717	-	1,405,752
Business . . . . .	637,673	-	-	-	637,673
Operations and maintenance . . . . .	4,663,263	-	-	-	4,663,263
Pupil transportation . . . . .	3,590,541	-	-	-	3,590,541
Central . . . . .	1,011,746	-	-	5,400	1,017,146
Operation of non-instructional services:					
Other non-instructional services . . . . .	-	-	-	610,355	610,355
Food service operations . . . . .	-	-	-	584,234	584,234
Extracurricular activities . . . . .	1,311,040	-	-	306,921	1,617,961
Facilities acquisition and construction . . . . .	-	-	2,719,095	122,661	2,841,756
Capital outlay . . . . .	299,503	-	-	-	299,503
Debt service:					
Principal retirement . . . . .	37,470	1,730,000	-	-	1,767,470
Interest and fiscal charges . . . . .	168	847,269	-	-	847,437
Total expenditures . . . . .	<u>50,012,022</u>	<u>2,613,778</u>	<u>2,731,812</u>	<u>2,427,808</u>	<u>57,785,420</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>3,359,036</u>	<u>62,323</u>	<u>(1,787,547)</u>	<u>(130,679)</u>	<u>1,503,133</u>
<b>Other financing sources (uses):</b>					
Sale/loss of assets . . . . .	1,119	-	-	-	1,119
Transfers in . . . . .	-	-	5,066,000	110,000	5,176,000
Transfers (out) . . . . .	(5,176,000)	-	-	-	(5,176,000)
Capital lease transaction . . . . .	299,503	-	-	-	299,503
Total other financing sources (uses) . . . . .	<u>(4,875,378)</u>	<u>-</u>	<u>5,066,000</u>	<u>110,000</u>	<u>300,622</u>
Net change in fund balances . . . . .	(1,516,342)	62,323	3,278,453	(20,679)	1,803,755
<b>Fund balances at beginning of year . . . . .</b>	<u>29,463,128</u>	<u>4,129,608</u>	<u>7,374,241</u>	<u>592,964</u>	<u>41,559,941</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 27,946,786</u>	<u>\$ 4,191,931</u>	<u>\$ 10,652,694</u>	<u>\$ 572,285</u>	<u>\$ 43,363,696</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<b>Net change in fund balances - total governmental funds</b>	\$	1,803,755
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 2,809,831	
Current year depreciation	<u>(2,436,996)</u>	
Total		372,835
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to increase net position. The District received \$276,499 in capital contributions from business-type activities.		
		276,499
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(413,893)	
Tuition	533,397	
Earnings on investments	(19,391)	
Intergovernmental	<u>(23,212)</u>	
Total		76,901
Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:		
Bonds	1,730,000	
Capital leases	<u>37,470</u>	
Total		1,767,470
Issuances of capital leases are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.		
		(299,503)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Change in accrued interest payable	8,641	
Accreted interest on capital appreciation bonds	(268,869)	
Amortization of bond premiums	59,323	
Amortization of deferred charges	<u>(39,177)</u>	
Total		(240,082)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		4,353,849
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(4,085,191)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		67,760
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>(14,253)</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>4,080,040</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 37,550,738	\$ 33,326,441	\$ 39,145,161	\$ 5,818,720
Tuition. . . . .	387,000	317,000	280,619	(36,381)
Earnings on investments . . . . .	225,000	225,000	163,528	(61,472)
Classroom materials and fees . . . . .	3,000	3,000	1,686	(1,314)
Rental income . . . . .	5,000	5,000	9,031	4,031
Contributions and donations . . . . .	-	-	1,000	1,000
Contract services. . . . .	40,000	40,000	53,983	13,983
Other local revenues . . . . .	35,000	35,000	34,230	(770)
Intergovernmental - state . . . . .	7,723,370	8,173,370	8,244,046	70,676
Total revenues . . . . .	<u>45,969,108</u>	<u>42,124,811</u>	<u>47,933,284</u>	<u>5,808,473</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	18,047,220	18,045,303	18,325,892	(280,589)
Special. . . . .	6,768,054	6,767,336	6,584,001	183,335
Vocational. . . . .	275,807	275,778	273,352	2,426
Other. . . . .	10,544	10,543	-	10,543
Support services:				
Pupil. . . . .	3,268,113	3,267,766	3,245,799	21,967
Instructional staff . . . . .	1,517,867	1,517,707	1,450,361	67,346
Board of education . . . . .	82,568	82,559	90,602	(8,043)
Administration. . . . .	3,436,571	3,436,206	3,334,555	101,651
Fiscal . . . . .	1,334,897	1,334,755	1,361,156	(26,401)
Business . . . . .	639,578	639,510	652,183	(12,673)
Operations and maintenance. . . . .	4,666,273	4,665,778	4,705,973	(40,195)
Pupil transportation . . . . .	3,812,699	3,812,294	3,653,514	158,780
Central. . . . .	993,981	993,876	924,944	68,932
Extracurricular activities. . . . .	1,310,320	1,310,181	1,251,854	58,327
Total expenditures . . . . .	<u>46,164,492</u>	<u>46,159,592</u>	<u>45,854,186</u>	<u>305,406</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(195,384)</u>	<u>(4,034,781)</u>	<u>2,079,098</u>	<u>6,113,879</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's expenditures . . . . .	3,000	3,000	144,575	141,575
Refund of prior year's receipts. . . . .	-	-	(504)	(504)
Transfers (out). . . . .	(2,530,000)	(5,596,000)	(5,576,000)	20,000
Advances in. . . . .	700,000	700,000	-	(700,000)
Advances (out) . . . . .	-	(4,900)	(4,814)	86
Sale of capital assets . . . . .	-	-	1,119	1,119
Total other financing sources (uses) . . . . .	<u>(1,827,000)</u>	<u>(4,897,900)</u>	<u>(5,435,624)</u>	<u>(537,724)</u>
Net change in fund balance . . . . .	(2,022,384)	(8,932,681)	(3,356,526)	5,576,155
<b>Fund balance at beginning of year . . . . .</b>	<b>26,625,286</b>	<b>26,625,286</b>	<b>26,625,286</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>203,492</b>	<b>203,492</b>	<b>203,492</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b><u>\$ 24,806,394</u></b>	<b><u>\$ 17,896,097</u></b>	<b><u>\$ 23,472,252</u></b>	<b><u>\$ 5,576,155</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2015

	<b>Business-Type Activities - Recreation</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$ 4,717,363	\$ 686,915
Receivables:		
Property taxes . . . . .	347,102	-
Accounts . . . . .	515	-
Accrued interest . . . . .	5,026	736
Materials and supplies inventory . . . . .	2,822	-
Total current assets . . . . .	5,072,828	687,651
Noncurrent assets:		
Depreciable capital assets, net . . . . .	3,176,249	-
Total assets . . . . .	8,249,077	687,651
<b>Deferred outflows of resources:</b>		
Pension - SERS . . . . .	194,240	-
Total deferred outflows of resources . . . . .	194,240	-
<b>Liabilities:</b>		
Accounts payable . . . . .	4,116	-
Accrued wages and benefits . . . . .	99,068	-
Compensated absences . . . . .	8,786	-
Pension obligation payable . . . . .	20,997	-
Intergovernmental payable . . . . .	707	-
Claims payable . . . . .	-	93,978
Total current liabilities . . . . .	133,674	93,978
Long-term liabilities:		
Net pension liability . . . . .	2,130,008	-
Compensated absences payable . . . . .	51,721	-
Total long-term liabilities . . . . .	2,181,729	-
Total liabilities . . . . .	2,315,403	93,978
<b>Deferred inflows of resources:</b>		
Property taxes levied for the next fiscal year . . . . .	163,210	-
Pension - SERS . . . . .	345,706	-
Total deferred inflows of resources . . . . .	508,916	-
<b>Net position:</b>		
Investment in capital assets . . . . .	3,176,249	-
Unrestricted . . . . .	2,442,749	593,673
Total net position . . . . .	5,618,998	\$ 593,673
Adjustment to reflect the consolidation of the internal service fund activities related to the enterprise fund . . . . .	5,157	
Net position of business-type activities . . . . .	\$ 5,624,155	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<b>Business-Type Activities - Recreation</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>Operating revenues:</b>		
Tuition and fees . . . . .	\$ 1,723,956	\$ -
Sales/charges for services. . . . .	45,784	303,390
Other . . . . .	48,860	-
Total operating revenues . . . . .	1,818,600	303,390
<b>Operating expenses:</b>		
Personal services. . . . .	704,681	-
Purchased services. . . . .	541,630	71,463
Materials and supplies . . . . .	123,031	-
Other. . . . .	44,069	-
Claims . . . . .	-	250,234
Depreciation . . . . .	171,416	-
Total operating expenses. . . . .	1,584,827	321,697
Operating income (loss) . . . . .	233,773	(18,307)
<b>Nonoperating revenues:</b>		
Grants and subsidies. . . . .	117,529	-
Interest revenue . . . . .	27,407	3,648
Property taxes . . . . .	825,947	-
Total nonoperating revenues. . . . .	970,883	3,648
Income (loss) before transfers . . . . .	1,204,656	(14,659)
Transfer out . . . . .	(276,499)	-
Change in net position . . . . .	928,157	(14,659)
<b>Net position at beginning of year (restated)</b>	4,690,841	608,332
<b>Net position at end of year . . . . .</b>	<b>\$ 5,618,998</b>	<b>\$ 593,673</b>
Adjustment to reflect the consolidation of the internal service fund activities related to the enterprise fund . . . . .	(406)	
Change in net position of business-type activities	\$ 927,751	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<b>Recreation</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>Cash flows from operating activities:</b>		
Cash received from customers . . . . .	\$ 1,723,956	\$ -
Cash received from interfund services provided . . . . .	-	303,390
Cash received from sales/charges for services . . . . .	45,784	-
Cash received from other operations . . . . .	48,860	-
Cash payments for personal services. . . . .	(1,707,819)	-
Cash payments for contractual services . . . . .	(550,258)	(72,993)
Cash payments for materials and supplies . . . . .	(122,334)	-
Cash payments for claims . . . . .	-	(226,368)
Cash payments for other expenses . . . . .	(44,069)	-
Net cash provided by (used in) operating activities . . . . .	(605,880)	4,029
<b>Cash flows from noncapital financing activities:</b>		
Cash received from grants and subsidies. . . . .	117,529	-
Cash received from property taxes . . . . .	814,260	-
Net cash provided by noncapital financing activities. . . . .	931,789	-
<b>Cash flows from capital and related financing activities:</b>		
Capital contributions purchased for governmental activities . . . . .	(276,499)	-
Acquisition of capital assets . . . . .	(5,440)	-
Net cash used in capital and related financing activities. . . . .	(281,939)	-
<b>Cash flows from investing activities:</b>		
Interest received . . . . .	23,512	3,078
Increase in fair value of investments . . . . .	4,901	721
Net cash provided by investing activities . . . . .	28,413	3,799
Net increase in cash and investments . . . . .	72,383	7,828
<b>Cash and investments at beginning of year . . .</b>	<b>4,644,980</b>	<b>679,087</b>
<b>Cash and investments at end of year . . . . .</b>	<b>\$ 4,717,363</b>	<b>\$ 686,915</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss) . . . . .	\$ 233,773	\$ (18,307)
Adjustments:		
Depreciation. . . . .	171,416	-
Changes in assets, deferred outflows, liabilities and deferred inflows:		
Accounts receivable . . . . .	(515)	-
Materials and supplies inventory . . . . .	(798)	-
Deferred outflows - Pension - SERS . . . . .	(23,312)	-
Accounts payable . . . . .	(6,618)	(1,530)
Accrued wages and benefits . . . . .	2,638	-
Compensated absences payable . . . . .	5,770	-
Pension obligation payable . . . . .	(1,690)	-
Net pension liability . . . . .	(1,332,250)	-
Deferred inflows - Pension - SERS . . . . .	345,706	-
Claims payable . . . . .	-	23,866
Net cash provided by (used in) operating activities. . . . .	<b>\$ (605,880)</b>	<b>\$ 4,029</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2015

	<b>Private-Purpose Trust</b>	
	<b>Scholarship</b>	<b>Agency</b>
<b>Assets:</b>		
Equity in pooled cash and investments . . . . .	\$ 64,367	\$ 104,073
Cash and investments in segregated accounts.	-	19,102,036
Receivables:		
Accounts . . . . .	-	88
Accrued interest . . . . .	69	-
	64,436	\$ 19,206,197
Total assets . . . . .		
<b>Liabilities:</b>		
Accounts payable . . . . .	-	\$ 20,335
Intergovernmental payable . . . . .	-	19,083,592
Due to students . . . . .	-	95,473
Undistributed monies . . . . .	-	6,797
	-	\$ 19,206,197
Total liabilities . . . . .		
<b>Net position:</b>		
Held in trust for scholarships . . . . .	64,436	
Total net position . . . . .	\$ 64,436	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<b>Private-Purpose Trust</b>
	<b>Scholarship</b>
<b>Additions:</b>	
Interest . . . . .	\$ 379
Total additions . . . . .	379
 <b>Deductions:</b>	
Scholarships awarded . . . . .	12,046
Change in net position . . . . .	(11,667)
<b>Net position at beginning of year . . . . .</b>	<b>76,103</b>
<b>Net position at end of year . . . . .</b>	<b>\$ 64,436</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

The Orange City School District (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District operates under a locally elected five-member Board form of government. Each member is elected to a four year term. The District provides educational services as mandated by State and federal agencies. The Board of Education controls the District's three instructional support facilities staffed by 181 classified employees, 239 certified teaching personnel and 30 administrators/supervisors who provide services to 2,171 students and other community members.

The District is located in Pepper Pike, Ohio, Cuyahoga County and currently ranks as the 396<sup>th</sup> largest by enrollment among the 1,001 public school districts and community schools in the State of Ohio. The District operates one elementary school (pre-K-5), one middle school (6-8) and a high school (9-12).

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

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

**A. Reporting Entity**

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

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**B. Basis of Presentation**

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

*Government-wide Financial Statements* - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the District that are governmental and those that are considered business-type.

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

*Fund Financial Statements* - During the year, the District segregates transactions related to certain 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 District at this more detailed level. The focus of governmental and enterprise 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. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

**C. Fund Accounting**

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

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

The following are the District's major governmental funds:

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

Bond retirement fund - The bond retirement fund is used to account for the accumulation of property tax revenues restricted for the payment of general obligation bonds used for the construction of a new elementary school and other necessary school facility improvements.

Permanent improvement fund - The permanent improvement fund is used to account for taxes levied that are restricted for the replacement and updating of equipment and facilities essential for the instruction of students.

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

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

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

Recreation fund - This fund accounts for fees and property taxes for the upkeep of the recreational center and educational opportunities offered to District residents.

Internal service fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis. The District's internal service fund accounts for workers' compensation activities.

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 trusts and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has one private-purpose trust fund to account for a scholarship program for students and four agency funds. The agency funds are used to account for funds held on behalf of others, employee benefits collected, but not yet remitted, student activities and the Suburban Health Consortium.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**D. Measurement Focus**

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's enterprise fund are program fees. The principal operating revenue of the District's internal service fund is charges for services and sales. Operating expenses for the enterprise fund include the cost of sales, personnel and administrative expenses. Operating expenses for the internal service fund included claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The private-purpose trust fund is reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

**E. 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 and the statements presented for the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources have been reported for the following two items related the District's net pension liability: (1) the difference between expected and actual experience of the pension systems, and (2) the District's contributions to the pension systems subsequent to the measurement date. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

The District also reports a deferred inflow of resources for the net difference between projected and actual earnings on pension plan investments related to the District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

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

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

**F. Budgetary Data**

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

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

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

**G. Cash and Investments**

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

During fiscal year 2015, investments were limited to Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, negotiable certificates of deposit, U.S. Government money market accounts and the State Treasury Asset Reserve of Ohio (STAR Ohio), the State Treasurer's Investment Pool.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposits, are reported at cost.

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 does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on June 30, 2015.

Under existing Ohio statute, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2015 amounted to \$201,593 which includes \$27,186 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are presented on the financial statements as cash equivalents.

**H. Inventory**

On government-wide financial statements, inventories of supplies are presented at cost, inventories held for resale are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method. On the fund financial statements, materials and supplies inventory and inventory held for resale are equally offset by a nonspendable fund balance in governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net position.

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

**I. Capital Assets**

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair values as of the date received. During fiscal year 2015, the District maintained a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	20 - 50 years	20 - 50 years
Buildings	20 - 50 years	20 - 50 years
Equipment	5 - 20 years	5 - 20 years
Vehicles	10 years	10 years

**J. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable/payable". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**K. Compensated Absences**

The District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences". Compensated absences include salary related payments related to vacation and sick leave liabilities. Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. Sick leave benefits are accrued as a liability using the "termination payment method". The termination payment method accrues a liability that is based entirely on an estimate of the amount of accumulated sick leave that will be paid as a termination benefit. The estimate is based on past experience. This estimate (ratio) is then applied to employee's sick leave balances and current wages at fiscal year-end.

The entire compensated absence liability is reported on the government-wide financial statements and in the proprietary fund.

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

**M. Net Position**

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

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

**N. Fund Balance**

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

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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

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

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

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

**O. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental funds are eliminated for reporting of governmental activities on the government-wide financial statements.

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

**P. Bond Issuance Costs/Unamortized Bond Premium and Discount/Unamortized Accounting Gain or Loss**

On government-wide financial statements, bond issuance costs are expensed when they occur.

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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 accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period. A reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 14.A.

**Q. Pensions**

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

**R. Estimates**

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

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2015.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**Change in Accounting Principles/Restatement of Net Position**

For fiscal year 2015, the District has implemented GASB Statement No. 68, “Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27”, GASB Statement No. 69 “Government Combinations and Disposals of Government Operations”, and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68”.

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the District.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 affected the District's pension plan disclosures, as presented in Note 12 to the financial statements, and added required supplementary information found after the notes to the basic financial statements.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

A net position restatement is required in order to implement GASB Statement No 68 and 71. The governmental activities at July 1, 2014 have been restated as follows:

	Governmental Activities	Business-Type Activities	Business-Type Activities Recreation
Net position as previously reported	\$ 59,261,088	\$ 7,987,734	\$ 7,982,171
Deferred outflows - payments subsequent to measurement date	4,266,792	170,928	170,928
Net pension liability	<u>(78,785,863)</u>	<u>(3,462,258)</u>	<u>(3,462,258)</u>
Restated net position at July 1, 2014	<u>\$ (15,257,983)</u>	<u>\$ 4,696,404</u>	<u>\$ 4,690,841</u>

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

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

Inactive deposits are public deposits that 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.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

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

**A. Cash and Investments with Escrow Agent**

At fiscal year-end, \$1,385,357 was on deposit with an escrow agent for monies held in relation to the District's sinking fund deposits that are required for the District's Series 2010 bonds (See Note 14). These funds are not included in "deposits with financial institutions" below.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**B. Cash and Investments in Segregated Accounts**

At fiscal year-end, \$19,102,036 was on deposit in the account the District maintains as fiscal agent for the Suburban Health Consortium (See Note 15) and is included on the fiduciary statement of net position as “cash and investments in segregated accounts”. The balance is covered by federal deposit insurance, by collateral held by the District, or by collateral held by a qualified third-party trustee in the name of the District. This amount is not included in the total amount of “Deposits with Financial Institutions” reported below.

**C. Deposits with Financial Institutions**

At June 30, 2015, the carrying amount of all District deposits was \$18,649,812. Based on the criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of June 30, 2015, \$19,663,268 of the District’s bank balance of \$4,351,338 was exposed to custodial risk as discussed below, while \$15,311,930 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the District’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions’ trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

**D. Investments**

As of June 30, 2015, the District had the following investments and maturities:

Investment type	Fair Value	Investment Maturities			
		6 months or less	13 to 18 months	19 to 24 months	Greater than 24 months
FFCB	\$ 4,978,560	\$ -	\$ -		\$ 4,978,560
FHLB	9,535,630	-	20,012,230		7,534,410
FHLMC	5,314,756	-	-		5,314,756
FNMA	4,992,180	-	-	995,440	3,996,740
Negotiable CD	245,419	245,419	-	-	-
U.S. Government money marke	29,099	29,099	-	-	-
STAR Ohio	1,237,432	1,237,432	-	-	-
Total	<u>\$ 26,333,076</u>	<u>\$ 1,511,950</u>	<u>\$20,012,230</u>	<u>\$ 995,440</u>	<u>\$ 21,824,466</u>

The weighted average maturity of investments is 2.32 years.

