

# Comprehensive Annual Financial Report

Fiscal Year End, June 30, 2017



**Granville  
Schools**  
Learning for Life



[www.granvilleschools.org](http://www.granvilleschools.org)

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**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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# Introductory Section



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December 12, 2017

To the Citizens and Board of Education of the Granville Exempted Village School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Granville Exempted Village School District (the "District"). This CAFR, which includes a clean opinion unmodified from the Auditor of State of Ohio, conforms to accounting principles generally accepted in the United States of America (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 District's management. To the best of our knowledge and belief, this CAFR and 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 District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

This report includes all funds of the District. The District provides a full range of traditional educational programs, services and facilities. These include elementary and secondary curriculum at the general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities, special education programs and facilities.

In addition to providing these general activities the District has administrative responsibility for state funds distributed to Granville Christian Academy and Welsh Hills School, private schools located within the District boundaries. In accordance with GASB Statement 24, this responsibility is included in the reporting entity as a special revenue fund. While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, these organizations' financial statements are not included in this report.

## **PROFILE OF THE SCHOOL DISTRICT**

The District was organized in the late 1800's and is a fiscally independent political subdivision of the State of Ohio. The District is a public school system located in Licking County. The District's area is approximately 48 square miles and includes all of the Village of Granville and Granville Township as well as portions of the Cities of Newark and Heath and portions of Newark, Newton, McKean, St. Albans and Union Townships. Granville is a quaint New England-type village founded in 1805 by pioneers from Massachusetts and Connecticut. The area enjoys a favorable reputation for its educational institutions, including Denison University.

The Board of Education (the "Board") of the District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body, and policy initiator for the operation of the District. The Board is responsible for the adoption of the tax budget, the annual operating budget and the approval of all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

## **GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

The District had an enrollment of 2,455 students for the fiscal year end June 30, 2017 compared to 2,434 students for the fiscal year ended June 30, 2016. These students are housed in one elementary school (grades K to 3), an intermediate school (grades 4 to 6), a middle school (grades 7 to 8), and a comprehensive high school (grades 9 to 12). The age of the buildings varies with the oldest built in 1950 and the newest, the intermediate building, opened in fiscal year 2003. Additionally, the District operates an administration building, a transportation building, and a maintenance office.

The District estimates enrollment to be 2,456, 2,447, and 2,475 for the fiscal years ending June 30, 2018, 2019, and 2020 respectively. The District's enrollment is based on average daily attendance figures and do not include students living within the District's attendance area who attend charter, community, or private schools.

### **Economic Condition and Outlook**

Central Ohio has rebounded well from the national recession and the local economy is now growing at a healthy pace. The housing market in Granville generally held its value during the recession and is now showing price increases in most areas of the district. New construction, which had been mostly dormant during the housing market slowdown is beginning to rebound, although nowhere near the levels achieved 10 years ago. Low rates of turnover in housing during the recession are now behind us. The number of existing home sales in the district in 2015 increased over 13 percent from 2014 and has nearly doubled since its low point during the recession. The slowdowns in both new housing construction and existing home turnover, coupled with low birthrates has led to enrollment declines since the 2009/2010 school year. However, the reversal of the former two items has led to an increasing trend in enrollment which is expected to continue over the next several years.

Granville schools, in conjunction with Granville Village, Granville Township, and the local Chamber of Commerce, have begun discussions over the past several years about strategies for enhancing long-term economic sustainability. The purpose of these discussions are to foster a shared understanding and plan to implement the area's Comprehensive Plan which is intended to provide a framework through which the Granville Community can address issues related to the future of the community, including the extension of the Columbus region into Licking County, the strengthening of the tax base, and the expansion of housing opportunities, and assist with decisions that also serve to protect and preserve the rural character of the Township, the small town character of the Village, the quality and capacity of Granville schools, and other aspects of the community's quality of life.

The Granville area offers an excellent opportunity for business growth and expansion. The community contains a diverse group of employers, from small cottage home based businesses to major commercial/industrial and service corporations. Jobs are based in the college, area businesses, and many employers in the Columbus metropolitan area. Rich in higher education opportunities, Granville is the home of Denison University, and located just east of Granville, Central Ohio Technical College and The Ohio State University Newark campus. The largest employers in the District in terms of numbers of employees are: Denison University, Granville Exempted Village Schools, and the Owens Corning Technical Center.

## **GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

In Fiscal Year 2017, the district began spending more than it was taking in for the first time in several years as it entered the back end of the levy cycle following a new levy passed by the voters in 2013. The financial forecast of General Fund operations for the next five years shows that the District's fiscal year 2018 ending General Fund cash balance is projected to be approximately \$3.7 million. Fund balances are expected to reach zero by the 2021 fiscal year without adjustments to spending and new revenues.

## MAJOR INITIATIVES AND ACCOMPLISHMENTS

### *Accomplishments for Fiscal Year 2017*

#### ***Financial***

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

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This was the sixth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The district entered into a \$2,000,000 lease purchase agreement to replace all lighting in its buildings with LED, to replace failing boilers in the High School and Intermediate School, and to partially pay for replacing the roof on the Intermediate School. The investment is expected to save operating utility costs beginning in FY 2018.

#### **Salaries**

The district and the Granville Education Association (GEA) reached a three-year agreement in April 2017. The agreement called for two percent base increases for each of the first two years of the contract and 2.25 percent in the third year, beginning with the 2017/2018 school year.

#### **Health Care Benefits**

The district and the GEA agreed to a complete restructuring of health care benefits beginning January 1, 2018. The current PPO insurance plan is being replaced with a two-tiered high deductible health plan with district contributions into Health Savings Accounts. The change in plans resulted in a 12.7 percent reduction in premiums for the lower out-of-pocket maximum plan and a 26 percent decrease in the higher out-of-pocket maximum plan. In addition, at the renewals in 2019 and 2020, any additional costs of premiums will be more equally shared between the district and its employees.

## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### ***Instruction & Academic Achievement***

- GEVSD's Performance Index of 106.1 on 2016-17 Ohio State Assessments was in the top 2% of all 614 school districts in the state.
- Early literacy is critical for future success. Granville's balanced literacy framework results in 100% of students meeting the Third-Grade Guarantee requirement for reading.

- 17 Advance Placement (AP) courses allow students to earn college credits at universities across the country by scoring at least a 3 on rigorous end-of-course tests. 81 GHS students were named AP scholars by College Board.
- Granville students earn an ACT composite score of 25.6 (Ohio average is 22). Average SAT scores of 1719 (2400-pt scale) and 1168 (1600-pt scale).
- More than 92% of graduates attend a 4-year institution, including admission to over 100 top universities. Class of 2017 scholarships exceeded \$5 million.
- The 2017 National Merit Program Awards include three National Merit Semi-Finalists and four Commended Students from GHS.
- Students may participate in the College Credit Plus Program, taking courses for college credit at The Ohio State University-Newark, Central Ohio Technical College or any other participating institution. Students may also take classes at Denison University through The Licking County Scholars Program.
- Global Scholars Diploma, which builds competencies of investigating the world, recognizing perspectives, communicating ideas and taking action, was awarded to 7 students, with 85 enrolled in the program in grades 9-12.
- On the 2016-17 Local Report Card, Granville earned an A for Progress (student growth) for all student sub-groups and buildings.
- An award-winning World languages program, including gold, silver and bronze medals in the 2017 National French, Latin and Spanish exams.
- GMS students earned 290 high school credits toward graduation.
- Programming/coding and pre-engineering career-technical pathways developed in collaboration with C-TEC was implemented 7-12 for 2016-17.

### ***Initiatives for Fiscal Year 2018***

#### **Financial**

The District will apply to receive the Certificate of Excellence in Financial Reporting for its fiscal year 2017 CAFR.

The district will be on the ballot for additional revenue in May 2018. The ballot issue will be designed to address both the districts long-term operating and capital needs. Currently, the district is on the downside of the levy cycle from the additional property tax passed in 2013, spending more money each year than is being brought in. Additionally, the district is facing the loss of about 30 percent of its capital budget resources over the next eight years because of the expiration of a half-mill facilities levy and the phasing out of revenue from the special assessments on homes covered by the Newark-Granville Community Authority.

#### **Instruction**

Granville Exempted Village School District (GEVSD) identified Project-Based Learning (PBL) as the innovative practice that would have the greatest impact on our students and best prepare them for the future. Project Based Learning engages students in take-action projects that allow them the opportunity to tangibly

apply conceptual skills developed within the classroom. Through PBL, students develop critical soft skills, such as working well with others, handling interpersonal conflicts, making thoughtful decisions, and solving complex problems. A key component of PBL is the treatment of failure as part of the learning process. Unlike traditional classroom settings, students are given the opportunity to make mistakes, learn from these mistakes, and improve their skills. These are essential traits in the global marketplace.

GEVSD prioritizes' building high quality, strategic teachers that represent both the art and the science of teaching. We know that the teacher matters most in providing a superior educational experience for students. With this in mind, we employ professional development that is based on high-leverage instructional approaches that are research-based. We have engaged the national faculty from the Buck Institute to provide the professional development on PBL. The Gold Standard of PBL professional development looks at the effective design elements and teacher practices that ensure high quality experiences and projects for students.

GEVSD is in the implementation stage for a one-to-one computer initiative in grades 7-12 as well as a global language program in kindergarten through 6<sup>th</sup> grade. We believe that these initiatives will augment our current educational programs and drive student success.

## **GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

### **FINANCIAL POLICIES AND INFORMATION**

The District courses of study will continue to be revised and periodically updated to provide students with instruction that is closely correlated with the State's academic content standards. To support the effective implementation of the new courses of study, additional financial resources will be needed to train teachers and to provide students with current learning materials and equipment.

#### **Internal Controls**

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

#### **Budgetary Controls**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources, and the appropriations resolution, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

**Risk Management**

The District is enrolled in a group purchasing program for worker's compensation. In this plan, the individual premium rate is calculated based on the worker's compensation experience of the District. Additionally, the District carries all-risk property insurance on buildings and contents, fleet insurance on all rolling stock, liability and excess liability insurance coverage as well as officers' liability insurance, employee benefits liability, and workers' compensation intentional acts defense coverage. All employees are covered by the District's blanket bond, and medical coverage for employees is provided through a conventional healthcare plan.

**Cash Management**

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, and both the State Treasury Asset Reserve of Ohio (STAR Ohio) and money market accounts through Park National Bank.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT****Independent Audit**

Office of Management and Budget Uniform Guidance requires an annual audit by independent accountants. The Auditor of State of Ohio conducted the District's fiscal year 2017 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Uniform Guidance. The Independent Auditors' Report on the basic financial statements is included in the financial section of this report.

**Acknowledgements**

This report has been compiled and prepared by the Treasurer's office staff. Special acknowledgement is given to the Superintendent of Schools and the Granville Board of Education for their leadership and commitment to the students, staff and community of the Granville Exempted Village School District.

Respectfully submitted,



Mike Sobul, CFO/Treasurer

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
ELECTED OFFICIALS AND ADMINISTRATIVE STAFF  
AS OF JUNE 30, 2017**

**BOARD OF EDUCATION MEMBERS**

President	Dr. Jennifer Cornman
Vice-President	Mr. Russell Ginise
Member	Ms. Amy Deeds
Member	Mr. Thomas Miller
Member	Dr. Andrew Kohn

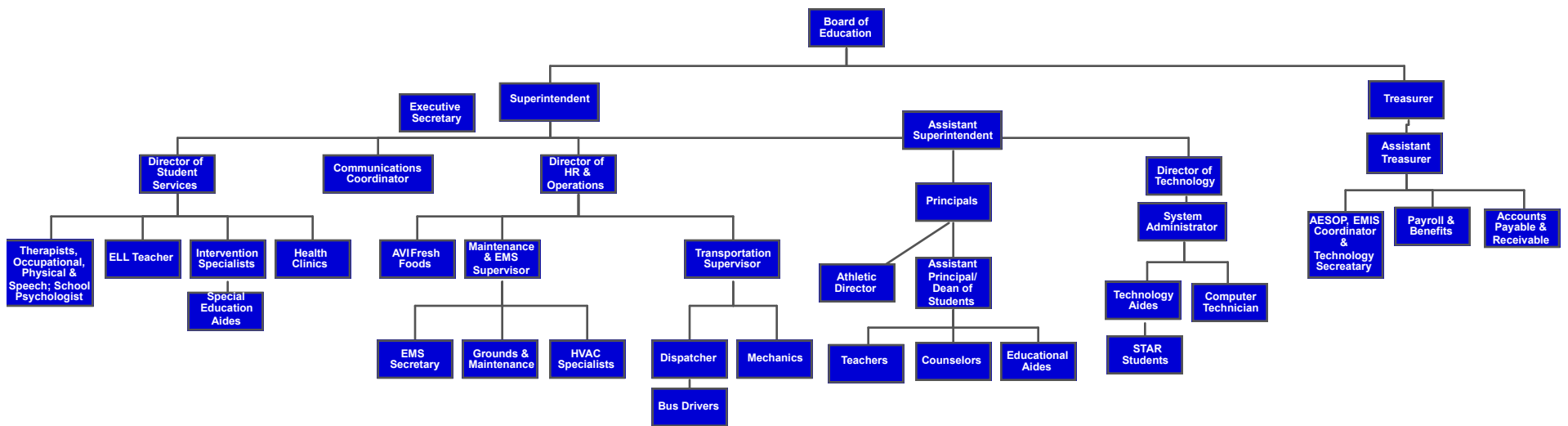
**APPOINTED OFFICIALS**

Superintendent	Jeffrey R. Brown
Treasurer	Mike Sobul

**ADMINISTRATIVE STAFF**

Director of Educational Operations	Ryan Bernath
Director of Business Operations	Tonya Sherburne
Director of Student Services	Gwenn Spence
Director of Technology	Glenn Welker
High School Principal	Matt Durst
Middle School Principal	Lisa Ormond
Intermediate School Principal	Gayle Burris
Elementary School Principal	Travis Morris
Athletic Director	Kevin Jarrett
Supervisor of Transportation	Kim Clary







Government Finance Officers Association

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

Presented to

**Granville Exempted Village  
School District, Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO

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# Financial Section



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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Granville Exempted Village School District  
Licking County  
130 North Granger Street  
Granville, Ohio 43023

To the Board of Education:

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

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

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

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

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

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Granville Exempted Village School District, Licking County, Ohio, as of June 30, 2017, and the respective changes in financial position thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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

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



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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2017, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

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

December 12, 2017

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# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017 (UNAUDITED)

As management of the Granville Exempted Village School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 3-8 of this report.

### Financial Highlights

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows or resources at the close of the most recent fiscal year by approximately \$31.5 million (negative net position).
- Net position decreased \$1.8 million during the fiscal year.
- As of the close of the most recent fiscal year, the District's governmental funds reported combined ending fund balances of approximately \$7.6 million, a decrease of \$240,845 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was negative \$330,054, or 1 percent of general fund expenditures.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 29-30 of this report.

## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017 (UNAUDITED)

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's major funds are the general and debt service funds. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

#### *Governmental Funds*

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 31-35 of this report.

#### *Fiduciary Funds*

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 36 of this report.

**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. The notes to the basic financial statements begin on page 37 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 73-79 of this report.

The combining and individual fund statements and schedules referred to earlier in connection with nonmajor governmental funds can be found on pages 82-96 of this report.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017  
(UNAUDITED)**

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by approximately \$31.5 million at the close of the current fiscal year.

By far the largest portion of the District's net position reflects its investment in capital assets (e.g. land, buildings, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An analysis of fiscal year 2017 in comparison with fiscal year 2016 follows for the Statement of Net Position:

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Current and Other Assets	\$ 32,011,599	\$ 31,181,915	2.7%
Capital Assets	<u>30,686,266</u>	<u>30,452,565</u>	0.8%
Total Assets	<u>62,697,865</u>	<u>61,634,480</u>	1.7%
Unamortized Amount on Refunding	550,885	588,878	-6.5%
Pension	<u>9,413,544</u>	<u>3,948,474</u>	138.4%
Total Deferred Outflows of Resources	<u>9,964,429</u>	<u>4,537,352</u>	119.6%
Current Liabilities	3,157,817	2,929,586	7.8%
Long-Term Liabilities:			
Due Within One Year	2,348,071	1,946,361	20.6%
Due in More Than One Year:			
Net Pension Liability	46,210,740	36,643,954	26.1%
Other Amounts	<u>31,360,331</u>	<u>31,827,831</u>	-1.5%
Total Liabilities	<u>83,076,959</u>	<u>73,347,732</u>	13.3%
Property Taxes	21,008,248	20,102,178	4.5%
Pension	<u>52,258</u>	<u>2,436,554</u>	-97.9%
Total Deferred Inflows of Resources	<u>21,060,506</u>	<u>22,538,732</u>	-6.6%
Net Investment in Capital Assets	4,815,089	5,800,999	-17.0%
Restricted	3,881,472	3,961,793	-2.0%
Unrestricted	<u>(40,171,732)</u>	<u>(39,477,424)</u>	1.8%
Total Net Position	<u>\$ (31,475,171)</u>	<u>\$ (29,714,632)</u>	5.9%

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017  
(UNAUDITED)**

Net Pension Liability (the most significant component of Long-Term Liabilities) and related Deferred Outflows of Resources and Deferred Inflows of Resources all changed significantly in comparison with the prior fiscal year-end. These changes are primarily the result of a change in actuarial assumptions and the difference between expected and actual investment returns, as reported by the pension systems.

An analysis of fiscal year 2017 in comparison with fiscal year 2016 follows for the Statement of Activities:

	Governmental Activities		
	<u>2017</u>	<u>2016</u>	<u>Percent Change</u>
Charges for Services	\$ 1,546,895	\$ 1,467,695	5.4%
Operating Grants	1,213,043	1,175,747	3.2%
Capital Contributions	91,535	81,751	12.0%
Property Taxes	21,797,717	21,671,072	0.6%
Grants and Entitlements	8,957,080	8,833,314	1.4%
Payment in Lieu of Taxes	35,325	-	100.0%
Investment Earnings	75,968	61,454	23.6%
Miscellaneous	68,812	74,926	-8.2%
Total Revenues	<u>33,786,375</u>	<u>33,365,959</u>	1.3%
Instructional	19,488,594	16,694,750	16.7%
Support Services	12,465,678	11,068,046	12.6%
Non-instructional Services	1,114,705	1,106,203	0.8%
Extracurricular Activities	1,451,911	1,354,966	7.2%
Interest and Fiscal Charges	1,026,026	2,358,646	-56.5%
Total Expenses	<u>35,546,914</u>	<u>32,582,611</u>	9.1%
Change in Net Position	(1,760,539)	783,348	
Net Position at Beginning of Year	<u>(29,714,632)</u>	<u>(30,497,980)</u>	
Net Position at End of Year	<u>\$ (31,475,171)</u>	<u>\$ (29,714,632)</u>	

**Revenues**

Total revenues increased only slightly in comparison with the prior fiscal year.

**Total Expenses**

Total expenses increased significantly in comparison with the prior fiscal year. This increase is primarily the result of an increase in expenses related to pension.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017  
(UNAUDITED)**

The Statement of Activities shows the cost of program services and charges for service and grants and contributions, offsetting those services. Table 3 shows the total cost of services and the net cost of services.

