



Comprehensive Annual Financial Report



Fiscal Year Ending June 30, 2018

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Comprehensive
Annual Financial Report

of the

New Albany-Plain Local School District
New Albany, Ohio

For Fiscal Year Ended
June 30, 2018

Issued by:
Office of the Treasurer

Rebecca Jenkins
Treasurer/CFO

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NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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Introductory Section

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New Albany-Plain Local School District

Elected Officials and Administrative Staff

Board of Education Members

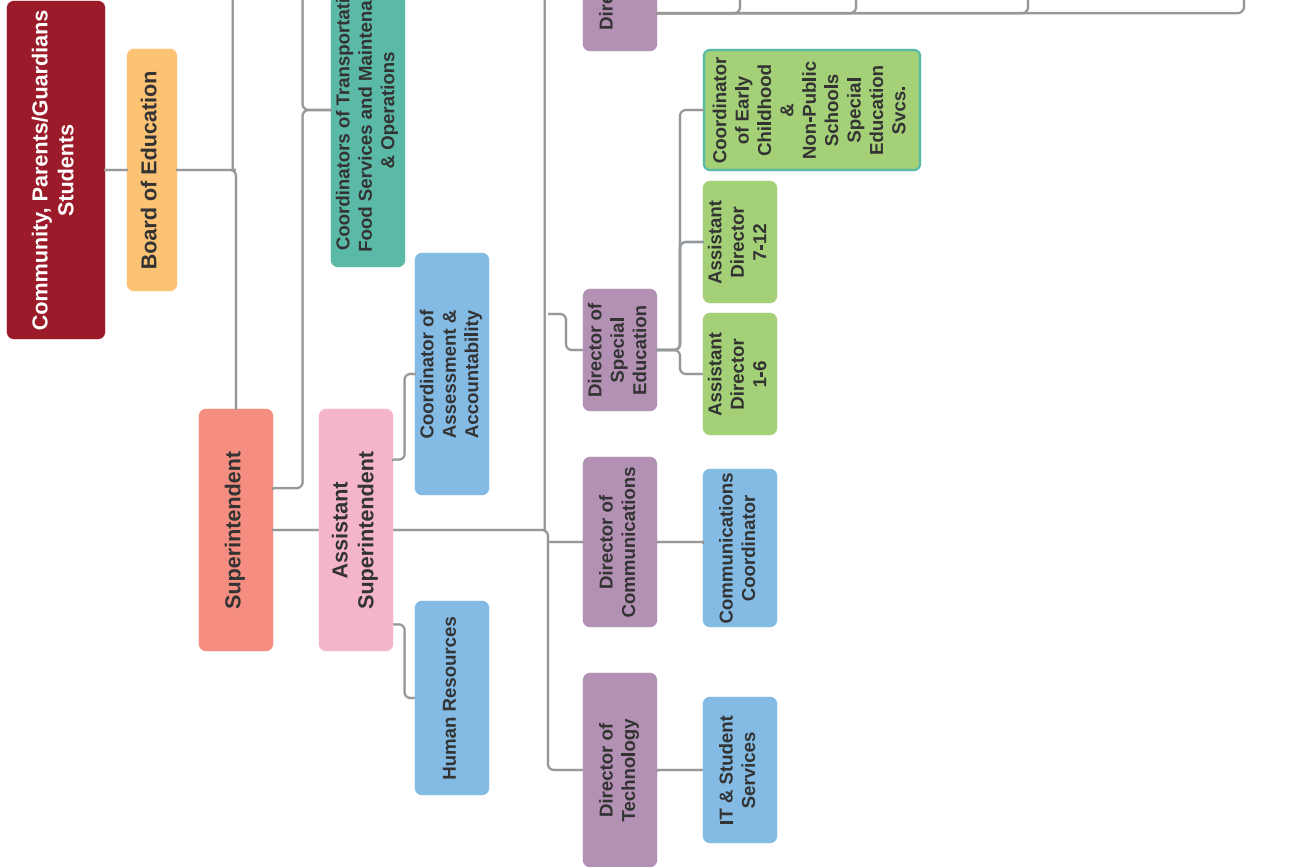
President	Mr. John McClelland
Vice President	Mr. Phil Derrow
Member	Mr. Mike Busch
Member	Mrs. Debbie Kalinosky
Member	Mr. Paul Naumoff

Appointed Officials

Superintendent	Mr. Michael Sawyers
Treasurer	Ms. Rebecca Jenkins

Administrative Staff

Assistant Superintendent	Dr. Marilyn Troyer
Director of Communications	Mr. Patrick Gallaway
Director of Technology	Mr. Michael Voss
High School Principal	Mr. Dwight Carter
Middle School Principal	Mrs. Donna LeBeau
K-12 Learning Facility Principal	Mrs. Katherine Nowak
2-5 Elementary Principal	Mrs. Teresa Smith
K-1 Elementary Principal	Mrs. Michelle Unger



Teaching and Non-Teaching Staff



NEW ALBANY-PLAIN LOCAL SCHOOLS

December 19, 2018

To the Citizens and Board of Education of the New Albany-Plain Local School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the New Albany-Plain Local School District (the “District”). This CAFR, which includes an unqualified opinion 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 Auditors’ 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 Columbus Jewish Day School, a private school 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 this organization shares operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, this organization’s financial statements are not included in this report.

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.

New Albany-Plain Local School District

Profile of the School District

The New Albany-Plain Local Schools (NAPLS) is located 20 miles northeast of downtown Columbus, in the beautiful City of New Albany. The school district serves 4,958 students, preschool through twelfth grade, and covers an area of 23 square miles, including the City of New Albany, Plain Township, and neighborhoods within a small portion of the City of Columbus. NAPLS features a unique learning environment for its students, with all of its schools and support facilities located on an 80-acre college-style campus. The schools are designed in a Georgian architectural style, connected by tree-lined walkways and surrounded by a 120-acre nature preserve. From the “Jeffersonian-style” Library-Information Center to the Environmental Land Lab and high-tech classrooms, the learning environment is as unique as it is functional, creating outstanding educational opportunities for its students.

The District has developed a purpose statement to continue to guide the work moving forward from the 2017-18 school year. The components of the District Continuous Improvement Plan (CIP) are below along with seven benchmarks:

District Purpose

The New Albany-Plain Local School District is committed to creating a culture of accountability that achieves the best academic and developmental outcomes for each student.

Commitment to Excellence

The District aspires, by 2021, to be ranked in the top 5% (#30 or higher of 608 public school districts) for student achievement in the State of Ohio as reported by the Ohio Department of Education (ODE), which will require incremental progress of at least 1% annually.

Focus

All employees will be accountable for implementing research-based practices including a rigorous and aligned curriculum, common assessments, focused instruction and data-driven decisions to achieve the best academic and developmental outcomes for every student within a fiscally sustainable budget.

Benchmarks and Indicators

Benchmark 1: Increase achievement

Increase the district performance index rank as compared to all Ohio school districts on the Local Report Card from #38 (2016-17 ranking) to #32 (2017-18 ranking) or better. **MET**

Benchmark 2: Facilitate a year or more of growth for every year of instruction

Demonstrate at least one year’s worth of growth or higher on the district component grade measuring progress of all students as calculated by ODE. **MET**

Benchmark 3: Meet or exceed State’s gap closing standards for identified subgroups

Earn a Gap Closing Component Grade of B or better on the 2018 local report card. **MET**

Benchmark 4: Graduate students who are college and career ready

Continue to earn a grade of A for the graduation rate component on the Local Report Card. **MET**

The Class of 2018 will earn an ACT mean score that is at least 20% higher than the state average as reported by the ACT College Readiness Report in September 2018. **NOT MET**

New Albany-Plain Local School District

Benchmark 5: Enhance school culture and social-emotional well-being

Administer age-appropriate student climate surveys to establish baseline data on the percentage of students who feel safe at school, supported, and have at least one staff member to approach with problems. **MET**

Benchmark 6: Demonstrate sustainable fiscal management

Reduce FY18 Five Year Forecast Line Item 4.500 (Total Expenditures) by at least \$609,235.91 resulting in a 1% reduction in total expenditures, to positively impact the district’s Five Year Forecast. **MET**

Benchmark 7: Ensure community engagement and stakeholder satisfaction

Administer annual community and/or staff surveys to establish baseline data on the level of satisfaction with educational quality, school culture, communications, climate and/or fiscal management. **MET**

In addition to providing challenging academic offerings for all students, NAPLS prides itself on the wide array of opportunities for students to benefit from team and personal success, including athletics, performing arts, and club activities. Nearly all of the District’s high school students belong to a club or organization, and 67% of the students also participate in athletics or the performing arts. One of the primary measures of a school district’s success is how well students are prepared for life after graduating high school. In 2018, ninety percent of the District’s graduates attended college, with eighty-four percent of those attending four-year colleges or universities, including many of the nation’s most prestigious institutions.

The successes that have been realized by NAPLS are a result of the unique partnership that has been formed on the part of the school district and the entire learning community. This partnership has yielded benefits for not only today’s students, but for generations to come.

Enrollment

The District’s enrollment for FY18 was 4,958 as compared with 4,847 for FY17. With the addition of the Intermediate School (fully operational in the 2015-16 school year) the district is now able to accommodate student growth through build-out with a maximum space accommodation of 5,700. The reconfiguration of several school buildings took place for the 2017-2018 school year to maximize student learning for all students.

The District’s enrollment is based on actual enrollment during the first full week of October and does not include students living within the District’s attendance area who attend charter or private schools. The enrollment for the previous two school years, along with the design capacity, are shown below.

BUILDING	2016-17 ENROLLMENT	2017-18 ENROLLMENT ²	DESIGN CAPACITY	EXCEEDS BUILDING CAPACITY
Early Learning Center ¹	619	432	600	NA
Primary School	711	1,049	1,200	NA
Intermediate School	748	1,117	1,200	NA
Middle School	1,216	824	1,200	NA
High School	1,553	1,536	1,500	36

¹ Accommodates two half-day sessions of Kindergarten in the course of one day

² As of October 2017 NAPLS Head Count

New Albany-Plain Local School District

Economic Condition and Outlook

The District, along with many other public schools in the state, relies heavily on local property tax as a primary source of funds. Ohio law limits the growth in real estate revenues by reducing millage as assessed values increase following re-appraisals. Consequently, revenues generated from each levy remain relatively constant. As a result, the District must periodically seek additional funding from its taxpaying constituents.

Our District is now known as a “CAP” district for fiscal year 2018 through fiscal year 2022. Based on current legislation, being on the CAP in fiscal year 2018 and fiscal year 2019 means we received a 7.5% increase in state basic aid each year as well as funding for meeting or exceeding the graduation rate and 3rd grade guarantee metrics.

While the district realized enrollment growth in 2017-2018, due to adding preschool, projections indicate continued growth through 2024.

Long-term Financial Planning

The financial forecast of General Fund operations for the next five years assumes that the District’s fiscal year 2019 and 2020 ending General Fund cash balance will be approximately \$26.1 million and \$24.9 million, respectively, with continued declining balances thereafter.

The increase in cash balance from fiscal year 2017 to fiscal year 2018 is due to several factors, including an increase in property taxes because of early payment due to the elimination of the federal real estate tax credit in calendar year 2018, while overall expenses decreased due to the financial planning by District management.

Community Economic Outlook

New Albany is poised for continued growth. Strategically located along the recently improved and expanded State Route 161, New Albany is within 10 minutes of the I-270 outer belt in the northeast quadrant of the greater Columbus metropolitan area.

The Strategic Land Use Plan and Economic Development Plan guides the City’s economic development activities. The primary goal of the plan is to encourage sustainable growth through the creation of the following economic clusters: Information Technology/Mission Critical, Corporate Office/Operations Centers, Healthcare/Medical, High-tech Manufacturing & Logistics and the International Beauty Campus. Since 1998, over 11.1 million square feet of commercial development has been completed, under construction or approved in the business park creating over 14,400 new jobs. This economic activity represents over \$3.2 billion in private investment. In 2017, Pharmaforce announced plans to expand their pharmaceutical facility by an additional 75,000 square feet, Aetna expanded operations in the business park and Water’s Edge IV was completed. The Village Center welcomed First & Main, a new assisted living and nursing care facility, and Market & Main II, a new 48,000 square foot mixed use building. The Wallick Group will anchor this new development with 75 new employees.

Income Tax Sharing

As a result of a partnership between the City of New Albany and the District, income tax is shared to offset property tax abatement incentives to companies. These abatements are provided for up to fifteen (15) years of up to 100% real property tax abatements.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Accomplishments for Fiscal Year 2018

The District has aggressively identified areas to reduce expenses without sacrificing direct services to students. The District's goal has been to keep reductions away from the classroom. The purpose is to maintain the outstanding quality of the District's educational program.

Financial

The District will apply to receive the Certificate of Excellence in Financial Reporting for its fiscal year 2018 CAFR.

2017-2018 District Accomplishments & Highlights

Academic Achievement

BY THE NUMBERS:

- NAHS celebrated National Merit Scholars, including eight Semi-Finalists and 10 Commended Scholars.
- 92% of NAHS seniors took the ACT and/or SAT college entrance exams.
- Average score on ACT 24.2, while national average is 20.
- NAHS students participated in 20 different Advanced Placement (AP) assessments in the 2017-18 school year.
- 78.5% of NAHS students enrolled in Advanced Placement courses.
- 42% of our seniors met the criteria for an Honors Diploma.
- The class of 2017 received over \$2 million in usable, first year scholarship dollars.
- 266 different colleges accepted our students.
- NAHS in top 1% in the state with students graduating with an Honors Diploma in 2017-18.

- **Increased participation in Advanced Placement**
 - The District has seen a steady increase in the numbers of students enrolled in AP coursework.
 - Increase in number of AP tests taken
 - 2012-2013 - 685
 - 2013-2014 - 775
 - 2014-2015 - 895
 - 2015-2016 - 990
 - 2016-2017 - 989
 - 2017-2018 - 938

New Albany-Plain Local School District

Highlights of the 2017-2018 School Year

- Acceleration Opportunities for Students NAPLS offers multiple opportunities for elementary and middle school students to accelerate their learning by taking compacted math classes providing two years of math instruction in one year. There are also 10 high school classes offered for middle school students giving them the opportunity to earn high school credit in the 2017-18 school year. The number of middle school students taking high school credit math courses to increase from previous years.
- A new math curriculum was introduced at the elementary level in 2017-18. The new curriculum, Bridges Mathematics, was selected as it was researched through benchmarking with several high-achieving district in the state.
- Senior Seminar and Internships
Senior Seminar is a graduation requirement for all NAHS students. It is a performance-based course that challenges students to extend their learning beyond the traditional school setting to work place internships, university and hospital research, and a variety of experiences. Students demonstrate their final project through presentation to an audience of their peers and a panel of adjudicators. Some examples of last year's projects included: Green District New Albany – a civic virtue project to develop and install compost bins for handling campus cafeteria waste, GEO Mapping AUAV's with a drone, Art Outside the Lines – working with an art studio specifically managed by adults with disabilities, Music Composition & *Their Story* – researching and developing a 256 page historical fiction novel.
- New Albany High School Theatre Program received high honors with invitation to return to the Fringe Festival in Edinburgh, Scotland in 2019. NAHS Theatre presented *The Drowsy Chaperone* and *Julius Caesar* and NAMS Theatre presented *Legally Blonde Jr. the Musical*.
- Visual Arts - NAHS & MS students were recognized with State honors from the Scholastic Arts Awards and Governor's Award of Excellence.
- Music - Fifth Grade Choirs participated in Annual Music in the Parks Competition receiving Good, Excellent Ratings, the Esprit de Corp Award and Best Overall Elementary Choir Award. Band, Choir and Orchestra at all levels continued to excel in state competition.
- The Easton E3: Energy, Engineering & Environment Learning Lab & Solar House was officially opened for district and community instructional use - There are 80 acres of woodlands, wetlands, ponds, streams, and meadows on and adjacent to the Preschool-12 Learning Campus.
- Author-In-Residence - Once again the District hosted the Author-in-Residence series for students in the 2017-2018 school year. Through the generosity of the New Albany Community Foundation, Lynne and Martyn Redgrave, New Albany Women's Network and our Parent Teacher Organizations with support of over \$20,000. Featured authors who visited in 2017-18 included: A.S. King at New Albany High School, Gary Schmidt at New Albany Middle School, Cynthia Lord for grades 3-6 and Dan Yaccarino for grades K-2.
- Carnival of the Animals - Through a partnership with the New Albany Ballet Academy, first grade students studied movement, music, and poetry culminating in an evening performance of Camille Saint-Saens' *The Carnival of the Animals*.

New Albany-Plain Local School District

Focus on Student and School Culture

Develop the character of each student to be ethical, informed, and engaged citizens. We will educate our students in an inspirational, safe, and supportive environment in facilities that meet the changing needs of our students. We will make available the diverse experiences of our community to all students.

BY THE NUMBERS:

- Students participated in 41 clubs and activities at New Albany High School.
- Students participated in nine clubs and activities at New Albany Middle School.
- 30.1% of NAPLS students identified as an ethnicity other than Caucasian.
- 34 different languages/dialects represented and spoken by students.
- New Albany-Plain Local Schools offers 22 Varsity, 19 Junior Varsity, and 6 Freshman athletic teams.

HIGHLIGHTS:

- All students at NAHS take part in the House System, smaller supportive communities within our large high school that provide opportunities to students in leadership, service, and academics.
- Peace Week - A week-long celebration unique to New Albany High School. Students, staff, and parents plan activities to promote and celebrate “peace” with a focus on developing positive relationships, leadership, environmental awareness, world peace, community building and our overall commitment to student culture.
- NAPLS students in grades three through twelve took to the McCoy stage to celebrate Black History Month with performances of *A Night at the Museum: Celebrating Black History Month*, an original production celebrating the significant contributions of African American people in American history, the arts and society.
- Rox program for girls in grade 5 and in middle school to help develop positive self-esteem, self-confidence, awareness and support.
- Continued mental health supports working with Children’s Hospital and a \$120,000 ADAMH grant with Concord Counseling that provides for two full-time mental health specialists.

International Opportunities Expanded to Provide Real-World Learning for New Albany High and Middle School Students

International travel experiences

- Spring Break 2018
Students at New Albany High School traveled to Madrid, Barcelona & Mallorca during spring break 2017 for an excursion based on language and culture.
- Summer 2018
New Albany High School students traveled to Andros Island the Bahamas with a focus on marine biology; Austria, Germany & Switzerland – culture & history; China, language & culture.
- New Albany Middle School students explored Rome, Paris & London – culture and history. Service learning in the Dominican republic and Peru.

Planning for the Future

- **The district developed a comprehensive Capital Improvement Plan to identify the permanent improvement needs of the district over the next five years.**
 - Several buildings on the school campus are 20+ years in age.
 - The District needs to repair and replace safety/security equipment, roofs, heating and cooling, buses and technology infrastructure during the next five years.

New Albany-Plain Local School District

- \$6.8 million is projected to be spent from the General Fund over the next five years. The district requested a 1.25 mil permanent improvement levy which was approved by voters on November 7, 2017.

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.

Independent Audit

Office of Management and Budget Uniform Guidance requires an annual audit by independent accountants. Julian & Grube, Inc. conducted the District's fiscal year 2018 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. Special acknowledgement is given to the Superintendent of Schools and the New Albany-Plain Board of Education for their leadership and commitment to the students, staff and community of the New Albany-Plain Local School District.

Respectfully submitted,



Rebecca Jenkins, Treasurer



Government Finance Officers Association

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

Presented to

**New Albany-Plain Local School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

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Financial Section

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Julian & Grube, Inc.
Serving Ohio Local Governments

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Independent Auditor's Report

New Albany-Plain Local School District
Franklin County
55 N. High Street
New Albany, Ohio 43054

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 New Albany-Plain Local School District, Franklin County, Ohio, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the New Albany-Plain Local School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the New Albany-Plain Local School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the New Albany-Plain Local School 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 New Albany-Plain Local School District, Franklin County, Ohio, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 21 to the financial statements, during fiscal year 2018, the New Albany-Plain Local School District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2018, on our consideration of the New Albany-Plain Local School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the New Albany-Plain Local School District's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
December 19, 2018

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
UNAUDITED**

As management of the New Albany-Plain Local School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements, which follow this section.

Financial Highlights

Key financial highlights for 2018 are as follows:

- The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$22.9 million (negative net position).
- The District's total net position increased by \$41.4 million, a 64.4% increase in comparison with the prior fiscal year.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$54.0 million, an increase of \$5.3 million in comparison with the prior fiscal year. Of this amount, \$11.2 million is available for spending at the District's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned balance for the general fund was \$11.2 million, or 19% of total general fund expenditures.
- The District's total general obligation bonded debt decreased \$6.5 million in comparison with the prior fiscal year.

Overview of the Financial Statements

The Statement of Net Position and Statement of Activities:

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. The change in net position provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
UNAUDITED**

Reporting the District's Most Significant Funds

Fund Financial Statements:

Our analysis of the District's major funds appears on the fund financial statements beginning with the Balance Sheet-Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances. These statements provide detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds:

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

Proprietary Fund:

The District uses an internal service fund to account for health claims and premiums. This fund uses the accrual basis of accounting; the same as on the entity-wide statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various funds. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the governmental-wide financial statements.

Fiduciary Fund:

The District's Fiduciary Funds are Agency Funds. The District's fiduciary activities are reported in the Statement of Fiduciary Net Position. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
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 \$22.9 million according to the Statement of Net Position at the close of the most recent fiscal year.