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District’s investment policy limits investment portfolio maturities to five years or less.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

*Credit Risk:* The District's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAR Ohio and the U.S. Government money markets an AAAM money market rating. Ohio Law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

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

*Concentration of Credit Risk:* The District places no limit on the amount that may be invested in any one issuer other than for commercial paper and banker's acceptances. The following table includes the percentage of each investment type held by the District at June 30, 2015:

<u>Investment type</u>	<u>Fair Value</u>	<u>% to Total</u>
FFCB	\$ 4,978,560	18.91
FHLB	9,535,630	36.21
FHLMC	5,314,756	20.18
FNMA	4,992,180	18.96
Negotiable CD's	245,419	0.93
U.S. Government money market	29,099	0.11
STAR Ohio	1,237,432	4.70
Total	<u>\$ 26,333,076</u>	<u>100.00</u>

**E. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2015:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 18,649,812
Investments	26,333,076
Investments with escrow agent	1,385,357
Cash and investments in segregated accounts	<u>19,102,036</u>
Total	<u>\$ 65,470,281</u>
<u>Cash and investments per financial statements</u>	
Governmental activities	\$ 41,482,442
Business-type activities	4,717,363
Private-purpose trust funds	64,367
Agency funds	<u>19,206,109</u>
Total	<u>\$ 65,470,281</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 5 - INTERFUND TRANSACTIONS**

- A.** Interfund transfers for the year ended June 30, 2015, consisted of the following, as reported on the fund statements:

	<u>Amount</u>
<u>Transfers from general fund to:</u>	
Permanent improvement fund	\$ 5,066,000
Nonmajor governmental fund	110,000
Total	\$ 5,176,000

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

- B.** Interfund balances at June 30, 2015 as reported on the fund statements, consist of the following individual interfund loans receivable and payable:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 4,814

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements; therefore, no internal balances at June 30, 2015 are reported on the statement of net position.

**NOTE 6 - PROPERTY TAXES**

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2015 represent the collection of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed values as of January 1, 2014, 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 2015 represent the collection of calendar year 2014 taxes. Public utility real and personal property taxes received in calendar year 2015 became a lien on December 31, 2013, were levied after April 1, 2014, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Cuyahoga County. The County Fiscal Officer periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2015, are available to finance fiscal year 2015 operations. The amount available as an advance at June 30, 2015 was \$7,924,588 in the general fund, \$438,964 in the bond retirement fund and \$167,165 in the permanent improvement fund. This amount is recorded as revenue. The amount available for advance at June 30, 2014 was \$6,043,546 in the general fund, \$336,959 in the bond retirement fund and \$127,228 in the permanent improvement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2015 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

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

The assessed values upon which the fiscal year 2015 taxes were collected are:

	2014 Second Half Collections		2015 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,001,559,470	98.99	\$ 1,002,217,530	98.94
Public utility personal	<u>10,236,390</u>	<u>1.01</u>	<u>10,763,950</u>	<u>1.06</u>
<b>Total</b>	<b><u>\$ 1,011,795,860</u></b>	<b><u>100.00</u></b>	<b><u>\$ 1,012,981,480</u></b>	<b><u>100.00</u></b>
Tax rate per \$1,000 of assessed valuation for:				
General	\$86.75		\$86.75	
Bond	2.40		2.40	
Permanent improvement	1.00		1.00	
Recreation	0.95		0.95	

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2015 consisted of property taxes, accounts (billings for user charged services and student fees), accrued interest, and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items of receivables reported on the statement of net position follows:

**Governmental activities:**

Property taxes:	
General fund	\$ 41,448,812
Bond retirement fund	2,205,497
Permanent improvement fund	829,693
Accounts:	
General fund	964
Accrued interest:	
General fund	26,195
Bond retirement fund	6,667
Permanent improvement fund	6,954
Nonmajor governmental funds	397
Internal service fund	736
Intergovernmental:	
General fund	1,247,801
Nonmajor governmental funds	166,347

**Business-type activities:**

Property taxes	347,102
Accounts	515
Accrued interest	5,026
Total receivables	<u>\$ 46,292,706</u>

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

**NOTE 8 - CAPITALIZED LEASE**

In the current and in a prior fiscal year, the District entered into capitalized leases for copiers and computers. All leases meet the criteria of a capital lease which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis. Capital assets acquired by lease have been originally capitalized in the amount of \$239,955, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of June 30, 2015 was \$51,225, leaving a current book value of \$188,730.

Computer equipment in the amount of \$89,803 has not been capitalized since the assets do not meet the District's capitalization threshold. A liability of \$58,063 has been recorded in the government-wide financial statements.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 8 - CAPITALIZED LEASE - (Continued)**

Principal and interest payments in the 2015 fiscal year totaled \$37,470 and \$168, respectively. These amounts are reported as debt service payments of the general fund.

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, 2015.

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 76,063
2017	76,367
2018	44,629
2019	44,630
2020	<u>44,633</u>
Total minimum lease payments	286,322
Less: amount representing interest	<u>(18,559)</u>
Total	<u>\$ 267,763</u>

**NOTE 9 - CAPITAL ASSETS**

A. Governmental activities capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	<u>Balance</u>			<u>Balance</u>
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2015</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 6,315,782	\$ -	\$ -	\$ 6,315,782
Construction in progress	<u>1,148,798</u>	<u>264,463</u>	<u>(767,938)</u>	<u>645,323</u>
Total capital assets, not being depreciated	<u>7,464,580</u>	<u>264,463</u>	<u>(767,938)</u>	<u>6,961,105</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	10,457,885	119,283	-	10,577,168
Buildings	49,415,457	2,770,696	-	52,186,153
Equipment	3,962,495	320,522	(29,492)	4,253,525
Vehicles	<u>4,138,909</u>	<u>379,304</u>	<u>(228,215)</u>	<u>4,289,998</u>
Total capital assets, being depreciated	<u>67,974,746</u>	<u>3,589,805</u>	<u>(257,707)</u>	<u>71,306,844</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(6,078,219)	(477,302)	-	(6,555,521)
Buildings	(20,499,224)	(1,397,672)	-	(21,896,896)
Equipment	(2,728,675)	(244,630)	29,492	(2,943,813)
Vehicles	<u>(2,593,444)</u>	<u>(317,392)</u>	<u>228,215</u>	<u>(2,682,621)</u>
Total accumulated depreciation	<u>(31,899,562)</u>	<u>(2,436,996)</u>	<u>257,707</u>	<u>(34,078,851)</u>
Total capital assets, being depreciated	<u>36,075,184</u>	<u>1,152,809</u>	<u>-</u>	<u>37,227,993</u>
Governmental activities capital assets, net	<u>\$ 43,539,764</u>	<u>\$ 1,417,272</u>	<u>\$ (767,938)</u>	<u>\$ 44,189,098</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 9 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 911,121
Special	130,434
Vocational	26,334
<u>Support services:</u>	
Pupil	57,451
Instructional staff	681
Administration	49,100
Fiscal	4,718
Business	2,121
Operations and maintenance	701,748
Pupil transportation	325,874
Central	18,451
<u>Operation of non-instructional services:</u>	
Other non-instructional services	55,652
Food service operations	54,372
Extracurricular activities	98,939
Total depreciation expense	<u>\$ 2,436,996</u>

**B.** Business-type capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	\$ 168,278	\$ -	\$ -	\$ 168,278
Buildings	5,320,572	-	-	5,320,572
Equipment	87,794	5,440	-	93,234
Vehicles	50,147	-	-	50,147
Total capital assets, being depreciated	<u>5,626,791</u>	<u>5,440</u>	<u>-</u>	<u>5,632,231</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(143,322)	(2,813)	-	(146,135)
Buildings	(2,003,303)	(168,059)	-	(2,171,362)
Equipment	(87,794)	(544)	-	(88,338)
Vehicles	(50,147)	-	-	(50,147)
Total accumulated depreciation	<u>(2,284,566)</u>	<u>(171,416)</u>	<u>-</u>	<u>(2,455,982)</u>
Business-type activities capital assets, net	<u>\$ 3,342,225</u>	<u>\$ (165,976)</u>	<u>\$ -</u>	<u>\$ 3,176,249</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 10 - RISK MANAGEMENT**

**A. Property and Liability**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2015, the District maintained comprehensive insurance coverage for liability, violence, property, building contents and vehicles. The District obtains insurance coverage through Argonaut Insurance Company. Vehicle policies include liability coverage for bodily injury and property damage. The following is a description of the District's insurance coverage:

Building and Contents - Replacement Cost	\$85,882,139
Automobile Liability	1,000,000
General Liability:	
Per occurrence	1,000,000
Total per year	3,000,000
Umbrella Liability:	
Per occurrence	1,000,000
Total per year	3,000,000
Employer's Liability	1,000,000

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

**B. Workers' Compensation**

During fiscal year 2012, the District became self-insured for workers' compensation benefits. The District only pays administrative charges and in turn the District assumes the responsibility of paying all claims incurred during the policy period. The District's stop-loss coverage through the plan is limited to \$200,000 per claim stop-loss coverage with an annual aggregate. The District utilizes Sheakley Uniservice, Inc. as its third party administrator to assist in the monitoring and processing of claims filed. During fiscal year 2015, the District paid administration fees in the amount of \$20,400 for these services.

The District's Workers' Compensation program is accounted for in the internal service fund which pays for all claims, claim reserves and administrative costs of the program. The internal service fund generates revenues by charging each fund a percentage rate determined by the District for the payroll during the reporting period. The claims liability of \$93,978 reported in the basic financial statements at June 30, 2015, is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB 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 accrued at the estimated ultimate cost of settling the claim.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 10 - RISK MANAGEMENT - (Continued)**

Changes in claims activity for the fiscal years 2015 and 2014 were as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2015	\$ 70,112	\$ 250,234	\$ (226,368)	\$ 93,978
2014	33,498	123,698	(87,084)	70,112

**C. Employee Health Benefits**

The District participates in the Suburban Health Consortium, a shared risk pool (Note 15) to provide employee medical, prescription, dental and vision benefits. Rates are set annually with the assistance of a consultant. The District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating districts. During fiscal year 2014, the District's Board of Education paid 88% of the cost of the monthly medical and prescription premiums for full-time employees and administrators. Additionally, the Board paid 88% of the monthly premium for dental and vision coverage.

Claims are paid for all participants regardless of claims flow. Upon termination, all District claims would be paid without regard to the District's account balance or the Directors have the right to hold monies for an exiting school district subsequent to the settlement of all expenses and claims.

**NOTE 11 - 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 12 to 22 days of vacation per year, depending upon length of service and hours worked. Teachers do not earn vacation time. Administrators employed to work 225 days per year receive 22 days of vacation annually. Classified employees and administrators who receive vacation are paid for accumulated, unused vacation time upon separation of employment in accordance with Ohio Revised Code Section 3319.084. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, classified OAPSE employees receive payment for one-fourth of total sick leave accumulation up to a maximum accumulation of 270 days. For classified CESSA and certified employees, upon retirement, employees receive one-fourth of total sick leave accumulation up to a maximum accumulation of 336 and 320 days, respectively, plus eight percent of sick leave accumulation over the last five years of service less sick leave used over the last five years of service.

**B. Life Insurance**

The District provides life insurance and accidental death and dismemberment insurance to most employees through Anthem in the amount of \$100,000 and \$200,000 for all administrators.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

***Net Pension Liability***

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

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

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

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

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

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

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the 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, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$1,394,004 for fiscal year 2015.

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

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 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 two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

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

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$3,135,370 for fiscal year 2015. Of this amount, \$531,648 is reported as pension obligation payable.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$ 16,859,975	\$ 52,415,847	\$ 69,275,822
Proportion of the Net Pension Liability	0.33313900%	0.21549502%	
Pension Expense	\$ 997,444	\$ 2,253,416	\$ 3,250,860

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$ 143,496	\$ 504,616	\$ 648,112
School District contributions subsequent to the measurement date	<u>1,394,004</u>	<u>3,135,370</u>	<u>4,529,374</u>
Total Deferred Outflows of Resources	<u>\$ 1,537,500</u>	<u>\$ 3,639,986</u>	<u>\$ 5,177,486</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	<u>\$ 2,736,421</u>	<u>\$ 9,697,130</u>	<u>\$ 12,433,551</u>
Total Deferred Inflows of Resources	<u>\$ 2,736,421</u>	<u>\$ 9,697,130</u>	<u>\$ 12,433,551</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

\$4,529,374 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2016	\$ (648,231)	\$ (2,298,129)	\$ (2,946,360)
2017	(648,231)	(2,298,129)	(2,946,360)
2018	(648,231)	(2,298,129)	(2,946,360)
2019	(648,232)	(2,298,127)	(2,946,359)
Total	\$ (2,592,925)	\$ (9,192,514)	\$ (11,785,439)

***Actuarial Assumptions - SERS***

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

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

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, 2014, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement 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.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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 a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US 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	<u>100.00 %</u>	

**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 earning 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 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	Current	1% Increase
	(6.75%)	Discount Rate (7.75%)	(8.75%)
District's proportionate share of the net pension liability	\$24,054,174	\$ 16,859,975	\$ 10,809,032

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

***Actuarial Assumptions - STRS***

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
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 paid 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 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	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	<u>1.00</u>	3.00
Total	<u>100.00 %</u>	

***Discount Rate*** The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. 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, 2014. 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, 2014.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

*Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 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%)
District's proportionate share of the net pension liability	\$75,038,999	\$ 52,415,847	\$ 33,284,273

**NOTE 13 - POSTEMPLOYMENT BENEFITS**

**A. School Employees Retirement System**

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

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. 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 2015, 0.82 percent 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 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the District's surcharge obligation was \$109,385.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 13 - POSTEMPLOYMENT BENEFITS - (Continued)**

The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$81,649, \$131,841, and \$154,606, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

**B. State Teachers Retirement System**

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$225,362, and \$223,396 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 14 - LONG-TERM OBLIGATIONS**

A. During fiscal year 2015, the following changes occurred in governmental activities long-term obligations. The long-term obligations at June 30, 2014 have been restated as described in Note 3.A.

	Restated Balance Outstanding <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	Balance Outstanding <u>June 30, 2015</u>	Amount Due in <u>One Year</u>
<u>General Obligation Bonds:</u>					
Series 2004, Improvement Current Interest Bonds					
2.0 - 4.625%, 12/01/26 maturity	\$ 3,055,000	\$ -	\$ -	\$ 3,055,000	\$ 200,000
Series 2004, Improvement Capital Appreciation Bonds 24.185% (stated rate)					
12/01/13 and 12/01/14 maturity	17,726	-	(17,726)	-	-
Series 2004, Improvement Capital Appreciation Bonds Accreted Interest					
	160,774	21,500	(182,274)	-	-
Series 2007, Refunding Current Interest Bonds					
4.00 - 4.50%, 12/01/23 maturity	14,385,000	-	(1,530,000)	12,855,000	-
Series 2007, Refunding Capital Appreciation Bonds 9.281% (stated rate)					
12/01/15 and 12/01/16 maturity	1,394,970	-	-	1,394,970	728,410
Series 2007, Refunding Capital Appreciation Bonds Accreted Interest					
	1,270,468	247,369	-	1,517,837	792,577
Series 2010 Qualified School Construction Bonds					
4.72% 12/1/19 maturity	<u>2,670,000</u>	<u>-</u>	<u>-</u>	<u>2,670,000</u>	<u>-</u>
Total, general obligation bonds	<u>22,953,938</u>	<u>268,869</u>	<u>(1,730,000)</u>	<u>21,492,807</u>	<u>1,720,987</u>

(Continued)

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

	Restated Balance Outstanding June 30, 2014	<u>Additions</u>	<u>Deletions</u>	Balance Outstanding June 30, 2015	Amount Due in One Year
<b>Other obligations:</b>					
Capital lease obligation	\$ 5,730	\$ 299,503	\$ (37,470)	\$ 267,763	\$ 71,953
Net pension liability	78,785,863	-	(11,640,049)	67,145,814	-
Compensated absences	<u>6,415,796</u>	<u>902,025</u>	<u>(480,878)</u>	<u>6,836,943</u>	<u>1,161,822</u>
Total, other obligations	<u>85,207,389</u>	<u>1,201,528</u>	<u>(12,158,397)</u>	<u>74,250,520</u>	<u>1,233,775</u>
Total, all governmental activities long-term liabilities	<u>\$ 108,161,327</u>	<u>\$ 1,470,397</u>	<u>\$ (13,888,397)</u>	95,743,327	<u>\$ 2,954,762</u>
Add: Unamortized premium on bonds				<u>517,702</u>	
Total on statement of net position				<u>\$ 96,261,029</u>	
<b>Business-type activity:</b>					
Net pension liability	\$ 3,462,258	\$ -	\$ (1,332,250)	\$ 2,130,008	\$ -
Compensated absences	<u>54,737</u>	<u>12,720</u>	<u>(6,950)</u>	<u>60,507</u>	<u>8,786</u>
Total business-type activities, long-term obligations	<u>\$ 3,516,995</u>	<u>\$ 12,720</u>	<u>\$ (1,339,200)</u>	<u>\$ 2,190,515</u>	<u>\$ 8,786</u>

The general obligation bonds will be paid with property tax revenue from the bond retirement fund. Compensated absences will be paid from the fund from which the employee is paid, which for the District is primarily the general fund. Capital lease obligations will be paid from the general fund.

*Net Pension Liability:* See Note 12 for details on the net pension liability.

*Capital Lease Obligations:* See Note 8 for details on the capital lease obligations.

***Series 1999 General Obligation Bonds***

On May 12, 1999, the District issued \$29,498,221 in general obligation bonds. The proceeds of these bonds were used to provide long-term financing of the District's building projects. These bonds bear an annual interest rate of 3.3% to 5.1% and mature in fiscal year 2014. The Series 1999 general obligation bond issue is comprised of both current interest bonds, par value \$28,710,000 and capital appreciation bonds, par value \$788,221. There are no further obligations on this bond issuance.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

Series 2004 School Improvement General Obligation Bonds

On April 8, 2004, the District issued \$4,499,998 in general obligation bonds. The proceeds of the bond issue were used to retire the Series 2003 School Improvement Notes which matured on July 15, 2004. The Series 2004 school improvement general obligation bond issue is comprised of both current interest bonds, par value \$4,460,000 and capital appreciation bonds, par value \$39,998. The capital appreciation bonds matured on December 1, 2014 (stated interest rate 24.185%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The current interest bonds maturing on December 1, 2026 (the 2026 Term Bonds) are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the Authorizing Legislation. That mandatory redemption of the 2026 Term Bonds is to occur on December 1 in each of the years 2024 and 2025 (with the balance of \$320,000 to be paid at stated maturity on December 1, 2026), at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Redemption Dates</u>	<u>Redemption Price</u>
December 1, 2024	\$290,000
December 1, 2025	305,000

The current interest bonds maturing on or after December 1, 2015 are also subject to prior redemption on or after June 21, 2014 by and at the sole option of the Board, either in whole or in part (as selected by the Board) on any date and in integral multiples of \$5,000, at par.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2026.

Series 2007 Refunding General Obligation Bonds

On February 14, 2007, the District issued general obligation bonds (Series 2007 Refunding Bonds) to advance refund the callable portion of the Series 1999 school improvement current interest bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded current interest bonds at June 30, 2015, is \$15,940,000.

The refunding issue is comprised of both current interest bonds, par value \$16,960,000 and capital appreciation bonds par value \$1,394,970. The interest rates on the current interest bonds range from 4.00% - 4.50%. The capital appreciation bonds mature on December 1, 2015 (stated interest rate 9.281%) and December 1, 2016 (stated interest rate 9.281%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond maturing December 1, 2015 is \$1,590,000. The accreted value at maturity for the capital appreciation bond maturing December 1, 2016 is \$1,590,000. Total accreted interest of \$1,517,838 has been included in the statement of net position at June 30, 2015.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2023.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

The reacquisition price exceeded the net carrying amount of the old debt by \$657,852. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

School Facilities Construction and Improvement Bonds - Series 2010

On September 1, 2010, the District issued \$2,670,000 of Qualified School Construction Bonds (QSCBs) to finance building construction and improvements. This issue is comprised of current interest term bonds, par value \$2,670,000.

These bonds are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations of the District are accounted for on the statement of net position. Payments of interest relating to this bond are recorded as expenditures in the bond retirement fund.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issues is December 1, 2019.

For QSCBs, the District receives a direct payment subsidy from the United States Treasury equal to 100% of the lesser of the interest payments on the bonds or the federal tax credits that would otherwise have been available to the holders of the bonds. The District recorded this subsidy from the federal government in the amount of \$116,937 in the bond retirement fund.

\$2,670,000 of the QSCBs is subject to mandatory sinking fund deposits. The District is required to maintain a sinking fund account and deposit monies each December 1 into the account for payment of the bonds at maturity on December 1, 2019. During fiscal year 2014, the District made \$267,000 in sinking fund deposits. The payments into the sinking fund were made through the bond retirement fund during fiscal year 2015. On the financial statements, the fair value of the investments accumulated in the sinking fund in the amount of \$1,108,286 is reported as "cash and investments with escrow agent".

The following is a schedule of future sinking fund deposits required to be made into the District's sinking fund account:

<u>Fiscal Year</u>	<u>Sinking Fund Required Deposit</u>
2016	\$ 267,000
2017	267,000
2018	267,000
2019	267,000
2020	267,000
Total	<u>\$ 1,335,000</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

**B.** Principal and interest requirements to retire the general obligation bonds outstanding at June 30, 2015 are as follows:

Fiscal Year Ending June 30	Current Interest G.O. Bonds (Series 2004)		
	Principal	Interest	Total
2016	\$ 200,000	\$ 129,732	\$ 329,732
2017	210,000	121,683	331,683
2018	220,000	113,082	333,082
2019	225,000	104,014	329,014
2020	235,000	94,352	329,352
2021 - 2025	1,340,000	302,775	1,642,775
2026 - 2027	625,000	29,253	654,253
Total	<u>\$ 3,055,000</u>	<u>\$ 894,891</u>	<u>\$ 3,949,891</u>

Fiscal Year Ending June 30	Current Interest G.O. Bonds (Series 2007)			Capital Appreciation G.O. Bonds (Series 2007)		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ -	\$ 557,062	\$ 557,062	\$ 728,410	\$ 861,590	\$ 1,590,000
2017	-	557,063	557,063	666,560	923,440	1,590,000
2018	1,590,000	525,263	2,115,263	-	-	-
2019	1,705,000	457,231	2,162,231	-	-	-
2020	1,775,000	383,280	2,158,280	-	-	-
2021 - 2024	7,785,000	703,132	8,488,132	-	-	-
Total	<u>\$ 12,855,000</u>	<u>\$ 3,183,031</u>	<u>\$ 16,038,031</u>	<u>\$ 1,394,970</u>	<u>\$ 1,785,030</u>	<u>\$ 3,180,000</u>

Fiscal Year Ending June 30	Current Interest G.O. Bonds (Series 2010)		
	Principal	Interest	Total
2016	\$ -	\$ 126,024	\$ 126,024
2017	-	126,024	126,024
2018	-	126,024	126,024
2019	-	126,024	126,024
2020	2,670,000	63,012	2,733,012
Total	<u>\$ 2,670,000</u>	<u>\$ 567,108</u>	<u>\$ 3,237,108</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

**C. Legal Debt Margin**

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2015, are a voted debt margin of \$75,385,294 (including available funds of \$4,191,931) and an unvoted debt margin of \$1,012,981.