An analysis of fiscal year 2017 in comparison with fiscal year 2016 follows:

	<u>Total Cost of Services 2017</u>	<u>Total Cost of Services 2016</u>	<u>Net Cost of Services 2017</u>	<u>Net Cost of Services 2016</u>
Program expenses				
Instructional	\$ 19,488,594	\$ 16,694,750	\$ 18,357,916	\$ 15,755,820
Support services	12,465,678	11,068,046	12,179,068	10,722,881
Non-instructional Services	1,114,705	1,106,203	69,767	84,803
Extra Curricular Activities	1,451,911	1,354,966	1,062,664	935,268
Interest	1,026,026	2,358,646	1,026,026	2,358,646
Total	<u>\$ 35,546,914</u>	<u>\$ 32,582,611</u>	<u>\$ 32,695,441</u>	<u>\$ 29,857,418</u>

This schedule clearly shows the dependence upon tax revenues and state subsidies for governmental activities. Only 7.8 percent of the governmental activities performed by the District are supported through program revenues such as charges for services and operating grants. The remaining 92.2 percent is provided through general revenues such as property taxes and unrestricted grants and entitlements.

**Financial Analysis of the District's Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

***Governmental Funds***

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

An analysis of fiscal year 2017 in comparison with fiscal year 2016 follows:

	<u>Fund Balance June 30, 2017</u>	<u>Fund Balance June 30, 2016</u>	<u>Increase/ (Decrease)</u>
General Fund	\$ 2,941,717	\$ 3,806,725	\$ (865,008)
Debt Service Fund	2,337,611	2,353,044	(15,433)
Other Governmental Funds	2,281,589	1,641,993	639,596
Total	<u>\$ 7,560,917</u>	<u>\$ 7,801,762</u>	<u>\$ (240,845)</u>



## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017 (UNAUDITED)

#### *General Fund*

During the current fiscal year, the fund balance in the District's General Fund decreased \$865,008 compared with a \$976,008 increase in the previous fiscal year. This decrease represents the amount in which expenditures exceeded revenues (\$372,671) and transfers out to other funds (\$492,337).

#### *Debt Service Fund*

During the current fiscal year, the fund balance in the Debt Service Fund decreased \$15,433. This decrease represents the amount in which debt service expenditures exceeded property taxes and related revenues.

#### **General Fund Budget Information**

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

Actual revenues exceeded Final Estimated Resources by \$293,886, or 1%, and Final Appropriations exceeded actual budgetary expenditures by \$190,200. The District did not amend the revenue and expenditure budgets throughout the fiscal year.

#### **Capital Assets**

At the end of the fiscal year, the District had \$30.7 million (net of accumulated depreciation) invested in capital assets, an increase of \$233,701 in comparison with the prior fiscal year-end. This increase represents the amount in which current year capital acquisitions (approximately \$1.8 million) exceeded current year depreciation, totaling \$1.6 million and current year disposals, totaling \$1,660. This investment in capital assets includes land, land improvements, buildings and improvements, furniture and equipment, and vehicles. Detailed information regarding capital asset activity is included in the Note 7 to the basic financial statements.

#### **Debt**

At the end of the fiscal year, the District had total long-term debt outstanding of \$32.3 million, a decrease of \$124,156 in comparison with the prior fiscal year-end. This decrease represents the amount in which current debt service payments and amortization, totaling \$2.2 million, exceeded new issues and current year accretion, totaling \$2.1 million. Detailed information regarding long-term obligations is included in Note 8 to the basic financial statements.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total taxable valuation of real and personal property. As of June 30, 2017, the District's general obligation debt was below the legal limit.

## **GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2017 (UNAUDITED)**

#### **Economic Factors**

The District's most recent operating levy was 5.5 mills passed in November of 2013. The District's administration is committed to minimizing the shortfalls and maintaining a positive cash flow through spending controls that cause the least disruption to academic programs. During fiscal year 2017, the District's net position decreased by approximately \$1.8 million.

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

This financial report is designed to provide our citizen's, 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 any questions about this report or need additional financial information you may contact Mike Sobul, Treasurer at Granville Exempted Village School District, 130 North Granger Street, P.O. Box 417, Granville, Ohio 43023. You may also email the treasurer at [msobul@granvilleschools.org](mailto:msobul@granvilleschools.org).

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## **BASIC FINANCIAL STATEMENTS**

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**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

STATEMENT OF NET POSITION  
AS OF JUNE 30, 2017

	<u>Governmental Activities</u>
<b>Assets</b>	
Pooled Cash and Cash Equivalents	\$ 9,092,839
Investments in Segregated Accounts	24,981
Receivables:	
Property Taxes	22,528,941
Revenue in Lieu of Property Taxes	77,319
Accounts	14,205
Intergovernmental	238,530
Interest	6,872
Prepaid Items	27,912
Nondepreciable Capital Assets	2,782,578
Depreciable Capital Assets, Net	27,903,688
Total Assets	<u>62,697,865</u>
<b>Deferred Outflows of Resources</b>	
Unamortized Amount on Refunding	550,885
Pension	9,413,544
Total Deferred Outflows of Resources	<u>9,964,429</u>
<b>Liabilities</b>	
Accounts Payable	381,440
Accrued Wages and Benefits	2,334,988
Intergovernmental Payable	336,383
Accrued Interest Payable	105,006
Long-Term Liabilities	
Due within One Year	2,348,071
Due in More Than One Year:	
Net Pension Liability	46,210,740
Other Amounts Due in More Than One Year	31,360,331
Total Liabilities	<u>83,076,959</u>
<b>Deferred Inflows of Resources</b>	
Property Taxes	21,008,248
Pension	52,258
Total Deferred Inflows of Resources	<u>21,060,506</u>
<b>Net Position</b>	
Net Investment in Capital Assets	4,815,089
Restricted for:	
Classroom Facilities Maintenance	309,483
Debt Service	2,267,610
Permanent Improvements	914,619
District Managed Student Activities	240,414
Food Service Program	9,991
Other Purposes	139,355
Unassigned	(40,171,732)
Total Net Position	<u>\$ (31,475,171)</u>

See accompanying notes to the basic financial statements.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
<b>Governmental Activities</b>					
<b>Instruction</b>					
Regular Instruction	\$ 15,119,042	\$ 315,375	\$ 181,811	\$ 73,286	\$ (14,548,570)
Special Instruction	4,216,349	82,974	473,967	-	(3,659,408)
Vocational Instruction	152,324	3,259	-	-	(149,065)
Other	879	-	6	-	(873)
<b>Support Services</b>					
Pupils	2,362,650	164,293	56,016	-	(2,142,341)
Instructional Staff	1,309,697	-	160	-	(1,309,537)
Board of Education	18,830	-	-	-	(18,830)
Administration	2,120,714	-	2	-	(2,120,712)
Fiscal Services	1,122,979	-	2,679	-	(1,120,300)
Business Operations	184,782	-	-	-	(184,782)
Operation and Maintenance of Plant	2,581,037	-	50,807	-	(2,530,230)
Pupil Transportation	2,112,849	-	-	-	(2,112,849)
Central	652,140	-	12,653	-	(639,487)
<b>Non-instructional Services</b>					
Extracurricular Activities	1,114,705	667,115	377,823	-	(69,767)
Interest and Fiscal Charges	1,451,911	313,879	57,119	18,249	(1,062,664)
<b>Total Governmental Activities</b>	<u>\$ 35,546,914</u>	<u>\$ 1,546,895</u>	<u>\$ 1,213,043</u>	<u>\$ 91,535</u>	<u>\$ (32,695,441)</u>
<b>General Revenues</b>					
Property Taxes Levied for:					
General Purposes					
					\$ 18,212,195
Debt Service					
					2,765,944
Capital Projects					
					667,278
Classroom Facilities Maintenance					
					152,300
Unrestricted Grants & Entitlements					
					8,957,080
Revenue in Lieu of Property Taxes					
					35,325
Investment Earnings					
					75,968
Miscellaneous					
					68,812
<b>Total General Revenues</b>					
					<u>30,934,902</u>
Change in Net Position					
					(1,760,539)
Net Position Beginning of Year					
					<u>(29,714,632)</u>
Net Position End of Year					
					<u>\$ (31,475,171)</u>

See accompanying notes to the basic financial statements.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2017**

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Pooled Cash and Cash Equivalents	\$ 4,451,505	\$ 2,186,401	\$ 2,454,933	\$ 9,092,839
Investments in Segregated Accounts	-	-	24,981	24,981
Receivables:				
Property Taxes	18,933,126	2,765,675	830,140	22,528,941
Revenue in Lieu of Property Taxes	77,319	-	-	77,319
Accounts	14,205	-	-	14,205
Intergovernmental	120,799	-	117,731	238,530
Interest	6,872	-	-	6,872
Prepaid Items	27,912	-	-	27,912
Due From Other Funds	55,428	-	-	55,428
<b>Total Assets</b>	<b>\$ 23,687,166</b>	<b>\$ 4,952,076</b>	<b>\$ 3,427,785</b>	<b>\$ 32,067,027</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 155,032	\$ -	\$ 226,408	\$ 381,440
Accrued Wages and Benefits	2,263,364	-	71,624	2,334,988
Matured Compensated Absences	62,081	-	-	62,081
Intergovernmental Payable	324,937	-	11,446	336,383
Due to Other Funds	-	-	55,428	55,428
<b>Total Liabilities</b>	<b>2,805,414</b>	<b>-</b>	<b>364,906</b>	<b>3,170,320</b>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	17,658,909	2,579,460	769,879	21,008,248
Unavailable Revenue	281,126	35,005	11,411	327,542
<b>Total Deferred Inflows of Resources</b>	<b>17,940,035</b>	<b>2,614,465</b>	<b>781,290</b>	<b>21,335,790</b>
<b>Fund Balances:</b>				
Nonspendable:				
Prepaid Items	27,912	-	-	27,912
Restricted for:				
Classroom Facilities Maintenance	-	-	307,331	307,331
Debt Service	-	2,337,611	-	2,337,611
Permanent Improvements	-	-	1,588,751	1,588,751
District Managed Student Activities	-	-	240,414	240,414
Food Service Program	-	-	9,991	9,991
Other Purposes	-	-	139,355	139,355
Assigned for:				
Public School Support	83,638	-	-	83,638
Instruction	117,769	-	-	117,769
Support Services	288,834	-	-	288,834
Future Appropriations	2,751,951	-	-	2,751,951
Extracurricular Activities	1,667	-	-	1,667
Unassigned	(330,054)	-	(4,253)	(334,307)
<b>Total Fund Balances</b>	<b>2,941,717</b>	<b>2,337,611</b>	<b>2,281,589</b>	<b>7,560,917</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 23,687,166</b>	<b>\$ 4,952,076</b>	<b>\$ 3,427,785</b>	<b>\$ 32,067,027</b>

See accompanying notes to the basic financial statements.



**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2017

<b>Total Governmental Fund Balances</b>	\$ 7,560,917
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	30,686,266
Other long-term assets are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the funds.	
Delinquent Property Tax Receivables	327,542
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:	
Deferred Outflows - Pension	9,413,544
Deferred Inflows - Pension	(52,258)
Net Pension Liability	(46,210,740)
Long-Term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.	
Bonds and Notes Payable (Including CABS and Accretion)	(26,470,000)
Lease Purchase Agreement	(2,000,000)
Energy Conservation Notes Payable	(231,772)
Bond Premium	(3,627,067)
Deferred Amount on Refunding	550,885
Accrued Interest Payable	(105,006)
Capital Leases Payable	(94,220)
Compensated Absences	(1,223,262)
 <b>Net Position of Governmental Activities</b>	 <b><u><u>\$ (31,475,171)</u></u></b>

See accompanying notes to the basic financial statements.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 18,302,113	\$ 2,774,191	\$ 822,415	\$ 21,898,719
Revenue in Lieu of Property Taxes	19,950	-	15,375	35,325
Intergovernmental	8,603,456	333,899	1,039,827	9,977,182
Charges for Services	-	-	667,115	667,115
Interest	75,593	-	375	75,968
Tuition and Fees	452,372	-	-	452,372
Extracurricular Activities	162,113	-	265,295	427,408
Donations	18,007	-	105,528	123,535
Other	101,224	-	33,783	135,007
<b>Total Revenues</b>	<b>27,734,828</b>	<b>3,108,090</b>	<b>2,949,713</b>	<b>33,792,631</b>
<b>Expenditures:</b>				
Instruction:				
Regular	13,123,862	-	587,743	13,711,605
Special	3,452,828	-	466,818	3,919,646
Vocational	135,644	-	-	135,644
Other	-	-	879	879
Support services:				
Pupils	2,113,851	-	7,987	2,121,838
Instructional Staff	1,172,748	-	13,559	1,186,307
Board of Education	17,823	-	-	17,823
Administration	1,963,900	-	210	1,964,110
Fiscal Services	893,389	42,020	36,664	972,073
Business Operations	176,158	-	-	176,158
Operation and Maintenance of Plant	1,917,691	-	1,919,614	3,837,305
Pupil Transportation	1,786,178	-	-	1,786,178
Central	523,248	-	81,449	604,697
Non-instructional Services	-	-	1,042,879	1,042,879
Extracurricular Activities	830,179	-	550,929	1,381,108
Debt service:				
Principal Retirement	-	1,864,072	69,802	1,933,874
Interest and Fiscal Charges	-	1,217,431	27,132	1,244,563
<b>Total Expenditures</b>	<b>28,107,499</b>	<b>3,123,523</b>	<b>4,805,665</b>	<b>36,036,687</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(372,671)	(15,433)	(1,855,952)	(2,244,056)
<b>Other Financing Sources (Uses):</b>				
Sale of Assets	-	-	3,211	3,211
Issuance of Lease Purchase Agreement	-	-	2,000,000	2,000,000
Transfers In	-	-	492,337	492,337
Transfers Out	(492,337)	-	-	(492,337)
<b>Total Other Financing Sources (Uses)</b>	<b>(492,337)</b>	<b>-</b>	<b>2,495,548</b>	<b>2,003,211</b>
<b>Net Change in Fund Balances</b>	<b>(865,008)</b>	<b>(15,433)</b>	<b>639,596</b>	<b>(240,845)</b>
Fund Balance Beginning of Year	3,806,725	2,353,044	1,641,993	7,801,762
Fund Balance End of Year	<u>\$ 2,941,717</u>	<u>\$ 2,337,611</u>	<u>\$ 2,281,589</u>	<u>\$ 7,560,917</u>

See accompanying notes to the basic financial statements.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**Net Change in Fund Balances - Total Governmental Funds** \$ (240,845)

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

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.

Depreciation Expense	(1,552,984)
Capital Outlay	1,696,810

The net effect of various transactions involving capital assets (i.e. contributions, sales, etc.)

Donations	91,535
Disposals	(1,660)

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

Property Taxes	(101,002)
----------------	-----------

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

2,188,877

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.

(3,906,297)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Issuance of Lease Purchase Agreement	(2,000,000)
Capital Lease Repayment	69,802
Bond and Note Principal Repayments	1,864,072
Amortization of Deferred Charge on Refunding	(37,993)
Amortization of Bond Premium/Discount	369,163
Accretion of Capital Appreciation Bonds	(109,079)

Some expenses reported in the statement of activities, such as compensated absences payable and other accounts payable, do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Compensated Absences	(87,384)
Accrued Interest	(3,554)

**Change in Net Position of Governmental Activities**

\$ (1,760,539)

See accompanying notes to the basic financial statements.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

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, 2017

	Original Budget	Final Budget	Actual	Variance Over/(Under)
Revenues:				
Property Taxes	\$ 18,328,734	\$ 18,328,734	\$ 18,512,683	\$ 183,949
Payment in Lieu of Taxes	19,950	19,950	19,950	-
Intergovernmental	8,433,611	8,433,611	8,534,970	101,359
Earnings on Investments	81,768	81,768	83,059	1,291
Tuition & Fees	349,085	349,085	354,597	5,512
Extracurricular	47,829	47,829	48,584	755
Miscellaneous	64,581	64,581	65,601	1,020
Total Revenues	<u>27,325,558</u>	<u>27,325,558</u>	<u>27,619,444</u>	<u>293,886</u>
Expenditures:				
Instruction:				
Regular	13,575,397	13,575,397	13,122,372	453,025
Special	3,229,301	3,229,301	3,456,950	(227,649)
Vocational	140,709	140,709	136,281	4,428
Support Services:				
Pupils	1,882,843	1,882,843	1,881,193	1,650
Instructional Staff	1,167,580	1,167,580	1,186,995	(19,415)
Board of Education	18,432	18,432	16,535	1,897
Administration	1,935,699	1,935,699	1,992,874	(57,175)
Fiscal	879,271	879,271	908,982	(29,711)
Business	176,647	176,647	183,218	(6,571)
Operation and Maintenance of Plant	2,245,104	2,245,104	2,140,840	104,264
Pupil Transportation	1,807,389	1,807,389	1,827,337	(19,948)
Central	562,560	562,560	562,142	418
Extracurricular Activities	819,438	819,438	842,114	(22,676)
Total Expenditures	<u>28,440,370</u>	<u>28,440,370</u>	<u>28,257,833</u>	<u>182,537</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,114,812)</u>	<u>(1,114,812)</u>	<u>(638,389)</u>	<u>476,423</u>
Other Financing Sources (Uses):				
Transfers Out	(500,000)	(500,000)	(492,337)	7,663
Advances - Out	(53,167)	(53,167)	(53,167)	-
Total Other Financing Sources (Uses)	<u>(553,167)</u>	<u>(553,167)</u>	<u>(545,504)</u>	<u>7,663</u>
Net Change in Fund Balances	(1,667,979)	(1,667,979)	(1,183,893)	484,086
Fund Balances at Beginning of Year	4,627,378	4,627,378	4,627,378	-
Prior Year Encumbrances Appropriated	393,537	393,537	393,537	-
Fund Balances at End of Year	<u>\$ 3,352,936</u>	<u>\$ 3,352,936</u>	<u>\$ 3,837,022</u>	<u>\$ 484,086</u>

See accompanying notes to the basic financial statements.

**GRANVILLE EXPEMTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
AS OF JUNE 30, 2017

	<u>Agency Funds</u>
<b>Assets</b>	
Pooled Cash and Cash Equivalents	\$ 177,251
Property Tax Receivable	402,318
Total Assets	<u>\$ 579,569</u>
<b>Liabilities</b>	
Held for Student Liabilities	\$ 113,826
Held for Others	60,443
Accounts Payable	2,982
Total Liabilities	<u>177,251</u>
<b>Deferred Inflows of Resources:</b>	
Property Taxes	402,318
Total Deferred Inflows of Resources	<u>402,318</u>
Total Liabilities and Deferred Inflows of Resources	<u>\$ 579,569</u>

See accompanying notes to the basic financial statements.

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 1 – DESCRIPTION OF THE DISTRICT AND REPORTING ENTITY

Granville Exempted Village School District (the “District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by State statute and Federal guidelines.

The District was established in the late 1800’s. The District serves an area of approximately 48 square miles. It is located in Licking County, and includes all of the Village of Granville and Granville Township as well as portions of the Cities of Newark and Heath and portions of Newark, Newton, McKean, St. Albans and Union Townships. It is staffed by 240 employees who provide services to 2,455 full time equivalent students. The District currently operates four instructional buildings, one administrative building, and one transportation building.

#### **Reporting Entity:**

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For the Granville Exempted Village School District, this includes general operations 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; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or 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 provides the budget, the issuance of debt, or the levying of taxes. The District has no component units.

The following activities are included within the reporting entity;

**Private Schools-** Welsh Hills and Granville Christian Academy, private schools, operate within the District boundaries. Current State legislation provides funding to these private schools. These monies are received and disbursed on behalf of the private schools by the Treasurer of the District, as directed by the private schools in accordance with State rules and regulations. This activity is reflected in a special revenue fund for financial reporting purposes.