A comparative analysis of fiscal year 2018 to 2017 follows from the Statements of Net Position. The net position at June 30, 2017 has been restated as described in Note 21:

	Net Position	
	<u>Governmental Activities</u>	
	<u>2018</u>	<u>Restated 2017</u>
<u>Assets</u>		
Current and Other Assets	\$ 103,164,829	\$ 95,149,742
Capital Assets	93,640,419	96,843,763
Total Assets	<u>196,805,248</u>	<u>191,993,505</u>
<u>Deferred Outflows of Resources</u>		
Unamortized Amount on Refunding	3,931,868	4,270,863
Pension	21,714,288	19,266,501
OPEB	703,976	122,989
Total Deferred Outflows of Resources	<u>26,350,132</u>	<u>23,660,353</u>
<u>Liabilities</u>		
Current Liabilities	8,410,439	7,469,929
Long-term Liabilities:		
Due Within One Year	4,844,818	6,872,393
Due in More than One Year:		
Net Pension Liability	69,771,249	102,635,723
Net OPEB Liability	15,364,348	20,476,484
Other Amounts Due in More than One Year	95,747,235	100,060,648
Total Liabilities	<u>194,138,089</u>	<u>237,515,177</u>
<u>Deferred Inflows of Resources</u>		
Property Taxes	38,580,261	37,498,849
Pension	10,596,249	4,931,095
OPEB	2,753,795	-
Total Deferred Inflows of Resources	<u>51,930,305</u>	<u>42,429,944</u>
<u>Net Position</u>		
Net Investment in Capital Assets	6,565,333	3,010,874
Restricted	15,764,164	12,005,734
Unrestricted (deficit)	(45,242,511)	(79,307,871)
Total Net Position (deficit)	<u>\$ (22,913,014)</u>	<u>\$ (64,291,263)</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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

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

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

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

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

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
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Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

As a result of implementing GASB 75, the District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from negative \$43.9 million to negative \$64.3 million.

The net pension and net OPEB liabilities and related deferred outflows and inflows of resources all fluctuated significantly in comparison with the prior fiscal year-end. These fluctuations are primarily the result of changes in benefit terms, changes in actuarial assumptions, and greater than expected returns on pension plan investments.

Current and Other Assets increased significantly, in comparison with the prior year, primarily as a result of an increase in Cash and Cash Equivalents. This increase in cash primarily represents the amount in which General Fund revenues exceeded expenditures.

Capital assets decreased significantly in comparison with the prior fiscal year. This decrease is primarily a result of current year depreciation.

Other long-term liabilities decreased significantly in comparison with the prior fiscal year. This decrease represents debt principal payments made during the fiscal year.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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The table below shows the change in net position for fiscal year 2018 and 2017 (restated):

	Change in Net Position	
	<u>Governmental Activities</u>	
	<u>2018</u>	<u>Restated 2017</u>
Program Revenues		
Charges for Services	\$ 5,816,254	\$ 4,713,611
Operating Grants	1,361,924	2,263,837
Capital Grants	102,036	-
General Revenues		
Property Taxes and Payments in Lieu of Taxes	61,097,721	59,768,135
Grants and Entitlements	10,411,082	9,941,432
Investment Earnings	536,915	238,523
Miscellaneous	742,613	576,021
Total Revenues	<u>80,068,545</u>	<u>77,501,559</u>
Program Expenses		
Instructional	14,821,881	37,940,046
Support Services	18,798,089	26,035,926
Community Services	272,929	421,618
Co-Curricular Activities	1,177,738	2,081,074
Interest and Fiscal Charges	3,619,659	3,839,694
Total Expenses	<u>38,690,296</u>	<u>70,318,358</u>
Change in Net Position	<u>41,378,249</u>	<u>7,183,201</u>
Net Position (deficit) at Beginning of Year, Restated	<u>(64,291,263)</u>	<u>N/A</u>
Net Position (deficit) at End of Year	<u>\$ (22,913,014)</u>	<u>\$ (64,291,263)</u>

Charges for Services increased significantly in comparison with the prior fiscal year. This increase is primarily the result of an increase in tuition revenue related to all-day kindergarten.

Operating Grants decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of an end in funding from the Straight A Grant Program.

Property Taxes and related revenues increased significantly in comparison with the prior fiscal year. This increase is primarily the result of the new permanent improvement levy and an increase in assessed valuation.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
UNAUDITED**

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$122,989 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$2.8 million. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

Total 2018 operating expenses under GASB 75	\$	38,690,296
Negative OPEB expense under GASB 75		2,769,684
2018 contractually required contribution		<u>169,644</u>
Adjusted 2018 operating expenses		41,629,624
Total 2017 operating expenses under GASB 45		<u>70,318,358</u>
Decrease in operating expenses not related to OPEB	\$	(28,688,734)

Total Expenses decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of a decrease in pension expense from \$7.0 million in fiscal year 2017 to negative \$24.5 million in fiscal year 2018. This decrease is primarily the result of changes in benefit terms, changes in actuarial assumptions, and greater than expected returns on pension plan investments.

The property tax laws in Ohio create the need to periodically seek voter approval for additional operating funds. Tax revenues generated from voted tax levies do not increase as a result of inflation. An operating levy is approved for a fixed millage rate, but the rate is reduced for inflation with the effect of providing the District the same amount of tax dollars as originally approved. Therefore, school districts such as ours that are dependent upon property taxes as a primary source of revenue must periodically return to the ballot and ask voters for additional resources to maintain current programs and enrollment increases. Since the District must rely heavily on voter approval of operating tax issues, management of the resources is of paramount concern to the District’s administration and the voting public.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
UNAUDITED**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. General revenues including tax revenue, investment earnings, and unrestricted State entitlements must support the net cost of program services.

	<u>Total Cost of 2018 Services</u>	<u>Total Cost of 2017 Services</u>	<u>Net Cost of 2018 Services</u>	<u>Net Cost of 2017 Services</u>
Governmental Activities				
Instructional	\$ 14,821,881	\$ 37,940,046	\$ 12,052,221	\$ 35,439,190
Support Services	18,798,089	26,035,926	15,409,573	22,828,888
Community Services	272,929	421,618	195,789	199,142
Co-curricular Activities	1,177,738	2,081,074	132,840	1,033,996
Interest and Fiscal Charges	3,619,659	3,839,694	3,619,659	3,839,694
Total	<u>\$ 38,690,296</u>	<u>\$ 70,318,358</u>	<u>\$ 31,410,082</u>	<u>\$ 63,340,910</u>

Local property taxes and payment in lieu of taxes make up approximately 76.3% of total revenues for governmental activities. The net services column reflecting the need for \$31.4 million of support indicates the reliance on general revenues to support governmental activities.

The District's Funds

The District's governmental funds reported a combined fund balance of \$54.0 million, which represents an increase of \$5.3 million as compared to last year's total of \$48.6 million, according to the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. The schedule below shows the fund balance and the total change in fund balance from June 30, 2018 to 2017.

Funds:	<u>Fund Balance June 30, 2018</u>	<u>Fund Balance June 30, 2017</u>	<u>Increase/ (Decrease)</u>
General	37,942,615	35,816,723	2,125,892
Bond Retirement	8,251,847	9,904,059	(1,652,212)
Other Governmental	7,758,771	2,902,385	4,856,386
Total	<u>53,953,233</u>	<u>48,623,167</u>	<u>5,330,066</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
UNAUDITED**

General Fund

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$11.2 million, while total fund balance was \$37.9 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19.0% of total general fund expenditures, while total fund balance represents 64.4% of that same amount.

The fund balance of the District's general fund increased by \$2.1 million during the current fiscal year.

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

	2018	2017	Change
<u>Revenues and Other Financing Sources:</u>			
Taxes and Payments in Lieu of Taxes	\$ 52,736,452	\$ 50,493,735	4.4%
Interest Earnings	512,347	209,454	144.6%
Intergovernmental	9,635,377	9,275,160	3.9%
Other Revenue	3,972,563	2,815,642	41.1%
Inception of Capital Lease	-	741,870	-100.0%
Total Revenues and Other Financing Sources	<u>\$ 66,856,739</u>	<u>\$ 63,535,861</u>	<u>5.2%</u>

Property Taxes increased significantly in comparison with the prior fiscal year. This increase is primarily the result of an increase in assessed valuation.

Other Revenue increased significantly in comparison with the prior fiscal year. This increase is primarily the result of an increase in tuition revenue related to all-day kindergarten.

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

	2018	2017	Change
<u>Expenditures and Other Financing Uses:</u>			
Instruction	\$ 34,161,373	\$ 30,929,357	10.4%
Support Services	22,822,500	22,048,994	3.5%
Community Services	200,000	200,000	0.0%
Extracurricular Activities	1,255,913	1,165,881	7.7%
Capital Outlay	-	741,870	-100.0%
Debt Service:			
Principal Retirement	359,884	481,266	-25.2%
Interest and Fiscal Charges	118,527	35,442	234.4%
Transfers Out	5,812,650	720,000	707.3%
Total Expenditures and Other Financing Uses	<u>\$ 64,730,847</u>	<u>\$ 56,322,810</u>	<u>14.9%</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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UNAUDITED**

The significant increase in Instruction expenditures is primarily the result of the increase in all-day kindergarten enrollment.

The significant increase in Transfers Out is the result of a significant transfer of funds to the District's permanent improvement fund during the current fiscal year.

Bond Retirement Fund

The District's Bond Retirement-Debt Service Fund balance decreased due to debt service payments during the year exceeding property tax receipts. The tables that follow assist in illustrating the financial activities and balances of the Bond Retirement Fund.

	2018	2017	Change
<u>Revenues and Other Financing Sources:</u>			
Taxes	\$ 7,000,060	\$ 8,868,589	-21.1%
Intergovernmental	874,259	1,018,395	-14.2%
Refunding Bonds Issued	-	14,605,000	-100.0%
Premium on Bonds Issued	-	1,911,394	-100.0%
Total Revenues and Other Financing Sources	<u>\$ 7,874,319</u>	<u>\$ 26,403,378</u>	<u>-70.2%</u>

The decrease in property taxes is primarily due to the timing and collection of advances and delinquent property taxes.

As the table below indicates, Bond Retirement Fund expenditures are primarily for financing costs.

	2018	2017	Change
<u>Expenditures and Other Financing Uses:</u>			
Support Services	\$ 114,643	\$ 148,087	-22.6%
Debt Service:			
Principal Retirement	6,115,000	5,925,000	3.2%
Interest and Fiscal Charges	3,296,888	3,310,810	-0.4%
Bond Issuance Costs	-	196,388	-100.0%
Payment to Refunded Bond Escrow	-	16,316,556	-100.0%
Total Expenditures and Other Financing Uses	<u>\$ 9,526,531</u>	<u>\$ 25,896,841</u>	<u>-63.2%</u>

Other financing uses decreased significantly as a result of there being no refunding bonds or associated issuance costs during the current fiscal year.

Other Funds

Other governmental funds consist of Special Revenue and Capital Projects funds. Fund balance in these funds increased by \$4.9 million. The key components of this increase are an increase in the permanent improvement fund balance resulting from a transfer in from the General Fund and the new permanent improvement levy.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
UNAUDITED**

General Fund Budgetary Highlights

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

The District's actual revenues and other financing sources exceeded the final budgeted amounts by \$4.3 million. This increase is primarily the result of Property tax receipts, which exceeded the estimate by \$3.1 million.

Final appropriations and other financing uses budgeted amounts were \$4.1 million higher in comparison with the original amounts and actual budgetary expenditures and other financing uses were \$3.7 million less than final appropriations.

Capital Assets

At fiscal year-end, the District had \$93.6 million (net of accumulated depreciation) invested in land, land improvements, buildings and improvements, equipment and fixtures, and vehicles, a decrease of \$3.2 million in comparison with the prior fiscal year. This decrease represents the amount in which current year depreciation of \$5.1 million exceeded current year additions of \$1.9 million.

See note 7 to the basic financial statements for additional information on Capital Assets.

Debt Administration

At fiscal year-end, the District's debt totaled \$96.2 million, a decrease of \$6.5 million in comparison with the prior fiscal year. This decrease represents the amount in which current year principal reductions and amortization totaling \$7.1 million, exceeded current year accretion totaling \$646,295.

See note 8 to the basic financial statements for additional information on long-term obligations.

Request for Information

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 questions about this report or need additional financial information contact Rebecca Jenkins, Treasurer, New Albany-Plain Local School District, 55 North High Street, New Albany, Ohio 43054.

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BASIC FINANCIAL STATEMENTS

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**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

STATEMENT OF NET POSITION
AS OF JUNE 30, 2018

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 43,283,013
Receivables:	
Property Taxes	51,307,815
Payments in Lieu of Taxes	8,203,551
Accounts	109,174
Accrued Interest	19,398
Due from Other Governments	108,368
Prepaid Assets	95,875
Materials and Supplies Inventory	37,635
Capital Assets:	
Non-Depreciable Capital Assets	5,453,011
Depreciable Capital Assets	88,187,408
Total Assets	<u>196,805,248</u>
Deferred Outflows of Resources	
Unamortized Amount on Refunding	3,931,868
Pension	21,714,288
OPEB	703,976
Total Deferred Outflows of Resources	<u>26,350,132</u>
Liabilities	
Accounts Payable	898,055
Accrued Wages and Benefits Payable	5,257,603
Due to Other Governments	1,258,950
Accrued Interest Payable	269,508
Claims Payable	310,643
Unearned Revenue	415,680
Long-Term Liabilities	
Due within One Year	4,844,818
Due in More Than One Year:	
Net Pension Liability	69,771,249
Net OPEB Liability	15,364,348
Other Amounts Due in More Than One Year	95,747,235
Total Liabilities	<u>194,138,089</u>
Deferred Inflows of Resources	
Property Taxes	38,580,261
Pension	10,596,249
OPEB	2,753,795
Total Deferred Inflows of Resources	<u>51,930,305</u>
Net Position	
Net Investment in Capital Assets	6,565,333
Restricted for:	
Debt Service	8,122,056
Capital Outlays	6,028,436
Student Activities	245,343
Food Services	1,100,168
State Funded Programs	28,448
Federally Funded Programs	8,205
Local Sources	231,508
Unrestricted	(45,242,511)
Total Net Position	<u>\$ (22,913,014)</u>

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction:					
Regular	\$ 10,866,617	\$ 1,216,184	\$ 89,742	\$ -	\$ (9,560,691)
Special	3,799,469	438,104	617,109	-	(2,744,256)
Vocational	-	-	-	-	-
Other Instruction	155,795	95,004	313,517	-	252,726
Support services:					
Pupils	2,892,435	171,450	8,576	-	(2,712,409)
Instructional Staff	1,036,896	51,446	21,710	-	(963,740)
General Administration	154,987	-	-	-	(154,987)
School Administration	2,270,399	92,944	6,096	-	(2,171,359)
Fiscal Services	-	-	-	-	-
Business Operations	1,400,171	-	-	-	(1,400,171)
Operation and Maintenance of Plant	5,326,902	-	-	-	(5,326,902)
Student Transportation	2,189,773	-	-	102,036	(2,087,737)
Central	382,537	-	6,858	-	(375,679)
Non-Instructional Services	1,295,669	770,071	-	-	(525,598)
Food Services	1,848,320	1,907,457	249,872	-	309,009
Community Services	272,929	28,696	48,444	-	(195,789)
Co-Curricular Activities	1,177,738	1,044,898	-	-	(132,840)
Interest and Fiscal Charges	3,619,659	-	-	-	(3,619,659)
Total Governmental Activities	\$ 38,690,296	\$ 5,816,254	\$ 1,361,924	\$ 102,036	(31,410,082)
General Revenues					
Property Taxes Levied for:					
General Purposes					42,170,047
Debt Service					6,998,879
Permanent Improvement					1,147,233
Payments in Lieu of Taxes					10,781,562
Unrestricted Grants and Entitlements					10,411,082
Investment Earnings					536,915
Miscellaneous					742,613
Total General Revenues					72,788,331
Change in Net Position					41,378,249
Net Position Beginning of Year, Restated					(64,291,263)
Net Position End of Year					<u><u>\$ (22,913,014)</u></u>

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2018**

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 27,792,611	\$ 5,498,258	\$ 7,858,320	\$ 41,149,189
Receivables:				
Property Taxes	43,025,670	7,094,791	1,187,354	51,307,815
Payments in Lieu of Taxes	8,203,551	-	-	8,203,551
Accounts	109,174	-	-	109,174
Accrued Interest	19,398	-	-	19,398
Due from Other Governments	-	-	108,368	108,368
Due from Other Funds	1,425	-	-	1,425
Prepaid Assets	94,721	-	1,154	95,875
Materials and Supplies Inventory	16,223	-	21,412	37,635
Total Assets	\$ 79,262,773	\$ 12,593,049	\$ 9,176,608	\$101,032,430
Liabilities:				
Accounts Payable	\$ 429,477	\$ -	\$ 468,578	\$ 898,055
Accrued Wages and Benefits Payable	5,091,411	-	166,192	5,257,603
Due to Other Funds	-	-	1,425	1,425
Due to Other Governments	1,205,004	-	53,946	1,258,950
Matured Leave Benefits Payable	54,111	-	1,125	55,236
Total Liabilities	6,780,003	-	691,266	7,471,269
Deferred Inflows of Resources:				
Property Taxes	33,675,542	4,201,485	703,234	38,580,261
Unavailable Revenue	864,613	139,717	23,337	1,027,667
Total Deferred Inflows of Resources	34,540,155	4,341,202	726,571	39,607,928
Fund Balances:				
Nonspendable:				
Prepaid Assets	94,721	-	1,154	95,875
Inventories	16,223	-	21,412	37,635
Restricted for:				
Debt Service	-	8,251,847	-	8,251,847
Capital Outlays	-	-	6,005,205	6,005,205
Student Activities	-	-	245,343	245,343
Food Services	-	-	1,077,602	1,077,602
State Funded Programs	-	-	28,448	28,448
Federally Funded Programs	-	-	8,099	8,099
Local Sources	-	-	231,508	231,508
Committed:				
Capital Outlays	-	-	140,000	140,000
Assigned for:				
Public School Support	168,772	-	-	168,772
Instructional Services	11,323	-	-	11,323
Support Services	194,273	-	-	194,273
Future Appropriations	25,360,875	-	-	25,360,875
Uniform Supplies	334,002	-	-	334,002
Rotary Fund Programs	573,590	-	-	573,590
Staff Development	20,687	-	-	20,687
Unassigned	11,168,149	-	-	11,168,149
Total Fund Balances	37,942,615	8,251,847	7,758,771	53,953,233
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 79,262,773	\$ 12,593,049	\$ 9,176,608	\$101,032,430

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
AS OF JUNE 30, 2018

Total Governmental Fund Balances \$ 53,953,233

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 93,640,419

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.

Property Taxes Receivable	1,022,675
Due From Other Governments	106
Interest Receivable	4,886

An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 1,407,501

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	21,714,288
Deferred Inflows - Pension	(10,596,249)
Net Pension Liability	(69,771,249)
Deferred Outflows - OPEB	703,976
Deferred Inflows - OPEB	(2,753,795)
Net OPEB Liability	(15,364,348)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Bonds and Notes Payable	(96,153,412)
Unamortized Amount on Refunding	3,931,868
Accrued Interest Payable	(269,508)
Capital Leases Payable	(648,232)
Compensated Absence Payable	(3,735,173)
	<u>(96,874,457)</u>

Net Position of Governmental Activities \$ (22,913,014)

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property Taxes	\$ 41,954,890	\$ 7,000,060	\$ 1,124,002	\$ 50,078,952
Payments in Lieu of Taxes	10,781,562	-	-	10,781,562
Tuition Fees	2,644,254	-	71,848	2,716,102
Co-Curricular Activities	641,471	-	422,668	1,064,139
Charges for Services	-	-	1,890,956	1,890,956
Other Local Revenues	672,370	-	200,832	873,202
Intergovernmental - State	9,635,377	874,259	133,510	10,643,146
Intergovernmental - Federal	-	-	1,437,488	1,437,488
Investment Income	512,347	-	33,044	545,391
Total Revenues	66,842,271	7,874,319	5,314,348	80,030,938
Expenditures:				
Instruction:				
Regular	26,184,154	-	137,202	26,321,356
Special	7,913,586	-	549,279	8,462,865
Other Instruction	63,633	-	336,064	399,697
Support services:				
Pupils	5,483,459	-	8,996	5,492,455
Instructional Staff	2,250,965	-	24,872	2,275,837
General Administration	155,381	-	-	155,381
School Administration	4,172,163	-	6,091	4,178,254
Business Operations	1,471,421	114,643	9,237	1,595,301
Operation and Maintenance of Plant	5,221,721	-	1,737,792	6,959,513
Student Transportation	2,346,505	-	102,036	2,448,541
Central	414,103	-	7,308	421,411
Non-Instructional Services	1,306,782	-	-	1,306,782
Food Services	-	-	2,131,967	2,131,967
Co-Curricular Activities	1,255,913	-	504,427	1,760,340
Community Services	200,000	-	72,929	272,929
Capital Outlay	-	-	642,412	642,412
Debt service:				
Principal Retirement	359,884	6,115,000	-	6,474,884
Interest and Fiscal Charges	118,527	3,296,888	-	3,415,415
Total Expenditures	58,918,197	9,526,531	6,270,612	74,715,340
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,924,074	(1,652,212)	(956,264)	5,315,598
Other Financing Sources (Uses):				
Sale of Capital Assets	700	-	-	700
Insurance Proceeds	13,768	-	-	13,768
Transfers In	-	-	5,812,650	5,812,650
Transfers Out	(5,812,650)	-	-	(5,812,650)
Total Other Financing Sources (Uses)	(5,798,182)	-	5,812,650	14,468
Net Change in Fund Balances	2,125,892	(1,652,212)	4,856,386	5,330,066
Fund Balances - Beginning	35,816,723	9,904,059	2,902,385	48,623,167
Fund Balances - Ending	<u>\$ 37,942,615</u>	<u>\$ 8,251,847</u>	<u>\$ 7,758,771</u>	<u>\$ 53,953,233</u>

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN 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, 2018

Net Change in Fund Balances - Total Governmental Funds \$ 5,330,066

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	(5,117,404)
Capital Outlay	1,914,060

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

Property Taxes - Delinquent	237,207
Due From Other Governments	(205,592)
Investment Income	(8,476)

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

Pension	5,176,056
OPEB	169,644

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

Pension	24,471,051
OPEB	2,769,684

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.