**NOTE 15 - PUBLIC ENTITY RISK POOL**

The Suburban Health Consortium (Consortium) is a shared health risk pool created pursuant to State statute for the purpose of administering health care benefits. The Consortium is governed by an assembly which consists of one representative from each participating school district (usually the superintendent or designee). The assembly elects officers for one year terms to serve on the Board of Directors. The assembly exercises control over the operation of the Consortium. All Consortium revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. Each school district reserves the right to terminate the plan in whole or in part at any time for their district. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance of the terms of the contract. During fiscal year 2012, the District became the fiscal agent for the Consortium.

**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Northeast Ohio Network for Educational Technology (NEOnet)**

NEOnet was established as a jointly governed organization among sixteen school districts and the Summit County Educational Service Center that was formed July 1, 1995. NEOnet was formed for the purpose of applying modern technology (with the aid of computers and other electronic equipment) to improve administrative and instructional functions of member districts. NEOnet has since been restructured and organized as a council of governments (COG) under Ohio Revised Code 3301.075 and Chapter 167. The new COG is called the Metropolitan Regional Service Council (Council). The Council serves several program functions for the 27 school district members, such as NEOnet ITC functions and as a collaborative purchasing agent. The Council is self-supporting and conducts its fiscal services in house with a licensed treasurer.

The Council employs an Executive Director who works cooperatively with a nine-member Board of Directors consisting of four superintendents, the Portage Lakes Career Center superintendent, three members of the treasurers' committee and one member of the technology committee. The degree of control exercised by any participating school district is limited to its representation on the assembly, which elects the board of directors, who exercises total control over the operation of NEOnet including budgeting, appropriating, contracting and designating management. All revenues are generated from State funding and an annual fee per student to participating districts. The Metropolitan Regional Services Council and NEOnet are located at 700 Graham Road, Cuyahoga Falls, Ohio 44221. During the current fiscal year, the District contributed \$230,710 to NEOnet.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS - (Continued)**

**B. Ohio Schools Council**

The Ohio Schools Council Association (Council) is a jointly governed organization comprised of one hundred twenty-one member districts. The mission of the Council is to identify, plan and provide services to member districts that can be more effectively achieved by cooperative endeavors of member districts than by an individual district operating on its own. Each district supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2015, the District paid \$4,214 to the Council for membership and other services and \$230,638 to the Council's prepaid natural gas program. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The District participates in the natural gas purchase program. This program allows the District to purchase natural gas at reduced rates. Compass Energy has been selected as the supplier and program manager for the period from April 1, 2013 through March 31, 2016. There are currently 151 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The District also participates in the Council's electric purchase program. The Council provides 238 school districts and 11 Developmental Disabilities boards in the First Energy territory (Cleveland Electric Illuminating, Ohio Edison, and Toledo Edison) the ability to purchase electricity at reduced rates. The Council's current program, Power 4 Schools, provides for a fixed per kilowatt-hour for electricity generation until May 2017, converting to a new fixed price or percent off the Price to Compare (PTC), whichever provides the greatest savings until December 2019.

**NOTE 17 - SET-ASIDES**

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 17 - SET-ASIDES - (Continued)**

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2014	\$ -
Current year set-aside requirement	361,104
Contributions in excess of the current fiscal year set-aside requirement	-
Current year qualifying expenditures	-
Excess qualified expenditures from prior years	-
Current year offsets	(865,721)
Waiver granted by ODE	-
Prior year offset from bond proceeds	<u>-</u>
Total	<u>\$ (504,617)</u>
Balance carried forward to fiscal year 2016	<u>\$ -</u>
Set-aside balance June 30, 2015	<u>\$ -</u>

The District had current year offsets that reduced the capital improvements set-aside amount to zero. During fiscal years 1999, 2004 and 2011, the District issued \$29,498,221, \$4,499,998 and \$2,670,000, respectively, in capital related school improvement bonds. These proceeds may be used to reduce capital acquisition below zero for future years. The amount presented for Prior Year Offset from Bond Proceeds is limited to an amount needed to reduce the reserve for capital improvement to zero. The District is responsible for tracking the amount of the bond proceeds that may be used as an offset in future periods, which was \$36,668,219 at June 30, 2015.

**NOTE 18 - CONTINGENCIES**

**A. Grants**

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

**B. Litigation**

The District is party to legal proceedings. The District management is of the opinion that the ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the District.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 18 - CONTINGENCIES - (Continued)**

**C. Foundation Funding**

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional Districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

**NOTE 19 - BUDGETARY BASIS OF ACCOUNTING**

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

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

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

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 19 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

	<u>General fund</u>
Budget basis	\$ (3,356,526)
Net adjustment for revenue accruals	1,564,448
Net adjustment for expenditure accruals	(1,429)
Net adjustment for other sources/uses	160,246
Funds budgeted elsewhere	(281,699)
Adjustment for encumbrances	<u>398,618</u>
GAAP basis	<u>\$ (1,516,342)</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the unclaimed monies fund, uniform school supplies fund, special education fund, public school support fund, the electric holding fund and the termination benefits fund.

**NOTE 20 - OTHER COMMITMENTS**

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 284,634
Permanent improvement fund	2,649,104
Other nonmajor governmental funds	<u>14,929</u>
Total	<u>\$ 2,948,667</u>

**NOTE 21 - CONTRACTUAL COMMITMENTS**

As of June 30, 2015, the District had the following contractual commitments outstanding:

<u>Vendor</u>	<u>Total Contract</u>	<u>Amount Paid</u>	<u>Remaining Commitment June 30, 2015</u>
Albert M. Higley Company	\$ 3,496,000	\$ (116,208)	\$ 3,379,792
M. Downing Construction	<u>289,593</u>	<u>(69,152)</u>	<u>220,441</u>
Total	<u>\$ 3,785,593</u>	<u>\$ (185,360)</u>	<u>\$ 3,600,233</u>

**NOTE 22 - SUBSEQUENT EVENT**

On August 1, 2015, Todd Puster became Treasurer of the District.

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**REQUIRED SUPPLEMENTARY INFORMATION**

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO FISCAL YEARS

	<b>2014</b>	<b>2013</b>
District's proportion of the net pension liability	0.33313900%	0.33313900%
District's proportionate share of the net pension liability	\$ 16,859,975	\$ 19,810,707
District's covered-employee payroll	\$ 9,778,146	\$ 9,697,861
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	172.43%	204.28%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	65.52%

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

Note: Information prior to fiscal year 2013 was unavailable.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO FISCAL YEARS

	<b>2014</b>	<b>2013</b>
District's proportion of the net pension liability	0.21549502%	0.21549502%
District's proportionate share of the net pension liability	\$ 52,415,847	\$ 62,437,414
District's covered-employee payroll	\$ 22,017,638	\$ 22,339,577
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	238.06%	279.49%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	69.30%

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

Note: Information prior to fiscal year 2013 was unavailable.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 1,394,004	\$ 1,355,251	\$ 1,342,184	\$ 1,292,824
Contributions in relation to the contractually required contribution	<u>(1,394,004)</u>	<u>(1,355,251)</u>	<u>(1,342,184)</u>	<u>(1,292,824)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 10,576,662	\$ 9,778,146	\$ 9,697,861	\$ 9,612,074
Contributions as a percentage of covered-employee payroll	13.18%	13.86%	13.84%	13.45%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 1,231,533	\$ 1,296,264	\$ 926,910	\$ 885,283	\$ 926,677	\$ 867,105
<u>(1,231,533)</u>	<u>(1,296,264)</u>	<u>(926,910)</u>	<u>(885,283)</u>	<u>(926,677)</u>	<u>(867,105)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,797,399	\$ 9,573,589	\$ 9,419,817	\$ 9,015,102	\$ 8,676,751	\$ 8,195,699
12.57%	13.54%	9.84%	9.82%	10.68%	10.58%

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 3,135,370	\$ 2,862,293	\$ 2,904,145	\$ 2,940,205
Contributions in relation to the contractually required contribution	<u>(3,135,370)</u>	<u>(2,862,293)</u>	<u>(2,904,145)</u>	<u>(2,940,205)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 22,395,500	\$ 22,017,638	\$ 22,339,577	\$ 22,616,962
Contributions as a percentage of covered-employee payroll	14.00%	13.00%	13.00%	13.00%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 2,982,666	\$ 2,912,735	\$ 2,820,468	\$ 2,691,562	\$ 2,607,823	\$ 2,472,253
<u>(2,982,666)</u>	<u>(2,912,735)</u>	<u>(2,820,468)</u>	<u>(2,691,562)</u>	<u>(2,607,823)</u>	<u>(2,472,253)</u>
<u>\$ -</u>					
\$ 22,943,585	\$ 22,405,654	\$ 21,695,908	\$ 20,704,323	\$ 20,060,177	\$ 19,017,331
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for fiscal year 2014 and 2015.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014 and 2015. See the notes to the basic financials for the methods and assumptions in this calculation.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for fiscal year 2014 and 2015.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014 and 2015. See the notes to the basic financials for the methods and assumptions in this calculation.

Comprehensive  
Annual Financial  
Report

Fiscal Year Ended June 30, 2015

# Orange City School District

Cuyahoga County, Ohio



**To Learn.  
To Lead.  
To Make a Difference.**

Combining Statements  
and Individual Fund Schedules  
Supplementary Information

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**MAJOR FUNDS**

**General Fund**

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio. The general funds's activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation and administration.

**Other Major Funds**

**Bond Retirement Fund**

The bond retirement fund is used to account for the accumulation of property tax revenue restricted for the payment of general obligations bonds used for the construction of a new elementary school and other necessary school facility improvements.

**Permanent Improvement Fund**

The permanent improvement fund is used to account for taxes levied that are restricted for the replacement and updating of equipment and facilities essential for the instruction of students.

**Recreation Fund**

This fund accounts for fees and property taxes for the upkeep of the recreation center and educational opportunities offered to District residents.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 37,550,738	\$ 33,326,441	\$ 39,145,161	\$ 5,818,720
Tuition. . . . .	387,000	317,000	280,619	(36,381)
Earnings on investments . . . . .	225,000	225,000	163,528	(61,472)
Classroom materials and fees . . . . .	3,000	3,000	1,686	(1,314)
Rental income . . . . .	5,000	5,000	9,031	4,031
Contributions and donations . . . . .	-	-	1,000	1,000
Contract services . . . . .	40,000	40,000	53,983	13,983
Other local revenues . . . . .	35,000	35,000	34,230	(770)
Intergovernmental - state. . . . .	<u>7,723,370</u>	<u>8,173,370</u>	<u>8,244,046</u>	<u>70,676</u>
<i>Total revenues.</i> . . . .	<u>45,969,108</u>	<u>42,124,811</u>	<u>47,933,284</u>	<u>5,808,473</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular:				
Salaries and wages . . . . .	12,761,718	12,760,363	13,016,199	(255,836)
Fringe benefits . . . . .	4,057,831	4,057,400	4,055,283	2,117
Purchased services . . . . .	754,805	754,725	812,447	(57,222)
Materials and supplies. . . . .	326,385	326,350	303,049	23,301
Capital outlay . . . . .	<u>146,481</u>	<u>146,465</u>	<u>138,914</u>	<u>7,551</u>
Total instruction-regular. . . . .	<u>18,047,220</u>	<u>18,045,303</u>	<u>18,325,892</u>	<u>(280,589)</u>
Instruction-special:				
Salaries and wages . . . . .	4,034,585	4,034,157	3,881,100	153,057
Fringe benefits . . . . .	1,441,313	1,441,160	1,372,715	68,445
Purchased services . . . . .	1,214,375	1,214,246	1,269,310	(55,064)
Materials and supplies. . . . .	67,080	67,073	57,047	10,026
Capital outlay . . . . .	<u>10,701</u>	<u>10,700</u>	<u>3,829</u>	<u>6,871</u>
Total instruction-special . . . . .	<u>6,768,054</u>	<u>6,767,336</u>	<u>6,584,001</u>	<u>183,335</u>
Instruction-vocational:				
Salaries and wages . . . . .	44,554	44,549	71,640	(27,091)
Fringe benefits . . . . .	9,874	9,873	11,576	(1,703)
Purchased services . . . . .	218,379	218,356	187,136	31,220
Materials and supplies. . . . .	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Total instruction-vocational . . . . .	<u>275,807</u>	<u>275,778</u>	<u>273,352</u>	<u>2,426</u>
Instruction-other:				
Fringe benefits . . . . .	<u>10,544</u>	<u>10,543</u>	<u>-</u>	<u>10,543</u>
Total instruction-other . . . . .	<u>10,544</u>	<u>10,543</u>	<u>-</u>	<u>10,543</u>
Support services-pupil:				
Salaries and wages . . . . .	2,098,970	2,098,747	2,134,442	(35,695)
Fringe benefits . . . . .	714,031	713,955	680,628	33,327
Purchased services . . . . .	432,372	432,326	411,160	21,166
Materials and supplies. . . . .	<u>22,740</u>	<u>22,738</u>	<u>19,569</u>	<u>3,169</u>
Total support services-pupil. . . . .	<u>3,268,113</u>	<u>3,267,766</u>	<u>3,245,799</u>	<u>21,967</u>

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Support services-instructional staff:				
Salaries and wages . . . . .	\$ 941,525	\$ 941,426	\$ 923,362	\$ 18,064
Fringe benefits . . . . .	445,347	445,300	408,621	36,679
Purchased services . . . . .	76,399	76,391	74,383	2,008
Materials and supplies . . . . .	46,961	46,956	36,361	10,595
Capital outlay . . . . .	7,635	7,634	7,634	-
Total support services-instructional staff . . . . .	1,517,867	1,517,707	1,450,361	67,346
Support services-Board of Education:				
Salaries and wages . . . . .	15,002	15,000	22,500	(7,500)
Fringe benefits . . . . .	4,330	4,330	5,955	(1,625)
Purchased services . . . . .	6,001	6,000	5,792	208
Materials and supplies . . . . .	200	200	-	200
Capital outlay . . . . .	2,500	2,500	2,500	-
Other . . . . .	54,535	54,529	53,855	674
Total support services-Board of Education . . . . .	82,568	82,559	90,602	(8,043)
Support services-administration:				
Salaries and wages . . . . .	1,855,509	1,855,312	1,827,002	28,310
Fringe benefits . . . . .	801,145	801,060	762,717	38,343
Purchased services . . . . .	531,729	531,673	518,866	12,807
Materials and supplies . . . . .	33,904	33,900	33,364	536
Capital outlay . . . . .	7,463	7,462	6,742	720
Other . . . . .	206,821	206,799	185,864	20,935
Total support services-administration. . . . .	3,436,571	3,436,206	3,334,555	101,651
Support services-fiscal:				
Salaries and wages . . . . .	392,759	392,717	398,851	(6,134)
Fringe benefits . . . . .	201,860	201,839	248,956	(47,117)
Purchased services . . . . .	67,241	67,234	54,256	12,978
Materials and supplies . . . . .	5,501	5,500	1,880	3,620
Capital outlay . . . . .	14,436	14,434	13,720	714
Other . . . . .	653,100	653,031	643,493	9,538
Total support services-fiscal . . . . .	1,334,897	1,334,755	1,361,156	(26,401)
Support services-business:				
Salaries and wages . . . . .	287,536	287,505	304,027	(16,522)
Fringe benefits . . . . .	119,877	119,864	114,355	5,509
Purchased services . . . . .	143,100	143,085	156,622	(13,537)
Materials and supplies . . . . .	75,564	75,556	68,485	7,071
Capital outlay . . . . .	10,501	10,500	6,778	3,722
Other . . . . .	3,000	3,000	1,916	1,084
Total support services-business . . . . .	639,578	639,510	652,183	(12,673)

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Support services-operations and maintenance:				
Salaries and wages . . . . .	\$ 1,814,236	\$ 1,814,043	\$ 1,864,713	\$ (50,670)
Fringe benefits . . . . .	862,643	862,551	840,634	21,917
Purchased services . . . . .	1,668,669	1,668,492	1,692,712	(24,220)
Materials and supplies. . . . .	220,636	220,613	219,238	1,375
Capital outlay . . . . .	80,088	80,079	78,174	1,905
Other . . . . .	<u>20,002</u>	<u>20,000</u>	<u>10,502</u>	<u>9,498</u>
Total support services-operations and maintenance . . . . .	<u>4,666,274</u>	<u>4,665,778</u>	<u>4,705,973</u>	<u>(40,195)</u>
Support services-pupil transportation:				
Salaries and wages . . . . .	1,969,005	1,968,796	1,954,553	14,243
Fringe benefits . . . . .	1,010,684	1,010,577	947,637	62,940
Purchased services . . . . .	92,499	92,489	82,900	9,589
Materials and supplies. . . . .	382,491	382,450	312,557	69,893
Capital outlay . . . . .	<u>358,020</u>	<u>357,982</u>	<u>355,867</u>	<u>2,115</u>
Total support services-pupil transportation . . . . .	<u>3,812,699</u>	<u>3,812,294</u>	<u>3,653,514</u>	<u>158,780</u>
Support services-central:				
Salaries and wages . . . . .	434,872	434,826	395,231	39,595
Fringe benefits . . . . .	228,276	228,252	207,034	21,218
Purchased services . . . . .	219,029	219,006	211,972	7,034
Materials and supplies. . . . .	41,801	41,797	40,522	1,275
Capital outlay . . . . .	<u>70,002</u>	<u>69,995</u>	<u>70,185</u>	<u>(190)</u>
Total support services-central . . . . .	<u>993,980</u>	<u>993,876</u>	<u>924,944</u>	<u>68,932</u>
Extracurricular activities:				
Salaries and wages . . . . .	1,072,674	1,072,560	1,074,246	(1,686)
Fringe benefits . . . . .	237,421	237,396	177,433	59,963
Purchased services . . . . .	<u>225</u>	<u>225</u>	<u>175</u>	<u>50</u>
Total extracurricular activities. . . . .	<u>1,310,320</u>	<u>1,310,181</u>	<u>1,251,854</u>	<u>58,327</u>
<i>Total expenditures . . . . .</i>	<u>46,164,492</u>	<u>46,159,592</u>	<u>45,854,186</u>	<u>305,406</u>
<i>Excess (deficiency) of revenues over (under) expenditures . . . . .</i>	<u>(195,384)</u>	<u>(4,034,781)</u>	<u>2,079,098</u>	<u>6,113,879</u>

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Other financing sources (uses):</b>				
Refund of prior year's expenditures . . . . .	\$ 3,000	\$ 3,000	\$ 144,575	\$ 141,575
Refund of prior year's receipts . . . . .	-	-	(504)	(504)
Transfers out . . . . .	(2,530,000)	(5,596,000)	(5,576,000)	20,000
Advances in . . . . .	700,000	700,000	-	(700,000)
Advances out. . . . .	-	(4,900)	(4,814)	86
Sale of capital assets . . . . .	-	-	1,119	1,119
<i>Total other financing sources (uses) . . . . .</i>	<u>(1,827,000)</u>	<u>(4,897,900)</u>	<u>(5,435,624)</u>	<u>(537,724)</u>
<i>Net change in fund balance . . . . .</i>	(2,022,384)	(8,932,681)	(3,356,526)	5,576,155
<i>Fund balance at beginning of year . . . . .</i>	26,625,286	26,625,286	26,625,286	-
<i>Prior year encumbrances appropriated. . . . .</i>	203,492	203,492	203,492	-
<i>Fund balance at end of year. . . . .</i>	<u>\$ 24,806,394</u>	<u>\$ 17,896,097</u>	<u>\$ 23,472,252</u>	<u>\$ 5,576,155</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BOND RETIREMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Property taxes . . . . .	\$ 1,847,689	\$ 2,162,078	\$ 314,389
Earnings on investments . . . . .	25,000	15,063	(9,937)
Intergovernmental - state . . . . .	263,000	260,818	(2,182)
Intergovernmental-federal . . . . .	116,950	116,824	(126)
<i>Total revenues.</i> . . . .	2,252,639	2,554,783	302,144
 <b>Expenditures:</b>			
Current:			
Support services-fiscal			
Dues and fees . . . . .	34,731	33,159	1,572
Total support services-fiscal . . . . .	34,731	33,159	1,572
Debt service:			
Principal retirement . . . . .	2,000,000	2,000,000	-
Interest and fiscal charges . . . . .	848,269	847,619	650
Total debt service . . . . .	2,848,269	2,847,619	650
<i>Total expenditures</i> . . . . .	2,883,000	2,880,778	2,222
 <i>Net change in fund balance</i> . . . . .	(630,361)	(325,995)	304,366
 <i>Fund balance at beginning of year</i> . . . . .	2,969,226	2,969,226	-
<i>Fund balance at end of year.</i> . . . .	\$ 2,338,865	\$ 2,643,231	\$ 304,366