The District is associated with seven organizations, four of which are defined as jointly governed organizations, two as insurance purchasing pools, and one as a related organization. These organizations are the Licking Area Computer Association, Career and Technology Education Centers of Licking County, Metropolitan Educational Technology Association, the Newark-Granville Community Authority, the Ohio School Boards Association Workers’ Compensation Group Rating Plan, the Metropolitan Educational Technology Association Group Insurance Pool, and the Granville Schools Education Foundation, Incorporated. These organizations are presented in Notes 15, 16, and 17 to the basic financial statements.

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities (the District has none), which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds (the District has none), and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

The District reports the following major governmental funds:

*General Fund* — The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

*Debt Service Fund* — The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

*Other Governmental Funds* of the District account for food services, co-curricular activities, federal and state grants, and other resources.

*Proprietary Funds* – Proprietary funds consist of enterprise funds, which are used to report any activity for which a fee is charged to external users for goods or services, and internal service funds, which are used to allocate costs of centralized services. The District reports no proprietary funds.

*Fiduciary Funds* — Fiduciary funds are used to account for assets held by the District in a trustee or agency capacity for others and therefore cannot be used to support the District's own programs. Fiduciary funds include pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The District has two fiduciary funds both being agency funds. One accounts for the Newark-Granville Authority and the other accounts for student activities.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements; however, interfund services provided and used are not eliminated.

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements, except agency funds which do not report results of operations and therefore have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, tuition, grants and student fees.

#### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refundings and for pensions. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 11.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, unavailable revenue, and pension. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental funds balance sheet. Unavailable revenue includes delinquent property taxes. These amounts are only reported on the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (See Note 11).

#### Expenditures/Expenses

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



# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, are not recognized in governmental funds.

#### (c) Budgetary Data

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations resolution, each of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increases tax rates and the filing requirement is waived by the Licking County Auditor. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund level for all funds. Any budgetary modifications at this level may only be made by the Board of Education. Budgetary allocations at the function and object level within all funds are made by the Treasurer. Advances in/out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

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

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

#### (d) Cash and Investments

To improve cash management, cash received by the District is pooled and invested. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Interest in the pool is presented as "Pooled Cash and Cash Equivalents" on the financial statements. Investments of the District's 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. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

The District has segregated investments for non-negotiable certificates of deposit held separate from the District's investments. These non-negotiable certificates of deposit are to be used to provide scholarships to graduating seniors. These investments are presented on the financial statements as "Investments in Segregated Accounts" since they are not deposited into the District treasury.

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments are reported as assets. Accordingly, purchases of investments are not recorded as expenses, and sales of investments are not recorded as revenues. During the fiscal year, the District's investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), money market funds, and negotiable certificates of deposit.

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

Under existing Ohio statutes, all investment earnings are assigned to the general fund except those specifically related to certain trust funds, unless the Board of Education specifically directs interest to be recorded in other funds. Interest revenue was credited to the general fund and program donations fund during fiscal year 2017, totaling \$75,593 and \$375, respectively. The amount credited to the general fund includes \$37,609 assigned from other District funds.

#### **(e) Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation. The District had no restricted cash and cash equivalents at year-end.

#### **(f) Inventory and Prepaid Items**

Inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

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

At fiscal year-end, because inventory and prepaid items are not available to finance future governmental fund expenditures, the fund balance is reserved in the fund financial statements by an amount equal to the carrying value of the asset.

#### **(g) Capital Assets and Depreciation**

Capital assets are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. Donated capital assets are recorded at their estimated fair market value as of the date received. The District does not possess any infrastructure.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

All reported capital assets, with the exception of 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:

Land Improvements	15 – 20
Buildings and Improvements	20 – 50
Furniture, Fixtures and Equipment	5 – 20
Vehicles	10 – 15

**(h) Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditure/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. These transfers are eliminated from the statement of activities.

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivable/payable”, receivables and payables resulting from long-term interfund loans are classified as “loans to/from other funds”, and receivables and payables resulting from payments on-behalf of other funds are classified as “due from/to other funds”. These amounts are eliminated in the statement of net position.

**(i) Accrued Liabilities and Long-Term Obligations**

In general, governmental fund payables and accrued liabilities that once incurred are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences and special termination benefits 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 year.

In the government-wide financial statements, all long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Long-term notes paid from the governmental funds are recognized as a liability in the fund financial statements since current resources are used to finance the debt.

**(j) Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ right to receive compensation is attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for the accumulated unused vacation time when earned for all employees with more than one year of service.

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at the fiscal year end, taking into consideration any limits specified in the District's termination policy. The District records a liability for accumulated unused sick leave for all employees having 10 or more years of current service with the District.

#### **(k) 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.

#### **(l) Net Position**

Net position represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for auxiliary services and state and federal grants restricted for specified purposes. None of the District's reported net position at June 30, 2017 was restricted by enabling legislation.

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

#### **(m) Fund Balance**

GASB Statement No. 54, *Fund Balance Reporting* became effective for years beginning after June 15, 2010. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

In accordance with this guidance, the District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The District may use the following categories:

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

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

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Committed - resources that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the District's highest level of decision-making authority (Board).

Assigned - resources that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. This includes the residual balance of all governmental funds other than the General Fund that were not classified elsewhere above. 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 - residual fund balance within the General Fund not classified elsewhere above and all other governmental fund balances which have a negative fund balance.

The District applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted fund balance/net position is available. The District considers committed, assigned and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

#### **(n) Bond Premium and Discount/Accounting Gain or Loss**

On government-wide statements, bond premiums are deferred and amortized over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds. On the governmental fund financial statements, bond premiums are recognized in the current period.

For bond refundings resulting in the defeasance of debt reported in the government-wide financial statements, 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. The 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 an addition to or reduction of the face amount of the new debt.

#### **(o) 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 the fiscal year.

#### **(p) Management Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reported period. Actual results could differ from those estimates.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3 – BUDGETARY BASIS OF ACCOUNTING**

While the District is reporting financial position, results of operations, and changes in fund balances 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, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) – General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received (budget basis) as opposed to when earned (GAAP basis).
2. Expenditures are recorded when paid (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than assigned fund balance (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

<b><u>Net Change in Fund Balance</u></b>	
GAAP Basis	\$ (865,008)
Revenues	102,539
Expenditures	170,548
Interfund	(53,167)
Public School Support Fund	(5,056)
Encumbrances	<u>(533,749)</u>
Budgetary Basis	<u>\$ (1,183,893)</u>

With the implementation of GASB Statement No. 54, *Fund Balance Reporting*, the District’s Public School Support Fund, no longer meets the special revenue fund type criteria for reporting in the fiscal year-end external financial statements. As such, this fund is presented as part of the District’s General Fund in the year-end financial statements. The budgetary comparison information in the fiscal year-end financial statements is the legally adopted budget for the general fund, without modification for the funds no longer meeting the special revenue criteria.

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 4 – DEPOSITS AND INVESTMENTS

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

Active monies are public monies determined to be necessary to meet current demands upon the District treasury. Active 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 has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, 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 the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Commercial paper and bankers acceptances if training requirements have been met.

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

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

**Deposits**

**Custodial Credit Risk** - In the case of deposits, this is the risk that, in the event of a 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.

At fiscal year-end, the carrying amount of the District's deposits was \$5,782,457 and the bank balance was \$5,884,653. Of the District's bank balance, \$5,836,162 was covered by the Federal Deposit Insurance Corporation (FDIC) and the remaining balance was exposed to custodial risk. Although 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.

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

**Investments**

At fiscal year-end, the District reported the following investments at fair value:

Investment Type	Value	Percent of Total	Investment Maturities	
			Within 1 Year	1 to 2 Years
Money Market Funds	\$ 15,267	0.43%	\$ 15,267	\$ -
STAR Ohio	720	0.02%	720	-
Negotiable Certificates of Deposit	3,496,627	99.55%	2,497,950	998,677
<b>Total</b>	<b>\$ 3,512,614</b>	<b>100%</b>	<b>\$ 2,513,937</b>	<b>\$ 998,677</b>

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

In accordance with GASB Statement No. 79, the District's investment in STAR Ohio is reported at amortized cost. For the fiscal year ended June 30, 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.



## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

**Interest Rate Risk** - The District's investment policy addresses interest rate risk to the extent that it allows the Treasurer to invest funds to a maximum maturity of five years. The Treasurer cannot make investments which he/she does not reasonably believe can be held until the maturity date. State statute requires that an investment matures within five years from the date of purchase, unless matched to a specific obligation or debt of the District, and that an investment must be purchased with the expectation that it will be held to maturity. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**Credit Risk** - STAR Ohio carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's money market funds and negotiable certificates of deposit were not rated. The District has no investment policy that addresses credit risk.

**Concentration of Credit Risk** - The District places no limit on the amount it may invest in any one issuer. The District's investment percentages are noted in the table above.

#### NOTE 5 – PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the District's 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.

Property taxes include amounts levied against all real and public utility located in the school district. Real property tax revenue received in calendar year 2017 represents collections of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed value listed as of January 1, 2016, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2016 represents collections of calendar year 2016 taxes. Public utility real and tangible personal property taxes received in calendar year 2017 became a lien December 31, 2015, were levied after April 1, 2016 and are collected in 2017 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives its property taxes from Licking County. The County Auditor periodically advances to the District its portion of taxes collected. Second-half real property tax payments collected by the County by June 30, 2017, are available to finance fiscal year 2017 operations. The amount available to be advanced can vary based on the date the tax bills are sent. Accrued property taxes receivable includes real property and public utility property which are measurable as of June 30, 2017 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 5 – PROPERTY TAXES (Continued)**

On the government-wide financial statements, collectible delinquent property taxes have been recorded as a receivable and revenue, while on fund financial statements the revenue has been reported as a deferred inflow of resources.

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

	<u>2016 Second Half Collections</u>		<u>2017 First Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Real Estate	\$ 430,647,090	97.03%	\$ 439,677,303	96.97%
Public Utility Personal	13,168,900	2.97%	13,746,330	3.03%
Total	<u>\$ 443,815,990</u>	<u>100.00%</u>	<u>\$ 453,423,633</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$ 92.95		\$ 92.95	

**NOTE 6 – TAX ABATEMENTS**

Under Community Reinvestment Area (CRA) and other property tax abatements entered into by the City of Newark, the District's property tax revenues were reduced by \$3,955 during the fiscal year. Compensation payments received from the City during the fiscal year totaled \$35,325.

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**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 7 – CAPITAL ASSETS**

A summary of capital asset activity for the fiscal year follows:

	Beginning Balance	Additions	Deductions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	\$ 1,465,969	\$ -	\$ -	\$ -	\$ 1,465,969
Construction in Progress	210,904	1,616,311	-	(510,606)	1,316,609
Total Nondepreciable Assets	<u>1,676,873</u>	<u>1,616,311</u>	<u>-</u>	<u>(510,606)</u>	<u>2,782,578</u>
Depreciable Capital Assets					
Land Improvements	2,208,175	-	-	510,606	2,718,781
Buildings and Improvements	46,761,597	26,378	-	-	46,787,975
Furniture and Equipment	2,788,097	126,556	(8,299)	-	2,906,354
Vehicles	2,409,038	19,100	(69,701)	-	2,358,437
Total Depreciable Assets	<u>54,166,907</u>	<u>172,034</u>	<u>(78,000)</u>	<u>510,606</u>	<u>54,771,547</u>
Less Accumulated Depreciation					
Land Improvements	(1,288,514)	(111,324)	-	-	(1,399,838)
Buildings	(20,665,252)	(1,192,280)	-	-	(21,857,532)
Furniture and Equipment	(1,835,434)	(118,710)	6,639	-	(1,947,505)
Vehicles	(1,602,015)	(130,670)	69,701	-	(1,662,984)
Total Accumulated Depreciation	<u>(25,391,215)</u>	<u>(1,552,984)</u>	<u>76,340</u>	<u>-</u>	<u>(26,867,859)</u>
Depreciable Capital Assets, Net of Accumulated Depreciation	<u>28,775,692</u>	<u>(1,380,950)</u>	<u>(1,660)</u>	<u>510,606</u>	<u>27,903,688</u>
Total Capital Assets, Net	<u>\$ 30,452,565</u>	<u>\$ 235,361</u>	<u>\$ (1,660)</u>	<u>\$ -</u>	<u>\$ 30,686,266</u>

Depreciation expense was charged to the governmental functions as follows:

Regular Instruction	\$ 455,585
Special Instruction	105,871
Vocational Instruction	4,064
Pupils	62,801
Instructional Staff	36,855
Board of Education	474
Administration	76,183
Fiscal	30,859
Business Operations	4,922
Operation & Maintenance of Plant	172,514
Transportation	177,586
Central	16,880
Non-instructional	39,603
Extracurricular Activities	368,787
Total depreciation expense	<u>\$ 1,552,984</u>

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 8 – LONG TERM OBLIGATIONS**

A summary of changes in long-term obligations for the fiscal year ended June 30, 2017 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>2002 School Improvement Bonds</u>					
Capital Appreciation Bonds 4.65%-5.11%	5,591	-	(5,591)	-	-
Capital Appreciation Bonds Accretion	600,330	109,079	(709,409)	-	-
<u>2007 Advance Refunding Bonds</u>					
Capital Appreciation Bonds 4.22%-4.26%	274,972	-	(109,557)	165,415	165,415
Capital Appreciation Bonds Accretion	2,385,028	-	(815,443)	1,569,585	1,569,585
Premium on Capital Appreciation Bonds	249,954	-	(124,977)	124,977	-
<u>2014 Current Refunding Bonds</u>					
Serial Bonds 1.75%-2.0%	1,120,000	-	-	1,120,000	-
Serial Premium	11,261	-	(3,217)	8,044	-
<u>2015 Advance Refunding Bonds</u>					
Serial Bonds 1.75%-2.0%	23,615,000	-	-	23,615,000	-
Serial Premium	3,735,015	-	(240,969)	3,494,046	-
Total General Obligation Bonds	31,997,151	109,079	(2,009,163)	30,097,067	1,735,000
<u>2008- House Bill 264 Energy Conservation</u>					
Notes 3.43%	455,844	-	(224,072)	231,772	231,772
<u>2016- Lease-Purchase Agreement</u>					
Notes 2.510%	-	2,000,000	-	2,000,000	133,333
Total Bonds and Notes	32,452,995	2,109,079	(2,233,235)	32,328,839	2,100,105
Net Pension Liability					
STRS	30,900,425	-	7,840,187	38,740,612	-
SERS	5,743,529	-	1,726,599	7,470,128	-
Total Net Pension Liability	36,643,954	-	9,566,786	46,210,740	-
Capital Leases	164,022	-	(69,802)	94,220	94,220
Compensated Absences	1,157,175	357,207	(229,039)	1,285,343	153,746
Total	\$ 70,418,146	\$ 2,466,286	\$ 7,034,710	\$ 79,919,142	\$ 2,348,071

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 8 - LONG-TERM OBLIGATIONS (Continued)

#### 2002 School Improvement Bonds

The District issued School Improvement Bond Anticipation Notes at 4.87 percent for \$21,220,000 on May 3, 2001, as a result of the District passing a 7.75 mill levy on November 7, 2000. The purpose of the notes was to build a new intermediate/elementary building for grades 4-6, an expansion of the high school, a new maintenance building, renovation of the elementary school and middle school, and to update building technology. The School Improvement Bond Anticipation Notes matured on December 6, 2001. On October 4, 2001, the District issued \$21,209,782 in General Obligation School Improvement bonds to pay off the bond anticipation notes. The District received \$22,053,938 in bond proceeds, which included a premium of \$835,218 and accrued interest of \$8,938. The \$21,209,782 bond issue included serial, term, and capital appreciation bonds in the amount of \$2,495,000, \$18,685,000, and \$29,782 respectively. The capital appreciation bonds will mature December 1, 2012 through 2016.

These bonds were purchased at a discount at the time of issuance and, at maturity all compound interest is paid and the bond holder collects the face value. However, since interest is technically earned and compounded semi-annually, the value of the bond increases. The maturity amount of the bonds is \$2,175,000. The fiscal year 2017 accretion amount is \$109,079.

During fiscal year 2007, the District advance refunded \$18,685,000 of the 2002 School Improvement term bonds. The advance refunded portion of the bonds was removed from the financial statements of the District. The remaining outstanding bonds are being retired from the Debt Service Fund. The original bonds were issued for a twenty-seven year period with final maturity at December 1, 2028, and after the advance refunding has a final maturity at December 1, 2016.

#### 2004 School Improvement Bonds

On April 15, 2004, the District issued \$9,870,000 in General Obligation School Improvement Bonds to pay off outstanding 2003 bond anticipation notes. The District received \$10,318,130 in bond proceeds, which included \$16,078 in accrued interest and \$432,052 in premiums. The \$9,870,000 bond issue consists of serial, term, and capital appreciation bonds in the amount of \$6,855,000, \$2,950,000, and \$65,000 respectively. Issuance costs associated with the bond issue were \$207,507.

During fiscal year 2007, the District advance refunded \$4,010,000 of the serial bonds, and \$2,950,000 of the term bonds. The advance refunded portion of the bonds, as well as the unamortized premium and issuance costs of these advance refunded bonds were removed from the financial statements of the District. The remaining outstanding bonds are being retired from the Debt Service Fund. The serial and term bonds were originally sold at a premium of \$432,052, of which \$110,318 remained outstanding after the refunding. The premium will be amortized over the life of the bonds. Issuance costs associated with the bond issue were \$207,507. The original bonds were issued for a twenty-four year period with final maturity at December 1, 2028, and after the advance refunding has a final maturity at December 1, 2019.

During fiscal year 2014, the District refunded the remaining \$1,300,000 of the serial bonds. The refunded portions of the bonds, as well as the unamortized premium were removed from the financial statements of the District. The remaining outstanding capital appreciation bonds are being retired from the Debt Service Fund.

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 8 - LONG-TERM OBLIGATIONS (Continued)

#### 2005 Library Improvement Bonds

On April 6, 2005, the District issued \$5,175,000 in General Obligation Library Improvement Bonds to pay off outstanding 2005 bond anticipation notes, on behalf of the Granville Public Library. The District received \$5,357,024 in bond proceeds, which included \$182,024 in premium. The \$5,175,000 bond issue consists of serial and term bonds in the amount of \$1,050,000 and \$4,125,000 respectively. Issuance costs associated with the bond issue were \$128,124.

During fiscal year 2007, the District advance refunded \$3,820,000 of the term bonds. The advance refunded portion of the bonds, as well as the unamortized premium and issuance costs of these advance refunded bonds were removed from the financial statements of the District. The remaining outstanding bonds are being retired from the Debt Service Fund.

#### 2007 Advance Refunding Bonds

On January 30, 2007, the District issued \$29,464,972 of Advance Refunding General Obligation Bonds that were issued to partially refund the 2002 School Improvement Bonds, the 2004 School Improvement Bonds, and the 2005 Library Improvement Bonds. The \$29,464,972 bond issue consists of serial, term, and capital appreciation bonds in the amount of \$12,730,000, \$16,460,000, and \$274,972. The bonds were issued for a twenty-four year period with a final maturity at December 1, 2031.