Bond and Note Principal Repayments	6,330,000
Amortization and Capital Appreciation Bond Accretion	(218,492)
Capital Lease Principal Repayments	144,884

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

Compensated Absences	(293,129)
Accrued Interest	14,248

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

664,442

Change in Net Position of Governmental Activities \$ 41,378,249

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

STATEMENT OF NET POSITION
PROPRIETARY FUND
AS OF JUNE 30, 2018

	Governmental Activities - Internal Service Fund
Current Assets:	
Cash and Cash Equivalents	\$ 2,133,824
Total Current Assets	2,133,824
Total Assets	2,133,824
Current Liabilities:	
Claims Payable	310,643
Unearned Revenue	415,680
Total Current Liabilities	726,323
Total Liabilities	726,323
Net Position:	
Unrestricted	1,407,501
Total Net Position	\$ 1,407,501

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Governmental Activities - Internal Service Fund
Operating Revenues:	
Charges for Services	\$ 5,334,259
Total Operating Revenues	5,334,259
Operating Expenses:	
Purchased Services	868,428
Claims	3,801,389
Total Operating Expenses	4,669,817
Operating Income and Change in Fund Net Position	664,442
Net Position Beginning of Year	743,059
Net Position End of Year	\$ 1,407,501

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities:	
Cash Received from Charges for Services	\$ 5,270,014
Cash Payments for Contract Services	(868,428)
Cash Payments for Claims	(3,641,746)
Net Cash Provided by Operating Activities	759,840
Net Increase in Cash and Cash Equivalents	759,840
Cash and Cash Equivalents at Beginning of Year	1,373,984
Cash and Cash Equivalents at End of Year	2,133,824
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	664,442
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Claims Payable	159,643
Unearned Activities	(64,245)
Net Cash Provided by Operating Activities	\$ 759,840

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
AS OF JUNE 30, 2018

	Agency Fund
Assets:	
Cash and Cash Equivalents	\$ 919,754
Total Assets	<u>\$ 919,754</u>
Liabilities:	
Accounts Payable	\$ 62,477
Accrued Liabilities	1,282
Due to Others	855,995
Total Liabilities	<u>\$ 919,754</u>

See accompanying notes to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT

The New Albany-Plain Local School District, (the District), is a body politic and corporate established, for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a local district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under an elected Board of Education (5 members) and is responsible for the provision for public education to residents of the District.

Average daily membership (ADM) reported for fiscal year 2018 was 4,958. The District employed 358 certified employees and 255 non-certificated employees. The District co-operates with the Educational Service Center of Central Ohio, a separate entity, for curricular services.

The District provides regular and special instruction. The District also provides support services for the pupils, instructional staff, general and school administration, business and fiscal services, facilities acquisitions and construction services, operation and maintenance of plant, student transportation, food services, extracurricular activities, and non-programmed services.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. The District had no component units for the fiscal year ended June 30, 2018.

The District is also associated with three jointly governed organizations, an insurance purchasing pool, and a joint operation. These organizations include the Metropolitan Educational Technology Association (META), the Eastland-Fairfield Career & Technical Schools, the New Albany-Plain Local Joint Park District, the Ohio School Boards Association Workers’ Compensation Group Rating Plan, and the New Albany Performing Arts Center. These organizations are presented in Notes 15, 16, and 17 to the basic financial statements.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

B. Government-wide and Fund Financial Statements

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

Government-wide Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Fund Financial Statements

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

Fund Accounting

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The following are descriptions of the District’s major governmental funds:

General Fund – The general fund is the operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Bond Retirement Fund – The bond retirement fund is used to account for the accumulation of resources for, and the payment of, bond principal, interest, and related costs.

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

Proprietary Fund Types – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service. The District’s proprietary fund is an internal service fund used to account for money received from other funds as payment for providing health insurance. Payments are made to a third party administrator for claims payments.

Fiduciary Fund Type – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications; pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and therefore not available to support the District’s own programs. The District does not have any trust funds. Agency funds are custodial in nature (assets equals liabilities) and do not involve measurement of results of operations. The District’s agency funds account for student activities, and monies collected on behalf of and disbursed to the Ohio High School Athletic Association and New Albany Performing Arts Center.

C. Measurement Focus, basis of accounting and financial statement presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Governmental funds use the modified accrual basis of accounting. Differences in accrual and modified accrual basis of accounting arise in the recognition of revenue, recording of unavailable revenues, and presentation of expenditures and expenses.

Revenues – Exchange and Non-exchange Transactions

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 5). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District, unavailable revenue includes delinquent property taxes and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 22. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 10 and 11)

Expenditures/Expenses

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

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

D. Cash and Investments

To improve cash management, all cash received by the District is pooled. Monies for all funds are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through District records. Each fund's interest in the pool is presented as "Cash and Cash Equivalents" on the balance sheet. At fiscal year-end, investments were limited to STAR Ohio, money market repurchase agreements, US Treasuries, Federal Agency securities, negotiable CD's and commercial paper.

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

During the fiscal year, the District has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio). 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. STAROhio 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.

For fiscal year 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transition to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Investment earnings are allocated as authorized by State statute or as governed by Board policy. Interest revenue credited to the General Fund during the fiscal year amounted to \$512,347.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. 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.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

F. Inventory

All inventories are valued at cost using the first in, first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. At fiscal year-end, inventory consists of donated food and purchased food, supplies held for resale, and tires, fuel and oil held for use by transportation. Donated commodities are presented at their entitlement value.

G. Capital Assets and Depreciation

General capital assets are those related to government activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at acquisition value as of the date received. The District’s capitalization threshold is \$10,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an assets life are not.

All reported capital assets except land and construction in progress are depreciated. The District currently does not possess any infrastructure. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20 years
Buildings and improvements	10-50 years
Furniture, fixtures and equipment	5-20 years
Vehicles	8 years

H. Interfund Balances

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 “due to/from other funds”, and receivables and payables resulting from long-term interfund loans are classified as “advances to/from other funds”. These amounts are eliminated in the statement of net position.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

I. Compensated Absences

GASB Statement No. 16, “Accounting for Compensated Absences”, specifies the method used to accrue liabilities for leave benefits. Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. 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 fiscal year-end, taking into consideration any limits specified in the District's termination policy.

For governmental funds, the District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The District records a liability for accumulated unused sick leave for all employees after 10 years of current service with the District. The entire compensated absence liability is reported on the entity-wide financial statements. For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

J. Unearned Revenue

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for unearned revenue.

K. Accrued Liabilities and Long-term Obligations

All accrued liabilities and long-term debt is reported in the government-wide financial statements. For governmental fund financial statements, these accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims for judgments, net pension/OPEB liability, and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term liabilities paid from governmental funds are not recognized as a liability in the fund financial statements until due.

L. Pensions/Other Postemployment Benefits (OPEB)

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

M. Fund Balance

In accordance with Governmental Accounting Standards Board Statements No. 54, Fund Balance Reporting, 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 categories are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria as restricted or committed. Although no specific resolution has been made, the District Board of Education authorizes the Treasurer to assign fund balance. The Board may also assign fund balance when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

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

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

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

None of the District's reported net position at June 30, 2018 was restricted by enabling legislation.

O. Bond Issuance Costs, Bond Premiums/Discounts, and Gain/Loss on Refundings

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium and discount. Bond issuance costs are expensed as incurred. On the governmental fund financial statements, governmental fund types recognize issuance costs, bond premiums, and bond discounts in the current period. The face amount of the debt issue is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Any gain or loss on refunding is allocated over the life of the debt or the new debt whichever is shorter.

P. Extraordinary and Special Items

Extraordinary items are transactions of events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of District management and that are either unusual in nature or infrequent in occurrence. During the fiscal year, the District did not incur any transactions that would be classified as an extraordinary item or special item.

Q. Estimates

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

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Internal Service Fund. For the District, these revenues are charges for services. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the Internal Service Fund.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

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

Interim deposits are deposits of interim monies. Interim moneys 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.

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

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

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 – DEPOSITS AND INVESTMENTS – (Continued)

7. The State Treasurer's investment pool (STAR Ohio);
8. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days and two hundred seventy days respectively, from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time: and,

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

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits with Financial Institutions

Custodial credit risk for deposits is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year-end, the carrying amount of the District deposits was \$10,987,554, including STAR Ohio Plus deposits totaling \$2,456,808, and the bank balance was \$11,115,343. Of the District's bank balance, \$2,953,185 was covered by the Federal Depository Insurance Company (FDIC) and the remaining balance was uninsured and collateralized.

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

1. Eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or
2. Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 3 – DEPOSITS AND INVESTMENTS – (Continued)

B. Investments

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

Level	Investment Type	Fair Value	Percent of Total	Investment Maturities	
				Within 1 Year	
2	FHLMC	\$ 1,445,410	7.50%	\$	1,445,410
2	FNMA	3,462,496	17.94%		3,462,496
2	Negotiable CD's	992,891	5.14%		992,891
2	Commercial Paper	12,241,594	63.42%		12,241,594
2	US T-Bill	1,088,791	5.64%		1,088,791
1	Money Market	70,381	0.36%		70,381
	Total	<u>\$ 19,301,563</u>	<u>100%</u>	<u>\$</u>	<u>19,301,563</u>

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. Institutional bond quotes and evaluations based on various market and industry inputs are used in the valuation of the District's level 2 investments.

In addition, at fiscal year-end, the District's reported an investment in STAR Ohio totaling \$13,908,650. 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, 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years or less, unless matched to a specific obligation or debt of the District.

Credit Risk: The District does not have a formal investment policy limiting 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 FHLMC and FNMA notes carry a rating of AA+ while the Commercial Paper and US T-Bills carry a rating of A-1 by Standard and Poor's. The Certificates of Deposit and Money Market Funds are not rated.

Concentration Risk: The District places no limit on the amount that may be invested in any one issuer.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 – DEPOSITS AND INVESTMENTS – (Continued)

C. Reconciliation of Deposits and Investment to the Statement of Net Position

The following is a reconciliation of deposits and investments as reported above to cash and cash equivalents reported on the statement of net position at fiscal year-end:

Investments (summarized above)	\$ 33,210,213
Carrying Amount of Deposits	10,987,554
Petty Cash	5,000
Less: Fiduciary Cash and Cash Equivalents	<u>(919,754)</u>
Total Cash and Cash Equivalents on Statement of Net Position	<u><u>\$ 43,283,013</u></u>

NOTE 4 – TAX ABATEMENTS

Under Community Reinvestment Area (CRA) and other property tax abatements entered into by the City of New Albany, the District's property tax revenues were reduced by \$5,004,342 during the fiscal year. Compensation payments received from the city during the fiscal year totaled \$2,490,483.

NOTE 5 – PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar 2018 represents collections of calendar year 2017 taxes. Real property taxes received in calendar year 2018 were levied after April 1, 2017, on the assessed value listed as of January 1, 2017, 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 semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, state statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2018 represents collections of calendar year 2017 taxes. Public utility real and tangible personal property taxes received in calendar year 2018 became a lien December 31, 2016, were levied after April 1, 2017 and are collected in 2018 with real property taxes.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 5 – PROPERTY TAXES – (Continued)

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

The assessed values upon which fiscal year 2018 taxes were collected are:

	2017 Second Half		2018 First Half	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 893,537,870	95.23%	\$ 954,843,450	95.32%
Public Utility Personal	44,714,600	4.77%	46,857,420	4.68%
Total	<u>\$ 938,252,470</u>	<u>100.00%</u>	<u>\$ 1,001,700,870</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$ 74.09		\$ 72.34	

NOTE 6 – INTERFUND TRANSACTIONS

Interfund balances at fiscal year-end, as reported on the fund financial statements, consist of the following individual interfund receivables and payables:

Fund	Receivable	Payable
General Fund	\$ 1,425	\$ -
Other Governmental Funds	-	1,425
Totals	<u>\$ 1,425</u>	<u>\$ 1,425</u>

The primary purpose of the due to/from other funds is to cover negative cash in various nonmajor governmental funds. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

In addition, the General Fund transferred \$5,812,650 to the Permanent Improvement fund during the fiscal year. The primary purpose of the interfund transfers was to set aside funds for future capital outlays.

Interfund transfers and amounts due between governmental funds are eliminated for reporting in the statement of activities.

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the fiscal year was as follows:

Governmental Activities	Beginning Balance	Additions	Transfers/ Deductions	Ending Balance
Nondepreciable Capital Assets				
Land	\$ 4,451,592	\$ -	\$ -	\$ 4,451,592
Construction in Progress	187,709	1,643,757	(830,047)	1,001,419
Total Nondepreciable Assets	4,639,301	1,643,757	(830,047)	5,453,011
Depreciable Capital Assets				
Land Improvements	9,358,128	-	477,931	9,836,059
Buildings and Improvements	149,482,420	-	352,116	149,834,536
Equipment and Fixtures	1,658,005	185,537	-	1,843,542
Vehicles	3,539,207	84,766	(54,662)	3,569,311
Total Depreciable Assets	164,037,760	270,303	775,385	165,083,448
Less accumulated depreciation				
Land Improvements	(7,052,727)	(331,772)	-	(7,384,499)
Buildings and Improvements	(61,197,315)	(4,448,509)	-	(65,645,824)
Equipment and Fixtures	(1,065,220)	(115,089)	-	(1,180,309)
Vehicles	(2,518,036)	(222,034)	54,662	(2,685,408)
Total accumulated depreciation	(71,833,298)	(5,117,404)	54,662	(76,896,040)
Depreciable Capital Assets, Net of accumulated depreciation	92,204,462	(4,847,101)	830,047	88,187,408
Capital Assets, Net	\$ 96,843,763	\$ (3,203,344)	\$ -	\$ 93,640,419

Depreciation was charged to governmental functions as follows:

	Amount
Regular Instruction	\$ 4,462,656
Vocational Instruction	495
Support Services:	
Pupil	7,725
Instructional Staff	16,891
School Administration	1,600
Business	1,767
Operations and Maintenance	51,317
Pupil Transportation	226,731
Food Services	23,725
Extracurricular Activities	324,497
Total Depreciation Expense	\$ 5,117,404

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 8 – LONG-TERM OBLIGATIONS

The long-term obligations at June 30, 2017 have been restated as described in Note 21. During the fiscal year, the following changes occurred in long-term obligations:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Various Purpose Bonds – Series 2000					
CABs - 14.64%	\$ 631,005	\$ -	\$ -	\$ 631,005	\$ -
Accretion on CABS	1,849,356	108,785	-	1,958,141	-
Energy Conservation Notes – Series 2005 - 2.65 %- 4.25%					
	675,000	-	(215,000)	460,000	225,000
Series 2012 Refunding Bonds (Mar. 2012)					
Serial Bonds 2% - 5%	20,315,000	-	(2,085,000)	18,230,000	2,380,000
CABS 26%	619,040	-	-	619,040	-
Accretion on CABS	2,650,807	537,510	-	3,188,317	-
Unamortized Premium - CABS	1,692,216	-	(394,500)	1,297,716	-
Unamortized Premium - Serial Bonds	1,674,048	-	(133,924)	1,540,124	-
Series 2013 Refunding/Improvement Bonds (May 2013)					
Serial and Term Bonds 1.5% - 4%	46,490,000	-	(1,045,000)	45,445,000	5,000
Bond Premium	580,205	-	(17,852)	562,353	-
Series 2015 Refunding (December 2015)					
Serial and Term Bonds 2% - 4%	8,225,000	-	(1,345,000)	6,880,000	1,020,000
Bond Premium	765,485	-	(61,239)	704,246	-
Series 2016 Refunding Bonds (September 2016)					
Serial and Term Bonds	14,605,000	-	(1,640,000)	12,965,000	695,000
Bond Premium	1,831,753	-	(159,283)	1,672,470	-
Net bonds & notes payable	<u>102,603,915</u>	<u>646,295</u>	<u>(7,096,798)</u>	<u>96,153,412</u>	<u>4,325,000</u>
Net Pension Liability:					
SERS	17,389,549	-	(3,975,817)	13,413,732	-
STRS	85,246,174	-	(28,888,657)	56,357,517	-
Total Net Pension Liability	<u>102,635,723</u>	<u>-</u>	<u>(32,864,474)</u>	<u>69,771,249</u>	<u>-</u>
Net OPEB Liability:					
SERS	6,856,595	-	(748,583)	6,108,012	-
STRS	13,619,889	-	(4,363,553)	9,256,336	-
Total Net OPEB Liability	<u>20,476,484</u>	<u>-</u>	<u>(5,112,136)</u>	<u>15,364,348</u>	<u>-</u>
Capital leases	793,116	-	(144,884)	648,232	144,376
Compensated absences	3,536,010	875,210	(620,811)	3,790,409	375,442
Total Long-Term Liabilities	<u>\$ 230,045,248</u>	<u>\$ 1,521,505</u>	<u>\$ (45,839,103)</u>	<u>\$ 185,727,650</u>	<u>\$ 4,844,818</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 8 – LONG-TERM OBLIGATIONS – (Continued)

All current obligation bonds outstanding, which were issued to provide funds for the acquisition and construction of equipment and facilities, are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Long-Term obligations of the District are included in the Statement of Net Position. Payments of principal and interest relating to these liabilities are recorded as expenditures in the Bond Retirement Fund except for Energy Conservation Notes which are paid from the General Fund.

Various Purpose General Obligation Bonds – Series 2000

On June 6, 2000, the District issued \$36,539,029 in voted general obligation bonds for the purpose of an addition and improvements. The bonds were issued for a twenty-seven year period with final maturity at December 1, 2027. The bonds will be retired from the Bond Retirement Fund.

Energy Conservation Notes – Series 2005

On June 2, 2005, the District issued \$2,700,000 in unvoted general obligation notes for the purpose of purchasing and installing energy conservation measures. The notes were issued for a fifteen-year period with final maturity at December 1, 2019. The notes will be retired from the General Fund.

General Obligation Current Refunding Bonds – Series 2012

On March 28, 2012, the District issued \$32,014,040 in general obligation refunding bonds with a true interest cost of 2.79% for the purpose of currently refunding all or a portion of the outstanding principal amount of the Building Construction General Obligation Bonds – Series 2002; terminating an interest rate hedge agreement with Dexia Credit Local; and refunding the General Obligation Current Refunding Notes – Series 2011. The District received \$38,089,388 in bond proceeds, which included a \$6,075,348 premium. The \$32,014,040 bond issue consisted of \$31,395,000 in serial bonds and \$619,040 in capital appreciation bonds. The bonds were issued for a seventeen-year period with final maturity at December 1, 2029. The bonds will be retired from the bond retirement fund. The total debt service payments were reduced by \$142,181 and the present value of this reduction resulted in an economic gain of \$143,752. The refunding did not increase the overall debt of the District; however, since funds were needed to terminate the interest rate hedge agreement, the District lost the opportunity to capitalize on lower interest rates.

General Obligation Current Refunding Bonds – Series 2013

On May 30, 2013, the District issued \$48,830,000 in general obligation refunding and school improvement bonds. \$45,120,000 was for the purpose of a new building project. The remaining \$3,710,000 was for the purpose of currently refunding all of the outstanding principal amount of the School Facilities Construction and Improvement Bonds – Series 2003 which were issued for the purpose of constructing and furnishing a new elementary school as well as additional improvements to the High School Campus. The District received \$49,490,539 in bond proceeds, which included a \$660,539 premium. The bonds were issued for a 37-year period with final maturity at December 1, 2049. The bonds will be retired from the bond retirement fund. The total debt service payments were reduced by \$665,795 and the present value of this reduction resulted in an economic gain of \$441,223.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8 – LONG-TERM OBLIGATIONS – (Continued)

General Obligation Current Refunding Bonds – Series 2015

On December 3, 2015, the District issued \$8,225,000 in general obligation refunding bonds for the purpose of currently refunding \$1,335,000 of the General Obligation Advance Refunding Bonds – Series 2005 which were issued for the purpose of advance refunding a portion of the 1998 bonds and \$7,560,000 of the General Obligation Advance Refunding Bonds – Series 2006A which were issued for the purpose of advance refunding a portion of the 2000 bonds. The District received \$9,082,343 in bond proceeds, which included a \$857,343 premium. The bonds were issued for a 14-year period with final maturity at December 1, 2029. The bonds will be retired from the bond retirement fund. The total debt service payments were reduced by \$1,239,405 and the present value of this reduction resulted in an economic gain of \$1,047,916.

General Obligation Current Refunding Bonds – Series 2016

On September 8, 2016, the District issued \$14,605,000 in general obligation refunding bonds for the purpose of currently refunding \$15,990,000 of the General Obligation Advance Refunding Bonds – Series 2006B which were issued for the purpose of advance refunding a portion of the 2002 and 2003 bonds. The District received \$16,516,394 in bond proceeds, which included a \$1,911,394 premium. The bonds were issued for a 12-year period with final maturity at December 1, 2028. The bonds will be retired from the bond retirement fund. The total debt service payments were reduced by \$2,576,325 and the present value of this reduction resulted in an economic gain of \$2,337,034.