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PERMANENT IMPROVEMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Property taxes. . . . .	\$ 693,019	\$ 748,837	\$ 55,818
Earnings on investments . . . . .	32,000	27,191	(4,809)
Other local revenue. . . . .	15,500	1,984	(13,516)
Intergovernmental - state. . . . .	117,500	116,883	(617)
<i>Total revenues.</i> . . . . .	858,019	894,895	36,876
<b>Expenditures:</b>			
Current:			
Support services-fiscal			
Dues and fees . . . . .	13,500	12,716	784
Total support services-fiscal . . . . .	13,500	12,716	784
Facilities acquisition and construction:			
Capital outlay . . . . .	7,948,532	4,982,204	2,966,328
Total facilities acquisition and construction. . . . .	7,948,532	4,982,204	2,966,328
<i>Total expenditures</i> . . . . .	7,962,032	4,994,920	2,967,112
<i>Excess of expenditures over revenues.</i> . . . . .	(7,104,013)	(4,100,025)	3,003,988
<b>Other financing sources:</b>			
Refund of prior year's expenditures . . . . .	-	814	814
Transfers in. . . . .	2,000,000	5,066,000	3,066,000
<i>Total other financing sources.</i> . . . . .	2,000,000	5,066,814	3,066,814
<i>Net change in fund balance</i> . . . . .	(5,104,013)	966,789	6,070,802
<i>Fund balance at beginning of year</i> . . . . .	5,199,635	5,199,635	-
<i>Prior year encumbrances appropriated.</i> . . . .	2,157,532	2,157,532	-
<i>Fund balance at end of year.</i> . . . . .	\$ 2,253,154	\$ 8,323,956	\$ 6,070,802

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
RECREATION FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Operating revenues:</b>			
Program fees . . . . .	\$ 2,021,058	\$ 1,723,956	\$ (297,102)
Sales/charges for services. . . . .	45,096	45,784	688
Other . . . . .	<u>48,199</u>	<u>48,860</u>	<u>661</u>
<i>Total operating revenues . . . . .</i>	<u>2,114,353</u>	<u>1,818,600</u>	<u>(295,753)</u>
<b>Operating expenses:</b>			
Salaries. . . . .	1,397,665	1,253,750	143,915
Fringe benefits . . . . .	549,893	454,068	95,825
Purchased services . . . . .	810,179	555,096	255,083
Materials and supplies . . . . .	152,989	103,661	49,328
Capital outlay. . . . .	355,915	334,361	21,554
Other. . . . .	<u>38,500</u>	<u>44,069</u>	<u>(5,569)</u>
<i>Total operating expenses . . . . .</i>	<u>3,305,141</u>	<u>2,745,005</u>	<u>560,136</u>
<i>Operating loss . . . . .</i>	<u>(1,190,788)</u>	<u>(926,405)</u>	<u>264,383</u>
<b>Nonoperating revenues:</b>			
Investment earnings . . . . .	33,000	23,512	(9,488)
Property taxes . . . . .	698,923	814,260	115,337
Grants and subsidies . . . . .	<u>121,400</u>	<u>117,528</u>	<u>(3,872)</u>
<i>Total nonoperating revenues . . . . .</i>	<u>853,323</u>	<u>955,300</u>	<u>101,977</u>
<i>Net change in fund equity. . . . .</i>	(337,465)	28,895	366,360
<i>Fund equity at beginning of year . . . . .</i>	4,641,817	4,641,817	-
<i>Prior year encumbrances appropriated. . . . .</i>	<u>8,781</u>	<u>8,781</u>	<u>-</u>
<i>Fund equity at end of year. . . . .</i>	<u>\$ 4,313,133</u>	<u>\$ 4,679,493</u>	<u>\$ 366,360</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015*

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Fund - Building Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 530,745	\$ 38,268	\$ 569,013
Receivables:			
Accrued interest . . . . .	356	41	397
Intergovernmental . . . . .	166,347	-	166,347
Materials and supplies inventory . . . . .	1,691	-	1,691
Inventory held for resale . . . . .	4,027	-	4,027
	<hr/>	<hr/>	<hr/>
<i>Total assets</i> . . . . .	<u>\$ 703,166</u>	<u>\$ 38,309</u>	<u>\$ 741,475</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 2,488	\$ -	\$ 2,488
Accrued wages payable . . . . .	109,838	-	109,838
Intergovernmental payable . . . . .	1,236	-	1,236
Pension obligation payable . . . . .	13,825	-	13,825
Interfund loans payable . . . . .	4,814	-	4,814
	<hr/>	<hr/>	<hr/>
<i>Total liabilities</i> . . . . .	<u>132,201</u>	<u>-</u>	<u>132,201</u>
<b>Deferred inflows of resources:</b>			
Intergovernmental revenue not available . . . . .	36,852	-	36,852
Accrued interest not available . . . . .	123	14	137
	<hr/>	<hr/>	<hr/>
<i>Total deferred inflows of resources</i> . . . . .	<u>36,975</u>	<u>14</u>	<u>36,989</u>
<b>Fund Balances:</b>			
Nonspendable:			
Materials and supplies inventory . . . . .	1,691	-	1,691
Restricted:			
Capital improvements . . . . .	-	38,295	38,295
Food service operations . . . . .	247,539	-	247,539
Non-public schools . . . . .	45,583	-	45,583
Special education . . . . .	12,272	-	12,272
Target academic assistance . . . . .	1,672	-	1,672
Other purposes . . . . .	66,672	-	66,672
Extracurricular activities . . . . .	128,260	-	128,260
Committed:			
Other purposes . . . . .	30,301	-	30,301
	<hr/>	<hr/>	<hr/>
<i>Total fund balances</i> . . . . .	<u>533,990</u>	<u>38,295</u>	<u>572,285</u>
	<hr/>	<hr/>	<hr/>
<i>Total liabilities, deferred inflows and fund balances</i>	<u>\$ 703,166</u>	<u>\$ 38,309</u>	<u>\$ 741,475</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund - Building Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
From local sources:			
Earnings on investments . . . . .	\$ 2,687	\$ 354	\$ 3,041
Charges for services . . . . .	481,023	-	481,023
Extracurricular activities . . . . .	124,512	-	124,512
Contributions and donations . . . . .	45,278	-	45,278
Other local revenues . . . . .	30,458	-	30,458
Intergovernmental - intermediate. . . . .	80,168	-	80,168
Intergovernmental - state . . . . .	651,904	-	651,904
Intergovernmental - federal . . . . .	880,745	-	880,745
<i>Total revenues . . . . .</i>	<u>2,296,775</u>	<u>354</u>	<u>2,297,129</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	96,737	-	96,737
Special . . . . .	443,106	-	443,106
Support services:			
Pupil . . . . .	231,017	-	231,017
Instructional staff. . . . .	11,401	-	11,401
Administration . . . . .	15,976	-	15,976
Central . . . . .	5,400	-	5,400
Operation of non-instructional services:			
Other non-instructional services . . . . .	610,355	-	610,355
Food service operations . . . . .	584,234	-	584,234
Extracurricular activities . . . . .	306,921	-	306,921
Facilities acquisition and construction . . . . .	-	122,661	122,661
<i>Total expenditures . . . . .</i>	<u>2,305,147</u>	<u>122,661</u>	<u>2,427,808</u>
<i>Excess of expenditures over revenues . . . . .</i>	<u>(8,372)</u>	<u>(122,307)</u>	<u>(130,679)</u>
<b>Other financing sources:</b>			
Transfers in . . . . .	110,000	-	110,000
<i>Total other financing sources . . . . .</i>	<u>110,000</u>	<u>-</u>	<u>110,000</u>
<i>Net change in fund balances . . . . .</i>	101,628	(122,307)	(20,679)
<i>Fund balances at beginning of year . . . . .</i>	<u>432,362</u>	<u>160,602</u>	<u>592,964</u>
<i>Fund balances at end of year . . . . .</i>	<u>\$ 533,990</u>	<u>\$ 38,295</u>	<u>\$ 572,285</u>

## ORANGE CITY SCHOOL DISTRICT

### COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

#### *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 specific purposes other than debt service or capital projects. The term proceeds of specific revenue sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. A description of the District's special revenue funds follows:

#### ***Local Grants Fund***

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

#### ***District Managed Activity Fund***

A fund provided to account for monies that are restricted to those student activity programs which have student participation in the activity but do not have student management of the programs.

#### ***Auxiliary Services Fund***

A fund provided to account for monies which are restricted to provide services and materials to pupils attending non-public schools within the District.

#### ***Education Management Information System Fund***

A fund provided to account for monies that are restricted for hardware and software development, or other costs associated with the requirements of the management information system.

#### ***Ohio K-12 Network Connectivity Fund***

A fund to account for money that is restricted for expenditures related to the Ohio Educational Computer Network Connections.

#### ***Miscellaneous State Grants Fund***

A fund to account for monies restricted from state agencies which are not classified elsewhere.

#### ***Race to the Top Fund***

A fund used to account for revenues that are restricted to provide for either a new program or expansion of an existing program to support initiatives in the following areas: standards and assessments; using data to improve instruction; great teachers and leaders; and turning around the lowest achieving schools.

#### ***Title VI-B Fund***

A fund provided to account for federal monies that are restricted to assist schools 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 Fund***

A fund provided to account for federal monies that are restricted to assist the District in meeting the special needs of children of limited English proficiency.

#### ***Title I Fund***

A fund provided to account for federal monies that are restricted to assist the District in meeting the special needs of educationally deprived children.

**ORANGE CITY SCHOOL DISTRICT**

**COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS**

**Nonmajor Special Revenue Funds - (Continued)**

***Preschool Disability Fund***

A fund to account for monies received that are restricted for the improvement and expansion of services for handicapped children ages three through five years.

***Title II-A Fund***

A fund to account for grant monies that are restricted for the hiring of additional teachers in grades 1-3.

***Food Service Fund***

To account for monies received that are restricted to the food service operations of the District.

***Memorial Fund***

A fund to account for monies that are committed for the purchase of library books or other materials for the District.

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

***Unclaimed Monies Fund***

To account for resources that are unclaimed monies that have not been distributed. The fund balance of this fund is nonspendable.

***Uniform School Supplies Fund***

To account for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

***Special Education Fund***

To account for tuition revenues and other resources received from other school districts that are used on for the District's special education programs.

***Public School Support Fund***

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

***Electric Holding Fund***

A fund provided to account for resources and expenditures related to the electric consumption of the District.

***Termination Benefits Fund***

A fund provided to account for money committed for paying termination benefits.

**Nonmajor Capital Projects Funds**

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. A description of the District's nonmajor capital projects fund follows:

***Building Improvement Fund***

A fund provided to account for all transactions related to the acquiring, construction, or improving of such building improvements.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2015*

	Local Grants	District Managed Activity	Auxiliary Services	Title VI-B
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 62,895	\$ 128,260	\$ 62,899	\$ -
Receivables:				
Accrued interest . . . . .	-	-	67	-
Intergovernmental . . . . .	-	-	-	94,521
Materials and supplies inventory . . . . .	-	-	-	-
Inventory held for resale. . . . .	-	-	-	-
<i>Total assets</i> . . . . .	<u>\$ 62,895</u>	<u>\$ 128,260</u>	<u>\$ 62,966</u>	<u>\$ 94,521</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 2,488	\$ -	\$ -	\$ -
Accrued wages payable . . . . .	-	-	15,393	52,987
Intergovernmental payable. . . . .	-	-	185	614
Pension obligation payable. . . . .	-	-	1,782	6,986
Interfund loans payable. . . . .	-	-	-	4,731
<i>Total liabilities.</i> . . . . .	<u>2,488</u>	<u>-</u>	<u>17,360</u>	<u>65,318</u>
<b>Deferred inflows of resources:</b>				
Accrued interest not available . . . . .	-	-	23	-
Intergovernmental revenues not available. . . . .	-	-	-	18,290
<i>Total deferred inflows of resources.</i> . . . . .	<u>-</u>	<u>-</u>	<u>23</u>	<u>18,290</u>
<b>Fund Balances:</b>				
Nonspendable:				
Materials and supplies inventory . . . . .	-	-	-	-
Restricted:				
Food service operations . . . . .	-	-	-	-
Non-public schools. . . . .	-	-	45,583	-
Special education. . . . .	-	-	-	10,913
Target academic assistance. . . . .	-	-	-	-
Other purposes . . . . .	60,407	-	-	-
Extracurricular activities. . . . .	-	128,260	-	-
Committed:				
Other purposes . . . . .	-	-	-	-
<i>Total fund balances</i> . . . . .	<u>60,407</u>	<u>128,260</u>	<u>45,583</u>	<u>10,913</u>
<i>Total liabilities, deferred inflows and fund balances</i>	<u>\$ 62,895</u>	<u>\$ 128,260</u>	<u>\$ 62,966</u>	<u>\$ 94,521</u>

Title III	Title I	Preschool Disability	Title II-A
\$ 6,265	\$ 4	\$ 31	\$ 24
-	-	-	-
659	35,172	2,554	18,383
-	-	-	-
<u>6,924</u>	<u>35,176</u>	<u>2,585</u>	<u>18,407</u>
\$ -	\$ -	\$ -	\$ -
-	24,367	983	5,641
-	299	14	68
-	2,890	229	660
-	83	-	-
<u>-</u>	<u>27,639</u>	<u>1,226</u>	<u>6,369</u>
-	-	-	-
659	5,920	-	11,983
<u>659</u>	<u>5,920</u>	<u>-</u>	<u>11,983</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	1,359	-
-	1,617	-	55
6,265	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>6,265</u>	<u>1,617</u>	<u>1,359</u>	<u>55</u>
<u>\$ 6,924</u>	<u>\$ 35,176</u>	<u>\$ 2,585</u>	<u>\$ 18,407</u>

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2015*

	Food Service	Memorial	Total Nonmajor Special Revenue Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 240,087	\$ 30,280	\$ 530,745
Receivables:			
Accrued interest . . . . .	257	32	356
Intergovernmental . . . . .	15,058	-	166,347
Materials and supplies inventory . . . . .	1,691	-	1,691
Inventory held for resale. . . . .	4,027	-	4,027
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total assets</i> . . . . .	<u>\$ 261,120</u>	<u>\$ 30,312</u>	<u>\$ 703,166</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ -	\$ -	\$ 2,488
Accrued wages payable . . . . .	10,467	-	109,838
Intergovernmental payable. . . . .	56	-	1,236
Pension obligation payable. . . . .	1,278	-	13,825
Interfund loans payable. . . . .	-	-	4,814
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total liabilities.</i> . . . . .	<u>11,801</u>	<u>-</u>	<u>132,201</u>
<b>Deferred inflows of resources:</b>			
Accrued interest not available . . . . .	89	11	123
Intergovernmental revenues not available. . . . .	-	-	36,852
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total deferred inflows of resources.</i> . . . . .	<u>89</u>	<u>11</u>	<u>36,975</u>
<b>Fund Balances:</b>			
Nonspendable:			
Materials and supplies inventory . . . . .	1,691	-	1,691
Restricted:			
Food service operations . . . . .	247,539	-	247,539
Non-public schools. . . . .	-	-	45,583
Special education. . . . .	-	-	12,272
Target academic assistance. . . . .	-	-	1,672
Other purposes . . . . .	-	-	66,672
Extracurricular activities. . . . .	-	-	128,260
Committed:			
Other purposes . . . . .	-	30,301	30,301
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total fund balances</i> . . . . .	<u>249,230</u>	<u>30,301</u>	<u>533,990</u>
<i>Total liabilities, deferred inflows and fund balances</i>	<u>\$ 261,120</u>	<u>\$ 30,312</u>	<u>\$ 703,166</u>

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	<u>Local Grants</u>	<u>District Managed Activity</u>	<u>Auxiliary Services</u>	<u>Ohio K-12 Network Connectivity</u>
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ -	\$ -	\$ 969	\$ -
Charges for services. . . . .	-	-	-	-
Extracurricular activities. . . . .	-	124,512	-	-
Contributions and donations . . . . .	-	45,278	-	-
Other local revenues . . . . .	-	30,458	-	-
Intergovernmental - intermediate . . . . .	80,168	-	-	-
Intergovernmental - state . . . . .	1,000	-	642,911	5,400
Intergovernmental - federal . . . . .	-	-	-	-
<i>Total revenues . . . . .</i>	<u>81,168</u>	<u>200,248</u>	<u>643,880</u>	<u>5,400</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular. . . . .	58,212	-	-	-
Special . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff. . . . .	-	-	-	-
Administration . . . . .	-	-	-	-
Central . . . . .	-	-	-	5,400
Operation of non-instructional services:				
Other non-instructional services . . . . .	1,000	-	608,825	-
Food service operations . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	306,166	-	-
<i>Total expenditures . . . . .</i>	<u>59,212</u>	<u>306,166</u>	<u>608,825</u>	<u>5,400</u>
<i>Excess (deficiency) of revenues over (under) expenditures . . . . .</i>	<u>21,956</u>	<u>(105,918)</u>	<u>35,055</u>	<u>-</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	-	110,000	-	-
<i>Total other financing sources . . . . .</i>	<u>-</u>	<u>110,000</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances . . . . .</i>	21,956	4,082	35,055	-
<i>Fund balances (deficit) at beginning of year . . . . .</i>	<u>38,451</u>	<u>124,178</u>	<u>10,528</u>	<u>-</u>
<i>Fund balances at end of year. . . . .</i>	<u>\$ 60,407</u>	<u>\$ 128,260</u>	<u>\$ 45,583</u>	<u>\$ -</u>

<u>Race to the Top</u>	<u>Title VI-B</u>	<u>Title III</u>	<u>Title I</u>	<u>Preschool Disability</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	482,699	8,068	182,226	16,506
-	482,699	8,068	182,226	16,506
5	-	-	-	-
-	261,913	3,975	176,968	250
-	231,017	-	-	-
-	-	-	6,466	-
-	-	-	-	15,976
-	-	-	-	-
-	-	519	-	-
-	-	-	-	-
-	-	-	-	-
5	492,930	4,494	183,434	16,226
(5)	(10,231)	3,574	(1,208)	280
-	-	-	-	-
-	-	-	-	-
(5)	(10,231)	3,574	(1,208)	280
5	21,144	2,691	2,825	1,079
<u>\$ -</u>	<u>\$ 10,913</u>	<u>\$ 6,265</u>	<u>\$ 1,617</u>	<u>\$ 1,359</u>

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Title II-A	Food Service	Memorial	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ -	\$ 1,518	\$ 200	\$ 2,687
Charges for services . . . . .	-	481,023	-	481,023
Extracurricular activities . . . . .	-	-	-	124,512
Contributions and donations . . . . .	-	-	-	45,278
Other local revenues . . . . .	-	-	-	30,458
Intergovernmental - intermediate . . . . .	-	-	-	80,168
Intergovernmental - state . . . . .	-	2,593	-	651,904
Intergovernmental - federal . . . . .	38,550	152,696	-	880,745
<i>Total revenues . . . . .</i>	<u>38,550</u>	<u>637,830</u>	<u>200</u>	<u>2,296,775</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	37,750	-	770	96,737
Special . . . . .	-	-	-	443,106
Support services:				
Pupil . . . . .	-	-	-	231,017
Instructional staff . . . . .	-	-	4,935	11,401
Administration . . . . .	-	-	-	15,976
Central . . . . .	-	-	-	5,400
Operation of non-instructional services:				
Other non-instructional services . . . . .	-	-	11	610,355
Food service operations . . . . .	-	584,234	-	584,234
Extracurricular activities . . . . .	-	-	755	306,921
<i>Total expenditures . . . . .</i>	<u>37,750</u>	<u>584,234</u>	<u>6,471</u>	<u>2,305,147</u>
<i>Excess (deficiency) of revenues over (under) expenditures . . . . .</i>	<u>800</u>	<u>53,596</u>	<u>(6,271)</u>	<u>(8,372)</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	-	-	-	110,000
<i>Total other financing sources . . . . .</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,000</u>
<i>Net change in fund balances . . . . .</i>	<u>800</u>	<u>53,596</u>	<u>(6,271)</u>	<u>101,628</u>
<i>Fund balances (deficit) at beginning of year . . . . .</i>	<u>(745)</u>	<u>195,634</u>	<u>36,572</u>	<u>432,362</u>
<i>Fund balances at end of year . . . . .</i>	<u>\$ 55</u>	<u>\$ 249,230</u>	<u>\$ 30,301</u>	<u>\$ 533,990</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LOCAL GRANTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental - intermediate . . . . .	\$ 56,550	\$ 80,168	\$ 23,618
Intergovernmental-state . . . . .	-	1,000	1,000
<i>Total revenues.</i> . . . .	56,550	81,168	24,618
<b>Expenditures:</b>			
Current:			
Instruction-regular			
Purchased services . . . . .	53,088	30,579	22,509
Materials and supplies. . . . .	17,394	20,384	(2,990)
Capital outlay . . . . .	17,254	13,434	3,820
Total instruction-regular. . . . .	87,736	64,397	23,339
Operation of non-instructional services			
Materials and supplies. . . . .	1,000	1,000	-
<i>Total expenditures</i> . . . . .	88,736	65,397	23,339
<i>Net change in fund balance</i> . . . . .	(32,186)	15,771	47,957
<i>Fund balance at beginning of year</i> . . . . .	36,244	36,244	-
<i>Prior year encumbrances appropriated.</i> . . . .	2,600	2,600	-
<i>Fund balance at end of year.</i> . . . .	\$ 6,658	\$ 54,615	\$ 47,957