At the date of refunding, \$30,608,490 was deposited in an irrevocable trust to provide for all future debt service payments on the refunded 2002 School improvement Bonds, the 2004 School Improvement Bonds, and the 2005 Library Improvement Bonds. The balance of the outstanding bonds refunded was removed from the District's financial statements, and as of June 30, 2012, the refunded bonds have been paid in full. The advance refunding serial and capital appreciation bonds were issued with a premium in the amount of \$371,698 and \$1,437,243 respectively, which will be reported as an increase to bonds payable. The advance refunding term bonds were issued with a discount of \$306,814 which will be reported as a decrease to bonds payable. These amounts are being amortized to interest expense over the life of the bonds using the straight-line method. The amortization of the premium for fiscal year 2017 was \$124,977. Issuance costs associated with the bond issue were \$358,608. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of \$925,082. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$1,971,224. The issuance resulted in an economic gain of \$1,097,604.

On September 3, 2015, the District advance refunded \$10,520,000 of the serial bonds, and \$16,460,000 of the term bonds, leaving only the capital appreciation bonds outstanding. All of the advanced refunded bonds as well as the unamortized premium, issuance costs, and unamortized deferred amount of refunding were removed from the financial statements of the District.

The capital appreciation bonds will mature December 1, 2016 and December 1, 2017. These bonds were purchased at a premium at the time of issuance and, at maturity all compound interest is paid and the bond holder collects the face value. However, since interest is technically earned and compounded semi-annually, the value of the bond increases. Therefore, as the value increases, the accretion is booked as principal. The maturity amount of the bonds is \$2,660,000. The fiscal year 2017 accretion amount is \$0.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 8 - LONG-TERM OBLIGATIONS (Continued)**

The total principal and interest requirements to retire the 2007 Advance Refunding General Obligation Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2018	1,735,000	-

**2014 Current Refunding Bonds**

On April 16, 2014, the District issued \$1,300,000 of Current Refunding General Obligation Bonds that were issued to refund the 2004 School Improvement Bonds. The \$1,300,000 bond issue consists of serial bonds. The bonds were issued for a five-year period with a final maturity at December 1, 2019. The balance of the outstanding bonds refunded was removed from the District's financial statements, and as of June 30, 2014, the refunded bonds have been paid in full. The refunding serial bonds were issued with a premium in the amount of \$19,304, which will be reported as an increase to bonds payable. Issuance costs associated with the bond issue were \$19,304. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of \$137,068. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$152,411. The issuance resulted in an economic gain of \$128,974.

The total principal and interest requirements to retire the 2014 Current Refunding General Obligation Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2018	-	21,013
2019	555,000	16,156
2020	565,000	5,650
Total	<u>\$ 1,120,000</u>	<u>\$ 42,819</u>

**Series 2015 Refunding Bonds**

On September 3, 2015, the District issued \$23,615,000 of Advance Refunding General Obligation Bonds to partially refund the Series 2007 Advance Refunding Bonds. The entire bond issue consists of serial bonds carrying an interest rate of five percent. The bonds were issued for a seventeen-year period with a final maturity at December 1, 2031. At the date of refunding, \$27,583,822 was deposited in an irrevocable trust to provide for all future debt service payments on the refunded Series 2007 Advance Refunding Bonds. The balance of the outstanding bonds refunded was removed from the District's financial statements, and as of June 30, 2016, the refunded bonds have been paid in full. The advance refunding serial bonds were issued with a premium in the amount of \$3,855,499, which will be reported as an increase to bonds payable, and bond issuance costs totaling \$184,821. The premium will be amortized to interest expense over the life of the bonds using the straight-line method and the bond issuance costs were expensed in fiscal year 2016. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of \$607,874. The issuance resulted in a difference (savings) between the cash flows required to service the old debt and the cash flows required to service the new debt of \$3,532,887 representing an economic gain of \$2,636,741.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 8 - LONG-TERM OBLIGATIONS (Continued)**

The total principal and interest requirements to retire the Series 2015 Refunding Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2018	\$ -	\$ 1,180,750
2019	1,000,000	1,155,750
2020	1,005,000	1,105,625
2021	1,655,000	1,039,125
2022	1,740,000	954,250
2023-2027	10,085,000	3,342,375
2028-2032	8,130,000	838,750
Total	<u>\$ 23,615,000</u>	<u>\$ 9,616,625</u>

**2008 Energy Conservation Notes**

On June 12, 2008, the District issued \$2,000,000 in unvoted Energy Conservation Notes, under the authority of Ohio Revised Code sections 133.06(G) and 3313.46(B). The Energy Conservation Notes were issued for the purpose of purchasing and installing energy conservation measures. These energy conservation measures include roofing and HVAC improvements. The energy conservation notes mature June 12, 2018. The debt will be retired through reductions in energy consumption and cost savings attributed to the installation of the energy conservation improvements.

The total principal and interest requirements to retire the 2008 Energy Conservation Notes are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2018	\$ 231,772	\$ 7,966

**2016 Lease-Purchase Agreement**

On November 15, 2016, the District entered into an agreement with Ameresco, Inc. to perform a project consisting of certain energy conservation services and installations, including replacing failed heating units in the high school building. Ameresco has agreed to perform the scope of services at a contract cost of \$1,775,986.

On December 15, 2016, the District entered into a series of one-year renewable lease-purchase agreements with Park National Bank (the Bank), whereas the District leases the project site to the Bank, and subsequently constructs the energy conservation services and installations, and the Bank, in turn, subleases the land, and leases the constructed school facilities to the District. The Bank agreed to pre-pay the \$2,000,000 in rental payments in order to fund the construction project. In turn, the District agreed to pay \$2,000,000 under the sublease at an interest rate of 2.510%. The final payment is due December 1, 2031.



**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 8 - LONG-TERM OBLIGATIONS (Continued)**

The total principal and interest requirements to retire the 2016 Lease-Purchase Agreement are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2018	\$ 133,333	\$ 48,531
2019	133,333	45,185
2020	133,333	41,948
2021	133,333	38,491
2022	133,333	35,144
2023-2027	666,665	125,595
2028-2032	666,670	41,895
Total	<u>\$ 2,000,000</u>	<u>\$ 376,789</u>

The District's overall legal debt margin at June 30, 2017, was \$15,417,287, with an unvoted debt margin of \$453,424. The District was approved as a special needs district by the Ohio Department of Education. This approval was granted based on projected tax valuation growth figures submitted by the District to the Ohio Department of Education, which is used to calculate the legal debt margin.

Bonds and Notes are paid from the debt service fund and capital leases are paid from the permanent improvement fund. The District pays obligations related to employee compensation from the fund benefitting from their service, except for compensated absences, which are paid from the General Fund.

**NOTE 9 – CAPITAL LEASE OBLIGATIONS**

During fiscal year 2015, the District entered into capital lease agreements for three new school buses. Principal payments in fiscal year 2017 totaled \$69,802 in the governmental funds. The agreements provide for minimum annual rental payments as follows:

Fiscal Year Ending June 30,	Principal	Interest
2018	94,220	2,889

The equipment was originally capitalized in the amount of \$284,312. This amount represents the present value of the minimum lease payments at the time of acquisition. At fiscal year-end, book value of the equipment was \$217,455, which includes accumulated depreciation of \$66,857.

**NOTE 10 – RECEIVABLES**

Receivables at year-end consisted of property taxes, intergovernmental, interest, and accounts. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of property taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables except property taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### NOTE 11 – DEFINED BENEFIT PENSION PLAN

#### *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 *intergovernmental 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.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**

Age and service requirements for retirement are as follows:

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

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

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first 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, 2017, the allocation to pension, death benefits, and Medicare B was 14.00 percent and nothing was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$482,419 for fiscal year 2017. Of this amount \$18,301 is reported as an intergovernmental payable.

***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).

## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### **NOTE 11 – DEFINED BENEFIT PENSION PLAN (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 was increased one percent each year until it reached 14 percent on July 1, 2016. For the fiscal year ended June 30, 2017, plan members were required to contribute 14 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 2017 contribution rates were equal to the statutory maximum rates.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**

The District’s contractually required contribution to STRS was \$1,706,458 for fiscal year 2017. Of this amount, \$200,162 is reported as an intergovernmental payable.

***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, 2016, 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 - 2017	\$7,470,128	\$38,740,612	\$46,210,740
Proportion of the Net Pension Liability 2017	0.102064%	0.115737%	
Proportion of the Net Pension Liability 2016	<u>0.100656%</u>	<u>0.111808%</u>	
Change in Proportionate Share	<u>0.001408%</u>	<u>0.003929%</u>	
Pension Expense	\$876,914	\$3,029,383	\$3,906,297

At June 30, 2017, 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	\$100,754	\$1,565,308	\$1,666,062
Changes of assumptions	498,672	0	498,672
Net difference between projected and actual earnings on pension plan investments	616,177	3,216,512	3,832,689
Change in proportionate share	344,854	882,390	1,227,244
District contributions subsequent to the measurement date	<u>482,419</u>	<u>1,706,458</u>	<u>2,188,877</u>
Total Deferred Outflows of Resources	<u><u>\$2,042,876</u></u>	<u><u>\$7,370,668</u></u>	<u><u>\$9,413,544</u></u>
<b>Deferred Inflows of Resources</b>			
Change in proportionate share	<u>\$0</u>	<u>\$52,258</u>	<u>\$52,258</u>
Total Deferred Inflows of Resources	<u><u>\$0</u></u>	<u><u>\$52,258</u></u>	<u><u>\$52,258</u></u>

\$2,188,877 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, 2018.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**

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:			
2018	\$455,926	\$960,283	\$1,416,209
2019	455,479	960,285	1,415,764
2020	471,927	2,194,553	2,666,480
2021	177,125	1,496,831	1,673,956
Total	\$1,560,457	\$5,611,952	\$7,172,409

***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, 2016, are presented below:

Wage Inflation	3 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.50 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 RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, with 120% of male rates and 110% of female rates used. The RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years is used for the period after disability retirement. Special mortality tables are used for the period after disability retirement.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an experience study that was completed June 30, 2015. As a result of the actuarial experience study, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

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

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

**Sensitivity of the 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 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$9,889,984	\$7,470,128	\$5,444,608

***Actuarial Assumptions - STRS***

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

Inflation	2.75 percent
Projected salary 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.

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

Actuarial assumptions used in the June 30, 2015, 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:



**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	<u>100.00 %</u>	

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

**Sensitivity of the 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	\$51,483,126	\$38,740,612	\$27,991,551

**(c) Social Security System**

Effective July 1, 1991, all employees not otherwise covered by School Employees Retirement System or State Teachers Retirement System have an option to choose Social Security. As of June 30, 2017, no members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### NOTE 12 – POSTEMPLOYMENT BENEFITS

##### (a) School Employees Retirement System

###### Postemployment Benefits

In addition to a cost-sharing multiple-employer defined benefit pension plan the School Employees Retirement System of Ohio (SERS) administers a postemployment benefit plan.

###### Health Care Plan

Sections 3309.375 and 3309.69 of the Ohio Revised Code permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMOs, PPOs, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The Ohio Revised Code provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plan.

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 105(e). Each year after the allocation for statutorily required pensions and benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund to be used to subsidize the cost of health care coverage. For the year ended June 30, 2017, the health care allocation is 0.00%.

An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. By statute no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2017, the minimum compensation level was established at \$23,000. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. District contributions assigned to health care, including the surcharge, for the years ended June 30, 2017, 2016, and 2015 were \$54,664, \$50,330 and \$75,079, respectively. The entire amount has been contributed for fiscal years 2016 and 2015. For fiscal year 2017, the entire amount is reported as an intergovernmental payable.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial reports on SERS' Health Care plan is included in its Comprehensive Annual Financial Report. The report can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

##### (b) State Teachers Retirement System

Plan Description – STRS administers a pension plan that is comprised of: a Defined Benefit Plan, a self-directed Defined Contribution Plan, and a Combined Plan that is a hybrid of the Defined Benefit Plan and the Defined Contribution Plan.

## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### NOTE 12 – POSTEMPLOYMENT BENEFITS (Continued)

Ohio law authorizes STRS to offer a cost-sharing, multiple employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums.

Pursuant to Chapter 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting [www.strsoh.org](http://www.strsoh.org) or by requesting a copy by calling toll-free 1-888-227-7877.

Funding Policy – Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contribution rate, 1% of covered payroll was allocated to post-employment health care for the years ended June 30, 2014 and 2013. Effective July 1, 2014, 0% of covered payroll was allocated to post-employment health care. The 14% employer contribution rate is the maximum rate established under Ohio law.

The District's contractually required health care contributions to STRS for fiscal years 2017, 2016, and 2015 were \$0, \$0, and \$0, respectively. The entire amount has been contributed for each fiscal year.

#### NOTE 13 – EMPLOYEE BENEFITS

##### (a) Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated vacation time may be carried forward for the Treasurer and upon approval of the Superintendent, for all other classified employees. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees can earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 210 days for all personnel. Upon retirement, payment is made for one-third of accrued, but unused sick leave credit to a maximum of 50 days for classified and certified employees.

##### (b) Health Care Benefits

The District provides health and drug insurance through Medical Mutual of Ohio and dental insurance through Delta Dental for all eligible employees. The District pays medical and drug monthly premiums for staff (family and single coverage). The District pays the total monthly premium for dental insurance coverage for family and single employees. The District also provides vision insurance to its employees through VSP. The District pays the total premium for vision coverage for family and single.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 13 – EMPLOYEE BENEFITS (Continued)**

The District provides life insurance and accidental death and dismemberment insurance to most employees through the Mutual of Omaha. Premiums are paid from the same funds that pay the employees' salaries.

**NOTE 14 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year, the District contracted with Southwestern Ohio Educational Purchasing Counsel for boiler and machinery, inland marine, crime insurance, general liability insurance, and fleet insurance. Coverage provided by is as follows:

Building and Contents-Replacement Cost (\$5,000 deductible)	\$83,470,152
Inland Marine (\$5,000 deductible)	
Property	1,000,000
Crime Insurance (\$5,000 deductible)	
Money & Securities	500,000
Employee Dishonesty	500,000
Forgery or Alteration	500,000
General Liability	
Per Occurrence	1,000,000
Aggregate Per Year	3,000,000
Education Umbrella Liability Policy for General Liability	
Per Occurrence	1,000,000
Aggregate Per Year	3,000,000
Fleet Insurance (\$1,000 deductible)	1,000,000
Per Occurrence	1,000,000

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

In fiscal year 2017, the District participated in the Metropolitan Educational Technology Association (META) group insurance purchasing pool (Note 16). META helps member school districts receive discounted rates on various items such as their life, property, boiler and machinery, inland marine, crime, and freight insurance, services, supplies, and other items. The META has over 200 members which include school districts, joint vocational schools, educational service centers and libraries covering 37 counties in Central Ohio. The governing board of META is composed of either the superintendent, a designated representative, or a member of the board of education for each participating school district in Franklin County, and one representative from each county outside Franklin County.

For fiscal year 2017, the District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 16). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State board on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria.

## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS

(a) **Licking Area Computer Association** - The District is a participant in the Licking Area Computer Association (LACA) which is a computer consortium. LACA is an association which services sixteen entities within the boundaries of Licking, Knox, Muskingum, Fairfield, Medina, and Perry Counties. These entities consist of public school districts, private schools, and educational service centers. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of LACA consists of the superintendents from all participating districts. The continued existence of LACA is not dependent on the District's continued participation and the District has no equity interest in the Association. The LACA constitution states that any school district withdrawing from the Association prior to dissolution forfeits their claim to the Association's capital assets. The District's total payments to LACA for computer services during fiscal year 2017 were \$129,038. Financial statements for LACA can be obtained from their fiscal agent the Career and Technology Education Centers of Licking County, 150 Price Road, Newark, OH 43055.

(b) **Career and Technology Education Centers of Licking County** - The Career and Technology Education Centers of Licking County is a jointly governed organization providing vocational education to its member school districts. The Career and Technology Education Centers of Licking County is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of three representatives from the Licking County Educational Service Center, two from the Newark City School District, one from the Heath City School District, and one from the Granville Exempted Village School District, which possesses its own budgeting and taxing authority. The District's total payments to the Career and Technology Educational Centers of Licking County during fiscal year 2017 were \$459. To obtain financial information write to the Career and Technology Education Centers of Licking County, Ben Streby, who serves as Treasurer, at 150 Price Road, Newark, Ohio 43055.

(c) **Metropolitan Educational Technology Association** - The District participates in the Metropolitan Educational Technology Association (META), a jointly governed organization. The organization is composed of over 200 members which includes school districts, joint vocational schools, educational service centers, and libraries covering 37 counties in Central Ohio. The META helps its members purchase services, insurances, supplies, and other items at a discounted rate. The governing board of META is composed of either the superintendent, a designated representative or a member of the board of education for each participating school district in Franklin County and one representative from each county outside of Franklin County. Each year, the participating school districts pay a membership fee to META to cover the costs of administering the program. The District's membership payment to META for fiscal year 2017 was \$959. Financial information may be obtained from the Metropolitan Educational Technology Association, Dave Varda, who serves as Chief Financial Officer, at 2100 Citygate Dr., Columbus, OH 43219.

(d) **Newark-Granville Community Authority** - The Newark-Granville Community Authority (Authority) is a jointly governed organization created under Section 349.03, Ohio Revised Code. The Authority was created for the purposes of encouraging the orderly development of a well-planned, diversified and economically sound new community in central Licking County. The Authority is operated by a Board of Trustees (Board) that is comprised of seven residents of the community who are elected to two-year terms. The revenue source of this organization consists of special assessments imposed by Licking County on Park Trails Community. The special assessment is based on a \$250,000 average home value within the community, which results in a minimum annual community development charge of \$455 per home for 20 consecutive years.

## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### NOTE 16 – INSURANCE PURCHASING POOLS

##### (a) Ohio School Boards Association Workers' Compensation Group Rating Plan

The District participates in the Ohio School Boards Association (OSBA) Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State, based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley, Inc. provides administrative, cost control and actuarial services to the GRP. The GRP's business and affairs are conducted by a three member Board of directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

##### (b) Metropolitan Educational Technology Association Group Insurance Pool

The District participates in the Metropolitan Educational Technology Association (META) insurance purchasing pool. The META helps its members purchase services, insurances, supplies, and other items at a discounted rate. The organization is composed of over 200 members which includes school districts, joint vocational schools, educational service centers, and libraries covering 37 counties in Central Ohio. The governing board of META is composed of either the superintendent, a designated representative or a member of the board of education for each participating school district in Franklin County and one representative from each county outside of Franklin County. Each year, the participating school districts pay a membership fee to META to cover the costs of administering the program.