The following is a summary of future annual debt service requirements for maturity for the general obligation bonds and notes:

Fiscal Year	Principal	Interest	Total
2019	\$ 4,325,000	\$ 3,192,075	\$ 7,517,075
2020	3,917,318	3,562,782	7,480,100
2021	2,138,726	5,183,862	7,322,588
2022	2,197,996	5,207,054	7,405,050
2023	4,565,000	2,845,325	7,410,325
2024-2028	21,981,005	13,982,801	35,963,806
2029-2033	11,895,000	7,765,069	19,660,069
2034-2038	6,855,000	6,153,362	13,008,362
2039-2043	9,230,000	4,588,750	13,818,750
2044-2048	12,225,000	2,455,500	14,680,500
2049-2050	5,900,000	239,000	6,139,000
Total	<u>\$ 85,230,045</u>	<u>\$ 55,175,580</u>	<u>\$ 140,405,625</u>

Accretion - Capital accretion bonds were issued with the Various Purpose Bonds – Series 2000 bonds and the General Obligation Current Refunding Bonds – Series 2012. These bonds were purchased at a discount at the time of issuance and at maturity all compound interest is paid to the bond holder along with 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 fiscal year 2018 amount of accretion for the 2000 and 2012 Bonds are \$108,785 and \$537,510 respectively.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 8 – LONG-TERM OBLIGATIONS – (Continued)

Advance Refundings - The District defeased certain School Construction and Improvement Bonds and notes by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District’s financial statements. As of June 30, 2018, defeased bonds outstanding totaled \$0.

Debt Limitation - Section 133.06 of the Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that, exclusive of certain “exempt debt,” unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The effects of these debt limitations at fiscal year-end are voted debt limit of \$90,153,078 and an unvoted debt limit of \$1,001,701. The District’s debt outstanding was within these limits.

Capital Leases - Information on Capital leases can be found in note 18.

Compensated Absences - Compensated absences represent accumulated vacation and an estimated severance liability for employees both eligible to retire and those expected to become eligible in the future. The entire compensated absences balance is reported on the entity-wide financial statements. For governmental fund financial statements, the compensated absences are reported only to the extent they have matured and will be paid with current financial resources. The noncurrent portion of the liability is not reported.

The District pays obligations related to employee compensation from the fund benefitting from their service, except compensated absences, which will be paid primarily from the general fund for governmental funds.

There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are made from the General Fund. For additional information related to the net pension liability and net OPEB liability see Notes 10 and 11.

NOTE 9 – RISK MANAGEMENT

A. Comprehensive

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 purchased insurance coverage from Ohio School Plan. Coverage provided by Ohio School Plan is as follows:

Coverage	Limits of Coverage
Property	\$ 210,437,488
Employer's Liability Stop Gap	5,000,000
Educational Automobile	5,000,000
Educational General Liability	
General Aggregate	7,000,000

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 9 – RISK MANAGEMENT – (Continued)

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

For fiscal year 2018, the District participated in the Ohio School Boards Association Workers’ Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 15). 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 Comp Management Health Systems provides administrative, cost control and actuarial services to the GRP.

B. Employee Group Medical Insurance

The District maintains an internal service “self-insurance” health insurance fund in connection with formalized risk management programs in an effort to minimize risk exposure and control claims and premium costs. The District, effective January 1, 2018, contracted with Medical Mutual to be the third party administrator for the District’s health insurance program. The District pays 80% of the monthly premiums for family and single plans.

A claims liability of \$310,643 at fiscal year-end in the self-insurance internal service fund reflects an estimate of incurred but unpaid claims liability. This liability was estimated by a third party based on claims experience. The District has purchased stop loss coverage through Anthem for individual employee claim amounts exceeding \$125,000. Unpaid claims at year-end are recorded as current claims payable because they would be due within 60 days from the end of the fiscal year.

A summary of the changes in the self-insurance claims liability for the years ended June 30 as follows:

	2018	2017	2016
Claims Liability at July 1	\$ 151,000	\$ 622,000	\$ -
Incurred Claims	3,801,389	4,920,395	3,288,137
Claims Paid	(3,641,746)	(5,391,395)	(2,666,137)
Claims Liability at June 30	\$ 310,643	\$ 151,000	\$ 622,000

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 10 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

The proportionate share of each plan’s unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in 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 under Employers/Audit Resources.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 10 – DEFINED BENEFIT PENSION PLANS – (Continued)

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire 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.

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

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, 2018, the allocation to pension, death benefits, and Medicare B was 13.5 percent. The remaining 0.5 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$1,088,945 for fiscal year 2018. Of this amount \$161,264 is reported as due to other governments.

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.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 10 – DEFINED BENEFIT PENSION PLANS – (Continued)

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 26 years of service, or 31 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.5 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, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS 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. For the fiscal year ended June 30, 2018, the employer rate was 14 percent and the plan members were also required to contribute 14 percent of covered salary. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS – (Continued)

The District’s contractually required contribution to STRS was \$4,087,111 for fiscal year 2018. Of this amount, \$594,160 is reported as due to other governments.

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

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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:

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability	\$13,413,732	\$56,357,517	\$69,771,249
Proportion of the Net Pension Liability - Current Measurement Date	0.2245059%	0.23724272%	
Proportion of the Net Pension Liability - Prior Measurement Date	0.2375921%	0.25467134%	
Change in Proportionate Share	-0.0130862%	-0.0174286%	
Pension Expense	(\$1,191,959)	(\$23,279,092)	(\$24,471,051)

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**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS – (Continued)

At June 30, 2018, 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>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$577,281	\$2,176,263	\$2,753,544
Change of assumptions	693,634	12,326,008	13,019,642
Changes in proportionate share	23,190	741,856	765,046
District contributions subsequent to the measurement date	<u>1,088,945</u>	<u>4,087,111</u>	<u>5,176,056</u>
Total Deferred Outflows of Resources	<u><u>\$2,383,050</u></u>	<u><u>\$19,331,238</u></u>	<u><u>\$21,714,288</u></u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$454,220	\$454,220
Net difference between projected and actual investment earnings	63,672	1,859,864	1,923,536
Changes in proportionate share	<u>1,446,054</u>	<u>6,772,439</u>	<u>8,218,493</u>
Total Deferred Inflows of Resources	<u><u>\$1,509,726</u></u>	<u><u>\$9,086,523</u></u>	<u><u>\$10,596,249</u></u>

\$5,176,056 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, 2019.

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2019	(\$171,594)	\$990,857	\$819,263
2020	229,047	3,520,911	3,749,958
2021	39,628	1,684,063	1,723,691
2022	<u>(312,702)</u>	<u>(38,227)</u>	<u>(350,929)</u>
Total	<u><u>(\$215,621)</u></u>	<u><u>\$6,157,604</u></u>	<u><u>\$5,941,983</u></u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS – (Continued)

Actuarial Assumptions - SERS

SERS’ total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of 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, 2017, are presented below:

Wage Inflation	3 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.50 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

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

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

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.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS – (Continued)

The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalanced uncorrelated asset classes.

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.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$18,614,774	\$13,413,732	\$9,056,798

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS – (Continued)

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.00 percent effective July 1, 2017

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.50
Alternatives	17.00	1.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

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

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 10 – DEFINED BENEFIT PENSION PLANS – (Continued)

Discount Rate The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2017. 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, 2017. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2017.

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 7.45 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 (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
District's proportionate share of the net pension liability	\$80,786,582	\$56,357,517	\$35,779,691

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

Benefit Term Changes Since the Prior Measurement Date Effective July 1, 2017, the Cost of Living Adjustment was reduced to zero.

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, 2018, four members of the Board of Education have elected Social Security. The District’s liability is 6.2 percent of wages paid.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 11 – DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

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

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

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

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

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

Plan Description – School Employees Retirement System (SERS)

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS’ Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS’ health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS’ health care coverage. Most retirees and dependents choosing SERS’ health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 – DEFINED BENEFIT OPEB PLANS – (Continued)

Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2018, 0.50 percent of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2018, this amount was \$23,700. Statutes provide that no employer shall pay a health care surcharge greater than 2.00 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.50 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2018, the District's surcharge obligation was \$129,313.

The surcharge added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$169,644 for fiscal year 2018. Of this amount \$135,286 is reported as due to other governments.

Plan Description – State Teachers Retirement System (STRS)

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

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 – DEFINED BENEFIT OPEB PLANS – (Continued)

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

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

	SERS	STRS	Total
Proportionate Share of the Net OPEB Liability	\$6,108,012	\$9,256,336	\$15,364,348
Proportion of the Net OPEB Liability - Current Measurement Date	0.2275935%	0.23724272%	
Proportion of the Net OPEB Liability - Prior Measurement Date	0.2405511%	0.25467134%	
Change in Proportionate Share	-0.0129576%	-0.0174286%	
OPEB Expense	\$241,265	(\$3,010,949)	(\$2,769,684)

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$534,332	\$534,332
District contributions subsequent to the measurement date	169,644	0	169,644
Total Deferred Outflows of Resources	<u>\$169,644</u>	<u>\$534,332</u>	<u>\$703,976</u>
Deferred Inflows of Resources			
Net difference between projected and actual investment earnings	\$16,130	\$395,638	\$411,768
Changes of assumptions	579,619	745,628	1,325,247
Changes in proportionate share	271,110	745,670	1,016,780
Total Deferred Inflows of Resources	<u>\$866,859</u>	<u>\$1,886,936</u>	<u>\$2,753,795</u>

\$169,644 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 – DEFINED BENEFIT OPEB PLANS – (Continued)

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2019	(\$312,267)	(\$338,150)	(\$650,417)
2020	(312,267)	(338,150)	(650,417)
2021	(238,291)	(338,150)	(576,441)
2022	<u>(4,034)</u>	<u>(338,154)</u>	<u>(342,188)</u>
Total	<u>(\$866,859)</u>	<u>(\$1,352,604)</u>	<u>(\$2,219,463)</u>

Actuarial Assumptions - SERS

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

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

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 11 – DEFINED BENEFIT OPEB PLANS – (Continued)

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

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

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

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

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

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 – DEFINED BENEFIT OPEB PLANS – (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US 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	<u>100.00 %</u>	

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

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63 percent) and higher (4.63 percent) than the current discount rate (3.63 percent). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.50 percent decreasing to 4.00 percent) and higher (8.50 percent decreasing to 6.00 percent) than the current rate.

	<u>1% Decrease (2.63%)</u>	<u>Current Discount Rate (3.63%)</u>	<u>1% Increase (4.63%)</u>
District's proportionate share of the net OPEB liability	\$7,376,202	\$6,108,012	\$5,103,281

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 – DEFINED BENEFIT OPEB PLANS – (Continued)

	1% Decrease (6.50% decreasing to 4.00%)	Current Discount Rate (7.50% decreasing to 5.00%)	1% Increase (8.50% decreasing to 6.00%)
District's proportionate share of the net OPEB liability	\$4,956,194	\$6,108,012	\$7,632,462

Actuarial Assumptions – STRS

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

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.00 percent, effective July 1, 2017
Blended Discount Rate of Return	4.13 percent
Health Care Cost Trends	6.00 to 11.00 percent initial, 4.50 percent ultimate

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

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

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

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 – DEFINED BENEFIT OPEB PLANS – (Continued)

Also, since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.10 percent to 1.90 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

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

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

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

Discount Rate The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58 percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 – DEFINED BENEFIT OPEB PLANS – (Continued)

A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

Sensitivity of the District’s Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13 percent) or one percentage point higher (5.13 percent) than the current assumption.

Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
District's proportionate share of the net OPEB liability	\$12,426,482	\$9,256,336	\$6,750,884
	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$6,430,905	\$9,256,336	\$12,974,932

NOTE 12 – EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave components 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, 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 earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 300 days certified employees and unlimited for classified employees. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum of 60 days.

B. Life Insurance

The District provides life insurance and accidental death and dismemberment insurance to most employees through Prudential.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 13 – 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 not currently party to legal proceedings.

C. Foundation Funding

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2018 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2018 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

NOTE 14 – OTHER COMMITMENTS

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

General Fund	\$ 635,711
Other Government Funds	<u>690,650</u>
Total	<u><u>\$ 1,326,361</u></u>

NOTE 15 – INSURANCE PURCHASING POOL

Ohio School Boards Association Workers' Compensation Group Rating Plan – The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. 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.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 – INSURANCE PURCHASING POOL – (Continued)

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 Comp Management Health Systems provides administrative, cost control and actuarial services to the GRP.

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS

Metropolitan Educational Technology Association

The District participates in the Metropolitan Educational Technology Association (META). META 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. Payments to META during the fiscal year totaled to \$92,952. Financial information may be obtained from the Metropolitan Educational Technology Association, 2100 Citygate Dr., Columbus, OH 43219.

Eastland-Fairfield Career & Technical Schools

Eastland-Fairfield Career & Technical Schools is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting nine members who are appointed by various associate school boards, which possesses its own budgeting and taxing authority. To obtain financial information write to the Eastland-Fairfield Career & Technical Schools, Dawn Lemley, who serves as Treasurer, at 4300 Amalgamated Place, P. O. Box 419, Groveport, Ohio 43125-0419.

New Albany-Plain Local Joint Park District

The New Albany-Plain Local Joint Park District is a distinct political subdivision of the State of Ohio operated under the direction of the Board consisting of one representative from each of the participating entities as follows: 1) The Village of New Albany; 2) Plain Township and 3) The New Albany-Plain Local Board of Education. The Park District possesses its own budgeting and taxing authority.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 17 – JOINT OPERATION

New Albany Performing Arts Center – During 2004, the District entered into a joint operating agreement with Village of New Albany (the “Village”), Plain Township (the “Township”) and the New Albany Community Foundation (the “Foundation”) for the operations of the New Albany Performing Arts Center (the “Center”). The Center was constructed through a joint collaboration between the Village, District and Township. Each of these entities owns a portion of the Center, as tenants in common, equal to their financial contribution of the construction. The Village, District and Township have committed amounts not to exceed \$5 million, \$5 million, and \$3 million, respectively, to supplement the construction of the Center. The Foundation has committed to use its best efforts to raise approximately \$2.3 million to be applied to an endowment for the purpose of subsidizing the operation of the Center.

The Center will serve both school and community needs, including music, theater, dance and ballet. The Center is run by a six-member Board of Trustees (the “Board”) consisting of two members appointed by the District, two members appointed by the Village, one member appointed by the Township and one member appointed by the Foundation. The District does not appoint a voting majority of the Board.

The District had no ongoing financial interest or responsibility in the operation of the Center until final construction and the Performing Arts Center became fully operational, at this time the relationship between the Performing Arts Center and the District was re-evaluated.

The Center became fully operational in June 2008 with an amended operating agreement being finalized in February 2008. The new agreement now provides the District, as well as the Village and Township, with ongoing equity interests. As a result, in fiscal year 2008, the District recorded the Performing Arts Center as a capital asset in an amount equal to its original contribution as a percentage of total contributions compared to the value of the construction cost of the Performing Arts Center, which was \$15,125,158.

Financial information for the Center may be obtained from the Treasurer of the New Albany-Plain Local School District at 55 North High Street, New Albany, OH 43054.

NOTE 18 – CAPITAL LEASE

The District has entered into several lease agreements as lessee for financing the acquisition of equipment. The assets acquired through these capital leases had a value of \$842,670, however were not capitalized due to individual asset amount. Payments made from the General Fund on the leases during the fiscal year totaled \$240,711. The remaining required payments on the leases are as follows:

Fiscal Year	Principal	Interest	Total
2019	\$ 144,376	\$ 78,868	\$ 223,244
2020	145,656	60,120	205,776
2021	166,917	38,859	205,776
2022	191,283	14,493	205,776
Total	\$ 648,232	\$ 192,340	\$ 840,572

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 19 – STATUTORY RESERVES

The District is required by state law to set-aside certain general fund revenue amounts, as defined by statute, into various reserves. These reserves are calculated and presented on a cash basis. During the current fiscal year, the reserve activity was as follows:

	Capital Acquisition
Set-aside cash balance	
as of July 1, 2017	\$ -
Current fiscal year set-aside requirement	850,273
Offset from Permanent Improvement Levy	(663,113)
Offset from Bond Proceeds	(187,160)
Total	\$ -
Set-aside balance at June 30, 2018	\$ -

During fiscal year 2013, the District issued \$45,120,000 in capital related debt based on a building project under taken by the District. Those proceeds may be used as qualifying offsets to reduce the capital acquisition to zero for future years. At June 30, 2018, the District still has \$41,400,260 in qualifying proceeds that may be used to reduce the set-aside requirement for future years.

NOTE 20 – WIN-WIN AGREEMENT

The District is party to a win-win agreement with Columbus City School District and other participating suburban districts. The agreement began in 1986 and was amended in 1992. The terms of the Agreement call for automatic renewals every six years unless a board of education takes certain actions to terminate the Agreement. Automatic renewals occurred in 1998, 2004, 2010, and 2016.

The agreement provides a number of benefits to participating districts, including border stability, revenue-sharing, property tax revenue predictability, and cooperative programs through the Franklin County Educational Council, which was created by the Agreement. The Agreement also gives districts some predictability in terms of student populations, staffing needs, and expenditures because of the agreement’s handling of annexations and territory transfers between districts.

Under the agreement, two Sections provide for payments to be made between districts.

- Section 8 provides payments from Columbus to certain suburban districts based on the valuation of certain types of property in the areas transferred to Columbus. Only four districts originally qualified for payments under Section 8: Canal Winchester, Groveport Madison, Hamilton, and New Albany-Plain Local. However, New Albany no longer qualifies for such payments because its per-pupil valuation now exceeds Columbus’s per-pupil valuation, and under the agreement this triggers the end of Section 8 payment eligibility.
- Section 10 provides payments from suburban districts to Columbus based on the valuation of areas not transferred to Columbus.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 21 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION

For fiscal year ending June 30, 2018, the District has implemented the following:

GASB Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB) and improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities by establishing new accounting and financial reporting requirements for OPEB plans. The implementation of this statement had the following effect on net position as reported June 30, 2017:

	Governmental Activities
Net Position June 30, 2017	(43,937,768)
Adjustments:	
Net OPEB Liability	(20,476,484)
Deferred Outflows - Payments Subsequent to Measurement Date	122,989
Restated Net Position June 30, 2017	(64,291,263)

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

Other GASB Statements implemented in fiscal year 2018 are as follows:

GASB Statement No. 85 “Omnibus 2017” addresses practice issues that have been identified during implementation and application of certain GASB Statements. Specific issues discussed relate to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pension and other postemployment benefits [OPEB]). The implementation of this statement did not have a significant effect on the financial statements of the District.

GASB Statement No. 86 “Certain Debt Extinguishment Issues” improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The implementation of this statement did not have an effect on the financial statements of the District.

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REQUIRED SUPPLEMENTARY INFORMATION

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**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Over/(Under)
Revenues:				
Property Taxes	\$ 47,200,871	\$ 47,200,871	\$ 50,317,249	\$ 3,116,378
Payments in Lieu of Taxes	2,876,667	2,876,667	2,693,427	(183,240)
Tuition Fees	616,067	616,067	860,135	244,068
Co-Curricular Activities	450,000	450,000	548,527	98,527
Other Local Revenues	444,658	444,658	640,588	195,930
Intergovernmental - State	9,283,660	9,283,660	9,635,377	351,717
Investment Income	75,412	75,412	495,213	419,801
Total Revenues	60,947,335	60,947,335	65,190,516	4,243,181
Expenditures:				
Instruction:				
Regular	27,897,845	27,721,881	25,377,595	2,344,286
Special	7,184,912	7,472,625	7,472,625	-
Other Instruction	123,426	123,426	71,955	51,471
Support services:				
Pupils	5,194,427	5,453,294	5,453,294	-
Instructional Staff	2,803,745	2,550,900	2,361,137	189,763
General Administration	279,887	279,887	181,134	98,753
School Administration	4,326,580	4,048,929	4,048,929	-
Business Operations	2,593,945	1,784,788	1,688,150	96,638
Operation and Maintenance of Plant	6,066,989	5,934,480	5,330,957	603,523
Student Transportation	2,505,810	2,378,552	2,378,180	372
Central	531,632	537,232	419,903	117,329
Non-Instructional Services	660,561	715,690	697,487	18,203
Co-Curricular Activities	1,461,900	1,457,500	1,243,565	213,935
Debt service:				
Principal Retirement	215,000	215,000	215,000	-
Interest and Fiscal Charges	22,700	22,700	22,700	-
Total Expenditures	61,869,359	60,696,884	56,962,611	3,734,273
Excess of Revenues Over (Under) Expenditures	(922,024)	250,451	8,227,905	7,977,454
Other Financing Sources (Uses):				
Sale of Capital Assets	-	-	700	700
Insurance Proceeds	-	-	13,768	13,768
Other Expenditures	(200,000)	-	-	-
Transfers Out	(496,836)	(6,012,650)	(6,012,650)	-
Total Other Financing Sources (Uses)	(696,836)	(6,012,650)	(5,998,182)	14,468
Net Change in Fund Balance	(1,618,860)	(5,762,199)	2,229,723	7,991,922
Fund Balances at Beginning of Year	23,109,481	23,109,481	23,109,481	-
Prior Year Encumbrances Appropriated	625,768	625,768	625,768	-
Fund Balances at End of Year	\$ 22,116,389	\$ 17,973,050	\$ 25,964,972	\$ 7,991,922

See accompanying notes to the required supplementary information.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST FIVE FISCAL YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.2245059%	0.2375921%	0.2697147%	0.2680400%	0.2680400%
District's Proportionate Share of the Net Pension Liability	\$ 13,413,732	\$ 17,389,549	\$ 15,390,182	\$ 13,565,352	\$ 15,939,480
District's Covered Payroll	\$ 7,504,580	\$ 7,340,621	\$ 7,626,175	\$ 8,026,107	\$ 7,501,104
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	178.74%	236.89%	201.81%	169.02%	212.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%	71.70%	65.52%

(1) Information prior to 2014 is not available.

Amounts presented for each fiscal year were determined as of the District's measurement date, which is the prior fiscal year-end.

See accompanying notes to the required supplementary information.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST FIVE FISCAL YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.23724272%	0.25467134%	0.27128681%	0.26366191%	0.26366191%
District's Proportionate Share of the Net Pension Liability	\$ 56,357,517	\$ 85,246,174	\$ 74,975,739	\$ 64,131,701	\$ 76,393,263
District's Covered Payroll	\$ 26,482,200	\$ 26,227,728	\$ 29,429,192	\$ 27,472,496	\$ 26,363,106
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	212.81%	325.02%	254.77%	233.44%	289.77%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%	74.70%	69.30%

(1) Information prior to 2014 is not available.