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DISTRICT MANAGED ACTIVITY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Extracurricular activities . . . . .	\$ 204,160	\$ 124,512	\$ (79,648)
Contributions and donations . . . . .	50,050	45,278	(4,772)
Other local revenues. . . . .	5,500	30,458	24,958
<i>Total revenues.</i> . . . . .	259,710	200,248	(59,462)
<b>Expenditures:</b>			
Current:			
Extracurricular activities:			
Salaries and wages . . . . .	17,500	18,623	(1,123)
Fringe benefits . . . . .	2,900	2,924	(24)
Purchased services . . . . .	262,514	192,961	69,553
Materials and supplies. . . . .	83,294	52,737	30,557
Capital outlay . . . . .	43,842	38,921	4,921
Total extracurricular activities. . . . .	410,050	306,166	103,884
<i>Total expenditures</i> . . . . .	410,050	306,166	103,884
<i>Excess of expenditures over revenues.</i> . . . . .	(150,340)	(105,918)	44,422
<b>Other financing sources:</b>			
Transfers in . . . . .	108,000	110,000	2,000
<i>Total other financing sources</i> . . . . .	108,000	110,000	2,000
<i>Net change in fund balance</i> . . . . .	(42,340)	4,082	46,422
<i>Fund balance at beginning of year</i> . . . . .	124,178	124,178	-
<i>Fund balance at end of year.</i> . . . . .	\$ 81,838	\$ 128,260	\$ 46,422

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AUXILIARY SERVICES FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Earnings on investments . . . . .	\$ 1,570	\$ 893	\$ (677)
Intergovernmental - state . . . . .	947,612	642,911	(304,701)
<i>Total revenues.</i> . . . . .	949,182	643,804	(305,378)
<b>Expenditures:</b>			
Current:			
Other non-instructional services:			
Salaries and wages . . . . .	113,238	100,509	12,729
Fringe benefits . . . . .	28,015	22,811	5,204
Purchased services . . . . .	314,643	333,784	(19,141)
Materials and supplies . . . . .	73,433	40,064	33,369
Capital outlay . . . . .	145,562	139,226	6,336
Total other non-instructional services . . . . .	674,891	636,394	38,497
<i>Total expenditures</i> . . . . .	674,891	636,394	38,497
<i>Net change in fund balance</i> . . . . .	274,291	7,410	(266,881)
<i>Fund balance at beginning of year</i> . . . . .	44,539	44,539	-
<i>Prior year encumbrances appropriated.</i> . . . .	2,897	2,897	-
<i>Fund balance at end of year.</i> . . . . .	\$ 321,727	\$ 54,846	\$ (266,881)

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
OHIO K-12 NETWORK CONNECTIVITY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental - state . . . . .	\$ 9,000	\$ 5,400	\$ (3,600)
<i>Total revenues</i> . . . . .	9,000	5,400	(3,600)
<b>Expenditures:</b>			
Current:			
Support services-central:			
Capital outlay . . . . .	5,400	5,400	-
Total support services-central . . . . .	5,400	5,400	-
<i>Total expenditures</i> . . . . .	5,400	5,400	-
<i>Net change in fund balance</i> . . . . .	3,600	-	(3,600)
<i>Fund balance at beginning of year</i> . . . . .	-	-	-
<i>Fund balance at end of year</i> . . . . .	\$ 3,600	\$ -	\$ (3,600)

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
RACE TO THE TOP FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental - federal . . . . .	\$ 4,900	\$ -	\$ (4,900)
<i>Total revenues.</i> . . . .	<u>4,900</u>	<u>-</u>	<u>(4,900)</u>
<b>Expenditures:</b>			
Current:			
Support services-instructional staff:			
Salaries and wages . . . . .	<u>5</u>	<u>5</u>	<u>-</u>
Total support services-instructional staff . . . . .	<u>5</u>	<u>5</u>	<u>-</u>
<i>Total expenditures</i> . . . . .	<u>5</u>	<u>5</u>	<u>-</u>
<i>Net change in fund balance</i> . . . . .	4,895	(5)	(4,900)
<i>Fund balance at beginning of year</i> . . . . .	<u>5</u>	<u>5</u>	<u>-</u>
<i>Fund balance at end of year.</i> . . . .	<u>\$ 4,900</u>	<u>\$ -</u>	<u>\$ (4,900)</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE VI-B FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental - federal . . . . .	\$ 513,065	\$ 477,468	\$ (35,597)
<i>Total revenues.</i> . . . .	<u>513,065</u>	<u>477,468</u>	<u>(35,597)</u>
<b>Expenditures:</b>			
Current:			
Instruction-special:			
Salaries and wages . . . . .	183,815	178,697	5,118
Fringe benefits . . . . .	79,021	69,747	9,274
Purchased services . . . . .	<u>10,080</u>	<u>8,088</u>	<u>1,992</u>
Total instruction-special . . . . .	<u>272,916</u>	<u>256,532</u>	<u>16,384</u>
Support services-pupil:			
Salaries and wages . . . . .	120,980	123,392	(2,412)
Fringe benefits . . . . .	36,461	36,628	(167)
Purchased services . . . . .	<u>64,541</u>	<u>74,316</u>	<u>(9,775)</u>
Total support services-pupil. . . . .	<u>221,982</u>	<u>234,336</u>	<u>(12,354)</u>
Operation of non-instructional services:			
Materials and supplies. . . . .	<u>13,602</u>	-	<u>13,602</u>
services . . . . .	<u>13,602</u>	-	<u>13,602</u>
<i>Total expenditures</i> . . . . .	<u>508,500</u>	<u>490,868</u>	<u>17,632</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i> . . . . .	<u>4,565</u>	<u>(13,400)</u>	<u>(17,965)</u>
<b>Other financing sources:</b>			
Advances in . . . . .	-	<u>4,731</u>	<u>4,731</u>
<i>Total other financing sources</i> . . . . .	-	<u>4,731</u>	<u>4,731</u>
<i>Net change in fund balance</i> . . . . .	4,565	(8,669)	(13,234)
<i>Fund balance at beginning of year</i> . . . . .	669	669	-
<i>Prior year encumbrances appropriated.</i> . . . .	<u>8,000</u>	<u>8,000</u>	-
<i>Fund balance at end of year</i> . . . . .	<u>\$ 13,234</u>	<u>\$ -</u>	<u>\$ (13,234)</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE III FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental - federal . . . . .	\$ 12,200	\$ 8,068	\$ (4,132)
<i>Total revenues</i> . . . . .	12,200	8,068	(4,132)
<b>Expenditures:</b>			
Current:			
Instruction-special:			
Purchased services . . . . .	9,316	3,784	5,532
Materials and supplies . . . . .	191	191	-
Total instruction-special . . . . .	9,507	3,975	5,532
Operation of non-instructional services			
Purchased services . . . . .	1,253	1,253	-
Total operation of non-instructional services . . . . .	1,253	1,253	-
<i>Total expenditures</i> . . . . .	10,760	5,228	5,532
<i>Net change in fund balance</i> . . . . .	1,440	2,840	1,400
<i>Fund balance at beginning of year</i> . . . . .	2,691	2,691	-
<i>Fund balance at end of year</i> . . . . .	\$ 4,131	\$ 5,531	\$ 1,400

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE I FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental . . . . .	\$ 219,412	\$ 184,527	\$ (34,885)
<i>Total revenues.</i> . . . . .	219,412	184,527	(34,885)
<b>Expenditures:</b>			
Current:			
Instruction-special:			
Salaries and wages . . . . .	123,824	125,962	(2,138)
Fringe benefits . . . . .	40,101	40,851	(750)
Purchased services . . . . .	10,866	4,807	6,059
Materials and supplies . . . . .	8,000	7,925	75
Total instruction-special . . . . .	182,791	179,545	3,246
Support services-instructional staff:			
Purchased services . . . . .	8,496	6,466	2,030
Total support services-instructional staff . . . . .	8,496	6,466	2,030
<i>Total expenditures</i> . . . . .	191,287	186,011	5,276
<i>Excess (deficiency) of revenues over (under) expenditures</i> . . . . .	28,125	(1,484)	(29,609)
<b>Other financing sources:</b>			
Advances in . . . . .	-	83	83
<i>Total other financing sources</i> . . . . .	-	83	83
<i>Net change in fund balance</i> . . . . .	28,125	(1,401)	(29,526)
<i>Fund balance at beginning of year</i> . . . . .	1,405	1,405	-
<i>Fund balance at end of year</i> . . . . .	\$ 29,530	\$ 4	\$ (29,526)

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PRESCHOOL DISABILITY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental - federal . . . . .	\$ 18,999	\$ 16,446	\$ (2,553)
<i>Total revenues.</i> . . . .	18,999	16,446	(2,553)
<b>Expenditures:</b>			
Current:			
Instruction-special:			
Purchased services . . . . .	1,432	1,432	-
<i>Total instruction-special.</i> . . . .	1,432	1,432	-
Support services-administration			
Salaries and wages . . . . .	9,900	9,872	28
Fringe benefits . . . . .	5,168	5,127	41
<i>Total support services-administration.</i> . .	15,068	14,999	69
<i>Total expenditures</i> . . . . .	16,500	16,431	69
<i>Net change in fund balance</i> . . . . .	2,499	15	(2,484)
<i>Fund balance at beginning of year</i> . . . . .	16	16	-
<i>Fund balance at end of year.</i> . . . .	\$ 2,515	\$ 31	\$ (2,484)

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE II-A FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental - federal . . . . .	\$ 55,355	\$ 39,150	\$ (16,205)
<i>Total revenues</i> . . . . .	<u>55,355</u>	<u>39,150</u>	<u>(16,205)</u>
<b>Expenditures:</b>			
Current:			
Instruction-regular:			
Salaries and wages . . . . .	28,253	29,268	(1,015)
Fringe benefits . . . . .	9,584	9,917	(333)
Purchased services . . . . .	<u>1,287</u>	<u>-</u>	<u>1,287</u>
Total instruction-regular . . . . .	<u>39,124</u>	<u>39,185</u>	<u>(61)</u>
Operation of non-instructional services:			
Purchased services . . . . .	<u>10,760</u>	<u>-</u>	<u>10,760</u>
Total operation of non-instructional services . . . . .	<u>10,760</u>	<u>-</u>	<u>10,760</u>
<i>Total expenditures</i> . . . . .	<u>49,884</u>	<u>39,185</u>	<u>10,699</u>
<i>Net change in fund balance</i> . . . . .	5,471	(35)	(5,506)
<i>Fund balance at beginning of year</i> . . . . .	<u>59</u>	<u>59</u>	<u>-</u>
<i>Fund balance at end of year</i> . . . . .	<u>\$ 5,530</u>	<u>\$ 24</u>	<u>\$ (5,506)</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOOD SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Charges for services . . . . .	\$ 501,200	\$ 481,023	\$ (20,177)
Earnings on investments . . . . .	800	1,203	403
Intergovernmental - state . . . . .	2,500	2,593	93
Intergovernmental - federal . . . . .	117,000	106,905	(10,095)
<i>Total revenues</i> . . . . .	621,500	591,724	(29,776)
<b>Expenditures:</b>			
Current:			
Operation of non-instructional services:			
Food service operations:			
Salaries and wages . . . . .	257,150	225,815	31,335
Fringe benefits . . . . .	118,650	91,757	26,893
Purchased services . . . . .	7,139	4,158	2,981
Materials and supplies . . . . .	247,420	224,162	23,258
Capital outlay . . . . .	20,080	15,763	4,317
Total food service operations . . . . .	650,439	561,655	88,784
<i>Total expenditures</i> . . . . .	650,439	561,655	88,784
<i>Excess (deficiency) of revenues over (under) expenditures</i> . . . . .	(28,939)	30,069	59,008
<b>Other financing sources:</b>			
Refund of prior year's expenditures . . . . .	-	60	60
Transfers in . . . . .	20,000	-	(20,000)
<i>Total other financing sources</i> . . . . .	20,000	60	(19,940)
<i>Net change in fund balance</i> . . . . .	(8,939)	30,129	39,068
<i>Fund balance at beginning of year</i> . . . . .	209,216	209,216	-
<i>Prior year encumbrances appropriated</i> . . . . .	439	439	-
<i>Fund balance at end of year</i> . . . . .	\$ 200,716	\$ 239,784	\$ 39,068

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
MEMORIAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Earnings on investments. . . . .	\$ 210	\$ 152	\$ (58)
<i>Total revenues.</i> . . . .	210	152	(58)
 <b>Expenditures:</b>			
Current:			
Instruction-regular			
Purchased services . . . . .	770	770	-
<i>Total instruction-regular.</i> . . . .	770	770	-
Support services-instructional staff:			
Materials and supplies. . . . .	5,335	4,935	400
<i>Total support services-instructional         staff.</i> . . . .	5,335	4,935	400
Operation of non-instructional services			
Materials and supplies. . . . .	11	11	-
<i>Total operation of non-instructional         services.</i> . . . .	11	11	-
Extracurricular activities:			
Capital outlay . . . . .	755	755	-
<i>Total extracurricular activities.</i> . . . .	755	755	-
<i>Total expenditures</i> . . . . .	6,871	6,471	400
 <i>Net change in fund balance.</i> . . . . .	(6,661)	(6,319)	342
 <i>Fund balance at beginning of year.</i> . . . . .	36,604	36,604	-
<i>Fund balance at end of year.</i> . . . . .	\$ 29,943	\$ 30,285	\$ 342

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
UNCLAIMED MONIES FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
From local sources:			
Other revenue . . . . .	\$ 6,000	\$ 10,343	\$ 4,343
<i>Total revenues.</i> . . . . .	<u>6,000</u>	<u>10,343</u>	<u>4,343</u>
 <i>Excess of revenues over expenditures</i> . . . . .	 <u>6,000</u>	 <u>10,343</u>	 <u>4,343</u>
 <b>Other financing uses:</b>			
Miscellaneous use of funds . . . . .	2,589	2,541	(48)
<i>Total other financing uses</i> . . . . .	<u>2,589</u>	<u>2,541</u>	<u>(48)</u>
 <i>Net change in fund balance</i> . . . . .	 \$ 3,411	 \$ 7,802	 \$ 4,295
 <i>Fund balance at beginning of year</i> . . . . .	 <u>16,907</u>	 <u>16,907</u>	 <u>-</u>
<i>Fund balance at end of year.</i> . . . . .	<u>\$ 20,318</u>	<u>\$ 24,709</u>	<u>\$ 4,295</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
UNIFORM SCHOOL SUPPLIES FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Classroom materials and fees . . . . .	\$ 65,563	\$ 57,326	\$ (8,237)
<i>Total revenues.</i> . . . . .	<u>65,563</u>	<u>57,326</u>	<u>(8,237)</u>
<b>Expenditures:</b>			
Current:			
Instruction-regular:			
Purchased services . . . . .	12,957	480	12,477
Materials and supplies. . . . .	70,693	53,651	17,042
<i>Total instruction-regular.</i> . . . . .	<u>83,650</u>	<u>54,131</u>	<u>29,519</u>
Instruction-vocational:			
Materials and supplies. . . . .	2,350	2,309	41
<i>Total instruction-vocational.</i> . . . . .	<u>2,350</u>	<u>2,309</u>	<u>41</u>
<i>Total expenditures</i> . . . . .	<u>86,000</u>	<u>56,440</u>	<u>29,560</u>
<i>Net change in fund balance</i> . . . . .	(20,437)	886	21,323
<i>Fund balance at beginning of year</i> . . . . .	64,649	64,649	-
<i>Fund balance at end of year.</i> . . . . .	<u>\$ 44,212</u>	<u>\$ 65,535</u>	<u>\$ 21,323</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SPECIAL EDUCATION FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Tuition . . . . .	\$ 3,218,000	\$ 3,702,512	\$ 484,512
Earnings on investments. . . . .	<u>1,300</u>	<u>749</u>	<u>(551)</u>
<i>Total revenues.</i> . . . .	<u>3,219,300</u>	<u>3,703,261</u>	<u>483,961</u>
<b>Expenditures:</b>			
Current:			
Instruction-regular			
Salaries and wages . . . . .	390,900	399,815	(8,915)
Fringe benefits . . . . .	121,117	119,908	1,209
Purchased services . . . . .	73,800	72,455	1,345
Materials and supplies. . . . .	9,511	8,456	1,055
Capital outlay . . . . .	<u>10,000</u>	<u>9,807</u>	<u>193</u>
Total instruction-regular. . . . .	<u>605,328</u>	<u>610,441</u>	<u>(5,113)</u>
Instruction-special			
Salaries and wages . . . . .	1,703,600	1,677,795	25,805
Fringe benefits . . . . .	591,109	590,513	596
Purchased services . . . . .	230,900	234,723	(3,823)
Materials and supplies. . . . .	24,422	24,289	133
Capital outlay . . . . .	<u>21,195</u>	<u>21,194</u>	<u>1</u>
Total instruction-special . . . . .	<u>2,571,226</u>	<u>2,548,514</u>	<u>22,712</u>
Support services-pupil			
Salaries and wages . . . . .	90,000	97,099	(7,099)
Fringe benefits . . . . .	<u>23,370</u>	<u>23,791</u>	<u>(421)</u>
Total support services-pupil. . . . .	<u>113,370</u>	<u>120,890</u>	<u>(7,520)</u>
Support services-instructional staff:			
Salaries and wages . . . . .	30,000	25,640	4,360
Fringe benefits . . . . .	15,960	13,726	2,234
Purchased services . . . . .	<u>-</u>	<u>203</u>	<u>(203)</u>
Total support services-instructional staff . . . . .	<u>45,960</u>	<u>39,569</u>	<u>6,391</u>
Support services-administration			
Salaries and wages . . . . .	156,000	158,666	(2,666)
Fringe benefits . . . . .	69,360	70,091	(731)
Purchased services . . . . .	<u>8,000</u>	<u>13,139</u>	<u>(5,139)</u>
Total support services-administration. . . . .	<u>233,360</u>	<u>241,896</u>	<u>(8,536)</u>
Support services-business			
Materials and supplies. . . . .	<u>2,500</u>	<u>2,438</u>	<u>62</u>
Total support services-business . . . . .	<u>2,500</u>	<u>2,438</u>	<u>62</u>
<i>Total expenditures</i> . . . . .	<u>3,571,744</u>	<u>3,563,748</u>	<u>7,996</u>
<i>Net change in fund balance</i> . . . . .	(352,444)	139,513	491,957
<i>Fund balance at beginning of year</i> . . . . .	427,490	427,490	-
<i>Prior year encumbrances appropriated.</i> . . . .	<u>111</u>	<u>111</u>	<u>-</u>
<i>Fund balance at end of year.</i> . . . .	<u>\$ 75,157</u>	<u>\$ 567,114</u>	<u>\$ 491,957</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PUBLIC SCHOOL SUPPORT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
From local sources:			
Extracurricular . . . . .	\$ 134,700	\$ 113,610	\$ (21,090)
Classroom materials and fees . . . . .	6,000	950	(5,050)
Contributions and donations . . . . .	12,600	9,993	(2,607)
Other local revenues . . . . .	3,675	1,959	(1,716)
<i>Total revenues.</i> . . . .	156,975	126,512	(30,463)
<b>Expenditures:</b>			
Current:			
Instruction-special:			
Purchased services . . . . .	5,000	1,003	3,997
Materials and supplies . . . . .	1,500	917	583
Total instruction-special . . . . .	6,500	1,920	4,580
Support services-pupil:			
Purchased services . . . . .	62,861	52,811	10,050
Materials and supplies . . . . .	1,250	625	625
Other . . . . .	700	125	575
Total support services-pupil . . . . .	64,811	53,561	11,250
Support services-instructional staff:			
Purchased services . . . . .	3,300	-	3,300
Materials and supplies . . . . .	6,100	2,061	4,039
Capital outlay . . . . .	1,000	-	1,000
Total support services-instructional staff . . . . .	10,400	2,061	8,339
Support services-fiscal			
Purchased services . . . . .	602	602	-
Total support services-fiscal . . . . .	602	602	-
Extracurricular activities:			
Purchased services . . . . .	64,700	50,579	14,121
Materials and supplies . . . . .	17,667	11,999	5,668
Capital outlay . . . . .	8,000	2,064	5,936
Total extracurricular activities . . . . .	90,367	64,642	25,725
<i>Total expenditures</i> . . . . .	172,680	122,786	49,894
<i>Net change in fund balance</i> . . . . .	(15,705)	3,726	19,431
<i>Fund balance at beginning of year</i> . . . . .	89,991	89,991	-
<i>Fund balance at end of year.</i> . . . .	\$ 74,286	\$ 93,717	\$ 19,431

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ELECTRIC HOLDING BALANCE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Expenditures:</b>			
Current:			
Support services-operations and maintenance:			
Purchased services . . . . .	\$ 163	\$ 163	\$ -
Total support services-operations and maintenance . . . . .	163	163	-
Total expenditures . . . . .	163	163	-
Net change in fund balance . . . . .	(163)	(163)	-
Fund balance at beginning of year . . . . .	\$ 163	\$ 163	\$ -
Fund balance at end of year . . . . .	-	-	-

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TERMINATION BENEFITS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Expenditures:</b>			
Current:			
Instruction-other			
Salaries and wages . . . . .	\$ 265,000	\$ 250,217	\$ 14,783
Fringe benefits . . . . .	5,000	3,995	1,005
Total instruction-vocational . . . . .	270,000	254,212	15,788
Support services-central			
Salaries and wages . . . . .	30,000	30,651	(651)
Fringe benefits . . . . .	-	93	(93)
Total support services-operations and maintenance . . . . .	30,000	30,744	(744)
<i>Total expenditures</i> . . . . .	300,000	284,956	15,044
<i>Excess expenditures over revenues</i> . . . . .	(300,000)	(284,956)	15,044
<b>Other financing sources:</b>			
Transfers in . . . . .	400,000	400,000	-
<i>Total other financing sources</i> . . . . .	400,000	400,000	-
<i>Net change in fund balance</i> . . . . .	100,000	115,044	15,044
<i>Fund balance at beginning of year</i> . . . . .	1,039,830	1,039,830	-
<i>Fund balance at end of year</i> . . . . .	\$ 1,139,830	\$ 1,154,874	\$ 15,044

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BUILDING IMPROVEMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
From local sources:			
Earnings on investments . . . . .	\$ 1,300	\$ 192	\$ (1,108)
<i>Total revenues.</i> . . . .	<u>1,300</u>	<u>192</u>	<u>(1,108)</u>
 <b>Expenditures:</b>			
Current:			
Operation of non-instructional services:			
Capital outlay . . . . .	5,000	-	5,000
Total operation of non-instructional services . . . . .	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Facilities acquisition and construction:			
Capital outlay . . . . .	122,661	122,661	-
Total facilities acquisition and construction. . . . .	<u>122,661</u>	<u>122,661</u>	<u>-</u>
<i>Total expenditures</i> . . . . .	<u>127,661</u>	<u>122,661</u>	<u>5,000</u>
 <i>Net change in fund balance</i> . . . . .	(126,361)	(122,469)	3,892
 <i>Fund balance at beginning of year</i> . . . . .	160,743	160,743	-
<i>Fund balance at end of year.</i> . . . .	<u>\$ 34,382</u>	<u>\$ 38,274</u>	<u>\$ 3,892</u>

**ORANGE CITY SCHOOL DISTRICT**

**PROPRIETARY FUND DESCRIPTION**

***INTERNAL SERVICE FUND***

Internal service funds account for the financing of goods or services provided by one department or agency of the District to other departments or agencies on a cost-reimbursement basis. Charges are intended to recoup the total cost of such services.