#### NOTE 17 – RELATED ORGANIZATION

##### Granville Schools Education Foundation, Incorporated

The Granville Schools Education Foundation, authorized under Ohio Revised Code Chapter 1702, is a independent nonprofit corporation created in 1994. The Foundation's purpose is to improve education for the students of Granville Schools. The Foundation is governed by a Board of Trustees appointed by the Granville Exempted Village School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. The District has no ability to impose its will on the organization nor does a burden/benefit relationship exist. Financial information can be obtained from the Granville Schools Education Foundation, Wendy Bittel, who serves as Executive Director, at P.O. Box 84, Granville, Ohio 43023.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 18 – COMMITMENTS AND CONTINGENCIES**

- (a) Grants** - The District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.
- (b) Litigation** - The District is currently not a party to any material legal proceedings.
- (c) Encumbrances** - At fiscal year-end, outstanding encumbrances in the General Fund, Debt Service Fund, and Other Governmental Funds were \$533,749, \$0, and \$1,324,224, respectively.
- (d) Foundation Funding** - District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2017 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2017 financial statements is not determinable at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

**NOTE 19 – FUND DEFICIT**

The following funds had a deficit fund balance at June 30, 2017:

<u>Fund</u>	<u>Deficit Balance</u>
Title VI-B IDEA	(\$4,253)

These deficit fund balances are the result of the recognition of payables in accordance with generally accepted accounting principles. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**NOTE 20 - INTERFUND TRANSACTIONS**

During the fiscal year, the District transferred \$16,337 from the General Fund to the Food Service Fund to subsidize operations. In addition, the District transferred \$476,000 from the General Fund to the Permanent Improvement Fund which represents funding for permanent improvements. Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

On an as-needed basis, the District’s General Fund advances cash to other funds of the District to eliminate cash deficits. During the year, advances from the District’s General Fund were made. As of June 30, 2017, receivables and payables that resulted from those advance transactions were as follows:

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 20 - INTERFUND TRANSACTIONS (Continued)**

Fund	Due to the General Fund
Title VI-B IDEA	\$53,167
Title I Disadvantaged Children	186
Improving Teacher Quality	2,075
	\$55,428

**NOTE 21 – SET-ASIDE CALCULATIONS**

The District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase an equal amount for the acquisition and construction of capital improvements.

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

Set-aside cash balance as of June 30, 2016	\$ -
Current fiscal year set-aside requirement	425,096
Current Year Offsets	(425,096)
Qualifying Disbursements	-
Total	\$ -
Balance Carried Forward to FY 2018	\$ -

Capital acquisition offsets presented in the table were limited to those necessary to reduce the fiscal year-end balance to zero. Although the District had offsets during the fiscal year that would have reduced the set-aside amount for capital acquisitions to below zero, this extra amount may not be used to reduce the set-aside requirement of future years, therefore the District has chosen not to present them.

**NOTE 22 – CHANGE IN ACCOUNTING PRINCIPLES**

For fiscal year 2017, the District implemented *GASB Statement No. 77 “Tax Abatement Disclosures”* which improves disclosure of tax abatement information, such as how the tax abatements affect their financial statements and operations and the government’s ability to raise resources in the future, by reporting (1) the government’s own tax abatement agreements; and (2) those that are entered into by other governments and that reduce the reporting government’s tax revenues. The implementation of this statement did not have a significant effect on the financial statements of the District.



## GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

#### **NOTE 22 – CHANGE IN ACCOUNTING PRINCIPLES (Continued)**

For fiscal year 2017, the District implemented *GASB Statement No. 78 “Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans”* which amends the scope and applicability of GASB Statement No. 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer. The implementation of this statement did not have an effect on the financial statements of the District.

For fiscal year 2017, the District implemented *GASB Statement No. 79 “Certain External Investment Pools and Pool Participants”* which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of this statement did not have an effect on the financial statements of the District.

For fiscal year 2017, the District implemented *GASB Statement No. 80 “Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14”* which amends the blending requirements for the financial statement presentation of component units of all state and local governments to enhanced the comparability of financial statements among governments. The implementation of this statement did not have an effect on the financial statements of the District.

For fiscal year 2017, the District implemented *GASB Statement No. 82 “Pension Issues – An Amendment of GASB Statements No. 67, 68, and 73”* which addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy plan member contribution requirements. The implementation of this statement did not have an effect on the financial statements of the District.

**REQUIRED SUPPLEMENTARY INFORMATION**

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO**

**LAST FOUR FISCAL YEARS (1)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.1020638%	0.1006560%	0.091268%	0.091268%
District's Proportionate Share of the Net Pension Liability	\$ 7,470,128	\$ 5,743,529	\$ 4,619,022	\$ 5,427,415
District's Covered-Employee Payroll	\$ 3,187,186	\$ 3,684,772	\$ 2,632,104	\$ 2,569,884
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	234.38%	155.87%	175.49%	211.19%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.98%	69.16%	71.70%	65.52%

Schedule is based on measurement date.

(1) Intended to show information for ten years. Information prior to 2013 is not available. Additional years' information will be displayed as it becomes available.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
STATE TEACHERS RETIREMENT SYSTEM OF OHIO**

**LAST FOUR FISCAL YEARS (1)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.11573685%	0.11180787%	0.112166%	0.112166%
District's Proportionate Share of the Net Pension Liability	\$ 38,740,612	\$ 30,900,425	\$ 27,282,641	\$ 32,498,903
District's Covered-Employee Payroll	\$ 11,738,800	\$ 12,187,000	\$ 11,809,645	\$ 11,719,095
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	330.02%	253.55%	231.02%	277.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.80%	72.10%	74.70%	69.30%

Schedule is based on measurement date.

(1) Intended to show information for ten years. Information prior to 2013 is not available. Additional years' information will be displayed as it becomes available.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO**

**LAST TEN FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 482,419	\$ 446,206	\$ 485,653	\$ 364,810
Contributions in relation to the contractually required contribution	\$ 482,419	\$ 446,206	\$ 485,653	\$ 364,810
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 3,445,853	\$ 3,187,186	\$ 3,684,772	\$ 2,632,104
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	13.18%	13.86%

<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 355,672	\$ 434,374	\$ 389,770	\$ 372,416	\$ 240,976	\$ 192,503
\$ 355,672	\$ 434,374	\$ 389,770	\$ 372,416	\$ 240,976	\$ 192,503
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,569,884	\$ 3,229,543	\$ 3,100,800	\$ 2,750,486	\$ 2,448,943	\$ 1,960,316
13.84%	13.45%	12.57%	13.54%	9.84%	9.82%

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM OF OHIO**

**LAST TEN FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,706,458	\$ 1,643,432	\$ 1,706,180	\$ 1,535,254
Contributions in relation to the contractually required contribution	\$ 1,706,458	\$ 1,643,432	\$ 1,706,180	\$ 1,535,254
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 12,188,984	\$ 11,738,800	\$ 12,187,000	\$ 11,809,645
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	14.00%	13.00%

<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 1,523,482	\$ 1,648,162	\$ 1,612,806	\$ 1,543,107	\$ 1,472,005	\$ 1,359,466
\$ 1,523,482	\$ 1,648,162	\$ 1,612,806	\$ 1,543,107	\$ 1,472,005	\$ 1,359,466
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 11,719,095	\$ 12,678,171	\$ 12,406,200	\$ 11,870,057	\$ 11,323,114	\$ 10,457,431
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%



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**COMBINING STATEMENTS – NONMAJOR GOVERNMENTAL FUNDS**

# GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT

## DESCRIPTION OF FUNDS NON-MAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2017

### Non-major Governmental Funds

Non-major Governmental Funds account for revenues from specific sources, which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's Non-major Governmental Funds follows:

**Permanent Improvement Fund** - A fund provided to account for all transactions related to acquiring, constructing, or improving school facilities.

**Building Fund** - A fund used to account for the revenues and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs for acquiring capital facilities, including real property.

**Food Service Fund** - A fund used to account for the financial activity related to the District's food service operation.

**Program Donations Fund** - A fund used to account for the receipt and expenditure of program donations that can be expended for school district programs.

**Public School Support Fund** – A fund provided to account for specific local revenue sources, other than taxes or expendable trusts (i.e. profits from vending machines, sales of pictures, etc.). In accordance with Governmental Accounting Standards Board Statement No. 54, this fund is combined with the General Fund for financial reporting purposes.

**Classroom Facilities Maintenance Fund** - A fund used to account for the proceeds of a levy for the maintenance of facilities.

**District Managed Student Activity Fund** - A fund provided to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

**Auxiliary Services Fund** - A fund used to account for monies which provide services and materials to pupils attending non-public schools within the school district.

**Data Communications Fund** - A fund used to account for monies received in order for the District to obtain access to the Ohio Educational Computer Network.

**Vocational Education Enhancement Fund** – A fund used to account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills, and credentials to present to future employers, universities, and other training institutes, and 3) replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

**DESCRIPTION OF FUNDS  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Title VI-B IDEA Fund** - A fund used to account for federal funds used to assist states in providing an appropriate public education to all children with disabilities.

**Title I Disadvantaged Children Fund** - A fund used to provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children. Included are the Even Start and Comprehensive School Reform programs.

**Title II-A Improving Teacher Quality Fund** - A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

**Miscellaneous Federal Grants Fund** - A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant.

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

	Capital Project Funds		Special Revenue Funds		
	Permanent Improvement	Building	Food Service	Program Donations	Classroom Facilities Maintenance
<b>Assets:</b>					
Pooled Cash and Cash Equivalents	\$ 867,222	\$ 892,759	\$ 17,409	\$ 55,502	\$ 309,929
Investments in Segregated Accounts	-	-	-	24,981	-
Property Taxes	672,809	-	-	-	157,331
Intergovernmental	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 1,540,031</u>	<u>\$ 892,759</u>	<u>\$ 17,409</u>	<u>\$ 80,483</u>	<u>\$ 467,260</u>
<b>Liabilities:</b>					
Accounts Payable	\$ 1,742	\$ 209,368	\$ 659	\$ -	\$ 11,568
Accrued Wages and Benefits	-	-	-	-	-
Intergovernmental Payable	-	-	6,759	-	-
Due to Other Funds	-	-	-	-	-
<b>Total Liabilities</b>	<u>1,742</u>	<u>209,368</u>	<u>7,418</u>	<u>-</u>	<u>11,568</u>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	623,670	-	-	-	146,209
Unavailable Revenue	9,259	-	-	-	2,152
<b>Total Deferred Inflows of Resources</b>	<u>632,929</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,361</u>
<b>Fund Balances:</b>					
Restricted for:					
Classroom Facilities Maintenance	-	-	-	-	307,331
District Managed Student Activities	-	-	-	-	-
Other Purposes	-	-	-	80,483	-
Food Service Program	-	-	9,991	-	-
Permanent Improvements	905,360	683,391	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<u>905,360</u>	<u>683,391</u>	<u>9,991</u>	<u>80,483</u>	<u>307,331</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 1,540,031</u>	<u>\$ 892,759</u>	<u>\$ 17,409</u>	<u>\$ 80,483</u>	<u>\$ 467,260</u>

Special Revenue Funds

District Managed Student Activities	Auxiliary Services	Data Communications	Vocational Education Enhancement	TITLE VI-B IDEA	Title I Disadvantaged Children	Improving Teacher Quality
\$ 243,485	\$ 44,089	\$ 15,565	\$ 7,396	\$ 1,068	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	604	97,810	10,321	8,996
<u>\$ 243,485</u>	<u>\$ 44,089</u>	<u>\$ 15,565</u>	<u>\$ 8,000</u>	<u>\$ 98,878</u>	<u>\$ 10,321</u>	<u>\$ 8,996</u>
\$ 3,071	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	12,264	-	-	49,964	9,396	-
-	4,687	-	-	-	-	-
-	-	-	-	53,167	186	2,075
<u>3,071</u>	<u>16,951</u>	<u>-</u>	<u>-</u>	<u>103,131</u>	<u>9,582</u>	<u>2,075</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
240,414	-	-	-	-	-	-
-	27,138	15,565	8,000	-	739	6,921
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(4,253)	-	-
<u>240,414</u>	<u>27,138</u>	<u>15,565</u>	<u>8,000</u>	<u>(4,253)</u>	<u>739</u>	<u>6,921</u>
<u>\$ 243,485</u>	<u>\$ 44,089</u>	<u>\$ 15,565</u>	<u>\$ 8,000</u>	<u>\$ 98,878</u>	<u>\$ 10,321</u>	<u>\$ 8,996</u>

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017  
(CONTINUED)

	Special Revenue Funds	
	Miscellaneous Federal Grants	Total Other Governmental Funds
<b>Assets:</b>		
Pooled Cash and Cash Equivalents	\$ 509	\$ 2,454,933
Investments in Segregated Accounts	-	24,981
Property Taxes	-	830,140
Intergovernmental	-	117,731
Total Assets	<u>\$ 509</u>	<u>\$ 3,427,785</u>
<b>Liabilities:</b>		
Accounts Payable	\$ -	\$ 226,408
Accrued Wages and Benefits	-	71,624
Intergovernmental Payable	-	11,446
Due to Other Funds	-	55,428
Total Liabilities	<u>-</u>	<u>364,906</u>
<b>Deferred Inflows of Resources:</b>		
Property Taxes	-	769,879
Unavailable Revenue	-	11,411
Total Deferred Inflows of Resources	<u>-</u>	<u>781,290</u>
<b>Fund Balances:</b>		
Restricted for:		
Classroom Facilities Maintenance	-	307,331
District Managed Student Activities	-	240,414
Other Purposes	509	139,355
Food Service Program	-	9,991
Permanent Improvements	-	1,588,751
Unassigned	-	(4,253)
Total Fund Balances	<u>509</u>	<u>2,281,589</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 509</u>	<u>\$ 3,427,785</u>

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**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

	Capital Project Funds		Special Revenue Funds		
	Permanent Improvement	Building	Food Service	Program Donations	Classroom Facilities Maintenance
<b>Revenues:</b>					
Property Taxes	\$ 669,529	\$ -	\$ -	\$ -	\$ 152,886
Revenue in Lieu of Property Taxes	15,375	-	-	-	-
Intergovernmental	88,075	-	63,447	500	19,725
Charges for Services	-	-	667,115	-	-
Interest	-	-	-	375	-
Extracurricular Activities	-	-	-	-	-
Donations	-	-	-	81,233	-
Other	20,188	-	-	2,700	-
<b>Total Revenues</b>	<b>793,167</b>	<b>-</b>	<b>730,562</b>	<b>84,808</b>	<b>172,611</b>
<b>Expenditures:</b>					
Instruction:					
Regular	455,326	-	-	45,023	4,615
Special	-	-	-	-	-
Other	-	-	-	879	-
Support services:					
Pupils	-	-	-	5,673	-
Instructional Staff	1,070	-	-	12,000	-
Administration	-	-	-	210	-
Fiscal Services	11,105	-	23,019	-	2,540
Operation and Maintenance of Plant	457,378	1,316,609	-	-	145,627
Central	81,449	-	-	-	-
Non-instructional Services	-	-	731,544	-	-
Extracurricular Activities	309,329	-	-	4,520	-
Debt service:					
Principal Retirement	69,802	-	-	-	-
Interest and Fiscal Charges	27,132	-	-	-	-
<b>Total Expenditures</b>	<b>1,412,591</b>	<b>1,316,609</b>	<b>754,563</b>	<b>68,305</b>	<b>152,782</b>
Net Change in Fund Balances	(619,424)	(1,316,609)	(24,001)	16,503	19,829
<b>Other Financing Sources:</b>					
Proceeds from Lease Purchase Agreement	-	2,000,000	-	-	-
Sale of Assets	3,211	-	-	-	-
Transfers In	476,000	-	16,337	-	-
<b>Total Other Financing Sources</b>	<b>479,211</b>	<b>2,000,000</b>	<b>16,337</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(140,213)	683,391	(7,664)	16,503	19,829
Fund Balance Beginning of Year	1,045,573	-	17,655	63,980	287,502
Fund Balance End of Year	\$ 905,360	\$ 683,391	\$ 9,991	\$ 80,483	\$ 307,331

Special Revenue Funds

District Managed Student Activities	Auxiliary Services	Data Communications	Vocational Education Enhancement	TITLE VI-B IDEA	Title I Disadvantaged Children	Improving Teacher Quality
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	316,312	7,200	15,926	401,412	76,087	25,757
-	-	-	-	-	-	-
-	-	-	-	-	-	-
265,295	-	-	-	-	-	-
24,295	-	-	-	-	-	-
10,895	-	-	-	-	-	-
<u>300,485</u>	<u>316,312</u>	<u>7,200</u>	<u>15,926</u>	<u>401,412</u>	<u>76,087</u>	<u>25,757</u>
28,776	-	-	7,926	-	-	21,113
-	-	-	-	392,731	74,087	-
-	-	-	-	-	-	-
-	-	-	-	2,314	-	-
489	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	311,335	-	-	-	-	-
235,907	-	-	-	1,173	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>265,172</u>	<u>311,335</u>	<u>-</u>	<u>7,926</u>	<u>396,218</u>	<u>74,087</u>	<u>21,113</u>
35,313	4,977	7,200	8,000	5,194	2,000	4,644
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
35,313	4,977	7,200	8,000	5,194	2,000	4,644
205,101	22,161	8,365	-	(9,447)	(1,261)	2,277
<u>\$ 240,414</u>	<u>\$ 27,138</u>	<u>\$ 15,565</u>	<u>\$ 8,000</u>	<u>\$ (4,253)</u>	<u>\$ 739</u>	<u>\$ 6,921</u>

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT  
LICKING COUNTY**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017  
(CONTINUED)

	Special Revenue Funds	
	Miscellaneous Federal Grants	Total Other Governmental Funds
<b>Revenues:</b>		
Property Taxes	\$ -	\$ 822,415
Revenue in Lieu of Property Taxes	-	15,375
Intergovernmental	25,386	1,039,827
Charges for Services	-	667,115
Interest	-	375
Extracurricular Activities	-	265,295
Donations	-	105,528
Other	-	33,783
Total Revenues	<u>25,386</u>	<u>2,949,713</u>
<b>Expenditures:</b>		
Instruction:		
Regular	24,964	587,743
Special	-	466,818
Other	-	879
Support services:		
Pupils	-	7,987
Instructional Staff	-	13,559
Administration	-	210
Fiscal Services	-	36,664
Operation and Maintenance of Plant	-	1,919,614
Central	-	81,449
Non-instructional Services	-	1,042,879
Extracurricular Activities	-	550,929
Debt service:		
Principal Retirement	-	69,802
Interest and Fiscal Charges	-	27,132
Total Expenditures	<u>24,964</u>	<u>4,805,665</u>
Net Change in Fund Balances	422	(1,855,952)
<b>Other Financing Sources:</b>		
Proceeds from Lease Purchase Agreement	-	2,000,000
Sale of Assets	-	3,211
Transfers In	-	492,337
Total Other Financing Sources	<u>-</u>	<u>2,495,548</u>
Net Change in Fund Balances	422	639,596
Fund Balance Beginning of Year	87	1,641,993
Fund Balance End of Year	<u>\$ 509</u>	<u>\$ 2,281,589</u>

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

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
- GOVERNMENTAL FUNDS

	Final Budget	Actual	Variance Over/(Under)
<b>Debt Service Fund</b>			
Total Revenues and Other Sources	\$ 2,889,640	\$ 3,132,270	\$ 242,630
Total Expenditures and Other Uses	3,300,000	3,123,523	176,477
Net Change in Fund Balance	(410,360)	8,747	419,107
Fund Balances - July 1	2,177,654	2,177,654	-
Fund Balances - June 30	<u>\$ 1,767,294</u>	<u>\$ 2,186,401</u>	<u>\$ 419,107</u>
<b>Permanent Improvement Fund</b>			
Total Revenues and Other Sources	\$ 1,216,000	\$ 1,278,878	\$ 62,878
Total Expenditures and Other Uses	1,882,383	1,841,758	40,625
Net Change in Fund Balance	(666,383)	(562,880)	103,503
Fund Balances - July 1	641,364	641,364	-
Prior Year Encumbrances Appropriated	482,383	482,383	-
Fund Balances - June 30	<u>\$ 457,364</u>	<u>\$ 560,867</u>	<u>\$ 103,503</u>
<b>Building Fund</b>			
Total Revenues and Other Sources	\$ 2,000,000	\$ 2,000,000	\$ -
Total Expenditures and Other Uses	2,000,000	1,985,354	14,646
Net Change in Fund Balance	-	14,646	14,646
Fund Balances - July 1	-	-	-
Fund Balances - June 30	<u>\$ -</u>	<u>\$ 14,646</u>	<u>\$ 14,646</u>