Amounts presented for each fiscal year were determined as of the District's measurement date, which is the prior fiscal year-end.

See accompanying notes to the required supplementary information.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 1,088,945	\$ 1,050,641	\$ 1,027,687	\$ 1,005,130
Contributions in Relation to the Contractually Required Contribution	<u>\$ 1,088,945</u>	<u>\$ 1,050,641</u>	<u>\$ 1,027,687</u>	<u>\$ 1,005,130</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 8,066,259	\$ 7,504,580	\$ 7,340,621	\$ 7,626,175
Contributions as a Percentage of Covered Payroll	13.50%	14.00%	14.00%	13.18%

See accompanying notes to the required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 1,112,418	\$ 1,038,153	\$ 1,058,207	\$ 1,324,164	\$ 1,023,173	\$ 941,589
<u>\$ 1,112,418</u>	<u>\$ 1,038,153</u>	<u>\$ 1,058,207</u>	<u>\$ 1,324,164</u>	<u>\$ 1,023,173</u>	<u>\$ 941,589</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,026,107	\$ 7,501,104	\$ 7,867,715	\$ 10,534,320	\$ 7,556,669	\$ 9,568,994
13.86%	13.84%	13.45%	12.57%	13.54%	9.84%

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 4,087,111	\$ 3,707,508	\$ 3,671,882	\$ 4,120,086
Contributions in Relation to the Contractually Required Contribution	<u>\$ 4,087,111</u>	<u>\$ 3,707,508</u>	<u>\$ 3,671,882</u>	<u>\$ 4,120,086</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 29,193,647	\$ 26,482,200	\$ 26,227,728	\$ 29,429,192
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 3,571,424	\$ 3,427,204	\$ 3,307,890	\$ 3,685,436	\$ 3,115,668	\$ 2,921,863
<u>\$ 3,571,424</u>	<u>\$ 3,427,204</u>	<u>\$ 3,307,890</u>	<u>\$ 3,685,436</u>	<u>\$ 3,115,668</u>	<u>\$ 2,921,863</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 27,472,496	\$ 26,363,106	\$ 25,445,307	\$ 28,349,508	\$ 23,966,677	\$ 22,475,869
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST TWO FISCAL YEARS (1)

	2018	2017
District's Proportion of the Net OPEB Liability	0.2275935%	0.2405511%
District's Proportionate Share of the Net OPEB Liability	\$ 6,108,012	\$ 6,856,595
District's Covered Payroll	\$ 7,504,580	\$ 7,340,621
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	81.39%	93.41%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%

(1) Information prior to 2017 is not available.

Amounts presented for each fiscal year were determined as of the District's measurement date, which is the prior fiscal year-end.

See accompanying notes to the required supplementary information.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST TWO FISCAL YEARS (1)

	2018	2017
District's Proportion of the Net OPEB Liability	0.23724272%	0.25467134%
District's Proportionate Share of the Net OPEB Liability	\$ 9,256,336	\$ 13,619,889
District's Covered Payroll	\$ 26,482,200	\$ 26,227,728
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	34.95%	51.93%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	37.30%

(1) Information prior to 2017 is not available.

Amounts presented for each fiscal year were determined as of the District's measurement date, which is the prior fiscal year-end.

See accompanying notes to the required supplementary information.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution (1)	\$ 169,644	\$ 122,989	\$ 120,761	\$ 180,324
Contributions in Relation to the Contractually Required Contribution	<u>\$ 169,644</u>	<u>\$ 122,989</u>	<u>\$ 120,761</u>	<u>\$ 180,324</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 8,066,259	\$ 7,504,580	\$ 7,340,621	\$ 7,626,175
Contributions as a Percentage of Covered Payroll (1)	2.10%	1.64%	1.65%	2.36%

(1) Includes Surcharge

See accompanying notes to the required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 124,696	\$ 143,495	\$ 159,728	\$ 128,290	\$ 159,539	\$ 259,638
<u>\$ 124,696</u>	<u>\$ 143,495</u>	<u>\$ 159,728</u>	<u>\$ 128,290</u>	<u>\$ 159,539</u>	<u>\$ 259,638</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,026,107	\$ 7,501,104	\$ 7,867,715	\$ 10,534,320	\$ 7,556,669	\$ 9,568,994
1.55%	1.91%	2.03%	1.22%	2.11%	2.71%

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered Payroll	\$ 29,193,647	\$ 26,482,200	\$ 26,227,728	\$ 29,429,192
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 274,725	\$ 263,631	\$ 254,453	\$ 283,495	\$ 239,667	\$ 224,759
<u>\$ 274,725</u>	<u>\$ 263,631</u>	<u>\$ 254,453</u>	<u>\$ 283,495</u>	<u>\$ 239,667</u>	<u>\$ 224,759</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 27,472,496	\$ 26,363,106	\$ 25,445,307	\$ 28,349,508	\$ 23,966,677	\$ 22,475,869
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1 - BUDGETARY PROCESS

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 tax budget, the certificate of estimated resources, and the appropriation resolution, all 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 is at the fund level. Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

Tax Budget:

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Franklin and Licking County Budget Commissions for rate determination.

Estimated Resources:

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the Treasurer. The revised amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2018.

Appropriations:

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund level, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1 - BUDGETARY PROCESS - (Continued)

The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant.

The budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

NOTE 2 - RECONCILING BUDGET BASIS AND GAAP

The District prepares its budget on a basis of accounting that differs from accounting principles generally accepted in the United States of America (GAAP). The actual column presented on the Budgetary Comparison Schedule – General Fund is prepared in accordance with the budget basis of accounting.

The major differences between the budgetary basis of accounting and GAAP are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- B. Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis);
- C. Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to an assignment of fund balance (GAAP basis).
- D. Due to the implementation of GASB 54, some funds were reclassified to the General Fund. These funds are not required to be included in the General Fund Budgetary Statement. Therefore, the activity from these funds is excluded with an adjustment for their change in fund balance.

Net Change in Fund Balance

Budget Basis	\$ 2,229,723
Net Adjustments:	
Revenue and Other Financing Sources Accruals	(262,459)
Expenditure and Other Financing Uses Accruals	(511,547)
Encumbrances	507,416
Funds Budgeted as Other Funds	162,759
GAAP Basis	\$ 2,125,892

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3 – NET PENSION LIABILITY

School Employees Retirement System

Changes in benefit terms:

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

Changes in assumptions:

There were no changes in methods and assumptions used in the calculation of actuarially determined contributions for fiscal year 2018.

State Teachers Retirement System

Changes in benefit terms:

For fiscal year 2018, the COLA was reduced to zero.

Changes in assumptions:

For fiscal year 2018, the STRS Board adopted several assumption changes, including changes to:

- Inflation assumption lowered from 2.75% to 2.50%;
- Investment return assumption lowered from 7.75% to 7.45%;
- Total salary increases rates lowered by decreasing merit component of the individual salary increases, as well as by 0.25% due to lower inflation;
- Payroll growth assumption lowered to 3.00%;
- Updated the healthy and disabled mortality assumption to the “RP-2014” mortality tables with generational improvement scale MP-2016; and
- Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 – NET OPEB LIABILITY

School Employees Retirement System

Changes in Assumptions:

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

Municipal Bond Index Rate:

Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

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

Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

State Teachers Retirement System

Changes in Assumptions:

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

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

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SUPPLEMENTARY INFORMATION

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**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES –
GOVERNMENTAL FUNDS**

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

DESCRIPTION OF FUNDS

Bond Retirement Fund

The Bond Retirement Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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 – A fund provided to account for all transactions related to acquiring, constructing, or improving school facilities.

Capital Projects/Building Fund – A fund used to account for the receipts 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 of acquiring capital facilities including real property.

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

Special Trust – A fund used to account for restricted contributions and donations which the original contributions can be expended for District programs.

Endowment – A fund used to account for restricted contributions and donations which have been set aside as an investment for public school purposes. The income from this fund may be expended, but the principal must remain intact. The funds may be spent for District purposes.

Uniform School Supplies - A rotary fund provided to account for the purchase and sale of school supplies. This fund is included with the General Fund for financial statement reporting purposes.

Rotary – Special Services – A fund to report any activity to which a fee is charged to external users for goods or services. This fund is included with the General Fund for financial statement reporting purposes.

Rotary – Internal Services – A fund provided to account for operations that provide goods or services to other governmental units on a cost-reimbursement basis. This fund is included with the General Fund for financial statement reporting purposes.

Public School Support – 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.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases. This fund is included with the General Fund for financial statement reporting purposes.

New Albany Community Foundation Grants – A fund used to account for the proceeds received from the New Albany Community Foundation.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

DESCRIPTION OF FUNDS

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

District Managed Activities – 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 – A fund used to account for monies which provide services and materials to pupils attending non-public schools within the school district.

Straight A Grant – A fund used to account for state grants received for innovative projects under the Straight A grant

School Net Professional Development – A fund provided to account for wiring to all classrooms in the State and to provide a computer workstation and related technology for every classroom in Ohio's low wealth school districts.

Race to the Top Fund - A fund used to account for federal funds used to assist states in providing either a new program or expansion of an existing program to support initiatives in the following areas: Standards and Assessments; Using Data to improve Instruction; Great Teachers and Leaders; and Turning Around the Lowest-Achieving Schools.

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

Title III Limited English Proficiency – A fund used to account for federal funds used to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Title I Disadvantaged Children – 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.

IDEA Preschool Grant for the Handicapped – The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Title II-A Improving Teacher Quality – 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.

Other Federal Grants – 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.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2018**

	Capital Project Funds		Special Revenue Funds	
	Permanent Improvement	Capital Projects/ Building Fund	Food Service	Special Trust
Assets:				
Cash and Cash Equivalents	\$ 5,968,833	\$ 115,763	\$ 1,262,789	\$ 24,276
Receivables:				
Property Taxes	1,187,354	-	-	-
Due from Other Governments	-	-	-	-
Prepaid Assets	-	-	1,154	-
Materials and Supplies Inventory	-	-	21,412	-
Total Assets	\$ 7,156,187	\$ 115,763	\$ 1,285,355	\$ 24,276
Liabilities:				
Accounts Payable	\$ 400,280	\$ -	\$ 59,775	\$ 1,015
Accrued Wages and Benefits Payable	-	-	82,594	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	41,693	-
Matured Leave Benefits Payable	-	-	1,125	-
Total Liabilities	400,280	-	185,187	1,015
Deferred Inflows of Resources:				
Property Taxes	703,234	-	-	-
Unavailable Revenue	23,231	-	-	-
Total Deferred Inflows of Resources	726,465	-	-	-
Fund Balances:				
Nonspendable:				
Prepaid Assets	-	-	1,154	-
Inventories	-	-	21,412	-
Restricted for:				
Capital Outlays	5,889,442	115,763	-	-
Student Activities	-	-	-	-
Food Services	-	-	1,077,602	-
State Funded Programs	-	-	-	-
Federally Funded Programs	-	-	-	-
Local Sources	-	-	-	23,261
Committed:				
Capital Outlays	140,000	-	-	-
Total Fund Balances	6,029,442	115,763	1,100,168	23,261
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 7,156,187	\$ 115,763	\$ 1,285,355	\$ 24,276

Special
Revenue Funds

Endowment	New Albany Community Foundation Grants	Other Local Grants	District Managed Activities	Auxiliary Services	Straight A Grant	School Net Professional Development
\$ 14,164	\$ 50,376	\$ 143,840	\$ 248,951	\$ 24,339	\$ -	\$ 1,135
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 14,164</u>	<u>\$ 50,376</u>	<u>\$ 143,840</u>	<u>\$ 248,951</u>	<u>\$ 24,339</u>	<u>\$ -</u>	<u>\$ 1,135</u>
\$ -	\$ -	\$ 133	\$ 3,608	\$ 876	\$ -	\$ -
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**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2018
(CONTINUED)

	Special Revenue Funds			
	Race to the Top	Title VI-B IDEA	Title III	Title I
Assets:				
Cash and Cash Equivalents	\$ 3,850	\$ -	\$ 4	\$ -
Receivables:				
Property Taxes	-	-	-	-
Due from Other Governments	-	61,199	564	46,605
Prepaid Assets	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Total Assets	\$ 3,850	\$ 61,199	\$ 568	\$ 46,605
Liabilities:				
Accounts Payable	\$ -	\$ 1,277	\$ 433	\$ 1,181
Accrued Wages and Benefits Payable	-	49,967	-	33,631
Due to Other Funds	-	-	-	1,425
Due to Other Governments	-	7,414	-	4,839
Matured Leave Benefits Payable	-	-	-	-
Total Liabilities	-	58,658	433	41,076
Deferred Inflows of Resources:				
Property Taxes	-	-	-	-
Unavailable Revenue	-	106	-	-
	-	106	-	-
Fund Balances:				
Nonspendable:				
Prepaid Assets	-	-	-	-
Inventories	-	-	-	-
Restricted for:				
Capital Outlays	-	-	-	-
Student Activities	-	-	-	-
Food Services	-	-	-	-
State Funded Programs	3,850	-	-	-
Federally Funded Programs	-	2,435	135	5,529
Local Sources	-	-	-	-
Committed:				
Capital Outlays	-	-	-	-
Total Fund Balances	3,850	2,435	135	5,529
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,850	\$ 61,199	\$ 568	\$ 46,605

Special Revenue Funds				Total Nonmajor Governmental Funds
IDEA Preschool	Title II-A	Other Federal Grants		
\$ -	\$ -	\$ -		\$ 7,858,320
-	-	-		1,187,354
-	-	-		108,368
-	-	-		1,154
-	-	-		21,412
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 9,176,608</u>
\$ -	\$ -	\$ -		\$ 468,578
-	-	-		166,192
-	-	-		1,425
-	-	-		53,946
-	-	-		1,125
<u>-</u>	<u>-</u>	<u>-</u>		<u>691,266</u>
-	-	-		703,234
-	-	-		23,337
<u>-</u>	<u>-</u>	<u>-</u>		<u>726,571</u>
-	-	-		1,154
-	-	-		21,412
-	-	-		6,005,205
-	-	-		245,343
-	-	-		1,077,602
-	-	-		28,448
-	-	-		8,099
-	-	-		231,508
-	-	-		140,000
<u>-</u>	<u>-</u>	<u>-</u>		<u>7,758,771</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 9,176,608</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Capital Project Funds		Special Revenue Funds	
	Permanent Improvement	Capital Projects/ Building Fund	Food Service	Special Trust
Revenues:				
Property Taxes	\$ 1,124,002	\$ -	\$ -	\$ -
Tuition Fees	-	-	-	-
Co-Curricular Activities	-	-	2,780	-
Charges for Services	-	-	1,890,956	-
Other Local Revenues	55,775	-	13,721	28,696
Intergovernmental - State	2,780	-	-	-
Intergovernmental - Federal	-	-	249,872	-
Investment Income	-	9,498	23,546	-
Total Revenues	1,182,557	9,498	2,180,875	28,696
Expenditures:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Other Instruction	-	-	-	-
Support services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	-
School Administration	-	-	-	-
Business Operations	9,237	-	-	-
Operation and Maintenance of Plant	1,737,792	-	-	-
Student Transportation	-	-	-	-
Central	-	-	-	-
Food Services	-	-	2,131,967	-
Co-Curricular Activities	-	-	-	-
Community Services	-	-	-	23,773
Capital Outlay	-	559,646	-	-
Total Expenditures	1,747,029	559,646	2,131,967	23,773
Excess (Deficiency) of Revenues Over (Under) Expenditures	(564,472)	(550,148)	48,908	4,923
Other Financing Sources (Uses):				
Transfers In	5,812,650	-	-	-
Total Other Financing Sources (Uses)	5,812,650	-	-	-
Net Change in Fund Balances	5,248,178	(550,148)	48,908	4,923
Fund Balances - Beginning	781,264	665,911	1,051,260	18,338
Fund Balances - Ending	\$ 6,029,442	\$ 115,763	\$ 1,100,168	\$ 23,261

Special
Revenue Funds

Endowment	New Albany Community Foundation Grants	Other Local Grants	District Managed Activities	Auxiliary Services	Straight A Grant	School Net Professional Development
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	71,848	-	-	-	-
-	-	-	419,888	-	-	-
-	-	-	-	-	-	-
3,001	76,436	23,156	47	-	-	-
-	-	-	-	48,444	82,286	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,001</u>	<u>76,436</u>	<u>95,004</u>	<u>419,935</u>	<u>48,444</u>	<u>82,286</u>	<u>-</u>
-	-	5,096	-	-	40,585	-
-	-	-	-	-	-	-
-	-	23,462	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,424	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	93,526	24,150	386,751	-	-	-
-	-	-	-	49,156	-	-
-	-	35,383	-	-	47,383	-
-	<u>93,526</u>	<u>88,091</u>	<u>386,751</u>	<u>49,156</u>	<u>90,392</u>	<u>-</u>
3,001	(17,090)	6,913	33,184	(712)	(8,106)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,001	(17,090)	6,913	33,184	(712)	(8,106)	-
11,163	67,466	136,794	212,159	24,175	8,106	1,135
<u>\$ 14,164</u>	<u>\$ 50,376</u>	<u>\$ 143,707</u>	<u>\$ 245,343</u>	<u>\$ 23,463</u>	<u>\$ -</u>	<u>\$ 1,135</u>

(continued)

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Special Revenue Funds			
	Race to the Top	Title VI-B IDEA	Title III	Title I
Revenues:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Tuition Fees	-	-	-	-
Co-Curricular Activities	-	-	-	-
Charges for Services	-	-	-	-
Other Local Revenues	-	-	-	-
Intergovernmental - State	-	-	-	-
Intergovernmental - Federal	-	522,159	55,193	382,893
Investment Income	-	-	-	-
Total Revenues	-	522,159	55,193	382,893
Expenditures:				
Instruction:				
Regular	-	-	-	-
Special	-	479,062	48,400	-
Other Instruction	-	-	952	311,650
Support services:				
Pupils	-	-	6,256	2,740
Instructional Staff	-	10,208	1,323	-
School Administration	-	-	-	6,091
Business Operations	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Central	-	7,308	-	-
Food Services	-	-	-	-
Co-Curricular Activities	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	496,578	56,931	320,481
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	25,581	(1,738)	62,412
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	25,581	(1,738)	62,412
Fund Balances - Beginning	3,850	(23,146)	1,873	(56,883)
Fund Balances - Ending	<u>\$ 3,850</u>	<u>\$ 2,435</u>	<u>\$ 135</u>	<u>\$ 5,529</u>

Special Revenue Funds			
IDEA Preschool	Title II-A	Other Federal Grants	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 1,124,002
-	-	-	71,848
-	-	-	422,668
-	-	-	1,890,956
-	-	-	200,832
-	-	-	133,510
21,817	93,655	111,899	1,437,488
-	-	-	33,044
<u>21,817</u>	<u>93,655</u>	<u>111,899</u>	<u>5,314,348</u>
-	91,521	-	137,202
21,817	-	-	549,279
-	-	-	336,064
-	-	-	8,996
-	1,054	9,863	24,872
-	-	-	6,091
-	-	-	9,237
-	-	-	1,737,792
-	-	102,036	102,036
-	-	-	7,308
-	-	-	2,131,967
-	-	-	504,427
-	-	-	72,929
-	-	-	642,412
<u>21,817</u>	<u>92,575</u>	<u>111,899</u>	<u>6,270,612</u>
-	1,080	-	(956,264)
-	-	-	5,812,650
-	-	-	5,812,650
-	1,080	-	4,856,386
-	(1,080)	-	2,902,385
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,758,771</u>