***Internal Service Fund***

A fund used to account for a self-insurance program for workers' compensation activities.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INTERNAL SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Operating revenues:</b>			
From local sources:			
Miscellaneous . . . . .	\$ 300,000	\$ 291,763	\$ (8,237)
<i>Total operating revenues . . . . .</i>	<u>300,000</u>	<u>291,763</u>	<u>(8,237)</u>
<b>Operating expenses:</b>			
Current:			
Support services-instructional staff:			
Purchased services . . . . .	114,836	84,750	30,086
Total support services-instructional staff . . . . .	<u>114,836</u>	<u>84,750</u>	<u>30,086</u>
Support services-central			
Salaries and wages . . . . .	-	-	-
Fringe benefits . . . . .	210,700	214,611	(3,911)
Purchased services . . . . .	1,000	-	1,000
Total support services-central . . . . .	<u>211,700</u>	<u>214,611</u>	<u>(2,911)</u>
<i>Total expenses . . . . .</i>	<u>326,536</u>	<u>299,361</u>	<u>27,175</u>
<i>Operating loss . . . . .</i>	<u>(26,536)</u>	<u>(7,598)</u>	<u>18,938</u>
<b>Nonoperating revenues:</b>			
Earnings on investments . . . . .	3,700	3,078	(622)
Refund of prior year's expense . . . . .	-	11,627	11,627
<i>Total nonoperating revenues . . . . .</i>	<u>3,700</u>	<u>14,705</u>	<u>11,005</u>
<i>Net change in fund equity . . . . .</i>	(22,836)	7,107	29,943
<i>Fund equity at beginning of year . . . . .</i>	679,913	679,913	-
<i>Fund equity at end of year . . . . .</i>	<u>\$ 657,077</u>	<u>\$ 687,020</u>	<u>\$ 29,943</u>

**ORANGE CITY SCHOOL DISTRICT**

**COMBINING STATEMENTS - FIDUCIARY FUNDS**

***FIDUCIARY FUNDS***

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

***PRIVATE-PURPOSE TRUST FUND***

***Scholarship Fund***

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

***AGENCY FUNDS***

***District Agency Fund***

This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities. This fund also accounts for the school resource officer.

***Employee Benefits Fund***

This fund accounts for monies withheld from employees' paychecks for the pre-tax reimbursement of childcare and health services purchased by the employee.

***Student Managed Activities Fund***

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

***Suburban Health Consortium***

The fund accounts for the activity of the Suburban Health Consortium.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOLARSHIP FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Operating expenses:</b>			
Scholarships awarded . . . . .	\$ 12,086	\$ 12,046	\$ 40
<i>Total operating expenses</i> . . . . .	12,086	12,046	40
<i>Operating loss</i> . . . . .	(12,086)	(12,046)	40
<b>Nonoperating revenues:</b>			
Earnings on investments . . . . .	453	327	(126)
<i>Total nonoperating revenues</i> . . . . .	453	327	(126)
<i>Net change in fund equity</i> . . . . .	(11,633)	(11,719)	(86)
<i>Fund equity at beginning of year</i> . . . . .	76,096	76,096	-
<i>Fund equity at end of year</i> . . . . .	\$ 64,463	\$ 64,377	\$ (86)

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015*

	Beginning Balance July 1, 2014	Additions	Deletions	Ending Balance June 30, 2015
<b>District Agency</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 15,690	\$ 37,826	\$ 51,779	\$ 1,737
Receivables				
Accounts. . . . .	-	88	-	88
Total assets . . . . .	<u>\$ 15,690</u>	<u>\$ 37,914</u>	<u>\$ 51,779</u>	<u>\$ 1,825</u>
<b>Liabilities:</b>				
Undistributed monies. . . . .	<u>\$ 15,690</u>	<u>\$ 37,914</u>	<u>\$ 51,779</u>	<u>\$ 1,825</u>
<b>Employee Benefits</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 4,972	-	-	\$ 4,972
<b>Liabilities:</b>				
Undistributed monies. . . . .	<u>\$ 4,972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,972</u>
<b>Student Managed Activities</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 82,540	\$ 134,941	\$ 120,117	\$ 97,364
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 1,891	\$ -	\$ 1,891
Due to students . . . . .	82,540	133,050	120,117	95,473
Total liabilities. . . . .	<u>\$ 82,540</u>	<u>\$ 134,941</u>	<u>\$ 120,117</u>	<u>\$ 97,364</u>
<b>Suburban Health Consortium</b>				
<b>Assets:</b>				
Cash and investments in segregated accounts . . . .	\$ 19,180,085	\$ 74,657,895	\$ 74,735,944	\$ 19,102,036
Receivables				
Accounts. . . . .	6,563	-	6,563	-
Total assets . . . . .	<u>\$ 19,186,648</u>	<u>\$ 74,657,895</u>	<u>\$ 74,742,507</u>	<u>\$ 19,102,036</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 18,444	\$ -	\$ 18,444
Intergovernmental payable . . . . .	19,186,648	74,639,451	74,742,507	19,083,592
Total liabilities. . . . .	<u>\$ 19,186,648</u>	<u>\$ 74,657,895</u>	<u>\$ 74,742,507</u>	<u>\$ 19,102,036</u>
<b>Total - All Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 103,202	\$ 172,767	\$ 171,896	\$ 104,073
Cash and investments in segregated accounts . . . .	19,180,085	74,657,895	74,735,944	19,102,036
Receivables				
Accounts . . . . .	6,563	88	6,563	88
Total assets . . . . .	<u>\$ 19,289,850</u>	<u>\$ 74,830,750</u>	<u>\$ 74,914,403</u>	<u>\$ 19,206,197</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 20,335	\$ -	\$ 20,335
Intergovernmental payable . . . . .	19,186,648	74,639,451	74,742,507	19,083,592
Due to students . . . . .	82,540	133,050	120,117	95,473
Undistributed monies. . . . .	20,662	37,914	51,779	6,797
Total liabilities. . . . .	<u>\$ 19,289,850</u>	<u>\$ 74,830,750</u>	<u>\$ 74,914,403</u>	<u>\$ 19,206,197</u>

Comprehensive  
Annual Financial  
Report

Fiscal Year Ended June 30, 2015

# Orange City School District

Cuyahoga County, Ohio



**To Learn.  
To Lead.  
To Make a Difference.**

## Statistical Section

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>132-145</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	<b>146-151</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	<b>152-155</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>156-157</b>
<b>Operating Information</b> These schedules contain service and capital asset data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	<b>158-166</b>

**Sources:** Sources are noted on the individual schedules.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

	<u>2015</u>	<u>2014 (3)</u>	<u>2013</u>	<u>2012 (2)</u>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 23,758,405	\$ 21,803,232	\$ 20,334,609	\$ 20,295,850
Restricted	8,999,104	8,712,389	7,851,186	9,537,894
Unrestricted	(43,935,452)	(45,773,604)	28,750,345	24,358,710
Total governmental activities net position	<u>\$ (11,177,943)</u>	<u>\$ (15,257,983)</u>	<u>\$ 56,936,140</u>	<u>\$ 54,192,454</u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 3,176,249	\$ 3,342,225	\$ 3,512,524	\$ 3,687,280
Unrestricted	2,447,906	1,354,179	4,070,807	3,625,114
Total business-type activities net position	<u>\$ 5,624,155</u>	<u>\$ 4,696,404</u>	<u>\$ 7,583,331</u>	<u>\$ 7,312,394</u>
<b>Primary government</b>				
Net investment in capital assets	\$ 26,934,654	\$ 25,145,457	\$ 23,847,133	\$ 23,983,130
Restricted	8,999,104	8,712,389	7,851,186	9,537,894
Unrestricted	(41,487,546)	(44,419,425)	32,821,152	27,983,824
Total primary government net position	<u>\$ (5,553,788)</u>	<u>\$ (10,561,579)</u>	<u>\$ 64,519,471</u>	<u>\$ 61,504,848</u>

**Source:** School District financial records.

- (1) Amounts have been restated from those reported in the original CAFR to reflect changes in accounting principle and/or prior period adjustments.
- (2) Amounts have been restated to reflect a restatement related to GASB Statement No. 65.
- (3) Amounts have been restated to reflect a restatement related to GASB Statement No. 68.

<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006 (1)</b>
\$ 19,204,562	\$ 19,302,630	\$ 17,564,014	\$ 15,940,380	\$ 15,338,264	\$ 13,729,107
9,821,326	9,431,851	8,180,016	6,410,493	5,782,995	4,129,749
24,726,686	25,162,121	29,114,358	30,863,616	25,515,875	23,274,232
<u>\$ 53,752,574</u>	<u>\$ 53,896,602</u>	<u>\$ 54,858,388</u>	<u>\$ 53,214,489</u>	<u>\$ 46,637,134</u>	<u>\$ 41,133,088</u>
\$ 3,822,784	\$ 2,629,480	\$ 2,107,003	\$ 2,217,609	\$ 2,267,860	\$ 2,377,215
4,003,097	4,893,793	5,124,892	4,690,495	4,150,252	3,581,815
<u>\$ 7,825,881</u>	<u>\$ 7,523,273</u>	<u>\$ 7,231,895</u>	<u>\$ 6,908,104</u>	<u>\$ 6,418,112</u>	<u>\$ 5,959,030</u>
\$ 23,027,346	\$ 21,932,110	\$ 19,671,017	\$ 18,157,989	\$ 17,606,124	\$ 16,106,322
9,821,326	9,431,851	8,180,016	6,410,493	5,782,995	4,129,749
28,729,783	30,055,914	34,239,250	35,554,111	29,666,127	26,856,047
<u>\$ 61,578,455</u>	<u>\$ 61,419,875</u>	<u>\$ 62,090,283</u>	<u>\$ 60,122,593</u>	<u>\$ 53,055,246</u>	<u>\$ 47,092,118</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012 (1)</u>
<b>Expenses</b>				
Governmental activities:				
Instruction:				
Regular	\$ 19,785,171	\$ 20,311,007	\$ 18,837,598	\$ 19,743,967
Special	9,565,638	10,248,934	6,493,403	6,766,002
Vocational	290,087	287,690	365,421	449,711
Other instructional	764,597	208,427	683,802	-
Support services:				
Pupil	3,686,794	3,601,927	3,598,659	3,754,396
Instructional staff	1,534,005	976,339	4,003,460	4,010,079
Board of Education	89,820	78,226	69,029	78,336
Administration	3,600,621	3,665,874	3,428,020	3,483,041
Fiscal	1,416,262	1,327,247	1,344,401	1,359,152
Business	634,654	605,040	625,460	597,555
Operations and maintenance	5,374,524	5,088,454	5,256,521	4,628,231
Pupil transportation	3,573,419	3,786,870	3,641,934	3,696,464
Central	1,054,215	954,363	992,787	1,073,422
Operation of non-instructional services:				
Other non-instructional services	714,736	625,874	575,953	702,122
Food service operations	632,532	683,835	737,225	742,646
Extracurricular activities	1,731,632	1,954,690	1,665,913	1,674,468
Interest and fiscal charges	1,087,519	1,186,489	1,277,694	1,573,604
Total governmental activities expenses	<u>55,536,226</u>	<u>55,591,286</u>	<u>53,597,280</u>	<u>54,333,196</u>
Business-type activities:				
Recreation	1,585,233	2,462,120	2,493,790	2,423,611
Total business-type activities expenses	<u>1,585,233</u>	<u>2,462,120</u>	<u>2,493,790</u>	<u>2,423,611</u>
Total primary government expenses	<u>\$ 57,121,459</u>	<u>\$ 58,053,406</u>	<u>\$ 56,091,070</u>	<u>\$ 56,756,807</u>

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	20,300,444	\$ 19,466,209	\$ 19,320,888	\$ 18,238,270	\$ 17,962,128	\$ 17,066,373
	6,615,112	6,583,687	6,374,462	5,832,538	5,475,417	6,310,151
	373,396	286,099	338,162	293,462	324,513	296,866
	-	-	-	-	2,828	-
	3,816,962	3,769,072	3,336,127	3,471,580	3,337,866	2,799,441
	4,202,438	4,210,809	4,081,959	3,670,822	3,499,573	2,864,820
	167,112	82,545	160,757	110,200	143,355	181,753
	3,070,697	3,163,324	2,968,787	2,926,908	2,849,409	2,827,023
	1,217,573	1,266,752	1,169,115	1,176,289	1,126,029	1,129,981
	630,083	579,625	598,414	549,721	509,048	545,223
	4,941,387	5,384,475	5,284,630	5,118,866	5,096,407	5,318,201
	3,668,804	3,885,576	3,485,290	3,367,878	3,366,186	3,228,108
	1,201,191	1,358,741	1,189,474	1,202,049	1,114,698	1,223,883
	755,071	590,397	714,550	635,808	535,361	411,843
	692,679	654,881	672,018	589,901	603,470	569,200
	1,737,345	1,838,362	1,608,333	1,617,987	1,584,091	1,683,450
	1,350,545	1,263,512	1,286,551	1,296,998	1,165,809	1,401,244
	<u>54,740,839</u>	<u>54,384,066</u>	<u>52,589,517</u>	<u>50,099,277</u>	<u>48,696,188</u>	<u>47,857,560</u>
	<u>2,274,813</u>	<u>2,314,252</u>	<u>2,300,268</u>	<u>2,257,947</u>	<u>2,155,699</u>	<u>2,236,723</u>
	<u>2,274,813</u>	<u>2,314,252</u>	<u>2,300,268</u>	<u>2,257,947</u>	<u>2,155,699</u>	<u>2,236,723</u>
	<u>\$ 57,015,652</u>	<u>\$ 56,698,318</u>	<u>\$ 54,889,785</u>	<u>\$ 52,357,224</u>	<u>\$ 50,851,887</u>	<u>\$ 50,094,283</u>

-- Continued

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

<b>Program Revenues</b>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012 (1)</u>
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 660,462	\$ 710,686	\$ 591,176	\$ 608,650
Special	3,800,609	2,920,085	2,704,572	2,499,386
Vocational	64,148	128,762	190,208	166,943
Support services:				
Pupil	50,531	49,955	55,420	47,882
Instructional staff	1,944	3,088	3,600	4,888
Fiscal	568	-	-	-
Operations and maintenance	9,031	15,290	3,120	5,540
Pupil transportation	53,983	-	-	-
Operation of non-instructional services:				
Other non-instructional services	-	-	-	540
Food service operations	481,023	505,523	498,277	546,196
Extracurricular activities	184,219	375,754	191,692	170,086
Operating grants and contributions:				
Instruction:				
Regular	127,558	107,175	97,238	104,438
Special	561,187	602,465	273,940	486,835
Vocational	2,483	1,978	-	-
Support services:				
Pupil	213,225	204,407	142,994	135,002
Instructional staff	6,968	18,568	227,874	179,819
Administration	16,252	14,693	13,337	-
Fiscal	60	-	-	-
Operations and maintenance	-	-	-	26,354
Pupil transportation	107,313	115,512	97,242	143,695
Central	5,400	9,000	9,000	25,176
Operation of non-instructional services:				
Other non-instructional services	646,236	557,650	563,376	532,455
Food service operations	156,693	154,474	131,722	156,140
Extracurricular activities	81,985	64,566	66,235	30,266
Interest and fiscal charges	116,824	116,937	120,542	126,024
Capital grants and contributions:				
Instruction:				
Regular	-	14,598	-	-
Fiscal	-	-	20,060	-
Operations and maintenance of plant	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Total governmental program revenues	<u>7,348,702</u>	<u>6,691,166</u>	<u>6,001,625</u>	<u>5,996,315</u>
Business-type activities:				
Charges for services:				
Recreation	1,769,740	1,831,696	1,761,216	1,566,267
Operating grants and contributions	117,529	117,952	120,128	129,180
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>1,887,269</u>	<u>1,949,648</u>	<u>1,881,344</u>	<u>1,695,447</u>
Total primary government program revenue	<u>\$ 9,235,971</u>	<u>\$ 8,640,814</u>	<u>\$ 7,882,969</u>	<u>\$ 7,691,762</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	(48,187,524)	(48,900,120)	(47,595,655)	(48,336,881)
Business-type activities	302,036	(512,472)	(612,446)	(728,164)
Total primary government net expense	<u>\$ (47,885,488)</u>	<u>\$ (49,412,592)</u>	<u>\$ (48,208,101)</u>	<u>\$ (49,065,045)</u>

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	730,204	\$ 635,837	\$ 178,963	\$ 397,212	\$ 701,197	\$ 3,477,083
	3,340,595	2,575,470	3,574,000	3,118,760	2,770,390	4,823
	154,053	177,370	180,131	220,075	78,262	-
	47,202	45,594	29,565	32,923	38,767	41,945
	1,536	1,260	1,685	4,493	2,180	419
	-	-	-	-	-	-
	7,760	7,210	6,685	7,230	7,140	4,750
	-	-	-	-	14,772	10,391
	534,975	524,298	509,306	491,963	466,038	480,615
	194,293	284,534	172,384	166,586	173,603	337,025
	195,350	104,413	113,669	139,151	89,485	84,881
	520,430	519,558	304,796	269,230	242,760	281,127
	936	-	171	4,035	-	227
	127,222	150,968	158,142	294,489	333,655	308,004
	259,985	265,488	227,773	112,347	105,450	114,446
	135,610	182,261	-	2,218	3,258	11,788
	-	-	-	-	-	-
	-	-	-	10,050	2,310	-
	120,584	133,796	154,525	157,809	163,705	-
	122,906	102,294	33,376	33,187	23,346	22,713
	575,340	633,821	625,771	611,585	498,362	402,668
	136,717	108,903	114,223	116,631	92,126	61,784
	19,033	31,064	9,400	6,335	4,761	25,967
	94,518	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	7,500	-	127,713	11,211
	-	-	39,909	32,744	35,008	-
	-	-	-	13,366	-	-
	<u>7,319,249</u>	<u>6,484,139</u>	<u>6,441,974</u>	<u>6,242,419</u>	<u>5,974,288</u>	<u>5,681,867</u>
	1,549,601	1,474,411	1,474,791	1,536,303	1,451,743	1,459,405
	138,208	147,076	143,608	139,754	124,138	106,552
	-	-	-	-	-	-
	<u>1,687,809</u>	<u>1,621,487</u>	<u>1,618,399</u>	<u>1,676,057</u>	<u>1,575,881</u>	<u>1,565,957</u>
\$	<u>9,007,058</u>	<u>8,105,626</u>	<u>8,060,373</u>	<u>7,918,476</u>	<u>7,550,169</u>	<u>7,247,824</u>
	(47,421,590)	(47,899,927)	(46,147,543)	(43,856,858)	(42,721,900)	(42,175,693)
	(587,004)	(692,765)	(681,869)	(581,890)	(579,818)	(670,766)
\$	<u>(48,008,594)</u>	<u>(48,592,692)</u>	<u>(46,829,412)</u>	<u>(44,438,748)</u>	<u>(43,301,718)</u>	<u>(42,846,459)</u>