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
- GOVERNMENTAL FUNDS

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Food Service Fund</b>			
Total Revenues and Other Sources	\$ 830,000	\$ 746,899	\$ (83,101)
Total Expenditures and Other Uses	<u>844,770</u>	<u>767,520</u>	<u>77,250</u>
Net Change in Fund Balance	(14,770)	(20,621)	(5,851)
Fund Balances - July 1	4,674	4,674	-
Prior Year Encumbrances Appropriated	16,270	16,270	-
Fund Balances - June 30	<u>\$ 6,174</u>	<u>\$ 323</u>	<u>\$ (5,851)</u>
<b>Program Donations Fund</b>			
Total Revenues and Other Sources	\$ 120,000	\$ 84,808	\$ (35,192)
Total Expenditures and Other Uses	<u>126,602</u>	<u>79,003</u>	<u>47,599</u>
Net Change in Fund Balance	(6,602)	5,805	12,407
Fund Balances - July 1	50,488	50,488	-
Prior Year Encumbrances Appropriated	15,139	15,139	-
Fund Balances - June 30	<u>\$ 59,025</u>	<u>\$ 71,432</u>	<u>\$ 12,407</u>
<b>Public School Support Fund</b>			
Total Revenues and Other Sources	\$ 240,000	\$ 217,923	\$ (22,077)
Total Expenditures and Other Uses	<u>309,297</u>	<u>217,482</u>	<u>91,815</u>
Net Change in Fund Balance	(69,297)	441	69,738
Fund Balances - July 1	72,870	72,870	-
Prior Year Encumbrances Appropriated	9,298	9,298	-
Fund Balances - June 30	<u>\$ 12,871</u>	<u>\$ 82,609</u>	<u>\$ 69,738</u>

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
- GOVERNMENTAL FUNDS

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Classroom Facilities Maintenance Fund</b>			
Total Revenues and Other Sources	\$ 165,000	\$ 174,151	\$ 9,151
Total Expenditures and Other Uses	<u>254,212</u>	<u>215,564</u>	<u>38,648</u>
Net Change in Fund Balance	(89,212)	(41,413)	47,799
Fund Balances - July 1	268,176	268,176	-
Prior Year Encumbrances Appropriated	24,212	24,212	-
Fund Balances - June 30	<u>\$ 203,176</u>	<u>\$ 250,975</u>	<u>\$ 47,799</u>
<b>District Managed Activities</b>			
Total Revenues and Other Sources	\$ 300,000	\$ 300,485	\$ 485
Total Expenditures and Other Uses	<u>359,863</u>	<u>288,811</u>	<u>71,052</u>
Net Change in Fund Balance	(59,863)	11,674	71,537
Fund Balances - July 1	202,476	202,476	-
Prior Year Encumbrances Appropriated	8,062	8,062	-
Fund Balances - June 30	<u>\$ 150,675</u>	<u>\$ 222,212</u>	<u>\$ 71,537</u>
<b>Auxiliary Services</b>			
Total Revenues and Other Sources	\$ 316,313	\$ 316,312	\$ (1)
Total Expenditures and Other Uses	<u>366,409</u>	<u>342,574</u>	<u>23,835</u>
Net Change in Fund Balance	(50,096)	(26,262)	23,834
Fund Balances - July 1	43,355	43,355	-
Prior Year Encumbrances Appropriated	6,741	6,741	-
Fund Balances - June 30	<u>\$ -</u>	<u>\$ 23,834</u>	<u>\$ 23,834</u>

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
- GOVERNMENTAL FUNDS

	Final Budget	Actual	Variance Over/(Under)
<b>Data Communication Fund</b>			
Total Revenues and Other Sources	\$ 7,200	\$ 7,200	\$ -
Total Expenditures and Other Uses	15,565	-	15,565
Net Change in Fund Balance	(8,365)	7,200	15,565
Fund Balances - July 1	8,365	8,365	-
Fund Balances - June 30	\$ -	\$ 15,565	\$ 15,565

**Vocational Education Enhancement Fund**

Total Revenues and Other Sources	\$ 16,000	\$ 15,322	\$ (678)
Total Expenditures and Other Uses	16,000	7,926	8,074
Net Change in Fund Balance	-	7,396	7,396
Fund Balances - July 1	-	-	-
Fund Balances - June 30	\$ -	\$ 7,396	\$ 7,396

**Title VI-B IDEA Fund**

Total Revenues and Other Sources	\$ 454,780	\$ 401,257	\$ (53,523)
Total Expenditures and Other Uses	454,780	401,257	53,523
Net Change in Fund Balance	-	-	-
Fund Balances - July 1	-	-	-
Fund Balances - June 30	\$ -	\$ -	\$ -



**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
- GOVERNMENTAL FUNDS

	Final Budget	Actual	Variance Over/(Under)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Title I Disadvantaged Children Fund</b>			
Total Revenues and Other Sources	\$ 84,255	\$ 73,933	\$ (10,322)
Total Expenditures and Other Uses	<u>84,255</u>	<u>74,119</u>	<u>10,136</u>
Net Change in Fund Balance	-	(186)	(186)
Fund Balances - July 1	-	-	-
Fund Balances - June 30	<u>\$ -</u>	<u>\$ (186)</u>	<u>\$ (186)</u>
<b>Improving Teacher Quality Fund</b>			
Total Revenues and Other Sources	\$ 34,445	\$ 18,840	\$ (15,605)
Total Expenditures and Other Uses	<u>34,445</u>	<u>28,438</u>	<u>6,007</u>
Net Change in Fund Balance	-	(9,598)	(9,598)
Fund Balances - July 1	(8,056)	(8,056)	-
Prior Year Encumbrances Appropriated	8,254	8,254	-
Fund Balances - June 30	<u>\$ 198</u>	<u>\$ (9,400)</u>	<u>\$ (9,598)</u>
<b>Miscellaneous Federal Grants Fund</b>			
Total Revenues and Other Sources	\$ 26,000	\$ 25,386	\$ (614)
Total Expenditures and Other Uses	<u>25,985</u>	<u>24,964</u>	<u>1,021</u>
Net Change in Fund Balance	15	422	407
Fund Balances - July 1	87	87	-
Fund Balances - June 30	<u>\$ 102</u>	<u>\$ 509</u>	<u>\$ 407</u>

**GRANVILLE EXEMPTED VILLAGE SCHOOL DISTRICT**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Assets</b>				
Pooled Cash and Cash Equivalents	\$ 432,123	\$ 7,562	\$ (262,434)	\$ 177,251
Property Taxes Receivable	370,666	402,318	(370,666)	402,318
Total Assets	<u>\$ 802,789</u>	<u>\$ 409,880</u>	<u>\$ (633,100)</u>	<u>\$ 579,569</u>
<b>Liabilities</b>				
Accounts Payable	\$ 83,880	\$ 2,982	\$ (83,880)	\$ 2,982
Held for Student Liabilities	120,176	149,681	(156,031)	113,826
Held for Others	228,067	365,777	(533,401)	60,443
Total Liabilities	<u>\$ 432,123</u>	<u>\$ 518,440</u>	<u>\$ (773,312)</u>	<u>\$ 177,251</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	\$ 370,666	\$ 402,318	\$ (370,666)	\$ 402,318
Total Deferred Inflows of Resources	<u>\$ 370,666</u>	<u>\$ 402,318</u>	<u>\$ (370,666)</u>	<u>\$ 402,318</u>
Total Liabilities and Deferred Inflows of Resources	<u>\$ 802,789</u>	<u>\$ 920,758</u>	<u>\$ (1,143,978)</u>	<u>\$ 579,569</u>

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# Statistical Section



**Granville  
Schools**  
Learning for Life



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## Statistical Section

This part of Granville Exempted Village 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.

### Contents

#### **Financial Trends**

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

#### **Revenue Capacity**

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

#### **Debt Capacity**

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

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

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

#### **Operating Information**

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

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

TABLE 1

**Granville Exempted Village School District**  
*Net Position by Component*  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

	2008	2009	2010	2011
Net Investment in Capital Assets	\$ 6,892,455	\$ 7,687,855	\$ 9,596,927	\$ 10,307,937
Restricted for:				
Capital Projects	353,915	225,636	-	-
Debt Service	2,591,844	3,204,877	2,594,857	2,743,069
Permanent Improvements	-	-	-	-
Classroom Facilities Maintenance	256,578	195,268	141,981	111,627
Food Services	-	-	-	84,209
District Managed Activities	119,743	119,620	90,467	61,702
Other Purposes	103,047	40,957	72,421	55,954
Unrestricted (Deficit)	602,426	(1,530,997)	(3,256,300)	(6,134,210)
<b>Total Net Positions</b>	<b>\$ 10,920,008</b>	<b>\$ 9,943,216</b>	<b>\$ 9,240,353</b>	<b>\$ 7,230,288</b>

Note: GASB 68 was implemented in fiscal year 2015. Effects of the implementation can not fully be shown for prior years

TABLE 1 (Continued)

	2012	2013	2014	2015	2016	2017
\$	9,694,614	\$ 8,620,362	\$ 7,821,681	\$ 6,839,124	\$ 5,800,999	\$ 4,815,089
	-	-	-	-	-	-
	2,741,579	2,230,590	2,204,284	2,215,679	2,294,844	2,267,610
	86,531	180,533	580,973	648,246	1,057,083	914,619
	129,400	88,662	135,937	226,622	290,240	309,483
	-	66,223	3,355	17,270	17,655	9,991
	74,729	57,206	141,851	149,822	205,101	240,414
	101,167	81,395	116,264	154,994	96,870	139,355
	(9,278,564)	(8,556,073)	(7,124,668)	(40,749,737)	(39,477,424)	(40,171,732)
\$	<u>3,549,456</u>	<u>\$ 2,768,898</u>	<u>\$ 3,879,677</u>	<u>\$ (30,497,980)</u>	<u>\$ (29,714,632)</u>	<u>\$ (31,475,171)</u>



**Granville Exempted Village School District**  
*Changes in Net Position of Governmental Activities*  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

TABLE 2

	2008	2009	2010	2011
<b>Expenses</b>				
Regular Instruction	\$ 11,823,856	\$ 11,896,964	\$ 11,899,120	\$ 12,379,460
Special Instruction	1,975,964	2,159,916	2,520,861	2,610,277
Vocational Instruction	166,851	128,681	158,132	161,237
Other Instruction	-	-	-	500
Pupil Support Services	1,566,360	1,935,428	1,874,209	1,963,082
Instructional Staff Support Services	1,428,716	1,466,119	1,455,718	1,235,636
Board of Education Support Services	125,069	62,223	58,596	53,853
Administration Support Services	1,734,575	1,411,719	1,582,101	1,644,746
Fiscal Support Services	699,749	738,661	756,267	797,735
Business Support Services	474	117,289	142,458	138,937
Operation and Maintenance of				
Plant Support Services	2,227,169	2,294,474	2,352,343	2,131,024
Pupil Transportation Support Services	1,698,740	1,695,459	1,687,517	1,696,740
Central Support Services	280,651	357,493	378,264	383,978
Noninstructional Services	35,442	28,336	908,460	981,418
Extracurricular Activities	829,305	1,267,208	1,281,203	1,419,083
Interest and Fiscal Charges	2,086,820	2,200,443	2,247,407	2,328,437
<i>Total Expenses</i>	<u>26,679,741</u>	<u>27,760,413</u>	<u>29,302,656</u>	<u>29,926,143</u>
<b>Program Revenues</b>				
Charges for Services				
Regular Instruction	207,600	164,321	160,837	118,356
Special Instruction	-	-	-	15,320
Vocational Instruction	-	-	-	1,599
Pupil Support Services	179,500	173,156	182,062	157,048
Instructional Staff Support Services	3,381	-	-	-
Administration Support Services	1,612	-	-	-
Operation and Maintenance of				
Plant Support Services	18,453	-	-	-
Central Support Services	525	-	-	-
Noninstructional Services	-	7,971	656,175	645,551
Extracurricular Activities	216,580	265,246	210,105	266,775
Operating Grants and Contributions				
Regular Instruction	112,829	183,962	213,710	218,643
Special Instruction	754,372	852,759	704,971	1,013,737
Vocational Instruction	10,890	10,650	11,207	11,291
Other Instruction	-	-	-	-
Pupil Support Services	295,796	201,283	205,057	397,074
Instructional Staff Support Services	87,129	17,219	6,013	-
Administration Support Services	26,001	19,320	-	41,643
Fiscal Support Services	414	-	-	-
Business Support Services	176	-	-	319

TABLE 2 (Continued)

	2012	2013	2014	2015	2016	2017
\$	12,544,810	\$ 12,137,143	\$ 12,378,916	\$ 12,707,376	\$ 13,043,957	15,119,042
	2,676,625	2,427,252	3,043,306	3,230,088	3,515,055	4,216,349
	164,309	127,574	127,368	134,717	135,738	152,324
	-	-	-	-	-	879
	1,705,021	1,565,592	1,779,567	1,862,621	2,117,622	2,362,650
	1,386,516	1,343,952	984,892	1,114,456	1,231,031	1,309,697
	90,042	3,870	28,650	17,797	15,992	18,830
	1,592,557	1,524,711	1,585,419	1,746,334	1,955,774	2,120,714
	852,777	829,495	896,065	880,653	957,796	1,122,979
	134,451	41,163	87,457	153,136	165,172	184,782
	2,157,006	2,160,331	2,289,021	2,269,013	2,139,061	2,581,037
	1,679,275	1,567,902	1,538,908	1,612,759	1,918,766	2,112,849
	576,711	514,654	432,876	488,865	566,832	652,140
	1,115,490	936,205	990,670	908,067	1,106,203	1,114,705
	1,327,444	1,350,595	1,220,139	1,469,016	1,354,966	1,451,911
	2,177,803	2,714,886	2,501,513	2,550,491	2,358,646	1,026,026
	<u>30,180,837</u>	<u>29,245,325</u>	<u>29,884,767</u>	<u>31,145,389</u>	<u>32,582,611</u>	<u>35,546,914</u>
	116,526	133,913	233,284	254,004	279,546	315,375
	22,329	23,669	53,699	60,272	67,633	82,974
	1,588	1,456	2,517	2,845	3,001	3,259
	162,572	172,351	176,242	159,711	178,701	164,293
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	675,462	642,063	627,635	650,138	668,695	667,115
	235,194	281,163	274,793	336,701	270,119	313,879
	91,696	120,180	146,436	125,553	152,588	181,811
	350,249	339,013	348,663	334,461	436,162	473,967
	-	-	-	-	-	-
	-	-	-	-	-	6
	170,585	135,741	125,066	92,515	120,953	56,016
	-	3,711	-	4,211	54	160
	-	-	-	-	-	2
	1,330	2,549	1,767	1,952	3,784	2,679
	20	-	-	-	-	-

TABLE 2 (Continued)

**Granville Exempted Village School District**  
*Changes in Net Position of Governmental Activities*  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

	2008	2009	2010	2011
Operating Grants and Contributions (continued)				
Operation and Maintenance of				
Plant Support Services	31,754	19,354	-	4,500
Pupil Transportation Support Services	423,059	463,830	585,127	485,404
Central Support Services	8,686	-	67,205	9,100
Noninstructional Services	4,001	5,226	218,785	252,522
Extracurricular Activities	56,271	62,087	29,135	20,977
Capital Grants and Contributions				
Regular Instruction	58,935	-	-	358,507
Special Instruction	1,486	-	-	-
Fiscal Support Services	816	-	-	-
Business Support Services	-	-	9,145	-
Operation and Maintenance of				
Plant Support Services	13,894	-	5,000	-
Pupil Transportation Support Services	16,564	13,283	-	-
Extracurricular Activities	-	-	12,000	-
<i>Total Program Revenues</i>	<u>2,530,724</u>	<u>2,459,667</u>	<u>3,276,534</u>	<u>4,018,366</u>
Net Expense	<u>(24,149,017)</u>	<u>(25,300,746)</u>	<u>(26,026,122)</u>	<u>(25,907,777)</u>
<b>General Revenues</b>				
Property Taxes Levied for:				
General Purposes	12,821,992	12,838,871	13,690,792	12,897,027
Debt Service	2,877,982	2,909,428	3,587,543	2,401,124
Capital Outlay	437,674	438,185	628,736	568,851
Classroom Facilities Maintenance	141,129	141,071	156,354	128,041
Grants and Entitlements not				
Restricted to Specific Programs	6,893,363	7,727,905	7,430,574	7,630,314
Payment in Lieu of Taxes	262,999	239,881	252,440	98,410
Investment Earnings	545,488	215,174	69,859	36,118
Miscellaneous	33,643	53,320	34,177	137,827
<i>Total General Revenues</i>	<u>24,014,270</u>	<u>24,563,835</u>	<u>25,850,475</u>	<u>23,897,712</u>
<i>Change in Net Position</i>	<u>\$ (134,747)</u>	<u>\$ (736,911)</u>	<u>\$ (175,647)</u>	<u>\$ (2,010,065)</u>

Note: GASB 68 was implemented in fiscal year 2015. Effects of the implementation can not fully be shown for prior years

TABLE 2 (Continued)

2012	2013	2014	2015	2016	2017
9,935	-	476	-	25,795	50,807
61,635	-	-	-	-	-
7,200	7,200	7,200	7,200	15,878	12,653
271,096	291,158	304,330	341,084	352,705	377,823
16,051	10,145	22,053	42,169	67,828	57,119
317,838	-	193,522	-	-	73,286
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	328,000	-	-	-
-	-	-	-	-	-
-	-	-	-	81,751	18,249
<u>2,511,306</u>	<u>2,164,312</u>	<u>2,845,683</u>	<u>2,412,816</u>	<u>2,725,193</u>	<u>2,851,473</u>
<u>(27,669,531)</u>	<u>(27,081,013)</u>	<u>(27,039,084)</u>	<u>(28,732,573)</u>	<u>(29,857,418)</u>	<u>(32,695,441)</u>
13,282,827	14,960,136	16,296,645	17,583,620	18,079,450	18,212,195
2,276,729	2,504,600	2,495,828	2,650,148	2,769,881	2,765,944
575,471	641,166	639,078	654,739	669,200	667,278
128,875	145,022	145,283	148,958	152,541	152,300
7,789,230	7,600,638	8,209,863	8,875,086	8,833,314	8,957,080
94,681	305,329	240,383	142,058	-	35,325
17,373	18,899	11,992	15,608	61,454	75,968
146,054	124,665	110,791	149,398	74,926	68,812
<u>24,311,240</u>	<u>26,300,455</u>	<u>28,149,863</u>	<u>30,219,615</u>	<u>30,640,766</u>	<u>30,934,902</u>
<u>\$ (3,358,291)</u>	<u>\$ (780,558)</u>	<u>\$ 1,110,779</u>	<u>\$ 1,487,042</u>	<u>\$ 783,348</u>	<u>\$ (1,760,539)</u>

TABLE 3

**Granville Exempted Village School District**  
*Program Revenues by Function*  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