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

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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)
Bond Retirement			
Total Revenues and Other Sources	\$ 14,593,875	\$ 8,790,796	\$ (5,803,079)
Total Expenditures and Other Uses	<u>20,826,875</u>	<u>9,526,531</u>	<u>11,300,344</u>
Net Change in Fund Balance	(6,233,000)	(735,735)	5,497,265
Fund Balances - July 1	6,233,993	6,233,993	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balances - June 30	<u>\$ 993</u>	<u>\$ 5,498,258</u>	<u>\$ 5,497,265</u>
Permanent Improvement			
Total Revenues and Other Sources	\$ 2,655,000	\$ 6,534,318	\$ 3,879,318
Total Expenditures and Other Uses	<u>3,402,740</u>	<u>1,980,774</u>	<u>1,421,966</u>
Net Change in Fund Balance	(747,740)	4,553,544	5,301,284
Fund Balances - July 1	722,287	722,287	-
Prior Year Encumbrances Appropriated	145,453	145,453	-
Fund Balances - June 30	<u>\$ 120,000</u>	<u>\$ 5,421,284</u>	<u>\$ 5,301,284</u>
Capital Projects/Building			
Total Revenues and Other Sources	\$ 500	\$ 9,498	\$ 8,998
Total Expenditures and Other Uses	<u>682,483</u>	<u>597,996</u>	<u>84,487</u>
Net Change in Fund Balance	(681,983)	(588,498)	93,485
Fund Balances - July 1	457,862	457,862	-
Prior Year Encumbrances Appropriated	224,851	224,851	-
Fund Balances - June 30	<u>\$ 730</u>	<u>\$ 94,215</u>	<u>\$ 93,485</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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)
Food Service			
Total Revenues and Other Sources	\$ 2,432,230	\$ 2,209,480	\$ (222,750)
Total Expenditures and Other Uses	<u>2,288,354</u>	<u>2,133,199</u>	<u>155,155</u>
Net Change in Fund Balance	143,876	76,281	(67,595)
Fund Balances - July 1	1,079,461	1,079,461	-
Prior Year Encumbrances Appropriated	<u>43,289</u>	<u>43,289</u>	<u>-</u>
Fund Balances - June 30	<u><u>\$ 1,266,626</u></u>	<u><u>\$ 1,199,031</u></u>	<u><u>\$ (67,595)</u></u>
Special Trust			
Total Revenues and Other Sources	\$ 42,825	\$ 28,696	\$ (14,129)
Total Expenditures and Other Uses	<u>49,975</u>	<u>27,013</u>	<u>22,962</u>
Net Change in Fund Balance	(7,150)	1,683	8,833
Fund Balances - July 1	15,088	15,088	-
Prior Year Encumbrances Appropriated	<u>3,250</u>	<u>3,250</u>	<u>-</u>
Fund Balances - June 30	<u><u>\$ 11,188</u></u>	<u><u>\$ 20,021</u></u>	<u><u>\$ 8,833</u></u>
Endowment			
Total Revenues and Other Sources	\$ 2,000	\$ 3,001	\$ 1,001
Total Expenditures and Other Uses	<u>13,163</u>	<u>-</u>	<u>13,163</u>
Net Change in Fund Balance	(11,163)	3,001	14,164
Fund Balances - July 1	11,163	11,163	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - June 30	<u><u>\$ -</u></u>	<u><u>\$ 14,164</u></u>	<u><u>\$ 14,164</u></u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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)
Uniform School Supplies			
Total Revenues and Other Sources	\$ 354,262	\$ 310,787	\$ (43,475)
Total Expenditures and Other Uses	460,382	378,104	82,278
Net Change in Fund Balance	(106,120)	(67,317)	38,803
Fund Balances - July 1	280,296	280,296	-
Prior Year Encumbrances Appropriated	103,896	103,896	-
Fund Balances - June 30	<u>\$ 278,072</u>	<u>\$ 316,875</u>	<u>\$ 38,803</u>
Rotary - Special Services			
Total Revenues and Other Sources	\$ 670,000	\$ 767,070	\$ 97,070
Total Expenditures and Other Uses	731,979	607,425	124,554
Net Change in Fund Balance	(61,979)	159,645	221,624
Fund Balances - July 1	372,091	372,091	-
Prior Year Encumbrances Appropriated	47,390	47,390	-
Fund Balances - June 30	<u>\$ 357,502</u>	<u>\$ 579,126</u>	<u>\$ 221,624</u>
Rotary - Internal Services			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	33,532	12,890	20,642
Net Change in Fund Balance	(33,532)	(12,890)	20,642
Fund Balances - July 1	27,251	27,251	-
Prior Year Encumbrances Appropriated	6,326	6,326	-
Fund Balances - June 30	<u>\$ 45</u>	<u>\$ 20,687</u>	<u>\$ 20,642</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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)
Public School Support			
Total Revenues and Other Sources	\$ 892,500	\$ 836,357	\$ (56,143)
Total Expenditures and Other Uses	824,760	786,708	38,052
Net Change in Fund Balance	67,740	49,649	(18,091)
Fund Balances - July 1	211,364	211,364	-
Prior Year Encumbrances Appropriated	9,342	9,342	-
Fund Balances - June 30	<u>\$ 288,446</u>	<u>\$ 270,355</u>	<u>\$ (18,091)</u>
New Albany Community Foundation Grants			
Total Revenues and Other Sources	\$ 165,000	\$ 76,436	\$ (88,564)
Total Expenditures and Other Uses	107,655	97,603	10,052
Net Change in Fund Balance	57,345	(21,167)	(78,512)
Fund Balances - July 1	19,611	19,611	-
Prior Year Encumbrances Appropriated	47,855	47,855	-
Fund Balances - June 30	<u>\$ 124,811</u>	<u>\$ 46,299</u>	<u>\$ (78,512)</u>
Other Local Grants			
Total Revenues and Other Sources	\$ 135,871	\$ 95,004	\$ (40,867)
Total Expenditures and Other Uses	212,399	108,745	103,654
Net Change in Fund Balance	(76,528)	(13,741)	62,787
Fund Balances - July 1	126,600	126,600	-
Prior Year Encumbrances Appropriated	10,325	10,325	-
Fund Balances - June 30	<u>\$ 60,397</u>	<u>\$ 123,184</u>	<u>\$ 62,787</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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)
District Managed Activities			
Total Revenues and Other Sources	\$ 373,302	\$ 419,935	\$ 46,633
Total Expenditures and Other Uses	490,048	404,873	85,175
Net Change in Fund Balance	(116,746)	15,062	131,808
Fund Balances - July 1	193,216	193,216	-
Prior Year Encumbrances Appropriated	31,407	31,407	-
Fund Balances - June 30	<u>\$ 107,877</u>	<u>\$ 239,685</u>	<u>\$ 131,808</u>
Auxiliary Services			
Total Revenues and Other Sources	\$ 61,005	\$ 48,444	\$ (12,561)
Total Expenditures and Other Uses	108,628	85,496	23,132
Net Change in Fund Balance	(47,623)	(37,052)	10,571
Fund Balances - July 1	933	933	-
Prior Year Encumbrances Appropriated	47,347	47,347	-
Fund Balances - June 30	<u>\$ 657</u>	<u>\$ 11,228</u>	<u>\$ 10,571</u>
Straight A			
Total Revenues and Other Sources	\$ 133,139	\$ 133,139	\$ -
Total Expenditures and Other Uses	135,975	135,975	-
Net Change in Fund Balance	(2,836)	(2,836)	-
Fund Balances - July 1	(126,409)	(126,409)	-
Prior Year Encumbrances Appropriated	129,245	129,245	-
Fund Balances - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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)
School Net Professional Development			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balances - July 1	1,135	1,135	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balances - June 30	<u>\$ 1,135</u>	<u>\$ 1,135</u>	<u>\$ -</u>
Race to the Top			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balances - July 1	3,850	3,850	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balances - June 30	<u>\$ 3,850</u>	<u>\$ 3,850</u>	<u>\$ -</u>
Title VI-B IDEA			
Total Revenues and Other Sources	\$ 878,737	\$ 525,321	\$ (353,416)
Total Expenditures and Other Uses	878,737	526,390	352,347
Net Change in Fund Balance	-	(1,069)	(1,069)
Fund Balances - July 1	(9,443)	(9,443)	-
Prior Year Encumbrances Appropriated	9,443	9,443	-
Fund Balances - June 30	<u>\$ -</u>	<u>\$ (1,069)</u>	<u>\$ (1,069)</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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)
Title III Limited English Proficiency			
Total Revenues and Other Sources	\$ 70,205	\$ 60,520	\$ (9,685)
Total Expenditures and Other Uses	69,814	64,305	5,509
Net Change in Fund Balance	391	(3,785)	(4,176)
Fund Balances - July 1	(6,785)	(6,785)	-
Prior Year Encumbrances Appropriated	6,394	6,394	-
Fund Balances - June 30	<u>\$ -</u>	<u>\$ (4,176)</u>	<u>\$ (4,176)</u>

Title I Disadvantaged Children

Total Revenues and Other Sources	\$ 421,969	\$ 374,946	\$ (47,023)
Total Expenditures and Other Uses	382,510	338,093	44,417
Net Change in Fund Balance	39,459	36,853	(2,606)
Fund Balances - July 1	(55,537)	(55,537)	-
Prior Year Encumbrances Appropriated	16,078	16,078	-
Fund Balances - June 30	<u>\$ -</u>	<u>\$ (2,606)</u>	<u>\$ (2,606)</u>

IDEA Preschool Grant for the Handicapped

Total Revenues and Other Sources	\$ 21,817	\$ 21,817	\$ -
Total Expenditures and Other Uses	21,817	21,817	-
Net Change in Fund Balance	-	-	-
Fund Balances - July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balances - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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)
Title II-A Improving Teacher Quality			
Total Revenues and Other Sources	\$ 98,036	\$ 96,824	\$ (1,212)
Total Expenditures and Other Uses	98,036	96,824	1,212
Net Change in Fund Balance	-	-	-
Fund Balances - July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balances - June 30	\$ -	\$ -	\$ -
Other Federal Grants			
Total Revenues and Other Sources	\$ 112,036	\$ 111,899	\$ (137)
Total Expenditures and Other Uses	112,036	111,899	137
Net Change in Fund Balance	-	-	-
Fund Balances - July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balances - June 30	\$ -	\$ -	\$ -

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**INDIVIDUAL FUND SCHEDULE –
PROPRIETARY FUND**

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

DESCRIPTION OF FUND

Self-Insurance Fund

An internal service fund provided to account for money received from other funds as payment for providing medical and hospitalization. Payments are made to a third party administrator for claim payments, claims administration and stop-loss coverage.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
Self-Insurance			
Total Revenues and Other Sources	\$ 7,210,000	\$ 5,270,014	\$ (1,939,986)
Total Expenses and Other Uses	<u>7,613,395</u>	<u>6,134,101</u>	<u>1,479,294</u>
Net Change in Fund Balance	(403,395)	(864,087)	(460,692)
Fund Balance - July 1	970,589	970,589	-
Prior Year Encumbrances Appropriated	<u>403,395</u>	<u>403,395</u>	-
Fund Balance - June 30	<u><u>\$ 970,589</u></u>	<u><u>\$ 509,897</u></u>	<u><u>\$ (460,692)</u></u>

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**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES –
FIDUCIARY FUNDS**

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

DESCRIPTION OF FUNDS

Agency Fund

The Agency Fund is used to account for those assets held by the District as an agent for individuals, private organization, and other governmental units.

Student Managed Activity Fund

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program.

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT
FRANKLIN COUNTY**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Agency Fund	Restated Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Pooled Cash and Cash Equivalents	\$ 625,149	\$ 262,692	\$ (176,206)	\$ 711,635
Total Assets	<u>\$ 625,149</u>	<u>\$ 262,692</u>	<u>\$ (176,206)</u>	<u>\$ 711,635</u>
Liabilities				
Accounts Payable	\$ 10,173	\$ 61,890	\$ (10,173)	\$ 61,890
Held for Student Liabilities	1,154	1,282	(1,154)	1,282
Held for Others	613,822	199,520	(164,879)	648,463
Total Liabilities	<u>\$ 625,149</u>	<u>\$ 262,692</u>	<u>\$ (176,206)</u>	<u>\$ 711,635</u>
Student Managed Activities Fund				
Assets				
Pooled Cash and Cash Equivalents	\$ 189,716	\$ 267,663	\$ (249,260)	\$ 208,119
Total Assets	<u>\$ 189,716</u>	<u>\$ 267,663</u>	<u>\$ (249,260)</u>	<u>\$ 208,119</u>
Liabilities				
Accounts Payable	\$ 102	\$ 587	\$ (102)	\$ 587
Held for Others	189,614	267,076	(249,158)	207,532
Total Liabilities	<u>\$ 189,716</u>	<u>\$ 267,663</u>	<u>\$ (249,260)</u>	<u>\$ 208,119</u>
Total Fiduciary Funds				
Assets				
Pooled Cash and Cash Equivalents	\$ 814,865	\$ 530,355	\$ (425,466)	\$ 919,754
Total Assets	<u>\$ 814,865</u>	<u>\$ 530,355</u>	<u>\$ (425,466)</u>	<u>\$ 919,754</u>
Liabilities				
Accounts Payable	\$ 10,275	\$ 62,477	\$ (10,275)	\$ 62,477
Held for Student Liabilities	1,154	1,282	(1,154)	1,282
Held for Others	803,436	466,596	(414,037)	855,995
Total Liabilities	<u>\$ 814,865</u>	<u>\$ 530,355</u>	<u>\$ (425,466)</u>	<u>\$ 919,754</u>

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Statistical Section

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Statistical Section

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

New Albany-Plain Local School District
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2009	2010	2011	2012	2013
Net Investment in Capital Assets	\$4,902,009	\$3,103,061	\$3,807,408	\$3,001,709	\$1,895,526
Restricted for:					
Capital Projects	3,079,374	2,409,293	1,974,790	1,525,240	1,035,919
Debt Service	5,963,476	6,265,829	3,313,361	7,064,459	8,821,223
Other Purposes	1,019,276	1,290,039	1,174,405	1,269,173	1,300,970
Unrestricted (Deficit)	18,523,789	21,168,715	20,391,590	17,737,291	15,388,977
Total Net Position	\$ 33,487,924	\$ 34,236,937	\$ 30,661,554	\$ 30,597,872	\$ 28,442,615

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

Note: GASB 75 was implemented in fiscal year 2018. Effects of the implementation can not fully be shown for prior years

TABLE 1 (Continued)

2014	2015	2016	2017	2018
\$4,228,582	\$1,244,691	\$1,949,725	\$3,010,874	\$6,565,333
1,712,639	917,600	681,099	665,911	6,028,436
8,400,777	8,811,823	9,158,806	9,761,201	8,122,056
1,266,925	949,436	1,100,325	1,578,622	1,613,672
(72,098,079)	(71,036,984)	(64,010,924)	(79,307,871)	(45,242,511)
<u>\$ (56,489,156)</u>	<u>\$ (59,113,434)</u>	<u>\$ (51,120,969)</u>	<u>\$ (64,291,263)</u>	<u>\$ (22,913,014)</u>

TABLE 2

New Albany-Plain Local School District
Statement of Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	2009	2010	2011	2012	2013
Expenses					
Instructional Services					
Regular Instruction	\$ 23,641,775	\$ 25,710,032	\$ 27,964,954	\$ 26,959,107	\$ 26,906,192
Special Instruction	3,545,003	5,675,960	5,104,864	4,459,481	7,199,762
Other Instruction	2,471,099	1,377,417	1,158,264	1,281,520	302,447
Support Services					
Operation and Maintenance of Plant	4,527,618	4,874,754	4,839,173	4,953,228	4,785,814
School Administration Services	3,188,968	3,245,307	3,390,913	3,615,540	3,593,327
Instructional Staff Services	1,830,033	1,848,469	3,022,696	4,149,613	3,234,302
Pupil Support Services	2,688,509	3,086,251	3,091,036	3,347,830	4,670,630
Noninstructional Services	500,981	547,262	718,386	24,868	1,261,188
Business Operation Services	1,732,937	1,914,808	1,793,867	1,696,430	1,553,796
Student Transportation Services	2,520,125	2,577,797	2,893,335	2,933,846	3,116,311
Food Services	1,440,009	1,522,331	1,701,157	1,846,693	1,665,921
Central Support Services	294,848	389,872	392,741	223,389	325,428
General Administration Services	62,520	56,280	47,949	84,179	67,217
Co-curricular Activities	2,128,718	2,172,429	2,094,290	2,157,761	2,377,092
Community Services	332,724	143,191	207,908	274,970	288,373
Interest and Fiscal Charges	4,559,886	4,476,887	4,888,623	3,022,388	3,362,605
Total Expenses	55,465,753	59,619,047	63,310,156	61,030,843	64,710,405
Program Revenues					
Charges for Services					
Instructional Services					
Regular Instruction	288,599	421,802	429,078	525,933	565,476
Special Instruction	-	144,986	157,965	115	-
Other Instruction	-	-	-	-	100
Support Services					
Operation and Maintenance of Plant	-	-	-	-	-
School Administration Services	103,471	101,591	17,152	120,340	138,181
Instructional Staff Services	-	-	-	-	-
Pupil Support Services	-	-	-	-	-
Noninstructional Services	11,155	-	-	450	5,390
Food Services	1,401,824	1,469,868	1,506,690	1,563,838	1,522,171
Co-curricular Activities	496,713	439,992	536,953	445,150	620,809
Community Services	190,520	22,042	25,832	9,640	36,325
Operating Grants and Contributions					
Instructional Services					
Regular Instruction	-	-	-	307,032	79,905
Special Instruction	777,492	887,993	1,076,431	714,963	660,546
Other Instruction	2,800	2,800	-	30,625	166,534
Support Services					
Operation and Maintenance of Plant	20,178	110,041	169,331	-	-
School Administration Services	-	-	-	-	-
Instructional Staff Services	2,970	-	-	13,253	38,649
Pupil Support Services	-	-	-	501	1,511
Student Transportation Services	605,073	654,523	720,194	-	-
Food Services	159,347	233,177	276,475	276,187	182,037
Central Support Services	61,172	54,737	53,680	1,474	161
Community Services	74,370	70,166	71,654	63,416	65,297
Capital Grants and Contributions					
Support Services					
Instructional Staff Services	-	-	-	-	-
Total Program Revenues	4,195,684	4,613,718	5,041,435	4,072,917	4,083,092
Net Expense	(51,270,069)	(55,005,329)	(58,268,721)	(56,957,926)	(60,627,313)

TABLE 2 (Continued)

	2014	2015	2016	2017	2018
\$	28,001,405	\$ 33,981,235	\$ 28,860,845	\$ 29,917,308	\$ 10,866,617
	7,306,424	7,486,053	7,046,272	7,487,237	3,799,469
	746,491	689,530	521,166	535,501	155,795
	4,864,445	5,162,600	5,217,919	5,404,503	5,326,902
	3,822,655	4,174,092	3,814,959	4,701,499	2,270,399
	2,850,446	3,067,657	2,076,463	2,946,189	1,036,896
	4,258,032	5,079,793	4,992,271	5,298,253	2,892,435
	698,994	691,638	1,226,376	1,066,295	1,295,669
	1,812,908	1,941,571	2,228,995	1,763,179	1,400,171
	3,764,657	3,161,535	2,542,317	2,174,653	2,189,773
	1,963,493	2,154,677	1,826,821	1,972,577	1,848,320
	452,100	406,384	424,234	443,526	382,537
	112,230	249,593	197,733	265,252	154,987
	2,301,345	2,320,117	1,825,133	2,081,074	1,177,738
	274,436	290,138	258,128	421,618	272,929
	4,966,005	4,529,080	4,523,826	3,839,694	3,619,659
	68,196,066	75,385,693	67,583,458	70,318,358	38,690,296
	514,091	566,203	875,859	964,464	1,216,184
	-	-	-	-	438,104
	2,375	27,802	31,536	46,350	95,004
	145,273	138,735	115,722	118,262	92,944
	-	-	-	-	51,446
	-	-	-	-	171,450
	-	4,503	525,753	655,473	770,071
	1,622,719	1,693,017	1,786,967	1,867,403	1,907,457
	532,163	930,616	982,825	1,047,078	1,044,898
	11,440	12,745	9,699	14,581	28,696
	283,798	847,391	30,284	93,217	89,742
	869,520	867,568	939,835	1,077,847	617,109
	248,763	273,561	285,780	318,978	313,517
	-	-	-	-	-
	-	7,218	3,957	6,480	6,096
	54,401	421,062	26,076	223,285	21,710
	27,980	27,879	16,491	37,006	8,576
	-	-	-	-	-
	261,802	254,745	287,563	282,420	249,872
	75	198	-	16,709	6,858
	73,500	67,709	66,936	207,895	48,444
	-	-	-	-	102,036
	4,647,900	6,140,952	5,985,283	6,977,448	7,280,214
	(63,548,166)	(69,244,741)	(61,598,175)	(63,340,910)	(31,410,082)

New Albany-Plain Local School District
Statement of Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	2009	2010	2011	2012	2013
General Revenues					
Property Taxes and Payments in Lieu of Taxes	48,306,837	46,850,696	46,625,753	47,455,155	49,750,667
Grants and Entitlements not Restricted to Specific Programs	6,690,344	7,740,956	7,601,996	9,006,798	8,177,095
Investment Earnings	390,094	180,761	73,932	34,453	38,037
Capital Donations	-	-	-	-	-
Other Local Revenues	1,998,268	981,929	391,657	397,838	506,257
Total General Revenues	<u>57,385,543</u>	<u>55,754,342</u>	<u>54,693,338</u>	<u>56,894,244</u>	<u>58,472,056</u>
Change in Net Position	<u>\$ 6,115,474</u>	<u>\$ 749,013</u>	<u>\$ (3,575,383)</u>	<u>\$ (63,682)</u>	<u>\$ (2,155,257)</u>

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

Note: GASB 75 was implemented in fiscal year 2018. Effects of the implementation can not fully be shown for prior year

TABLE 2 (Continued)

2014	2015	2016	2017	2018
54,914,069	56,494,448	59,194,567	59,768,135	61,097,721
8,865,740	9,240,735	9,751,205	9,941,432	10,411,082
37,943	39,843	116,415	238,523	536,915
1,500,000	-	-	-	-
568,558	845,437	528,453	576,021	742,613
65,886,310	66,620,463	69,590,640	70,524,111	72,788,331
\$ 2,338,144	\$ (2,624,278)	\$ 7,992,465	\$ 7,183,201	\$ 41,378,249

New Albany-Plain Local School District
Program Revenues by Function
Last Ten Fiscal Years
(accrual basis of accounting)

<i>Function</i>	2009	2010	2011	2012	2013
Regular Instruction	\$288,599	\$566,788	\$429,078	\$832,965	\$645,381
Special Instruction	777,492	887,993	1,234,396	715,078	660,546
Continuing	2,800	2,800	-	30,625	166,634
Operation and Maintenance of Plant	20,178	110,041	169,331	-	-
Instructional Staff Support Services	2,970	-	-	13,253	38,649
Pupil Support Services	-	-	-	501	1,511
Administration Support Services	103,471	101,591	17,152	120,340	138,181
Noninstructional Services	11,155	-	-	450	5,390
Pupil Transportation Support Services	605,073	654,523	720,194	-	-
Food Services Support	1,561,171	1,703,045	1,783,165	1,840,025	1,704,208
Central Support Services	61,172	54,737	53,680	1,474	161
Community Services	264,890	92,208	97,486	73,056	101,622
Co-curricular Activities	496,713	439,992	536,953	445,150	620,809
<i>Total Program Revenues</i>	<u>\$ 4,195,684</u>	<u>\$ 4,613,718</u>	<u>\$ 5,041,435</u>	<u>\$ 4,072,917</u>	<u>\$ 4,083,092</u>

TABLE 3 (Continued)

2014	2015	2016	2017	2018
\$797,889	\$1,413,594	\$906,143	\$1,057,681	\$1,305,926
869,520	867,568	939,835	1,077,847	1,055,213
251,138	301,363	317,316	365,328	408,521
-	-	-	-	-
54,401	421,062	26,076	223,285	73,156
27,980	27,879	16,491	37,006	180,026
145,273	145,953	119,679	124,742	99,040
-	4,503	525,753	655,473	770,071
-	-	-	-	102,036
1,884,521	1,947,762	2,074,530	2,149,823	2,157,329
75	198	-	16,709	6,858
84,940	80,454	76,635	222,476	77,140
532,163	930,616	982,825	1,047,078	1,044,898
<u>\$ 4,647,900</u>	<u>\$ 6,140,952</u>	<u>\$ 5,985,283</u>	<u>\$ 6,977,448</u>	<u>\$ 7,280,214</u>

TABLE 4

New Albany-Plain Local School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2009	2010	2011	2012	2013
General Fund					
Nonspendable	N/A	N/A	\$ -	\$ -	\$ -
Assigned	N/A	N/A	664,139	1,522,715	3,506,861
Unassigned	N/A	N/A	26,706,800	24,158,465	19,518,921
Reserved	\$ 13,311,123	\$ 15,047,616	N/A	N/A	N/A
Unreserved	11,127,186	11,903,310	N/A	N/A	N/A
Total General Fund	24,438,309	26,950,926	27,370,939	25,681,180	23,025,782
All Other Governmental Funds					
Nonspendable	N/A	N/A	21,461	18,417	27,121
Restricted	N/A	N/A	9,838,003	10,061,469	56,015,320
Committed	N/A	N/A	-	-	-
Unassigned	N/A	N/A	-	-	(5,496)
Reserved	3,081,320	2,761,965	N/A	N/A	N/A
Unreserved, Undesignated, Reported in:					
Building Funds	477,553	-	N/A	N/A	N/A
Capital Projects Funds	2,001,740	2,349,051	N/A	N/A	N/A
Debt Service Funds	3,525,870	3,849,278	N/A	N/A	N/A
Special Revenue Funds	940,798	1,181,229	N/A	N/A	N/A
Total All Other Governmental Funds	10,027,281	10,141,523	9,859,464	10,079,886	56,036,945
Total Governmental Funds	\$ 34,465,590	\$ 37,092,449	\$ 37,230,403	\$ 35,761,066	\$ 79,062,727

N/A- Fund Balance classifications are not applicable due to implementation of GASB 54 in fiscal year 2011 including restatement of fiscal year 2010.