-- Continued

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

<b>General Revenues and Other Changes in Net Position</b>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012 (1)</u>
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 40,643,066	\$ 39,749,378	\$ 39,691,542	\$ 37,410,095
Debt service	2,242,313	2,301,562	2,359,811	2,178,259
Capital projects	779,788	655,556	608,515	707,148
Grants and entitlements not restricted to specific programs	8,022,976	7,941,897	7,707,534	8,146,313
Investment earnings	257,364	510,822	(74,145)	317,792
Miscellaneous	45,558	65,853	46,084	17,154
Transfers	276,499	-	-	-
Total governmental activities	<u>52,267,564</u>	<u>51,225,068</u>	<u>50,339,341</u>	<u>48,776,761</u>
Business-type activities:				
Property taxes levied for:				
Recreation	825,947	825,721	824,640	795,490
Investment earnings	27,407	52,006	(10,286)	25,620
Miscellaneous	48,860	39,148	69,029	70,110
Transfers	(276,499)	-	-	-
Total business-type activities	<u>625,715</u>	<u>916,875</u>	<u>883,383</u>	<u>891,220</u>
Total primary government	<u>\$ 52,893,279</u>	<u>\$ 52,141,943</u>	<u>\$ 51,222,724</u>	<u>\$ 49,667,981</u>
<b>Change in Net Position</b>				
Governmental activities	4,080,040	2,324,948	2,743,686	439,880
Business-type activities	927,751	404,403	270,937	163,056
Total primary government	<u>\$ 5,007,791</u>	<u>\$ 2,729,351</u>	<u>\$ 3,014,623</u>	<u>\$ 602,936</u>

**Source:** School District financial records.

(1) Amounts have been restated to reflect a restatement related to GASB Statement No. 65.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 34,734,232	\$ 34,226,326	\$ 34,720,303	\$ 37,569,616	\$ 36,302,829	\$ 34,123,527
2,339,709	2,064,534	2,098,013	2,258,971	2,102,099	1,986,733
620,845	791,373	794,196	849,401	807,873	769,922
9,217,121	9,169,178	8,608,261	7,789,074	7,000,298	6,748,771
296,638	557,239	1,511,999	1,956,626	1,990,147	1,196,647
69,017	129,491	58,670	69,056	22,700	8,816
-	-	-	(58,531)	-	-
<u>47,277,562</u>	<u>46,938,141</u>	<u>47,791,442</u>	<u>50,434,213</u>	<u>48,225,946</u>	<u>44,834,416</u>
805,392	856,473	794,607	783,212	815,148	1,362,258
20,859	59,677	139,220	191,095	193,580	120,835
63,361	67,993	71,833	39,044	30,172	32,960
-	-	-	58,531	-	-
<u>889,612</u>	<u>984,143</u>	<u>1,005,660</u>	<u>1,071,882</u>	<u>1,038,900</u>	<u>1,516,053</u>
<u>\$ 48,167,174</u>	<u>\$ 47,922,284</u>	<u>\$ 48,797,102</u>	<u>\$ 51,506,095</u>	<u>\$ 49,264,846</u>	<u>\$ 46,350,469</u>
(144,028)	(961,786)	1,643,899	6,577,355	5,504,046	2,658,723
302,608	291,378	323,791	489,992	459,082	845,287
<u>\$ 158,580</u>	<u>\$ (670,408)</u>	<u>\$ 1,967,690</u>	<u>\$ 7,067,347</u>	<u>\$ 5,963,128</u>	<u>\$ 3,504,010</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:				
Nonspendable	\$ 115,461	\$ 115,562	\$ 137,957	\$ 139,411
Committed	432,153	881,426	683,619	-
Assigned	953,807	2,515,877	3,851,512	3,405,003
Unassigned	26,445,365	25,950,263	24,805,537	25,694,026
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total general fund	<u>27,946,786</u>	<u>29,463,128</u>	<u>29,478,625</u>	<u>29,238,440</u>
All Other Governmental Funds:				
Nonspendable	1,691	-	-	5,572
Restricted	10,553,119	9,986,832	9,700,263	9,505,152
Committed	4,862,100	2,110,726	1,728,501	51,446
Unassigned (deficit)	-	(745)	-	(63,290)
Reserved	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>15,416,910</u>	<u>12,096,813</u>	<u>11,428,764</u>	<u>9,498,880</u>
Total governmental funds	<u>\$ 43,363,696</u>	<u>\$ 41,559,941</u>	<u>\$ 40,907,389</u>	<u>\$ 38,737,320</u>

**Source:** School District financial records.

(1) Amounts have been restated from those reported in the original CAFR to reflect changes in accounting principle and/or prior period adjustments.

Note: The District implemented GASB 54 in fiscal year 2011.

<u>2011</u>	<u>2010 (1)</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 226,453	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
2,870,700	-	-	-	-	-
24,606,148	-	-	-	-	-
-	4,509,530	6,056,237	5,148,703	4,806,799	4,419,363
-	23,818,349	25,289,018	26,035,339	22,494,931	19,852,597
<u>27,703,301</u>	<u>28,327,879</u>	<u>31,345,255</u>	<u>31,184,042</u>	<u>27,301,730</u>	<u>24,271,960</u>
6,646	-	-	-	-	-
10,923,564	-	-	-	-	-
61,668	-	-	-	-	-
(815)	-	-	-	-	-
-	5,355,107	4,436,359	2,757,346	2,595,005	3,386,156
-	386,082	488,701	521,337	472,190	496,295
-	3,147,047	3,246,177	3,282,849	2,834,842	85,739
<u>10,991,063</u>	<u>8,888,236</u>	<u>8,171,237</u>	<u>6,561,532</u>	<u>5,902,037</u>	<u>3,968,190</u>
<u>\$ 38,694,364</u>	<u>\$ 37,216,115</u>	<u>\$ 39,516,492</u>	<u>\$ 37,745,574</u>	<u>\$ 33,203,767</u>	<u>\$ 28,240,150</u>

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Revenues</b>				
From local sources:				
Property taxes	\$ 44,079,060	\$ 42,706,426	\$ 42,765,503	\$ 40,698,349
Tuition	3,958,334	3,592,886	3,432,486	3,716,625
Earnings on investments	275,632	550,868	(115,043)	343,606
Charges for services	481,023	505,523	498,277	546,196
Extracurricular	238,123	427,478	248,088	221,695
Classroom materials and fees	61,962	72,847	68,499	60,919
Rental income	9,031	15,290	3,120	5,540
Contributions and donations	56,271	58,435	67,021	18,886
Contract services	53,983	41,450	27,761	40,815
Other local revenues	76,975	93,855	74,430	33,558
Intergovernmental	9,998,159	9,776,606	9,373,306	10,081,139
Total revenues	<u>59,288,553</u>	<u>57,841,664</u>	<u>56,443,448</u>	<u>55,767,328</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	18,953,256	18,561,146	17,961,767	18,675,485
Special	9,219,036	9,678,921	6,305,746	6,300,173
Vocational	257,428	254,227	337,679	420,324
Other	756,683	207,366	685,834	-
Support services:				
Pupil	3,565,742	3,465,007	3,545,909	3,702,792
Instructional staff	1,500,935	1,184,272	3,988,800	3,989,498
Board of education	87,062	78,372	69,126	78,336
Administration	3,562,187	3,458,087	3,332,557	3,359,159
Fiscal	1,405,752	1,312,083	1,338,823	1,357,424
Business	637,673	589,603	593,970	545,458
Operations and maintenance	4,663,263	4,576,331	4,522,117	4,347,981
Pupil transportation	3,590,541	3,664,747	3,714,548	3,637,659
Central	1,017,146	930,580	1,034,998	1,033,121
Operation of non-instructional services:				
Other non-instructional services	610,355	618,650	462,770	640,367
Food service operations	584,234	624,186	675,203	682,617
Extracurricular activities	1,617,961	1,820,502	1,556,513	1,566,991
Facilities acquisitions and construction	2,841,756	3,661,442	1,622,291	2,491,781
Capital outlay	299,503	-	-	-
Debt service:				
Principal retirement	1,767,470	1,626,488	1,633,920	1,536,508
Interest and fiscal charges	847,437	882,357	895,174	936,879
Bond issuance costs	-	-	-	-
Total expenditures	<u>57,785,420</u>	<u>57,194,367</u>	<u>54,277,745</u>	<u>55,302,553</u>
Excess (deficiency) of revenues over (under) expenditures	1,503,133	647,297	2,165,703	464,775

2011	2010	2009	2008	2007	2006
\$ 37,568,424	\$ 36,258,491	\$ 38,961,368	\$ 39,879,562	\$ 39,797,661	\$ 36,917,405
3,983,971	3,706,766	3,465,610	2,820,356	3,701,388	3,004,688
323,414	650,832	1,745,195	1,782,271	1,963,335	1,031,383
534,975	524,298	509,306	491,963	466,038	480,615
242,272	334,765	202,404	202,607	216,845	378,972
79,681	85,028	79,482	77,844	86,046	84,173
7,760	7,210	6,685	7,230	7,140	4,750
7,389	14,643	14,270	-	-	-
41,621	43,909	57,101	-	-	-
85,049	153,446	63,958	107,769	190,711	86,873
11,607,573	11,222,623	10,366,538	9,538,474	8,588,456	8,007,852
54,482,129	53,002,011	55,471,917	54,908,076	55,017,620	49,996,711
19,391,253	18,440,370	18,365,083	17,385,174	17,305,337	16,173,320
6,510,388	6,402,902	6,205,744	5,725,646	5,289,978	6,157,219
343,264	262,377	315,725	272,615	303,665	276,743
-	-	-	-	37,728	-
3,708,056	3,691,059	3,250,828	3,471,402	3,299,577	2,721,090
4,124,229	4,194,566	4,019,019	3,649,596	3,511,311	2,780,562
167,112	82,545	160,757	110,200	143,355	181,589
2,988,770	2,992,936	2,837,225	2,872,172	2,787,210	2,754,691
1,214,690	1,232,620	1,157,298	1,171,481	1,151,052	1,107,658
581,137	547,326	555,661	537,479	510,033	509,897
4,634,784	4,755,829	4,771,091	4,608,092	4,278,812	4,563,040
3,679,320	3,897,232	3,539,067	3,424,859	3,511,181	3,286,647
1,166,158	1,317,455	1,153,880	1,200,502	1,085,252	1,154,066
686,326	528,768	660,266	578,947	513,872	389,599
660,242	638,399	660,210	585,191	618,018	527,599
1,626,184	1,734,254	1,526,210	1,500,950	1,490,130	1,589,738
1,770,222	2,321,136	2,290,812	1,003,471	2,326,830	1,632,519
-	30,255	-	294,690	-	-
1,401,117	1,331,956	1,246,794	1,247,432	881,536	799,104
968,001	931,582	986,089	1,024,672	1,009,126	1,287,772
52,627	-	-	-	183,859	-
55,673,880	55,333,567	53,701,759	50,664,571	50,237,862	47,892,853
(1,191,751)	(2,331,556)	1,770,158	4,243,505	4,779,758	2,103,858

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Other Financing Sources (Uses)</b>				
Issuance of bonds	-	-	-	-
Issuance of notes	-	-	-	-
Transfers in	5,176,000	3,410,000	2,610,000	110,000
Transfers (out)	(5,176,000)	(3,410,000)	(2,610,000)	(531,819)
Sale of capital assets	1,119	5,255	4,366	-
Capital lease transaction	299,503	-	-	-
Sale of refunding bonds	-	-	-	-
Premium on refunding bonds sold	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bonds	-	-	-	-
Accrued interest on bonds	-	-	-	-
Total other financing sources (uses)	<u>300,622</u>	<u>5,255</u>	<u>4,366</u>	<u>(421,819)</u>
<b>Extraordinary item</b>				
Reimbursement for storm damage	-	-	-	-
Net change in fund balances	<u>\$ 1,803,755</u>	<u>\$ 652,552</u>	<u>\$ 2,170,069</u>	<u>\$ 42,956</u>
Capital expenditures	\$ 2,809,831	\$ 2,950,324	\$ 1,792,403	\$ 2,928,806
Debt service as a percentage of total noncapital expenditures	4.76%	4.63%	4.82%	4.72%

**Source:** School District financial records.

<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
2,670,000	-	-	-	-	-
-	-	-	-	-	-
110,000	2,115,000	2,659,000	260,319	2,706,700	268,370
(110,000)	(2,115,000)	(2,659,000)	(260,319)	(2,706,700)	(268,370)
-	924	760	3,612	-	-
-	30,255	-	294,690	-	-
-	-	-	-	18,354,970	-
-	-	-	-	841,741	-
-	-	-	-	(19,012,852)	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,670,000</u>	<u>31,179</u>	<u>760</u>	<u>298,302</u>	<u>183,859</u>	<u>-</u>
-	-	-	-	-	-
<u>\$ 1,478,249</u>	<u>\$ (2,300,377)</u>	<u>\$ 1,770,918</u>	<u>\$ 4,541,807</u>	<u>\$ 4,963,617</u>	<u>\$ 2,103,858</u>
\$ 2,172,785	\$ 2,384,310	\$ 2,420,224	\$ 1,422,166	\$ 2,208,765	\$ 1,531,231
4.43%	4.27%	4.35%	4.61%	3.94%	4.50%

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

Collection Year	Real Property (1)		Tangible Personal Property (2)		Public Utility (3)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2015	\$ 1,002,217,530	\$ 2,863,478,657	\$ -	\$ -	\$ 10,763,950	\$ 12,231,761
2014	1,001,559,470	2,861,598,486	-	-	10,236,390	11,632,261
2013	995,704,210	2,844,869,171	-	-	9,282,780	10,548,614
2012	996,924,660	2,848,356,171	-	-	8,555,210	9,721,830
2011	997,502,800	2,850,008,000	348,980	5,583,680	8,224,500	9,346,023
2010	992,089,220	2,834,540,629	760,410	12,166,560	8,029,100	9,123,977
2009	1,028,000,490	2,937,144,257	13,781,055	220,496,880	7,496,850	8,519,148
2008	1,023,957,100	2,925,591,714	26,514,560	424,232,960	7,086,100	8,052,386
2007	1,017,969,380	2,908,483,943	31,382,118	251,056,944	9,449,280	10,737,818
2006	921,968,860	2,634,196,743	38,351,782	166,746,878	9,984,050	11,345,511

**Source:** Cuyahoga County Fiscal Officer's Office

- (1) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the State Tax Commissioner.
- (2) Tangible personal property is assessed at various percentages of actual value.
- (3) Public utility personal property is assessed at various percentages of actual value.
- (4) This amount represents the gross millage.

**Total**

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<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Percentage of Assessed Value to Estimated Actual Value</u>	<u>Total Direct Rate (4)</u>
\$ 1,012,981,480	\$ 2,875,710,419	35.23%	\$ 91.10
1,011,795,860	2,873,230,747	35.21%	91.10
1,004,986,990	2,855,417,785	35.20%	91.10
1,005,479,870	2,858,078,001	35.18%	91.10
1,006,076,280	2,864,937,703	35.12%	86.10
1,000,878,730	2,855,831,166	35.05%	86.00
1,049,278,395	3,166,160,285	33.14%	86.00
1,057,557,760	3,357,877,060	31.49%	86.00
1,058,800,778	3,170,278,705	33.40%	86.00
970,304,692	2,812,289,132	34.50%	86.10

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

Tax Year/ Collection	Overlapping Rates			Direct Rates					
	County	City	Library	General	Bond	Voted Permanent Improvement	Recreation	Unvoted	Total
2014/2015	\$ 20.93	\$ 9.50	\$ 2.50	\$ 81.55	\$ 2.40	\$ 1.00	\$ 0.95	\$ 5.20	\$ 91.10
2013/2014	20.03	9.50	2.50	81.55	2.40	1.00	0.95	5.20	91.10
2012/2013	18.30	9.50	2.50	81.55	2.40	1.00	0.95	5.20	91.10
2011/2012	18.30	9.50	2.50	81.55	2.40	1.00	0.95	5.20	91.10
2010/2011	18.40	9.50	2.50	76.55	2.40	1.00	0.95	5.20	86.10
2009/2010	18.40	9.50	2.50	76.55	2.30	1.00	0.95	5.20	86.00
2008/2009	18.10	9.50	2.50	76.55	2.30	1.00	0.95	5.20	86.00
2007/2008	18.20	9.50	2.00	76.55	2.30	1.00	0.95	5.20	86.00
2006/2007	18.20	9.50	2.00	76.55	2.30	1.00	0.95	5.20	86.00
2005/2006	18.30	9.50	2.00	76.55	2.40	1.00	0.95	5.20	86.10

Source: Cuyahoga County Fiscal Officer's Office

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*PRINCIPAL TAXPAYERS  
REAL ESTATE TAX  
DECEMBER 31, 2014 AND DECEMBER 31, 2005*

<b>December 31, 2014</b>			
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total District Real Estate Assessed Value</u>
Chagrin Retail L.L.C.	\$ 17,975,240	1	1.79%
Village Chagrin Partners	6,449,910	2	0.64%
HRP NOM L.P.	4,470,120	3	0.45%
LSREF2 OREO 2 LLC	4,293,070	4	0.43%
Lander Circle Company	3,783,070	5	0.38%
Landerwood Corssing, LLC	3,500,000	6	0.35%
CY Beachwood Owner LLC	3,086,580	7	0.31%
H V Holdings, Inc.	3,064,430	8	0.31%
AM Castle and Company	2,975,010	9	0.30%
Brainard Miles Retail Development, LLC	2,959,750	10	0.30%
<b>Total</b>	<b>\$ 52,557,180</b>		<b>5.26%</b>
<b>Total Assessed Values</b>	<b>\$ 1,002,217,530</b>		

<b>December 31, 2005</b>			
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total District Real Estate Assessed Value</u>
Chagrin Retail L.L.C.	\$ 17,160,960	1	1.86%
HRP NOM L.P.	7,678,940	2	0.83%
Village Chagrin Partners	5,949,410	3	0.65%
Lowe's Home Center, Inc.	4,765,330	4	0.52%
Duke Realty Ltd. Partnership	4,406,850	5	0.48%
AM Castle and Company	3,933,450	6	0.43%
Lander Circle Company	3,327,050	7	0.36%
Olympic Steel	3,005,840	8	0.33%
Park Synagogue	2,813,300	9	0.31%
Beechmont, Inc.	2,800,400	10	0.30%
<b>Total</b>	<b>\$ 55,841,530</b>		<b>6.07%</b>
<b>Total Assessed Values</b>	<b>\$ 921,968,860</b>		

**Source:** Cuyahoga County Fiscal Officer's Office

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*PRINCIPAL TAXPAYERS  
PUBLIC UTILITIES TAX  
DECEMBER 31, 2014 AND DECEMBER 31, 2005*

<b>December 31, 2014</b>			
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total District Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$ 8,955,560	1	83.20%
East Ohio Gas	1,113,500	2	10.34%
Total	<u>\$ 10,069,060</u>		<u>93.54%</u>
Total Assessed Values	<u>\$ 10,763,950</u>		

<b>December 31, 2005</b>			
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total District Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$ 5,206,900	1	52.15%
Ohio Bell Telephone Company	1,524,430	2	15.27%
East Ohio Gas	712,090	3	7.13%
American Transmission	589,410	4	5.90%
New Cingular Wireless PCS L.L.C.	464,660	5	4.65%
New Par	461,340	6	4.62%
Total	<u>\$ 8,958,830</u>		<u>89.72%</u>
Total Assessed Values	<u>\$ 9,984,050</u>		

**Source:** Cuyahoga County Fiscal Officer's Office

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS*

<b>Tax Year/ Collection Year</b>	<b>Total Levy</b>	<b>Current Collection</b>	<b>Percent of Current Levy Collected</b>	<b>Delinquent Collection (2)</b>	<b>Total Collection</b>	<b>Total Collection As a Percent of Total Levy (2)</b>	<b>Outstanding Delinquent Taxes (1)</b>	<b>Total Delinquent Taxes As a Percent of Total Levy</b>
2014/2015	\$ 49,338,211	\$ 46,399,765	94.04%	\$ 1,172,551	\$ 47,572,316	96.42%	\$ 1,823,292	3.70%
2013/2014	49,115,107	46,933,918	95.56%	1,321,499	48,255,417	98.25%	2,266,057	4.61%
2012/2013	49,115,107	46,933,918	95.56%	1,325,819	48,259,737	98.26%	2,266,057	4.61%
2011/2012	48,471,730	46,663,798	96.27%	1,549,229	48,213,027	99.47%	2,533,593	5.23%
2010/2011	43,265,150	41,477,690	95.87%	1,661,999	43,139,689	99.71%	2,374,780	5.49%
2009/2010	43,039,829	41,677,187	96.83%	1,423,661	43,100,848	100.14%	2,792,126	6.49%
2008/2009	46,312,377	41,844,144	90.35%	1,200,055	43,044,199	92.94%	1,636,581	3.53%
2007/2008	44,567,977	42,867,026	96.18%	1,575,408	44,442,434	99.72%	3,199,238	7.18%
2006/2007	45,354,998	42,835,059	94.44%	1,645,469	44,480,528	98.07%	2,331,806	5.14%
2005/2006	41,499,416	39,341,393	94.80%	1,373,393	40,714,786	98.11%	1,987,957	4.79%

**Source:** Cuyahoga County Fiscal Officer's Office

- (1) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.
- (2) Delinquent Tax Collections are only available by collection year; therefore the percentage of total tax collections to the current levy may exceed 100 percent in some years. The District will continue to work with the County to get this information in the future.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

<u>Governmental Activities</u>						
<u>Fiscal Year</u>	<u>General Obligation Bonds (4)</u>	<u>Capital Leases</u>	<u>(1) Total Primary Government</u>	<u>(2) Per Capita</u>	<u>(2) Per Enrollment</u>	<u>(2) Total Debt as a Percentage of Personal Income</u>
2015	\$ 22,010,509	\$ 267,763	\$ 22,278,272	(3)	\$ 10,262	(3)
2014	23,530,963	5,730	23,536,693	1,638	10,588	1.48%
2013	24,877,957	12,218	24,890,175	1,748	11,197	0.86%
2012	26,117,290	56,138	26,173,428	1,838	11,659	1.69%
2011	27,228,004	127,646	27,355,650	1,928	11,946	1.87%
2010	25,578,611	193,763	25,772,374	1,814	11,394	2.16%
2009	26,574,579	220,464	26,795,043	1,986	11,595	1.81%
2008	27,522,004	272,258	27,794,262	2,068	11,639	1.62%
2007	28,527,516	-	28,527,516	2,115	12,022	1.73%
2006	28,394,639	31,536	28,426,175	2,085	12,076	1.79%

**Sources:** School District Financial Records

- (1) See notes to the financial statements regarding the District's outstanding debt information.
- (2) See schedule " Demographic and Economic Statistics, Last Ten Years" for population, personal income and enrollment information
- (3) Information not readily available for this fiscal year.
- (4) General obligation bonds are reported net of premiums, discounts and other adjustments.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

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

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>			<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita (2)</b>
	<b>General Obligation Bonds (1)</b>	<b>Less: Restricted for Debt Service</b>	<b>Net General Bonded Debt Outstanding</b>		
2015	\$ 22,010,509	\$ 2,685,509	\$ 19,325,000	0.67%	(2)
2014	23,530,963	2,828,644	20,702,319	0.72%	1,440
2013	24,877,957	1,831,512	23,046,445	0.81%	1,619
2012	26,117,290	3,728,136	22,389,154	0.78%	1,572
2011	27,228,004	3,342,046	23,885,958	0.83%	1,683
2010	25,578,611	3,029,772	22,548,839	0.79%	1,587
2009	26,574,579	2,763,181	23,811,398	0.75%	1,765
2008	27,522,004	2,478,446	25,043,558	0.75%	1,864
2007	27,535,222	2,099,607	25,435,615	0.80%	1,886
2006	28,216,092	1,515,818	26,700,274	0.95%	1,959
2005	29,054,046	1,288,147	27,765,899	0.99%	2,015

**Note:** Details regarding the District's outstanding debt can be found in the notes to the financial statements.

(1) See notes to the financial statements regarding the District's outstanding debt information.