<i>Function</i>	2008	2009	2010	2011
Regular Instruction	\$ 379,364	\$ 348,283	\$ 374,547	\$ 695,506
Special Instruction	755,858	852,759	704,971	1,029,057
Vocational Instruction	10,890	10,650	11,207	12,890
Other Instruction	-	-	-	-
Pupil Support Services	475,296	374,439	387,119	554,122
Instructional Staff Support Services	90,510	17,219	6,013	-
Administration Support Services	27,613	19,320	-	41,643
Fiscal Support Services	1,230	-	-	-
Business Support Services	176	-	9,145	319
Operation and Maintenance of Plant Support Services	64,101	19,354	5,000	4,500
Pupil Transportation Support Services	439,623	477,113	585,127	485,404
Central Support Services	9,211	-	67,205	9,100
Noninstructional Services	4,001	13,197	874,960	898,073
Extracurricular Activities	272,851	327,333	251,240	287,752
<i>Total Program Revenues</i>	<u>\$ 2,530,724</u>	<u>\$ 2,459,667</u>	<u>\$ 3,276,534</u>	<u>\$ 4,018,366</u>

TABLE 3 (Continued)

	2012	2013	2014	2015	2016	2017
\$	526,060	\$ 254,093	\$ 573,242	\$ 379,557	\$ 432,134	\$ 570,472
	372,578	362,682	402,362	394,733	503,795	556,941
	1,588	1,456	2,517	2,845	3,001	3,259
	-	-	-	-	-	6
	333,157	308,092	301,308	252,226	299,654	220,309
	-	3,711	-	4,211	54	160
	-	-	-	-	-	2
	1,330	2,549	1,767	1,952	3,784	2,679
	20	-	-	-	-	-
	9,935	-	328,476	-	25,795	50,807
	61,635	-	-	-	-	-
	7,200	7,200	7,200	7,200	15,878	12,653
	946,558	933,221	931,965	991,222	1,021,400	1,044,938
	251,245	291,308	296,846	378,870	419,698	389,247
\$	<u>2,511,306</u>	<u>\$ 2,164,312</u>	<u>\$ 2,845,683</u>	<u>\$ 2,412,816</u>	<u>\$ 2,725,193</u>	<u>\$ 2,851,473</u>

TABLE 4

**Granville Exempted Village School District**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

	2008	2009	2010	2011
<b>General Fund</b>				
Nonspendable	N/A	N/A	\$ 700,000	\$ 700,000
Assigned	N/A	N/A	2,187,178	205,554
Unassigned	N/A	N/A	1,602,172	1,821,366
Reserved	\$ 773,671	\$ 1,619,422	N/A	N/A
Unreserved	5,337,556	3,603,983	N/A	N/A
<i>Total General Fund</i>	6,111,227	5,223,405	4,489,350	2,726,920
<b>All Other Governmental Funds</b>				
Nonspendable	N/A	N/A	905,822	683,838
Restricted	N/A	N/A	2,893,121	2,901,869
Unassigned	N/A	N/A	(978,304)	(913,584)
Reserved	1,839,976	967,772	N/A	N/A
Unreserved, Undesignated, Reported in:				
Capital Projects Funds	(455,485)	(1,195,683)	N/A	N/A
Debt Service Funds	2,927,238	2,924,501	N/A	N/A
Special Revenue Funds	465,690	305,614	N/A	N/A
<i>Total All Other Governmental Funds</i>	4,777,419	3,002,204	-	2,672,123
<i>Total Governmental Funds</i>	\$ 10,888,646	\$ 8,225,609	\$ 4,489,350	\$ 5,399,043

due to implementation of GASB 54 in fiscal year  
2011 including restatement of fiscal year 2010.

TABLE 4 (Continued)

2012	2013	2014	2015	2016	2017
\$ 700,000	\$ 700,000	\$ -	\$ -	\$ -	\$ 27,912
73,709	-	231,001	317,480	1,633,094	3,243,859
(928,706)	(377,424)	973,619	2,513,237	2,173,631	(330,054)
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
(154,997)	322,576	1,204,620	2,830,717	3,806,725	2,941,717
459,459	-	-	-	-	-
2,426,480	3,031,809	3,502,583	3,769,231	4,005,745	4,623,453
(748,781)	(701,966)	(2,419)	(13,658)	(10,708)	(4,253)
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
2,137,158	2,329,843	3,500,164	3,755,573	3,995,037	4,619,200
\$ 1,982,161	\$ 2,652,419	\$ 4,704,784	\$ 6,586,290	\$ 7,801,762	\$ 7,560,917



**Granville Exempted Village School District**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

TABLE 5

	2008	2009	2010	2011
<b>Revenues</b>				
Property Taxes	\$ 16,213,099	\$ 16,042,938	\$ 17,926,273	\$ 16,012,594
Payment in Lieu of Taxes	262,999	238,334	252,440	98,410
Intergovernmental	8,709,326	9,475,414	9,406,457	9,974,078
Charges for Services	-	7,971	656,175	645,551
Interest	546,023	215,202	67,432	37,475
Tuition and Fees	200,960	171,471	160,837	148,049
Rent	18,453	-	-	-
Extracurricular Activities	407,542	438,402	392,167	411,049
Gifts and Donations	82,393	-	-	-
Miscellaneous	32,966	159,501	113,649	161,166
<i>Total Revenues</i>	<u>26,473,761</u>	<u>26,749,233</u>	<u>28,975,430</u>	<u>27,488,372</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	11,178,156	11,184,331	11,449,591	12,074,408
Special	1,874,110	2,108,382	2,434,055	2,502,438
Vocational	154,153	156,148	152,227	155,174
Other/Adult/Continuing	-	-	-	500
Support Services:				
Pupils	1,446,558	1,852,373	1,808,659	1,916,836
Instructional Staff	1,304,547	1,401,774	1,422,517	1,182,531
Board of Education	125,069	60,091	56,395	51,918
Administration	1,655,548	1,412,395	1,531,854	1,566,642
Fiscal	715,473	690,515	740,438	779,016
Business	474	116,480	138,192	134,196
Operation and Maintenance of Plant	2,258,837	2,516,637	2,526,897	2,132,916
Pupil Transportation	1,703,911	1,533,543	1,646,597	1,534,614
Central	280,651	345,242	365,621	368,839
Other Operation of Non-Instructional Services	30,715	23,631	935,276	961,891
Extracurricular Activities	711,164	857,678	881,991	1,023,552
Capital Outlay	318,698	1,712,558	199,348	90,246
Intergovernmental	-	-	-	-
Debt Service:				
Issuance Costs	-	-	-	-
Principal Retirement	1,388,780	1,503,030	1,628,238	1,609,433
Interest and Fiscal Charges	1,966,256	1,997,435	1,974,732	1,402,275
<i>Total Expenditures</i>	<u>27,113,100</u>	<u>29,472,243</u>	<u>29,892,628</u>	<u>29,487,425</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(639,339)</u>	<u>(2,723,010)</u>	<u>(917,198)</u>	<u>(1,999,053)</u>
<b>Other Financing Sources (Uses)</b>				
Inception of Capital Lease	-	57,000	-	-
Proceeds from Sale of Capital Assets	677	2,973	1,578	5,116
Donations	-	-	-	82,991
Refunding Bonds Issued	-	-	-	-
Premium on Refunding Bonds Issued	-	-	-	-
Discount on Refunding Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
Premium on Bonds Sold	-	-	-	-
Proceeds from Lease Purchase Agreement	-	-	-	-
Proceeds from Sale of Long Term Notes	2,000,000	-	-	-
Transfers In	-	-	16,000	-
Transfers Out	-	-	(16,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>2,000,677</u>	<u>59,973</u>	<u>1,578</u>	<u>88,107</u>
<i>Net Change in Fund Balances</i>	<u>\$ 1,361,338</u>	<u>\$ (2,663,037)</u>	<u>\$ (915,620)</u>	<u>\$ (1,910,946)</u>
Debt Service as a Percentage of Noncapital Expenditures	12.6%	12.9%	12.4%	10.5%

TABLE 5 (Continued)

2012	2013	2014	2015	2016	2017
\$ 16,268,510	\$ 18,453,072	\$ 19,774,347	\$ 21,079,137	\$ 21,695,497	\$ 21,898,719
94,681	305,329	240,383	142,058	-	35,325
8,655,657	8,417,303	9,056,183	9,682,500	9,838,567	9,977,182
675,462	642,063	627,635	650,138	668,695	667,115
14,850	22,492	11,992	15,608	61,454	75,968
151,905	159,038	289,500	317,121	350,180	452,372
-	-	-	-	-	-
386,304	453,514	451,035	496,412	448,820	427,408
45,160	82,721	75,304	90,601	131,576	123,535
210,904	130,990	136,508	198,498	113,844	135,007
<u>26,503,433</u>	<u>28,666,522</u>	<u>30,662,887</u>	<u>32,672,073</u>	<u>33,308,633</u>	<u>33,792,631</u>
12,067,253	11,761,924	11,745,977	12,444,448	12,734,006	13,711,605
2,591,200	2,324,898	2,952,507	3,141,795	3,421,773	3,919,646
158,234	122,242	122,762	132,177	132,503	135,644
-	-	-	-	-	879
1,655,161	1,509,492	1,739,589	1,848,981	2,047,399	2,121,838
1,339,644	1,316,563	935,198	1,118,145	1,169,419	1,186,307
85,196	999	28,615	16,807	15,459	17,823
1,526,905	1,448,550	1,500,568	1,692,256	1,863,532	1,964,110
822,943	815,838	867,060	862,551	933,730	972,073
126,060	39,222	85,217	158,547	160,476	176,158
2,134,878	2,127,302	2,176,024	2,233,874	2,147,571	3,837,305
1,502,096	1,410,024	1,381,855	1,854,886	1,661,692	1,786,178
564,179	486,283	425,277	493,222	550,310	604,697
1,075,955	901,487	960,310	1,004,424	1,082,405	1,042,879
956,971	1,001,680	869,886	1,124,648	1,135,010	1,381,108
-	-	-	-	-	-
-	-	-	-	-	-
-	-	19,304	-	184,821	-
881,884	840,769	2,250,852	1,124,367	1,266,721	1,933,874
2,433,256	1,894,837	1,877,475	1,825,781	2,076,833	1,244,563
<u>29,921,815</u>	<u>28,002,110</u>	<u>29,938,476</u>	<u>31,076,909</u>	<u>32,583,660</u>	<u>36,036,687</u>
(3,418,382)	664,412	724,411	1,595,164	724,973	(2,244,056)
-	-	-	284,312	-	-
1,500	5,846	8,650	2,030	-	3,211
-	-	-	-	-	-
-	-	1,300,000	-	23,615,000	-
-	-	19,304	-	3,855,499	-
-	-	-	-	-	-
-	-	-	-	(26,980,000)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,000,000
-	-	-	-	-	-
-	-	700,000	210,670	366,270	492,337
-	-	(700,000)	(210,670)	(366,270)	(492,337)
<u>1,500</u>	<u>5,846</u>	<u>1,327,954</u>	<u>286,342</u>	<u>490,499</u>	<u>2,003,211</u>
\$ (3,416,882)	\$ 670,258	\$ 2,052,365	\$ 1,881,506	\$ 1,215,472	\$ (240,845)
11.2%	9.8%	14.0%	9.6%	10.4%	9.3%

TABLE 6

**Granville Exempted Village School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Collection Years*

Tax Year	Granville Exempted				
	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2007	351,971,290	40,007,320	1,119,938,886	6,099,433	24,397,732
2008	360,031,560	43,102,810	1,151,812,486	6,898,260	27,593,040
2009	369,712,930	43,559,490	1,180,778,343	7,283,930	29,135,720
2010	371,794,500	43,907,440	1,187,719,829	7,720,210	30,880,840
2011	374,931,900	43,993,740	1,196,930,400	8,207,920	32,831,680
2012	374,959,618	40,300,263	1,186,456,804	8,702,037	34,808,147
2013	377,932,240	40,431,252	1,195,324,264	9,721,460	38,885,840
2014	385,825,386	46,156,530	1,234,234,046	9,976,780	39,907,119
2015	387,729,900	42,917,190	1,230,420,257	13,168,900	52,675,599
2016	393,463,623	46,213,680	1,256,143,217	13,746,330	54,985,230

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Through 2008, personal property tax was assessed on all tangible personal property used in business in Ohio. The assessed value of public utility property ranges from 24 percent of true value to 88 percent, depending on the type of property. General business tangible personal property tax began being phased out in tax year 2006. The listing percentage was reduced to 18.75 percent for tax year 2006, 12.5 percent for tax year 2007, 6.25 percent for tax year 2008 and zero for tax year 2009.

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

Values are shown net of exempt property.

**Source:** Ohio Department of Taxation

TABLE 6 (Continued)

Granville Exempted						
Tangible Personal Property					Effective Tax Rate (Per \$1,000 of Assessed Value)	Voted Tax Rate (Per \$1,000 of Assessed Value)
General Business		Total				
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio		
6,578,640	52,629,120	404,656,683	1,196,965,738	34%	42.01	81.72
3,090,760	49,452,160	413,123,390	1,228,857,686	34%	41.87	82.25
609,635	9,754,160	421,165,985	1,219,668,223	35%	42.30	82.30
-	-	423,422,150	1,218,600,669	35%	46.09	86.10
-	-	427,133,560	1,229,762,080	35%	46.13	86.10
-	-	423,961,918	1,221,264,951	35%	46.30	86.10
-	-	428,084,952	1,234,210,104	35%	51.80	92.60
-	-	441,958,696	1,274,141,165	35%	52.45	91.95
-	-	443,815,990	1,283,095,856	35%	52.56	91.95
-	-	453,423,633	1,311,128,537	35%	52.52	92.95

TABLE 7

**Granville Exempted Village School District**  
*Property Tax Rates*  
(per \$1,000 of assessed value)  
*Last Ten Years*

Tax Year/ Collection Year	Direct Rates					
	Voted				Unvoted	Total
	General	Bond	Perm. Improve.	Classroom Maintenance		
2016/2017	78.20	6.35	1.70	0.50	5.20	91.95
2015/2016	78.20	6.35	1.70	0.50	5.20	91.95
2014/2015	78.20	6.35	1.70	0.50	5.20	91.95
2013/2014	79.20	6.00	1.70	0.50	5.20	92.60
2012/2013	72.70	6.00	1.70	0.50	5.20	86.10
2011/2012	72.70	6.00	1.70	0.50	5.20	86.10
2010/2011	72.70	6.00	1.70	0.50	5.20	86.10
2009/2010	66.90	8.00	1.70	0.50	5.20	82.30
2008/2009	66.90	7.95	1.70	0.50	5.20	82.25
2007/2008	66.90	7.42	1.70	0.50	5.20	81.72

**Source:** Licking County Auditor's Office; Ohio Department of Taxation

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

TABLE 7 (Continued)

Overlapping Rates										
<u>Library Operating</u>	<u>Licking County</u>	<u>Village of Granville</u>	<u>Granville Township</u>	<u>Granville Recreation District</u>	<u>Licking County JVSD</u>	<u>Union Township</u>	<u>McKean Township</u>	<u>St. Albans Township</u>	<u>Newark City</u>	<u>Heath City</u>
1.00	8.00	2.50	6.4/11.45	1.00	2.57	7.40	9.40	14.50	2.60	5.30
1.00	8.00	2.50	6.4/12.45	1.00	2.58	7.40	9.40	14.50	2.60	5.30
1.00	8.00	2.50	6.4/11.45	1.00	2.54	7.40	9.40	13.50	2.53	5.40
1.00	7.70	2.50	8.9/13.95	1.00	2.56	7.40	7.40	12.34	3.70	5.40
1.00	7.70	2.50	8.9/13.95	1.00	2.48	5.90	7.40	13.23	3.70	5.40
1.00	7.70	2.50	8.9/13.95	1.00	2.54	5.84	7.40	9.87	3.70	5.40
1.00	7.70	2.50	8.9-13.95	1.00	2.52	5.90	7.40	13.48	2.60	5.10
0.00	7.40	2.50	9.9 - 14.95	1.00	3.00	5.90	7.40	13.54	2.60	5.10
0.00	7.40	2.50	9.80	0.00	3.00	5.90	7.40	13.54	2.60	5.10
0.00	7.40	2.50	9.80	0.00	3.00	5.90	7.40	12.62	2.60	5.10

TABLE 8

**Granville Exempted Village School District**  
*Property Tax Levies and Collections (1)*  
*Last Ten Years*

Calendar Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2007	17,711,799	17,449,235	98.52%	383,861	17,833,096	100.68%
2008	17,928,790	17,439,209	97.27%	296,952	17,736,161	98.93%
2009	18,352,172	17,463,849	95.16%	298,643	17,762,492	96.79%
2010	18,628,331	17,745,348	95.26%	506,708	18,252,056	97.98%
2011	20,887,927	20,073,298	96.10%	482,006	20,555,304	98.41%
2012	20,925,405	19,983,762	95.50%	304,701	20,288,463	96.96%
2013	21,138,427	20,314,028	96.10%	550,018	20,864,046	98.70%
2014	21,683,766	20,382,740	94.00%	587,065	20,969,805	96.71%
2015	23,660,283	22,715,342	96.01%	614,272	23,329,614	98.60%
2016	23,911,491	23,451,343	98.08%	642,138	24,093,481	100.76%

**Source:** Licking County Auditor's Office

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

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

(3) The County does not identify delinquent tax collections by tax year.

TABLE 9

## Granville Exempted Village School District

Principal Taxpayers

Real Estate Tax

2016 and 2004 (1)

Name of Taxpayer	2016	
	Assessed Value	Percent of Real Property Assessed Value
Middleton House LTD	\$ 4,533,070	1.03%
Prarie Enterprises LTD	2,663,160	0.61
Owens Corning Science & Technology LLC	2,503,320	0.57
Raccoon Creek Senior Housing LLC	2,211,580	0.50
Kendal at Granville	1,888,080	0.43
Bellaire Hospitalities	1,750,000	0.40
Historic Granville Inn LLC	1,682,630	0.38
Denison University	1,426,890	0.32
Springfield Spartans LLC	1,074,050	0.24
Cherry Valley Professional Partners LLC	921,900	0.21
<b>TOTALS</b>	<b>\$ 20,654,680</b>	<b>4.70%</b>
Total Assessed Valuation	\$ 439,677,303	
Name of Taxpayer	2004 (2)	
	Assessed Value	Percent of Real Property Assessed Value
Cherry Jack Limited Partnership	\$ 4,836,200	1.49%
Owens Corning Fiberglas	3,304,870	1.02
Prarie Enterprises LTD	3,174,960	0.98
Denison University	1,907,500	0.59
3825 Columbus Road LTD	1,476,300	0.45
Village of Granville	1,048,290	0.32
Granville Golf Course Co.	993,660	0.31
Granville Apartments	745,090	0.23
Licking Memorial Hospital	578,730	0.18
Mid Ohio Development Corp.	544,590	0.17
<b>Totals</b>	<b>\$ 18,610,190</b>	<b>5.74%</b>
Total Assessed Valuation	\$ 325,044,640	

Source: Licking County Auditor's Office

(1) The amounts presented represent the assessed values upon which 2016 and 2005 collections were based.

(2) Tax year 2005 and 2006 information not available.