TABLE 4 (Continued)

2014	2015	2016	2017	2018
\$ 13,867	\$ 52,659	\$ 58,785	\$ 121,768	\$ 110,944
9,345,354	3,347,865	20,056,112	24,894,733	26,663,522
13,817,267	19,133,109	8,488,775	10,800,222	11,168,149
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
23,176,488	22,533,633	28,603,672	35,816,723	37,942,615
18,007	22,545	29,125	27,543	22,566
28,435,084	10,903,907	11,149,528	12,078,746	15,848,052
-	460,000	859,535	781,264	140,000
(53,909)	(632)	-	(81,109)	-
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	N/A	N/A
28,399,182	11,385,820	12,038,188	12,806,444	16,010,618
\$ 51,575,670	\$ 33,919,453	\$ 40,641,860	\$ 48,623,167	\$ 53,953,233

New Albany-Plain Local School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2009	2010	2011	2012	2013
Revenues					
Property Taxes and					
Payment in Lieu of Taxes	\$ 48,149,546	\$ 46,928,454	\$ 47,753,664	\$ 47,585,376	\$ 49,849,520
Intergovernmental	9,182,626	9,816,249	10,008,755	8,992,674	9,371,735
Investment Income	390,094	180,761	74,091	34,453	38,037
Co-curricular Activities	419,948	531,502	671,810	719,588	746,759
Charges for Services	1,397,945	1,469,868	1,506,531	1,560,333	1,511,045
Tuition and Fees	589,516	546,656	439,124	356,417	564,976
Other	1,294,261	1,008,952	460,754	425,812	1,519,646
<i>Total Revenues</i>	<u>61,423,936</u>	<u>60,482,442</u>	<u>60,914,729</u>	<u>59,674,653</u>	<u>63,601,718</u>
Expenditures					
Current:					
Instruction:					
Regular	19,997,300	22,170,645	24,242,675	23,504,486	23,395,153
Special	3,498,120	5,706,040	5,057,384	4,387,159	7,187,469
Other	2,470,604	1,376,922	1,118,678	1,276,835	303,577
Support Services:					
Operation and Maintenance of Plant	4,478,803	4,831,985	4,788,709	5,031,596	4,732,066
School Administration Services	3,126,068	3,328,472	3,270,554	3,691,706	3,598,397
Instructional Staff Services	1,749,791	1,774,179	2,836,154	4,167,850	3,227,256
Pupil Support Services	2,636,482	3,114,998	3,131,989	3,311,980	4,651,189
Noninstructional Services	500,981	547,262	718,386	24,868	1,261,188
Business Operation Services	1,711,415	1,895,649	1,795,106	1,677,910	1,637,885
Student Transportation Services	2,361,963	2,342,197	2,667,181	2,825,927	3,097,253
Food Services	1,423,614	1,507,350	1,689,153	1,843,140	1,657,285
Central Support Services	278,594	394,016	3,857,255	228,996	323,642
General Administration Services	62,520	56,280	47,949	84,179	67,217
Co-curricular Activities	1,592,364	1,646,544	1,610,997	1,636,420	1,859,234
Community Services	456,166	266,633	331,350	274,970	288,373
Capital Outlay	-	-	-	-	708,559
Debt Service:					
Issuance Costs	-	-	-	369,701	405,663
Principal Retirement	2,218,793	2,857,467	2,500,759	3,960,000	4,885,000
Interest and Fiscal Charges	4,528,923	4,038,944	4,731,902	2,664,934	2,509,277
Net SWAP Termination Payment	-	-	-	5,636,700	-
<i>Total Expenditures</i>	<u>53,092,501</u>	<u>57,855,583</u>	<u>64,396,181</u>	<u>66,599,357</u>	<u>65,795,683</u>
<i>Excess of Revenues Over</i>					
<i>(Under) Expenditures</i>	<u>8,331,435</u>	<u>2,626,859</u>	<u>(3,481,452)</u>	<u>(6,924,704)</u>	<u>(2,193,965)</u>
Other Financing Sources (Uses)					
Inception of Capital Lease	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Other	-	-	-	1,154	-
Refunding Bonds Issued	3,400,000	-	-	32,014,040	48,830,000
Premium on Refunding Bonds Issued	84,705	-	-	6,075,348	660,539
Payment to Refunded Bond Escrow Agent	(3,415,000)	-	(8,695,124)	(32,635,175)	(3,994,913)
Proceeds from Sale of Long Term Notes	-	-	8,140,000	-	-
Premium on Sale of Notes	-	-	703,000	-	-
Transfers In	75,000	308,688	274,488	272,987	231,288
Transfers Out	(75,000)	(308,688)	(274,488)	(272,987)	(231,288)
<i>Total Other Financing Sources (Uses)</i>	<u>69,705</u>	<u>-</u>	<u>147,876</u>	<u>5,455,367</u>	<u>45,495,626</u>
<i>Net Change in Fund Balances</i>	<u>\$ 8,401,140</u>	<u>\$ 2,626,859</u>	<u>\$ (3,333,576)</u>	<u>\$ (1,469,337)</u>	<u>\$ 43,301,661</u>
Debt Service as a Percentage of					
Noncapital Expenditures	12.8%	12.4%	11.4%	10.1%	11.4%

TABLE 5 (Continued)

2014	2015	2016	2017	2018
\$ 54,694,983	\$ 56,552,299	\$ 59,172,397	\$ 59,362,324	\$ 60,860,514
10,633,791	12,045,628	11,422,060	11,999,864	12,080,634
37,943	39,843	116,373	225,203	545,391
663,400	949,867	1,051,835	1,120,020	1,064,139
1,620,201	1,687,195	1,776,581	1,846,532	1,890,956
514,091	563,901	1,400,297	1,618,075	2,716,102
2,568,512	899,301	561,521	704,654	873,202
<u>70,732,921</u>	<u>72,738,034</u>	<u>75,501,064</u>	<u>76,876,672</u>	<u>80,030,938</u>
24,567,564	26,027,302	24,469,602	24,246,060	26,321,356
7,240,447	7,570,716	6,915,016	7,297,240	8,462,865
785,539	682,883	508,857	452,930	399,697
4,764,053	5,128,757	5,107,576	5,384,066	6,959,513
3,878,464	4,149,140	3,689,729	3,852,280	4,178,254
2,842,083	3,266,695	2,040,386	2,838,206	2,275,837
4,886,880	5,152,660	4,909,752	5,159,218	5,492,455
698,994	701,567	1,225,690	1,067,898	1,306,782
1,809,664	1,957,494	2,224,318	1,781,657	1,595,301
3,533,512	2,953,785	2,325,047	2,346,039	2,448,541
1,944,863	2,144,447	1,945,366	1,924,284	2,131,967
451,808	408,636	417,602	431,811	421,411
112,230	249,593	197,000	265,419	155,381
1,798,444	1,900,243	1,297,768	1,682,146	1,760,340
274,436	290,138	255,334	414,860	272,929
28,525,600	18,367,846	339,905	873,932	642,412
-	-	151,524	196,388	-
6,384,752	5,898,459	6,323,175	6,406,266	6,474,884
4,159,930	4,023,479	3,842,078	3,346,252	3,415,415
-	-	-	-	-
<u>98,659,263</u>	<u>90,873,840</u>	<u>68,185,725</u>	<u>69,966,952</u>	<u>74,715,340</u>
(27,926,342)	(18,135,806)	7,315,339	6,909,720	5,315,598
435,012	479,589	100,800	741,870	-
4,273	-	17,150	351	700
-	-	-	-	13,768
-	-	8,225,000	14,605,000	-
-	-	857,343	1,911,394	-
-	-	(8,928,293)	(16,316,556)	-
-	-	-	-	-
-	-	-	-	-
269,390	652,188	670,000	720,000	5,812,650
<u>(269,390)</u>	<u>(652,188)</u>	<u>(1,534,932)</u>	<u>(720,000)</u>	<u>(5,812,650)</u>
439,285	479,589	(592,932)	942,059	14,468
<u>\$ (27,487,057)</u>	<u>\$ (17,656,217)</u>	<u>\$ 6,722,407</u>	<u>\$ 7,851,779</u>	<u>\$ 5,330,066</u>
15.2%	13.6%	15.0%	14.1%	13.6%

New Albany-Plain Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Tax Years

Tax Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2008	\$ 778,286,160	\$ 117,927,120	\$ 2,560,609,371	\$ 32,371,414	\$ 7,408,516,530
2009	768,536,440	120,976,440	2,541,465,371	21,393,290	7,322,453,318
2010	762,644,840	121,158,200	2,525,151,543	23,342,330	7,281,411,065
2011	687,670,440	119,150,110	2,305,201,571	21,153,020	6,646,727,404
2012	687,216,730	123,225,140	2,315,548,200	21,661,930	6,677,743,229
2013	687,959,710	121,129,250	2,311,682,743	22,685,980	6,669,624,922
2014	720,630,350	125,091,970	2,416,349,486	30,740,320	6,991,685,159
2015	729,461,910	155,396,420	2,528,166,657	36,970,570	7,328,963,506
2016	732,941,290	160,596,580	2,552,965,343	44,714,600	7,421,942,694
2017	787,143,730	167,699,720	2,728,124,143	46,857,420	7,928,518,751

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. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. 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. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property was eliminated.

Values are shown net of exempt property.

Source: Ohio Department of Taxation

TABLE 6 (Continued)

Tangible Personal Property		Total			Effective Tax Rate (Per \$1,000 of Assessed Value)	Voted Tax Rate (Per \$1,000 of Assessed Value)
General Business		Assessed Value	Estimated Actual Value	Ratio		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Effective Tax Rate (Per \$1,000 of Assessed Value)	Voted Tax Rate (Per \$1,000 of Assessed Value)
\$ 12,658,684	\$ 50,634,736	\$ 941,243,378	\$ 10,019,760,637	9%	\$49.47	\$64.40
1,082,840	4,331,360	911,989,010	9,868,250,050	9%	52.39	66.95
499,420	1,997,680	907,644,790	9,808,560,288	9%	52.79	67.15
-	-	827,973,570	8,951,928,976	9%	55.84	68.36
-	-	832,103,800	8,993,291,429	9%	62.71	75.20
-	-	831,774,940	8,981,307,665	9%	62.56	74.99
-	-	876,462,640	9,408,034,645	9%	60.43	74.74
-	-	921,828,900	9,857,130,163	9%	59.87	74.34
-	-	938,252,470	9,974,908,037	9%	59.46	74.09
-	-	1,001,700,870	10,656,642,894	9%	57.68	72.34

New Albany-Plain Local School District
Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Years

Tax Year/ Collection Year	Direct Rates					Total
	Voted			Unvoted		
	General	Bond	Perm. Improve.			
2017/2018	\$ 58.84	\$ 7.75	\$ 1.25	\$ 4.50	\$ 72.34	
2016/2017	58.84	10.75	-	4.50	74.09	
2015/2016	58.84	11.00	-	4.50	74.34	
2014/2015	58.84	11.40	-	4.50	74.74	
2013/2014	58.84	11.65	-	4.50	74.99	
2012/2013	58.84	11.86	-	4.50	75.20	
2011/2012	54.60	9.26	-	4.50	68.36	
2010/2011	54.60	8.05	-	4.50	67.15	
2009/2010	54.60	7.85	-	4.50	66.95	
2008/2009	50.40	7.50	2.00	4.50	64.40	

Source: Franklin 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							
Joint Park/ Library Operating	Franklin County	City of New Albany	Eastland Career Vocational	Blendon Township	Plain Township	Columbus City	
\$ 4.39	\$ 18.92	\$ 1.94	\$ 2.00	\$ 37.20	\$ 13.67	\$ 3.14	
4.39	18.47	1.94	2.00	37.11	13.67	3.14	
4.39	18.47	1.94	2.00	32.51	13.40	3.14	
4.39	18.47	1.94	2.00	32.51	13.40	3.14	
4.39	18.47	1.94	2.00	30.65	13.77	3.14	
4.59	18.47	1.94	2.00	30.65	13.77	3.14	
4.49	18.07	1.94	2.00	29.10	13.77	3.14	
4.49	18.07	1.94	2.00	29.10	13.77	3.14	
3.89	18.07	1.94	5.00	26.56	13.77	3.14	
3.89	18.49	1.94	2.00	26.56	13.77	3.14	

New Albany-Plain Local School District
Property Tax Levies and Collections (1)
Last Ten Calendar 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
2008	\$48,237,636	\$44,613,801	92.49%	\$ 1,170,736	\$45,784,537	94.91%
2009	47,896,299	45,060,457	94.08%	501,836	45,562,293	95.13%
2010	51,125,874	47,807,528	93.51%	1,308,891	49,116,419	96.07%
2011	51,122,334	47,614,815	93.14%	1,106,885	48,721,700	95.30%
2012	50,282,016	44,499,801	88.50%	1,112,315	45,612,116	90.71%
2013	57,293,638	50,727,700	88.54%	1,127,311	51,855,011	90.51%
2014	52,378,211	50,783,521	96.96%	920,062	51,703,583	98.71%
2015	53,485,756	52,664,293	98.46%	843,319	53,507,612	100.04%
2016	55,762,199	54,048,546	96.93%	1,145,446	55,193,992	98.98%
2017	56,641,345	54,353,402	95.96%	1,272,262	55,625,664	98.21%

Source: Franklin 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

New Albany-Plain Local School District
Principal Taxpayers
Real Estate Tax
2017 and 2008(1)

Name of Taxpayer	2017	
	Assessed Value	Percent of Real Property Assessed Value
Leslie H. Wexner	\$ 20,669,460	2.16%
New Albany Co. LLC	17,355,050	1.82%
Discover Properties	13,717,170	1.44%
4701 Rexwood Drive	11,375,000	1.19%
New Albany Portfolio	7,490,020	0.78%
Fairway Lakes LLC	6,845,520	0.72%
Nationwide Mutual	6,105,720	0.64%
Berkeley Park LLC	5,810,000	0.61%
CVG12 New Albany OH LLC	4,016,360	0.42%
New Albany Hotel Associates LLC	3,955,010	0.41%
Total	<u>\$ 97,339,310</u>	<u>10.19%</u>
Total Assessed Valuation	<u>\$ 954,843,450</u>	
	2008	
Name of Taxpayer	Assessed Value	Percent of Real Property Assessed Value
New Albany Co. LLC	\$ 37,468,360	4.18%
Leslie H. Wexner	20,377,030	2.27%
4701 Rexwood Drive	9,867,380	1.10%
Fairway Lakes LLC	8,035,240	0.90%
Abercrombie & Fitch	7,213,400	0.80%
Tween Brands Service	5,178,440	0.58%
Meijer Stores LP	4,988,830	0.56%
Berkeley Park LLC	4,725,000	0.53%
Total	<u>\$ 97,853,680</u>	<u>10.92%</u>
Total Assessed Valuation	<u>\$ 896,213,280</u>	

Source: Franklin County Auditor's Office

(1) The amounts presented represent the assessed values upon which 2018 and 2009 collections were based.

New Albany-Plain Local School District
Principal Taxpayers
Tangible Personal Property Tax
2017 and 2008 (1)

Name of Taxpayer	2017	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Not Applicable (2)		
Total	\$ -	
Total Assessed Valuation	\$ -	
Name of Taxpayer	2008	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Abercrombie & Fitch Stores	\$ 3,738,610	29.52%
Abercrombie & Fitch Management Co.	1,986,150	15.69%
Discover Financial Services	1,690,120	13.35%
Ohio Bell Telephone Company	686,470	5.42%
New Par	563,950	4.46%
Meijer Stores, LP	522,330	4.13%
Tween Brands	467,050	3.69%
Abercrombie & Fitch Trading Co	401,610	3.17%
IBM Credit LLC	304,980	2.41%
New Albany Co. LLC	267,720	2.11%
Total	\$ 10,628,990	83.97%
Total Assessed Valuation	\$ 12,658,684	

Source: Franklin County Auditor's Office

(1) The amounts presented represent the assessed values upon which 2018 and 2009 collections were based.

(2) The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. 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.

New Albany-Plain Local School District

*Principal Taxpayers**Public Utilities Tax**2017 and 2008 (1)*

Name of Taxpayer	2017	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Power Company (formerly Columbus Sothern Power Co.)	\$ 28,409,520	60.63%
All other Public Utilities	18,447,900	39.37%
Total	\$ 46,857,420	100.00%
Total Assessed Valuation	\$ 46,857,420	

Name of Taxpayer	2008	
	Assessed Value	Percent of Public Utility Assessed Value
Columbus Southern Power Co.	\$ 16,574,160	51.20%
All other Public Utilities	15,797,254	48.80%
Total	\$ 32,371,414	100.00%
Total Assessed Valuation	\$ 32,371,414	

Source: Franklin County Auditor's Office

(1) The amounts presented represent the assessed values upon which 2018 and 2009 collections were based.

New Albany-Plain Local School District
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Estimated Population (1)	Franklin Cty. Median Income (2)	Franklin Cty. Personal Income (2)	Energy Conservation Notes (3)	School Improvement Bonds (3)	Capital Leases	Accumulated Accretion
2009	\$14,410	\$35,952	\$56,696	\$ 2,080,000	\$ 77,371,826	\$ 93,730	\$ 6,384,658
2010	19,606	NA	57,602	1,930,000	75,119,145	7,385	6,820,567
2011	19,606	NA	57,602	1,770,000	75,202,803	-	7,272,863
2012	19,606	NA	69,808	1,605,000	76,753,715	-	6,367,889
2013	19,816	NA	75,336	1,435,000	118,455,284	-	5,548,779
2014	20,097	NA	75,978	1,260,000	112,743,946	355,260	5,464,076
2015	20,802	NA	73,657	1,075,000	107,809,033	591,390	5,095,641
2016	22,323	NA	69,377	880,000	102,796,774	429,015	4,595,631
2017	26,586	NA	70,404	675,000	97,428,752	793,116	4,500,163
2018	NA	NA	NA	460,000	90,546,954	648,232	5,146,458

Sources:

(1) Ohio Municipal Advisory Council, U.S. Census Bureau

(2) Ohio Department of Taxation

(3) OMAC; District Financial Records

NA - Information Not Available

TABLE 12 (Continued)

<u>Bond Anticipation Notes</u>	<u>Total Debt Outstanding</u>	<u>Ratio of Total Debt to Personal Income</u>	<u>Total Debt Per Capita</u>
\$ 2,080,000	\$ 88,010,214	9.28%	\$6,108
1,930,000	85,807,097	13.16%	4,377
-	84,245,666	13.41%	4,297
-	84,726,604	16.15%	4,321
-	125,439,063	11.90%	6,330
-	119,823,282	12.74%	5,962
-	114,571,064	13.37%	5,508
-	108,701,420	14.25%	4,869
-	103,397,031	18.10%	3,889
-	96,801,644	NA	NA

New Albany-Plain Local School District
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)	Net General Bonded Debt per Capita	General Bonded Debt per Enrollment
2009	\$79,873,008	0.81%	\$5,543	\$41,840
2010	77,603,883	0.79%	3,958	41,433
2011	79,162,305	0.88%	4,038	41,511
2012	76,057,145	0.85%	3,879	40,869
2013	115,182,840	1.28%	5,813	70,148
2014	109,807,245	1.17%	5,464	62,497
2015	104,092,851	1.06%	5,004	62,744
2016	98,233,599	0.98%	4,401	54,940
2017	92,167,714	0.86%	3,467	54,376
2018	87,571,356	NA	NA	49,197

Source: Ohio Municipal Advisory Council

(1) Represents Total Debt Outstanding from Table 12 less Capital Leases and Energy Conservation Notes from Table 12 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. Fiscal year 2018 is calculated using the 2017 estimated actual value due to 2018 information not being available.