(2) Personal income information can be found on the Demographic and Economic Statistics table. The information for 2015 was not readily available.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2015*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Orange City School District	\$ 22,278,272	100.00%	\$ 22,278,272
Total direct debt	<u>22,278,272</u>		<u>22,278,272</u>
Overlapping debt:			
Cuyahoga County	262,275,000	3.65%	9,579,756
Village of Orange	2,745,000	92.87%	2,549,270
City of Bedford Heights	1,115,000	11.86%	132,243
Village of Moreland Hills	270,000	80.01%	216,034
City of Pepper Pike	6,817,897	98.93%	6,745,183
City of Solon	3,680,000	2.14%	78,895
City of Warrensville Heights	13,288,500	3.95%	524,937
Village of Woodmere	2,544,500	100.00%	2,544,500
Greater Cleveland Regional Transit Authority	102,840,000	3.65%	3,756,294
Total overlapping debt	<u>395,575,897</u>		<u>26,127,112</u>
 Total direct and overlapping debt	 <u>\$ 417,854,169</u>		 <u>\$ 48,405,384</u>

**Source:** Cuyahoga County Fiscal Officer's Office

**Note:** Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivision. The valuations used were for the 2014 collection year.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS*

<b>Fiscal Year</b>	<b>Assessed Value (2)</b>	<b>Voted Debt Limit (1)</b>	<b>Total Debt Applicable to Limit (3)</b>	<b>Debt Service Available Balance</b>	<b>Voted Legal Debt Margin</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>	<b>Unvoted Legal Debt Margin (1)</b>
2015	\$ 1,012,981,480	\$ 91,168,333	\$ 19,974,970	\$ 4,191,931	\$ 75,385,294	17.31%	\$ 1,012,981
2014	1,011,795,860	91,061,627	21,522,696	4,129,608	73,668,539	19.10%	1,011,796
2013	1,004,986,990	90,448,829	22,121,029	3,933,451	72,261,251	20.11%	1,004,987
2012	1,005,479,870	90,493,188	22,918,189	3,711,201	71,286,200	21.22%	1,005,480
2011 (2)	1,005,727,300	90,515,457	24,383,189	3,287,546	69,419,814	23.31%	1,005,727
2010 (2)	1,000,118,320	90,010,649	23,048,189	2,871,393	69,833,853	22.42%	1,000,118
2009 (2)	1,035,497,340	93,194,761	24,323,189	2,751,041	71,622,613	23.15%	1,035,497
2008 (2)	1,031,043,200	92,793,888	25,518,189	2,377,383	69,653,082	24.94%	1,031,043
2007 (2)	1,027,418,660	92,467,679	26,743,189	2,065,087	67,789,577	26.69%	1,027,419
2006 (2)	931,952,910	83,875,762	27,593,219	1,455,700	57,738,243	31.16%	931,953

**Source:** Cuyahoga County Fiscal Officer, Ohio Department of Taxation and School District financial records

- (1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.
- (2) The District's total assessed valuation for the respective collection year is not utilized as the base for determining current direct debt limitations. Consistent with House Bill 530, adjustments are made to exclude substantially all tangible personal property values from this calculation. Adjusted values were obtained from the Ohio Department of Taxation.
- (3) Total Debt applicable to limit excludes accreted interest on capital appreciation bonds.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS*

<u>Year</u>	<u>Population (1)</u>	<u>Average Income by Return (5)</u>	<u>Personal Income (5)</u>	<u>Per Capita Income</u>	<u>Median Age (1)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rates (4)</u>		
							<u>Cuyahoga County</u>	<u>Ohio</u>	<u>United States</u>
2015	(2)	(2)	(2)	(2)	51.2	2,171	6.7%	5.2%	5.3%
2014	14,373	\$ 228,421	\$ 1,588,439,132	\$ 110,515	51.1	2,216	7.9%	5.5%	6.1%
2013	14,239	307,155	2,903,570,821	203,917	49.2	2,223	8.0%	7.2%	7.6%
2012	14,239	230,528	1,552,833,536	109,055	49.2	2,245	7.5%	7.2%	8.2%
2011	14,190	224,370	1,461,094,740	102,967	40.2	2,290	7.9%	8.8%	9.1%
2010	14,211	183,625	1,191,176,755	83,821	41.5	2,262	9.7%	10.5%	9.5%
2009	13,493	218,640	1,477,129,812	109,474	41.5	2,311	10.2%	11.1%	9.5%
2008	13,437	218,640	1,718,478,448	127,892	41.5	2,388	8.1%	6.7%	5.7%
2007	13,490	237,468	1,646,839,811	122,079	41.5	2,373	6.5%	5.8%	4.7%
2006	13,633	228,402	1,587,394,302	116,438	41.5	2,354	5.9%	5.5%	4.8%

(1) Information obtained from the U.S. Census Bureau website (www.census.gov).  
City of Pepper Pike Geographic Area.

(2) Information not readily available for this calendar year.

(3) Obtained from District Records.

(4) Obtained from the Ohio Department of Job and Family Services.

(5) Obtained from the Ohio Department of Taxation.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*PRINCIPAL EMPLOYERS  
DECEMBER 31, 2014 AND NINE YEARS AGO*

<b>December 31, 2014</b>		
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>
Ursuline College	591	1
Orange City School District (1)	543	2
Country Club, Inc.	287	3
Heinens, Inc.	258	4
Chagrin Valley Country Club	161	5
Apple, Inc.	151	6
Bravo Brio Restaurant Group, Inc.	150	7
Whole Foods Market Goup, Inc.	143	8
TJX Companies, Inc.	136	9
Majestic Steel USA, Inc.	135	10
Total	2,555	

<b>December 31, 2005</b>		
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>
Orange City School District (1)	616	1
Ursuline College	362	2
Sky Financial Group	126	3
City of Pepper Pike	101	4
Stern Advertising	80	5
Beech Brook	78	6
Merrill Lynch Pierce Fenner	75	7
Chagrin Valley Country Club	60	8
National City Corporation	51	9
Wachovia Shared Resources	43	10
Total	1,592	

**Source:** Regional Income Tax Agency

(1) Includes substitute and seasonal employees.

**Note:** The Regional Income Tax Agency was unable to provide statistics on total employment within the District such that the above totals by employer could be expressed as a percentage of total employment. The District's boundaries cover 25 square miles and includes all or a portion of 8 different political subdivisions.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*STAFFING STATISTICS  
FULL TIME EQUIVALENTS (FTE) BY TYPE AND FUNCTION  
LAST TEN FISCAL YEARS*

<b>Type</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Professional Staff:										
Teaching Staff:										
Elementary	82.3	82.3	82.3	82.3	85.8	85.0	84.6	84.6	84.1	80.1
Middle	49.5	49.5	49.5	47.9	50.9	50.9	50.9	49.5	48.5	46.5
High	69.6	69.6	67.6	67.0	68.0	67.0	67.0	66.9	66.9	66.7
Others	19.3	19.3	18.9	17.9	18.9	18.7	18.7	17.7	17.7	16.7
Administration:										
District	20.0	20.0	21.0	20.0	21.0	21.0	20.0	20.0	20.0	21.0
Auxiliary Positions:										
Counselors	6.0	6.0	6.0	6.0	6.5	6.5	6.5	6.5	6.5	6.5
Nurses	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.5
Speech	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3
Mental Health Specialists	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.4
Others	8.6	8.6	8.6	8.6	9.6	9.6	9.6	9.6	9.6	9.6
Support Staff:										
Supervisors	10.0	10.0	10.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Secretarial	33.0	33.0	33.4	33.4	33.4	32.5	32.5	33.5	33.5	32.0
Aides	60.0	59.0	59.0	58.0	60.0	60.0	60.0	57.5	53.5	54.0
Hall monitor/Security						-	-	-	1.0	-
Technical	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Cooks	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.6	8.5
Custodial	26.0	26.0	26.0	26.0	25.3	25.3	25.3	25.3	25.3	25.3
Maintenance	7.0	7.0	7.0	7.0	8.0	8.0	8.0	8.0	8.0	8.0
Bus Driver	31.6	31.6	31.6	31.6	32.9	32.9	32.9	32.9	32.1	33.6
Bus Aides	2.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5	2.5	2.0
Mechanics	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>Total</b>	<b>451.9</b>	<b>450.9</b>	<b>449.9</b>	<b>445.7</b>	<b>460.8</b>	<b>457.9</b>	<b>456.5</b>	<b>452.5</b>	<b>447.7</b>	<b>439.7</b>
<b>Function</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Instruction:										
Regular	158.2	159.2	156.8	154.6	161.6	161.1	160.7	160.2	159.2	152.9
Special	51.6	50.6	50.6	49.6	51.1	49.6	49.6	47.6	47.1	45.1
Vocational	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Support Services:										
Pupil	36.9	36.9	36.9	35.9	36.4	36.4	36.4	36.4	36.5	35.8
Instructional staff	65.0	64.0	64.0	64.0	67.0	67.0	67.0	65.0	62.0	62.5
Administration	22.0	22.0	23.0	22.0	23.0	23.0	22.0	22.5	22.5	23.5
Fiscal	5.6	5.6	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Business	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Operations and maintenance	44.0	44.0	44.0	45.0	45.3	45.3	45.3	45.3	45.3	45.3
Pupil transportation	39.1	39.1	39.1	39.1	40.9	40.9	40.9	40.9	40.6	40.6
Central	10.9	10.9	10.9	10.9	10.9	10.0	10.0	10.0	10.0	9.0
Food Service Operations	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.0	9.5
Extracurricular activities	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9
<b>Total Governmental Activities</b>	<b>451.9</b>	<b>450.9</b>	<b>449.9</b>	<b>445.7</b>	<b>460.8</b>	<b>457.9</b>	<b>456.5</b>	<b>452.5</b>	<b>447.7</b>	<b>439.7</b>

**Source:** School District records

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS*

<b>Function</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Instruction:</b>										
Regular and Special										
Enrollment (students)	2,171	2,216	2,223	2,245	2,290	2,199	2,311	2,388	2,373	2,354
Graduates	159	185	190	181	172	150	201	187	180	195
<b>Support services:</b>										
Board of education										
Regular meetings per year	21	18	23	22	22	21	24	24	24	22
Special meetings per year	17	20	16	12	12	17	11	22	21	24
Administration										
Student attendance rate	95.6%	95.0%	95.6%	95.6%	95.7%	95.8%	96.0%	96.5%	95.9%	96.1%
Fiscal										
Nonpayroll checks issued	5,589	5,511	5,538	5,389	6,018	6,636	6,588	6,619	6,424	6,800
Operations and maintenance										
Work orders completed	397	390	573	438	629	416	500	500	500	500
Square footage maintained	548,700	548,700	548,700	548,700	534,881	534,881	534,881	534,881	534,881	534,881
Pupil transportation										
Avg. students transported daily (2)	1,382	1,391	1,391	1,381	1,525	1,440	2,242	2,462	2,592	2,637
Food service operations										
Meals served to students	168,969	182,556	182,590	184,677	170,930	195,915	188,754	207,577	192,466	187,274
Number of students with free or reduced lunches	284	278	251	282	203	224	222	218	174	144

**Source:** District records

(1) Information not readily available for this fiscal year.

(2) Figure includes public and nonpublic riders.

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*CAPITAL ASSET STATISTICS  
LAST TEN FISCAL YEARS*

<b>Governmental Activities</b>					
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Land	\$ 6,315,782	\$ 6,315,782	\$ 6,370,150	\$ 6,370,150	\$ 6,370,150
Construction in Progress	645,323	1,148,798	330,459	80,263	1,724,343
Land improvements	4,021,647	4,379,666	3,881,682	4,138,845	4,052,380
Buildings	30,289,257	28,916,233	29,429,013	30,349,086	28,014,968
Equipment	1,309,712	1,233,820	1,390,872	914,936	927,018
Vehicles	1,607,377	1,545,465	1,580,642	1,665,297	1,723,068
<b>Total Governmental Activities Capital Assets, net</b>	<b>\$ 44,189,098</b>	<b>\$ 43,539,764</b>	<b>\$ 42,982,818</b>	<b>\$ 43,518,577</b>	<b>\$ 42,811,927</b>

<b>Governmental Activities</b>					
	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006 (1)</b>
Land	\$ 6,370,150	\$ 6,370,150	\$ 6,370,150	\$ 6,370,150	\$ 6,370,150
Construction in Progress	1,431,742	1,424,838	55,103	7,657	832,438
Land improvements	4,338,252	4,603,316	4,925,063	5,213,189	5,467,298
Buildings	27,973,225	27,231,377	27,698,365	28,168,267	26,739,762
Equipment	1,005,328	1,101,286	1,181,011	869,790	878,323
Vehicles	1,714,578	1,685,540	1,585,559	1,541,672	1,353,127
<b>Total Governmental Activities Capital Assets, net</b>	<b>\$ 42,833,275</b>	<b>\$ 42,416,507</b>	<b>\$ 41,815,251</b>	<b>\$ 42,170,725</b>	<b>\$ 41,641,098</b>

<b>Business-Type Activities</b>					
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
Land improvements	22,143	24,956	27,769	30,582	33,395
Buildings	3,149,210	3,317,269	3,484,755	3,654,394	3,783,272
Equipment	4,896	-	-	2,304	3,610
Vehicles	-	-	-	-	2,507
<b>Total Business-Type Activities Capital Assets, net</b>	<b>\$ 3,176,249</b>	<b>\$ 3,342,225</b>	<b>\$ 3,512,524</b>	<b>\$ 3,687,280</b>	<b>\$ 3,822,784</b>

<b>Business-Type Activities</b>					
	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Construction in progress	\$ 631,180	\$ -	\$ -	\$ -	\$ -
Land improvements	36,632	44,728	44,728	49,292	54,760
Buildings	1,949,230	2,131,584	2,131,584	2,170,785	2,261,559
Equipment	4,916	17,696	17,696	18,066	25,065
Vehicles	7,522	23,601	23,601	29,717	35,831
<b>Total Business-Type Activities Capital Assets, net</b>	<b>\$ 2,629,480</b>	<b>\$ 2,217,609</b>	<b>\$ 2,217,609</b>	<b>\$ 2,267,860</b>	<b>\$ 2,377,215</b>

**Source:** School District financial records.

**Note:** Amounts above are presented net of accumulated depreciation.

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**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Orange High School (1973)					
Square feet	215,886	215,886	215,886	215,886	215,886
Capacity (All)	960	960	960	960	960
Enrollment	681	698	712	701	765
Brady Middle School (1965)					
Square feet	99,760	99,760	99,760	99,760	86,138
Capacity (All)	720	720	720	720	720
Enrollment	500	498	473	516	484
Moreland Hills Elementary (2001)					
Square feet	124,875	124,875	124,875	124,875	124,875
Capacity (All)	1,440	1,440	1,440	1,440	1,440
Enrollment	883	917	943	947	957
Gund School (1978)					
Square feet	6,000	6,000	6,000	6,000	6,000
Capacity (All)	84	84	84	84	84
Enrollment	81	70	67	60	58
New Directions (1989)					
Square feet	26,400	26,400	26,400	26,400	26,400
Capacity (All)	38	38	38	38	38
Enrollment	26	33	28	21	26

**Source:** District records

**Note:** Year of original construction is in parentheses. Increases in square footage and capacity are the result of renovations and additions.

<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
215,886	215,886	215,886	215,886	215,886
960	960	960	960	960
719	688	715	737	764
86,138	86,138	86,138	86,138	86,138
720	720	720	720	720
496	521	570	532	509
124,875	124,875	124,875	124,875	124,875
1,440	1,440	1,440	1,440	1,440
881	997	1,006	1,023	992
6,000	6,000	6,000	6,000	6,000
84	84	84	84	84
68	79	68	53	66
26,400	26,400	1,800	1,800	1,800
38	38	30	30	30
35	26	29	28	23

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*OPERATING STATISTICS  
LAST TEN FISCAL YEARS*

<b>Fiscal Year</b>	<b>Total Governmental Funds</b>		<b>Governmental Activities</b>		<b>Enrollment (2)</b>	<b>Percent Change of Enrollment</b>
	<b>Expenditures (1)</b>	<b>Cost per pupil</b>	<b>Expenses (1)</b>	<b>Cost per pupil</b>		
2015	\$ 55,170,513	\$ 25,412	\$ 54,448,707	\$ 25,080	2,171	-2.34%
2014	54,685,522	24,678	54,404,797	24,551	2,216	-1.29%
2013	51,748,651	23,279	52,319,586	23,536	2,223	-0.98%
2012	52,829,166	23,532	52,759,592	23,501	2,245	-1.97%
2011	53,252,135	23,254	53,390,294	23,315	2,290	1.24%
2010	53,070,029	23,462	53,120,554	23,484	2,262	-2.12%
2009	51,468,876	22,271	51,302,966	22,199	2,311	-3.22%
2008	48,392,467	20,265	48,802,279	20,436	2,388	0.63%
2007	48,163,341	20,296	47,530,379	20,030	2,373	0.81%
2006	45,805,977	19,459	46,456,316	19,735	2,354	-0.17%

**Source:** District records

(1) Debt Service totals have been excluded.

(2) Enrollment derived from District attendance records.

(3) Teaching staff headcount represents full-time equivalents.

<b>Teaching Staff (3)</b>	<b>Pupil/Teacher Ratio</b>	<b>Student Attendance Percentage</b>
220.7	9.84	95.6%
220.7	10.04	95.6%
239.0	9.30	95.6%
227.3	9.88	95.6%
240.5	9.52	95.7%
221.6	10.21	95.8%
221.2	10.45	96.0%
218.7	10.92	96.5%
217.2	10.93	95.9%
210.0	11.21	96.1%

**ORANGE CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

*TEACHER STATISTICS  
JUNE 30, 2015*

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Pay Range</u>
Associate's Degree	(1)	n/a	(1)
Bachelor's Degree	27.00	11.30%	\$43,972 - \$84,703
Master's Degree	208.00	87.02%	\$48,786 - \$104,293
Ph.D.	<u>4.00</u>	<u>1.67%</u>	\$51,786 - \$105,293
	<u><u>239.00</u></u>	<u><u>100.00%</u></u>	

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	44.00	18.41%
6 - 10	38.00	15.90%
11 and over	<u>157.00</u>	<u>65.69%</u>
	<u><u>239.00</u></u>	<u><u>100.00%</u></u>

Source: School District Personnel Records

(1) The salary schedule contained in the current teachers' union collective bargaining agreement does not recognize degrees less than a bachelor's.

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# Dave Yost • Auditor of State

**ORANGE CITY SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY 4, 2016**