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TABLE 10

## Granville Exempted Village School District

Principal Taxpayers

Public Utilities Tax

2016 and 2004 (1)

Name of Taxpayer	2016	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Power Company	\$ 8,544,720	62.16%
Columbia Gas Trans Corp	2,539,170	18.47
Columbia Gas of Ohio	916,760	6.67
Licking Rural Electric	701,490	5.10
AEP Ohio Transmission Co Inc.	655,000	4.76
National Gas & Oil Corp	382,020	2.78
Consumers Gas Coop	5,090	0.04
Buckeye Power	2,080	0.02
Total	<u>\$ 13,746,330</u>	<u>100.00%</u>
Total Assessed Valuation	<u>\$ 13,746,330</u>	
Name of Taxpayer	2004 (2)	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Power Co	\$ 3,083,900	37.82%
Alltel Ohio Inc.	1,787,200	21.92
Columbia Gas Transmission Corp	1,542,480	18.92
Columbia Gas of Ohio Inc.	410,340	5.03
Licking Rural Electrification	256,010	3.14
APT Columbus Inc.	217,480	2.67
CSX Transportation Inc	214,320	2.63
MCI Telecommunications Corp	197,390	2.42
Columbus Southern power Co	196,770	2.41
National Gas & Oil Corp	173,120	2.12
Total	<u>\$ 8,079,010</u>	<u>99.08%</u>
Total Assessed Valuation	<u>\$ 8,153,910</u>	

Source: Licking County Auditor's Office

(1) The amounts presented represent the assessed values upon which 2016 and 2005 collections were based.

(2) Tax year 2005 and 2006 information not available.

TABLE 11

**Granville Exempted Village School District**  
*Ratio of Outstanding Debt by Type*  
*Last Ten Fiscal Years*

Fiscal Year	Estimated Population (1)	Median Income (2)	Personal Income (2)	Energy Conservation Notes (3)	School Improvement Bonds (3)
2008	14,410	63,422	530,369,466	2,000,000	35,550,001
2009	14,410	63,842	464,603,046	1,829,000	34,158,066
2010	12,923	65,931	490,509,360	1,652,123	33,012,982
2011	12,923	67,261	541,220,899	1,469,166	31,973,466
2012	12,923	68,584	588,024,354	1,280,060	31,786,927
2013	12,923	79,492	616,759,364	1,084,316	32,416,372
2014	12,923	74,401	655,531,748	881,842	32,262,310
2015	12,923	77,436	685,425,738	672,409	32,092,480
2016	12,923	NA	NA	455,844	31,997,151
2017	12,923	NA	NA	231,772	30,097,067

**Sources:**

- (1) 2010-2016 from 2010 US Census; 2007-2009 estimates - Ohio Municipal Advisory Council  
(2) Ohio Department of Taxation  
(3) OMAC; District Financial Records

NA - Information Not Available

TABLE 11 (Continued)

Lease Purchase Agreement	Capital Leases	Total Debt Outstanding	Ratio of Total Debt to Personal Income	Total Debt Per Capita
-	95,788	37,645,789	7.10	2,612
-	92,744	36,079,810	7.77	2,504
-	35,726	34,700,831	7.07	2,685
-	14,250	33,456,882	6.18	2,589
-	-	33,066,987	5.62	2,559
-	-	33,500,688	5.43	2,592
-	-	33,144,152	5.06	2,565
-	234,157	32,999,046	NA	2,554
-	164,022	32,617,017	NA	NA
2,000,000	94,220	32,423,059	NA	NA

TABLE 12

**Granville Exempted Village School District, Ohio**  
*Ratios of General Bonded Debt Outstanding*  
*Last Ten Fiscal Years*

Fiscal Year	Net General Bonded Debt (1)	Ratio of General Bonded Debt to Estimated Actual Value (2)	General Bonded Debt per Capita	General Bonded Debt per Enrollment
2008	32,958,157	2.68	2,287	13,215
2009	30,953,189	2.54	2,148	12,332
2010	30,418,125	2.50	2,354	11,817
2011	29,230,397	2.38	2,262	11,499
2012	29,045,348	2.38	2,248	11,693
2013	30,185,782	2.45	2,336	12,162
2014	30,058,026	2.36	2,326	12,219
2015	29,876,801	2.33	2,312	12,438
2016	29,702,307	NA	NA	12,203
2017	27,735,257	NA	NA	11,297

**Source:** Ohio Municipal Advisory Council

(1) Represents Total Debt Outstanding from Table 11 less Capital Leases from Table 11 and Restricted Net Position from Table 1.

(2) Represents Net General Bonded Debt outstanding at fiscal year-end divided by the estimated actual value in effect as of fiscal year-end.

NA - Information Not Available

TABLE 13

**Granville Exempted Village School District**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities*  
June 30, 2017

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
<b>Direct Debt</b>			
Granville Exempted School District as of June 30, 2017	\$ 32,328,839	100.00%	\$ 32,328,839
<b>Overlapping Debt (as of 12/31/16, unless otherwise noted):</b>			
Payable from Property Taxes:			
Licking County	25,841,037	11.42%	2,951,047
City of Heath	2,310,000	0.43%	9,933
City of Newark	12,330	5.65%	697
Village of Granville (as of 12/31/15)	745,917	100.00%	745,917
Licking County Career Center	3,643,333	11.04%	402,224
Total Overlapping Debt	<u>32,552,617</u>		<u>4,109,818</u>
 Total Direct and Overlapping Debt	 <u><u>\$64,881,456</u></u>		 <u><u>\$36,438,657</u></u>

**Source:** Licking County Auditor

(1) Percentages were determined by dividing the assessed or actual valuation of the overlapping government located within the boundaries of the District by the total assessed or actual valuation of the overlapping government. The valuations used were for tax year 2014.

TABLE 14

**Granville Exempted Village School District**  
*Computation of Legal Debt Margin*  
*Last Ten Fiscal Years*

	2008	2009	2010	2011
Assessed Valuation (1)	\$ 404,656,683	\$ 413,123,390	\$ 421,165,985	\$ 423,422,150
Debt Limit - 9% of Assessed Value (2)	36,419,101	37,181,105	37,904,939	38,107,994
Amount of Debt Applicable to Debt Limit	37,550,001	35,987,066	34,665,105	33,442,632
Less Amount Available in Debt Service	2,927,238	3,097,101	3,461,113	3,278,411
Net Indebtedness Subject to Limitation	34,622,763	32,889,965	31,203,992	30,164,221
Exemptions:				
Energy Conservation Notes	2,000,000	1,829,000	1,652,123	1,469,166
Amount of Debt Subject to Limit	32,622,763	31,060,965	29,551,869	28,695,055
Legal Debt Margin	3,796,338	6,120,140	8,353,070	9,412,939
Legal Debt Margin as a Percentage of the Debt Limit	10.42%	16.46%	22.04%	24.70%
Unvoted Debt Limit - .10% of Assessed Value (1)	404,657	413,123	421,166	423,422
Applicable District Debt Outstanding	-	-	-	-
Unvoted Legal Debt Margin	\$ 404,657	\$ 413,123	\$ 421,166	\$ 423,422
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

general business tangible personal property tax as well as railroad and telephone tangible property. For fiscal year 2013, the tax year 2013 assessed valuation is not available, therefore, the tax year 2012 assessed valuation was used.

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

limit should be the balances used to compute the margin as specified by statute, i.e. the gross balances, not

TABLE 14 (Continued)

2012	2013	2014	2015	2016	2017
<u>\$ 427,133,560</u>	<u>\$ 423,961,918</u>	<u>\$ 428,084,952</u>	<u>\$ 441,958,696</u>	<u>\$ 443,815,990</u>	<u>\$453,423,633</u>
<u>38,442,020</u>	<u>38,156,573</u>	<u>38,527,646</u>	<u>39,776,283</u>	<u>39,943,439</u>	<u>40,808,127</u>
<u>33,066,987</u>	<u>33,500,688</u>	<u>33,144,152</u>	<u>32,764,889</u>	<u>32,452,995</u>	<u>28,701,772</u>
<u>2,521,647</u>	<u>2,585,596</u>	<u>2,552,009</u>	<u>2,436,375</u>	<u>2,177,654</u>	<u>3,079,160</u>
<u>30,545,340</u>	<u>30,915,092</u>	<u>30,592,143</u>	<u>30,328,514</u>	<u>30,275,341</u>	<u>25,622,612</u>
<u>1,280,060</u>	<u>1,084,316</u>	<u>881,842</u>	<u>672,409</u>	<u>455,844</u>	<u>231,772</u>
<u>29,265,280</u>	<u>29,830,776</u>	<u>29,710,301</u>	<u>29,656,105</u>	<u>29,819,497</u>	<u>25,390,840</u>
<u>9,176,740</u>	<u>8,325,797</u>	<u>8,817,345</u>	<u>10,120,178</u>	<u>10,123,942</u>	<u>15,417,287</u>
23.87%	21.82%	22.89%	25.44%	25.35%	37.78%
<u>427,134</u>	<u>423,962</u>	<u>428,085</u>	<u>441,959</u>	<u>443,816</u>	<u>453,424</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 427,134</u>	<u>\$ 423,962</u>	<u>\$ 428,085</u>	<u>\$ 441,959</u>	<u>\$ 443,816</u>	<u>\$ 453,424</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%



**Granville Exempted Village School District**  
*Demographic and Economic Statistics*  
*Last Ten Years*

Fiscal Year	District Population (1)	***Licking County Per Capita Personal Income (2)	Median Income (3)	District Enrollment (4)	Unemployment Rate (5)
2008	14,410	34,206	63,422	2,494	6.2
2009	14,410	34,390	63,842	2,510	10.0
2010	12,923	36,447	65,931	2,574	9.4
2011	12,923	37,679	67,261	2,542	8.7
2012	12,923	38,489	68,584	2,484	6.7
2013	12,923	39,835	79,492	2,482	7.5
2014	12,923	39,957	74,401	2,460	5.4
2015	12,923	41,727	77,436	2,402	4.5
2016	12,923	42,217	NA	2,463	4.4
2017	12,923	NA	NA	2,455	4.5

**Sources:**

- (1) 2010-2016 from 2010 US Census; 2007-2009 estimates - Ohio Municipal Advisory Council
- (2) Federal Reserve Bank of St. Louis
- (3) Ohio Department of Taxation median Adjusted Gross Income
- (4) District data
- (5) Bureau of Labor Statistics Website. All information as of June 30 of each fiscal year.

\*\*\*Note: School District encompasses the Village of Granville, part of the City of Newark and Heath, and several different townships.

Per Capital income is not reported by the District. Information is only available by Licking County.

TABLE 16

**Granville Exempted Village School District**

*Licking County Principal Employers*

*Current Year and Ten Years Ago*

Employer	Nature of Business	2017	
		Number of Employees	Percentage of Total Employment
Amazon Fulfillment Center	Retail Distribution	2,873	3.42%
Licking Memorial Hospital	Health Care	2,017	2.40
Harry & David	Retail Distribution	1,600	1.90
The Kroger Co.	Grocery	1,006	1.20
Owens Corning Corporation	Glass Fiber Building Materials	995	1.18
Licking County Government	Government Services	962	1.14
State Farm Insurance	Insurance/Underwriting	824	0.98
Anomatic Corporation	Anodizing Aluminum Process Mfg.	800	0.95
AEP Ohio	Glass Fiber Building Materials	777	0.92
Ascena Retail Group	Retail Management	760	0.90
Total		12,614	
Total Employment within the County (September 2016)		84,100	

Employer	Nature of Activity	2006 (1)	
		Number of Employees	Percentage of Total Employment
Licking Memorial Hospital	Health Care	1,436	1.83%
Licking County Government	Government Services	1,252	1.59
Owens Corning Corporation	Glass Fiber Building Materials	1,037	1.32
Newark City School District	Education	1,035	1.32
OSU Newark/C.O.T.C.	Education	1,015	1.29
State Farm Insurance	Insurance/Underwriting	994	1.27
Wal*Mart	Department/Grocery Store	697	0.89
Anomatic	Anodizing Aluminum Process Mfg.	655	0.83
Boeing Company	Aerospace Industries	582	0.74
Longaberger	Specialty Basket and Pottery Mfg.	508	0.65
Total		9,211	
Total Employment within the County		78,500	

**Source:** Licking County Auditor, Licking County Chamber of Commerce and Bureau of Labor Statistics

(1) Fiscal year 2007 information not available.

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TABLE 17

**Granville Exempted Village School District**  
*Per Pupil Cost*  
*Last Ten Fiscal Years*

Fiscal Year	General Fund Expenditures	Average Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	State Average Pupil/Teacher Ratio
2008	21,253,297	2,494	8,522	-3.33%	161	15.5	18.5
2009	22,431,100	2,510	8,937	4.87%	165	15.2	18.5
2010	22,670,914	2,574	8,808	-1.44%	167	15.4	18.5
2011	23,605,540	2,542	9,286	5.43%	169	15.0	18.5
2012	24,369,586	2,484	9,811	5.65%	171	14.5	18.5
2013	22,702,222	2,482	9,147	-6.77%	161	15.4	18.5
2014	23,556,695	2,460	9,576	4.69%	158	15.6	18.5
2015	25,077,784	2,402	10,440	9.03%	168	14.3	18.5
2016	26,574,613	2,463	10,824	3.68%	165	14.8	NA
2017	28,107,499	2,455	11,449	5.77%	168	14.6	NA

**Source:** School District Records; Ohio Department of Education iLRC - cash basis reporting

NA - Information not available

TABLE 18

**Granville Exempted Village School District**  
*Building Statistics*  
*Last Ten Fiscal Years*

	2008	2009	2010	2011
<b>Granville Elementary School</b>				
Constructed in 1950, additions in 1952, 1957, 1970, 1997 and 2000, renovated in 2002				
Total Building Square Footage	105,000	105,000	105,000	105,000
Enrollment Grades K-3	736	707	704	672
Student Functional Capacity	714	714	714	714
<b>Granville Intermediate School</b>				
Constructed in 2002				
Total Building Square Footage	84,549	84,549	84,549	84,549
Enrollment Grades 4-6	625	606	615	615
Student Functional Capacity	600	600	600	600
<b>Granville Middle School</b>				
Constructed in 1969, additions in 1993, 2003				
Total Building Square Footage	71,655	71,655	71,655	71,655
Enrollment Grades 6-8 until 2002; 7-8 present	373	425	427	414
Student Functional Capacity	475	475	475	475
<b>Granville High School</b>				
Constructed in 1992, addition in 2003				
Total Building Square Footage	175,231	175,231	175,231	175,231
Enrollment Grades 9-12	757	772	806	841
Student Functional Capacity	892	892	892	892
<b>District Administration Building</b>				
Constructed in 1963, renovated in 1997 and 2002				
Total Building Square Footage	15,000	15,000	15,000	15,000
<b>District Transportation/Maintenance Building</b>				
Constructed in 2003				
Total Building Square Footage	2,500	2,500	2,500	2,500

**Source:** School District Records

Student enrollment is based on the October count for each year.

Student Capacity is based on State standards of needed square footage per child

TABLE 18 (Continued)

2012	2013	2014	2015	2016	2017
105,000	105,000	105,000	105,000	105,000	105,000
637	615	586	592	640	661
714	714	714	714	714	714
84,549	84,549	84,549	84,549	84,549	84,549
620	597	594	561	547	536
600	600	600	600	600	600
71,655	71,655	71,655	71,655	71,655	71,655
424	444	435	421	417	404
475	475	475	475	475	475
175,231	175,231	175,231	175,231	175,231	175,231
803	826	845	828	830	854
892	892	892	892	892	892
15,000	15,000	15,000	15,000	15,000	15,000
2,500	2,500	2,500	2,500	2,500	2,500

TABLE 19

**Granville Exempted Village School District**  
*Full-Time Equivalent Teachers by Education*  
*Last Ten Fiscal Years*

Degree	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Bachelor's Degree	18	18	13	9	9	11	16	15	12	12
Bachelor + (150 hours)	25	22	26	22	18	18	17	15	15	15
Master's Degree	56	63	68	77	79	76	72	83	72	72
Master's + 25	36	36	32	27	29	23	21	22	35	35
Master's + 40	26	26	28	34	36	33	32	25	34	34
Total	161	165	167	169	171	161	158	160	168	168

**Source:** School District Personnel Records

TABLE 20

**Granville Exempted Village School District**  
*Teachers' Salaries*  
*Last Ten Fiscal Years*

Fiscal Year	Minimum Salary (1)	Maximum Salary (2)	Average Salary Granville Exempted	Average Salary Comparable Districts (3)	Average Salary Statewide (3)
2008	31,368	74,080	55,273	61,071	54,210
2009	32,466	76,512	56,545	61,078	54,656
2010	32,466	76,512	58,070	62,278	55,958
2011	33,115	77,950	59,809	63,003	56,715
2012	33,777	79,603	62,416	64,438	58,120
2013	33,777	79,603	60,225	64,162	57,966
2014	34,115	80,399	59,792	63,308	57,636
2015	34,797	82,007	62,784	NA	NA
2016	35,493	83,647	64,030	652,420	58,690
2017	36,203	85,712	66,763	N/A	N/A

**Sources:** School District Financial Records and the Ohio Department of Education.

(1) Starting teacher with no experience - per negotiated agreement.

(2) Teacher with a Masters degree and more than 30 year's experience - per negotiated agreement.

(3) Provided by the Ohio Department of Education.

NA - Information not available.

**Note:** Amounts do not include additional salary steps based on experience or academic credentials, nor fringe benefits such as pension, health insurance, disability, and so on.



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TABLE 21

**Granville Exempted Village School District**  
*Enrollment Statistics*  
*Last Ten Fiscal Years*

Fiscal Year	Elementary School	Intermediate School	Middle School	High School	Total
2008	737	624	376	757	2,494
2009	707	606	425	772	2,510
2010	699	628	441	806	2,574
2011	672	615	414	841	2,542
2012	637	620	424	803	2,484
2013	615	597	444	826	2,482
2014	586	594	435	845	2,460
2015	592	561	421	828	2,402
2016	640	547	417	830	2,434
2017	661	536	404	854	2,455

**Source:** School District Records

TABLE 22

**Granville Exempted Village School District**  
*Capital Asset Statistics*  
*Last Ten Fiscal Years*

	2008	2009	2010	2011
<b>Nondepreciable Capital Assets</b>				
Land	\$1,465,969	\$1,465,969	\$1,465,969	\$1,465,969
Construction in Progress	316,640	-	5,834	7,300
Total Nondepreciable Capital Assets	<u>1,782,609</u>	<u>1,465,969</u>	<u>1,471,803</u>	<u>1,473,269</u>
<b>Depreciable Capital Assets</b>				
Land Improvements	1,074,309	1,015,172	1,159,119	1,171,289
Buildings and Buildings Improvements	32,338,138	33,677,910	32,768,073	31,696,542
Furniture, Fixtures & Equipment	454,733	465,432	497,340	798,544
Vehicles	1,023,485	915,517	940,496	978,040
Total Depreciable Capital Assets	<u>34,890,665</u>	<u>36,074,031</u>	<u>35,365,028</u>	<u>34,644,415</u>
Total Capital Assets, Net	<u><u>\$36,673,274</u></u>	<u><u>\$37,540,000</u></u>	<u><u>\$36,836,831</u></u>	<u><u>\$36,117,684</u></u>

**Source:** School District Financial Records

Depreciable capital assets are presented net of accumulated depreciation.

TABLE 22 (Continued)

2012	2013	2014	2015	2016	2017
\$1,465,969	\$1,465,969	\$1,465,969	\$1,465,969	\$1,465,969	\$1,465,969
-	-	-	-	210,904	1,316,609
1,465,969	1,465,969	1,465,969	1,465,969	1,676,873	2,782,578
1,279,862	1,189,812	1,099,762	1,009,712	919,661	1,318,943
30,592,142	29,413,336	28,235,463	27,096,460	26,096,345	24,930,443
700,980	735,152	1,033,508	1,034,407	952,663	958,849
942,800	825,689	713,564	892,223	807,023	695,453
33,515,784	32,163,989	31,082,297	30,032,802	28,775,692	27,903,688
\$34,981,753	\$33,629,958	\$32,548,266	\$31,498,771	\$30,452,565	\$30,686,266

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