NA - Information Not Available

TABLE 14

New Albany-Plain Local School District
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities*
June 30, 2018

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct Debt			
School District as of June 30, 2018	\$ 96,801,644	100.00%	\$ 96,801,644
Overlapping Debt:			
Payable from Property Taxes:			
Franklin County	262,543,000	3.46%	9,083,988
City of Columbus	1,539,245,000	1.67%	25,705,392
City of New Albany	25,845,000	98.64%	25,493,508
Plain Township	1,221,000	98.97%	1,208,424
Eastland-Fairfield Career & Tech. Center	1,400,000	12.27%	171,780
New Albany-Plain Local Park District	4,254,476	99.16%	4,218,738
Solid Waste Authority of Central Ohio	83,650,000	3.18%	2,660,070
Total Overlapping Debt	<u>1,918,158,476</u>		<u>68,541,899</u>
Total Direct and Overlapping Debt	<u>\$2,014,960,120</u>		<u>\$165,343,543</u>

Source: Calender and Fiscal Year 2017 audit reports

(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 2017.

New Albany-Plain Local School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2009	2010	2011	2012
Assessed Valuation (1)	\$ 911,989,010	\$ 907,644,790	\$ 827,973,570	\$ 832,103,800
Debt Limit - 9% of Assessed Value (2)	82,079,011	81,688,031	74,517,621	74,889,342
Amount of Debt Applicable to Debt Limit	87,916,484	85,799,712	84,245,666	84,726,604
Less Amount Available in Debt Service	3,849,278	6,416,778	6,677,500	7,285,473
Net Indebtedness Subject to Limitation	84,067,206	79,382,934	77,568,166	77,441,131
Exemptions:				
Energy Conservation Notes	2,080,000	1,930,000	1,770,000	1,605,000
Accumulated Accretion	6,384,658	6,820,567	7,272,863	6,367,889
Amount of Debt Subject to Limit	75,602,548	70,632,367	68,525,303	69,468,242
Legal Debt Margin	6,476,463	11,055,664	5,992,318	5,421,100
Legal Debt Margin as a Percentage of the Debt Limit	7.89%	13.53%	8.04%	7.24%
Unvoted Debt Limit - .10% of Assessed Value (1)	911,989	907,645	827,974	832,104
Applicable District Debt Outstanding	-	-	-	-
Unvoted Legal Debt Margin	\$ 911,989	\$ 907,645	\$ 827,974	\$ 832,104
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

(1) In 2006, HB 530 changed the assessed valuation utilized in the legal debt margin calculation to exclude general business tangible personal property tax as well as railroad and telephone tangible property.

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

Note: The amount of debt presented as subject to the limit should be the balances used to compute the margin as specified by statute, i.e. the gross balances, not amounts that are net of premiums or discounts.

TABLE 15 (Continued)

2013	2014	2015	2016	2017
<u>\$ 831,774,940</u>	<u>\$ 876,462,640</u>	<u>\$ 921,828,900</u>	<u>\$ 938,252,470</u>	<u>\$ 1,001,700,870</u>
74,859,745	78,881,638	82,964,601	84,442,722	90,153,078
125,439,063	119,468,022	113,979,674	108,272,405	102,603,915
9,140,379	8,664,519	9,073,642	9,397,522	9,904,059
116,298,684	110,803,503	104,906,032	98,874,883	92,699,856
1,435,000	1,260,000	1,075,000	880,000	675,000
5,548,779	5,464,076	5,095,641	4,595,631	4,500,163
109,314,905	104,079,427	98,735,391	93,399,252	87,524,693
<u>(34,455,160)</u>	<u>(25,197,789)</u>	<u>(15,770,790)</u>	<u>(8,956,530)</u>	<u>2,628,385</u>
-46.03%	-31.94%	-19.01%	-10.61%	2.92%
<u>831,775</u>	<u>876,463</u>	<u>921,829</u>	<u>938,252</u>	<u>1,001,701</u>
-	-	-	-	-
<u>\$ 831,775</u>	<u>\$ 876,463</u>	<u>\$ 921,829</u>	<u>\$ 938,252</u>	<u>\$ 1,001,701</u>
100.00%	100.00%	100.00%	100.00%	100.00%

New Albany-Plain Local School District
Demographic and Economic Statistics
Last Ten Years

Fiscal Year	District Population (1)	Franklin County Per Capita Personal Income	Median Income (2)	District Enrollment (3)	Unemployment Rate (4)
2009	14,410	\$35,952	\$56,696	4,106	9.9%
2010	19,606	NA	57,602	4,180	9.8%
2011	19,606	NA	68,627	4,324	8.9%
2012	19,606	NA	69,808	4,426	7.2%
2013	19,816	NA	75,336	4,656	6.4%
2014	20,097	NA	75,978	4,732	4.8%
2015	20,802	NA	73,657	4,845	4.2%
2016	22,323	NA	69,377	4,839	4.1%
2017	26,586	NA	70,404	4,847	4.4%
2018	NA	NA	NA	4,958	4.5%

Sources:

- (1) Ohio Municipal Advisory Council, U.S. Census Bureau
- (2) Ohio Department of Education
- (3) District data
- (4) Bureau of Labor Statistics Website. All information as of June 30 of each fiscal year.

***Note: School District encompasses the City of New Albany, Blendon and Plain Township and part of the City of Columbus

TABLE 17

New Albany-Plain Local School District
Greater Columbus Metropolitan Area Principal Employers
Current Year and Nine Years Ago

Employer	Nature of Business	2017	
		Number of Employees	Percentage of Total Employment
The Ohio State University	Education	30,804	4.68%
State of Ohio	Government	24,067	3.65%
Kroger Company	Retail	22,821	3.47%
Ohio Health	Healthcare	21,117	3.21%
JP Morgan Chase & Co	Financial Services	18,600	2.82%
Nationwide Insurance	Financial Services	14,100	2.14%
Nationwide Children's Hospital	Healthcare	10,032	1.52%
Mt. Carmel Health Systems	Healthcare	8,852	1.34%
City of Columbus	Government	8,815	1.34%
Columbus City Schools	Education	8,004	1.22%
Total		167,212	
Total Employment within the Area		658,600	
Employer	Nature of Activity	2008	
		Number of Employees	Percentage of Total Employment
State of Ohio	Government	24,492	4.18%
The Ohio State University	Education	21,107	3.60%
JP Morgan Chase & Co	Financial Services	14,689	2.50%
Nationwide Insurance	Financial Services	11,441	1.95%
United State Government	Government	10,762	1.84%
Ohio Health	Healthcare	10,592	1.81%
Columbus City Schools	Education	8,276	1.41%
City of Columbus	Government	8,227	1.40%
Franklin County	Government	6,310	1.08%
Limited Brands Inc	Retail	6,250	1.07%
Total		122,146	
Total Employment within the Area		586,400	

Source: Franklin County 2017 Comprehensive Annual Financial Report

New Albany-Plain Local School District
School District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instructional Staff	264.30	276.30	274.30	273.45	279.60	283.60	287.00	256.00	267.00	272.00
Instructional Support Staff	41.70	43.80	52.00	48.00	59.20	52.40	58.99	62.00	47.00	56.00
Pupil Support Staff	12.20	13.80	14.50	12.75	13.10	16.85	18.65	21.00	26.00	35.00
Technical Support Staff	8.90	36.50	46.90	42.68	51.40	46.14	55.56	50.00	57.00	63.00
Administrative Staff	13.30	12.30	21.30	18.34	27.00	26.60	29.00	19.00	24.00	28.00
Administrative Support Staff	32.50	33.70	34.30	36.97	37.90	37.83	37.96	32.00	35.00	36.00
Operation and Maintenance of Plant	61.50	60.70	62.30	58.96	60.60	54.91	51.91	52.00	39.00	42.00
Pupil Transportation Staff	50.30	50.30	49.00	48.00	57.00	54.40	52.00	43.00	42.00	45.00
Food Service Staff	21.40	21.40	21.20	22.49	23.70	22.74	18.93	23.00	32.00	36.00
Totals	<u>506.10</u>	<u>548.80</u>	<u>575.80</u>	<u>561.64</u>	<u>609.50</u>	<u>595.47</u>	<u>610.00</u>	<u>558.00</u>	<u>569.00</u>	<u>613.00</u>

Source: School District EMIS Records; Ohio Department of Education iLRC

New Albany-Plain Local School District
Per Pupil Cost
Last Ten Fiscal Years

Fiscal Year	General Fund Expenditures	State Average Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Classroom Pupil/ Teacher Ratio	State Average Pupil/ Teacher Ratio
2009	\$ 42,664,787	1,909	\$10,821	-1.16%	255.4	17.5	18.5
2010	47,788,724	1,873	11,814	9.18%	266.1	17.5	18.5
2011	51,253,176	1,907	12,249	3.68%	272.4	17.5	18.5
2012	52,036,394	1,861	12,138	-0.91%	274.0	17.5	18.5
2013	53,872,580	1,642	11,967	-1.41%	279.6	NA	18.5
2014	56,270,732	1,757	12,423	3.81%	283.6	NA	18.5
2015	59,164,774	1,659	12,886	3.73%	287.0	NA	18.5
2016	55,870,771	1,788	11,900	-7.65%	256.0	NA	18.5
2017	55,333,926	1,695	10,062	-15.45%	267.0	NA	18.5
2018	56,962,611	1,780	10,284	2.21%	272.0	NA	18.5

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

NA - Information not available

New Albany-Plain Local School District
Building Statistics
Last Ten Fiscal Years

	2009	2010	2011	2012	2013
New Albany Plain K-1 Elementary School					
Constructed in 2003					
Total Building Square Footage	69,066	69,066	69,066	69,066	69,066
Enrollment Grades K-5 until 2002; K-1 2002-present	647	657	687	660	660
Student Functional Capacity	600	600	600	600	600
New Albany Plain 2-5 Elementary School					
Constructed in 1999					
Total Building Square Footage	126,169	126,169	126,169	126,169	126,169
Enrollment Grades	1,383	1,458	1,460	1,485	1,546
Student Functional Capacity	1,200	1,200	1,200	1,200	1,200
New Albany Plain K-12 Learning Facility					
Constructed in 2005					
Total Building Square Footage	N/A	N/A	N/A	N/A	N/A
Enrollment Grades 2-5	N/A	N/A	N/A	N/A	N/A
Student Functional Capacity	N/A	N/A	N/A	N/A	N/A
New Albany Plain Middle School					
Constructed in 2001					
Total Building Square Footage	155,172	155,172	155,172	155,172	155,172
Enrollment Grades 6-8	931	917	973	1,065	1,178
Student Functional Capacity	1,200	1,200	1,200	1,200	1,200
New Albany Plain High School					
Constructed in 1996, additions in 2004					
Total Building Square Footage	261,295	261,295	261,295	261,295	261,295
Enrollment Grades 9-12	1,145	1,148	1,204	1,216	1,272
Student Functional Capacity	1,500	1,500	1,500	1,500	1,500

Source: School District Records

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

N/A - not applicable

TABLE 20 (Continued)

2014	2015	2016	2017	2018
69,066	69,066	69,066	69,066	69,066
677	627	629	619	432
600	600	600	600	600
126,169	126,169	126,169	126,169	126,169
1,536	1,593	737	711	1,049
1,200	1,200	1,200	1,200	1,200
N/A	N/A	150,000	150,000	150,000
N/A	N/A	814	748	1,117
N/A	N/A	1,200	1,200	1,200
155,172	155,172	155,172	155,172	155,172
1,182	1,191	1,181	1,216	824
1,200	1,200	1,200	1,200	1,200
261,295	261,295	261,295	261,295	261,295
1,337	1,434	1,478	1,553	1,536
1,500	1,500	1,500	1,500	1,500

TABLE 21

New Albany-Plain Local School District
Full-Time Equivalent Teachers by Education
Last Ten Fiscal Years

<u>Degree</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Bachelor's Degree	73.7	82.6	74.1	54.0	71.0	75.6	58.0	64.0	56.0	43.0
Master's Degree	180.1	182.5	197.3	219.0	208.0	207.0	227.0	189.0	209.0	227.0
PhD	1.6	1.0	1.0	1.0	1.0	1.0	2.0	3.0	2.0	2.0
Total	<u>255.4</u>	<u>266.1</u>	<u>272.4</u>	<u>274.0</u>	<u>280.0</u>	<u>283.6</u>	<u>287.0</u>	<u>256.0</u>	<u>267.0</u>	<u>272.0</u>

Source: Ohio Department of Education iLRC / District records

New Albany-Plain Local School District
Teachers' Salaries
Last Ten Fiscal Years

Fiscal Year	Minimum Salary (1)	Maximum Salary (2)	Average Salary New Albany Plain Local (3)	Average Salary Comparable Districts (3)	Average Salary Statewide (3)
2009	\$38,837	\$86,296	\$59,785	\$61,867	\$54,656
2010	39,963	88,798	61,645	63,946	55,958
2011	41,202	91,551	64,553	66,387	56,715
2012	41,614	92,466	65,375	66,926	58,120
2013	42,030	92,550	66,836	66,371	57,966
2014	42,450	92,627	67,699	65,706	55,916
2015	42,450	94,325	70,932	64,641	56,748
2016	42,450	94,325	72,477	69,574	58,690
2017	42,450	94,325	71,490	71,348	60,433
2018	42,875	104,720	69,905	NA	NA

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 + 45 and more than 25 year's experience - per negotiated agreement.

(3) Ohio Department of Education District Profile Report.

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.

TABLE 23

New Albany-Plain Local School District
Enrollment Statistics
Last Ten Fiscal Years

Fiscal Year	Elementary School	Middle School	High School	Total	Percentage Change
2009	2,030	931	1,145	4,106	4.3%
2010	2,115	917	1,148	4,180	1.8%
2011	2,147	973	1,204	4,324	3.4%
2012	2,145	1,065	1,216	4,426	2.4%
2013	2,206	1,178	1,272	4,656	5.2%
2014	2,213	1,182	1,337	4,732	1.6%
2015	2,220	1,191	1,434	4,845	2.4%
2016	2,180	1,181	1,478	4,839	-0.1%
2017	2,078	1,216	1,553	4,847	0.2%
2018	2,598	824	1,536	4,958	2.3%

Source: School District Records

New Albany-Plain Local School District
Educational Operating Indicators
Last Ten School Years

	Fiscal Year 2018 ¹			2017	2016	2015	2014	2013	2012	2011	2010	2009
	New Albany Plain Local	Similar Districts	State Average									
3rd Grade Ohio State Test												
Mathematics	87.6%	91.8%	70.0%	88.4%	83.8%	NA	NA	NA	NA	NA	NA	NA
Reading	88.2%	87.9%	63.0%	85.8%	77.8%	NA	NA	NA	NA	NA	NA	NA
4th Grade Ohio State Test												
Mathematics	92.0%	93.2%	72.0%	90.8%	80.4%	NA	NA	NA	NA	NA	NA	NA
Reading	86.2%	86.8%	63.0%	82.1%	71.6%	NA	NA	NA	NA	NA	NA	NA
Social Studies	NA	93.0%	77.0%	93.0%	88.3%	NA	NA	NA	NA	NA	NA	NA
5th Grade Ohio State Test												
Mathematics	91.0%	87.3%	61.0%	82.1%	78.3%	NA	NA	NA	NA	NA	NA	NA
Reading	91.0%	89.8%	67.0%	87.6%	79.6%	NA	NA	NA	NA	NA	NA	NA
Science	87.2%	90.3%	68.0%	85.8%	85.7%	NA	NA	NA	NA	NA	NA	NA
6th Grade Ohio State Test												
Mathematics	91.9%	86.9%	60.0%	75.1%	76.7%	NA	NA	NA	NA	NA	NA	NA
Reading	82.3%	85.3%	60.0%	78.8%	74.9%	NA	NA	NA	NA	NA	NA	NA
Social Studies	NA	88.7%	63.0%	77.1%	84.5%	NA	NA	NA	NA	NA	NA	NA
7th Grade Ohio State Test												
Mathematics	74.1%	82.8%	55.0%	71.7%	39.2%	NA	NA	NA	NA	NA	NA	NA
Reading	87.6%	85.8%	59.0%	81.4%	74.3%	NA	NA	NA	NA	NA	NA	NA
8th Grade Ohio State Test												
Mathematics	90.8%	85.9%	54.0%	91.5%	78.2%	NA	NA	NA	NA	NA	NA	NA
Reading	81.7%	78.7%	50.0%	78.3%	62.5%	NA	NA	NA	NA	NA	NA	NA
Science	NA	89.0%	65.0%	79.6%	82.3%	NA	NA	NA	NA	NA	NA	NA
10th Grade Ohio Graduation Test²												
Mathematics	NA	NA	NA	NA	NA	97.4%	96.2%	96.1%	97.8%	98.2%	96.6%	95.8%
Reading	NA	NA	NA	NA	NA	98.7%	98.1%	97.4%	97.8%	98.2%	96.9%	95.8%
Science	NA	NA	NA	NA	NA	93.9%	95.5%	94.5%	96.8%	93.7%	89.7%	90.5%
Social Studies	NA	NA	NA	NA	NA	96.0%	96.5%	96.1%	97.8%	96.8%	94.6%	94.4%
Writing	NA	NA	NA	NA	NA	97.9%	97.8%	96.7%	99.4%	98.9%	97.3%	97.4%
11th Grade Ohio Graduation Test (OGT)^{2,3}												
Mathematics	NA	NA	NA	NA	NA	97.6%	97.2%	98.5%	99.0%	98.8%	97.1%	96.8%
Reading	NA	NA	NA	NA	NA	98.1%	97.8%	99.7%	100.0%	99.2%	98.0%	98.6%
Science	NA	NA	NA	NA	NA	96.8%	97.5%	98.8%	98.6%	96.5%	94.8%	95.4%
Social Studies	NA	NA	NA	NA	NA	97.6%	98.4%	98.8%	98.3%	98.1%	96.1%	97.5%
Writing	NA	NA	NA	NA	NA	97.8%	98.4%	99.4%	99.7%	100.0%	99.0%	99.3%
Student Attendance Rate	>95%	NA	93.7%									
Student Graduation Rate	98.4%	97.0%	84.1%									
Student Enrollment	4958											
ACT Scores (Average)												
New Albany Plain	24.2											
Ohio	20.3											
National	20.8											
SAT Scores (Average)												
Reading/Writing												
New Albany Plain	619											
Mathematics												
New Albany Plain	629											

Source: District Records, Ohio Department of Education Local Report Card, & The College Board

¹ In FY16, the District administered the Ohio State Test for the first time. These tests are replacing the Achievement Tests.

² Beginning in FY18, End of Course tests will be used rather than OGT. During FY17, 10th grade students weren't required to take the 10th grade OGT.

³ Results for 11th grade students who took the test as 10th and 11th graders.

New Albany-Plain Local School District
Capital Asset Statistics
Last Ten Fiscal Years

	2009	2010	2011	2012	2013
Nondepreciable Capital Assets					
Land	\$3,146,592	\$3,146,592	\$4,286,592	\$4,451,592	\$4,451,592
Construction in Progress	-	-	-	-	708,559
Total Nondepreciable Capital Assets	<u>3,146,592</u>	<u>3,146,592</u>	<u>4,286,592</u>	<u>4,451,592</u>	<u>5,160,151</u>
Depreciable Capital Assets					
Land Improvements	4,470,525	4,053,789	3,637,051	3,220,315	2,803,578
Buildings and Buildings Improvements	74,996,795	71,447,734	69,661,640	66,196,521	62,750,854
Furniture, Fixtures & Equipment	559,097	443,098	347,816	330,883	314,011
Vehicles	1,137,610	946,264	753,510	662,738	673,437
Total Depreciable Capital Assets	<u>81,164,027</u>	<u>76,890,885</u>	<u>74,400,017</u>	<u>70,410,457</u>	<u>66,541,880</u>
Total Capital Assets, Net	<u>\$84,310,619</u>	<u>\$80,037,477</u>	<u>\$78,686,609</u>	<u>\$74,862,049</u>	<u>\$71,702,031</u>

Source: School District Financial Records

Depreciable capital assets are presented net of accumulated depreciation.

TABLE 25 (Continued)

2014	2015	2016	2017	2018
\$4,451,592	\$4,451,592	\$4,451,592	\$4,451,592	\$4,451,592
28,797,863	46,031,909	-	187,709	1,001,419
<u>33,249,455</u>	<u>50,483,501</u>	<u>4,451,592</u>	<u>4,639,301</u>	<u>5,453,011</u>
2,386,842	2,193,498	2,625,225	2,305,401	2,451,560
59,285,341	55,820,568	92,698,197	88,285,105	84,188,712
676,933	789,496	869,681	592,785	663,233
<u>1,143,039</u>	<u>1,010,893</u>	<u>825,921</u>	<u>1,021,171</u>	<u>883,903</u>
<u>63,492,155</u>	<u>59,814,455</u>	<u>97,019,024</u>	<u>92,204,462</u>	<u>88,187,408</u>
<u>\$96,741,610</u>	<u>\$110,297,956</u>	<u>\$101,470,616</u>	<u>\$96,843,763</u>	<u>\$93,640,419</u>



District Administrative Office

*55 North High Street
New Albany, Ohio 43054*

New Albany High School

*7600 Fodor Road
New Albany, Ohio 43054*

New Albany Middle School

*6600 E. Dublin-Granville Road
New Albany, Ohio 43054*

New Albany K-12 Learning Facility

*177 North High Street
New Albany, Ohio 43054*

New Albany 2-5 Elementary

*87 North High Street
New Albany, Ohio 43054*

New Albany K-1 Elementary

*5101 Swickard Woods Boulevard
New Albany, Ohio 43054*