



CAFR

Comprehensive Annual Financial Report

Hilliard City School District

Hilliard, Ohio



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2016

Issued by:
Office of the Treasurer

Brian W. Wilson
Treasurer/C.F.O.

HILLIARD CITY SCHOOL DISTRICT

Hilliard City School District

Hilliard, Ohio





Introductory Section

HILLIARD CITY SCHOOL DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT JUNE 30, 2016

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**Hilliard City School District
Elected Officials and Administrative Staff
as of June 30, 2016**

BOARD OF EDUCATION MEMBERS

President
Vice President
Member
Member
Member

Mrs. Heather Keck
Mr. Paul Lambert
Mr. Andy Teater
Mrs. Lisa Whiting
Mrs. Nadia Long

APPOINTED OFFICIALS

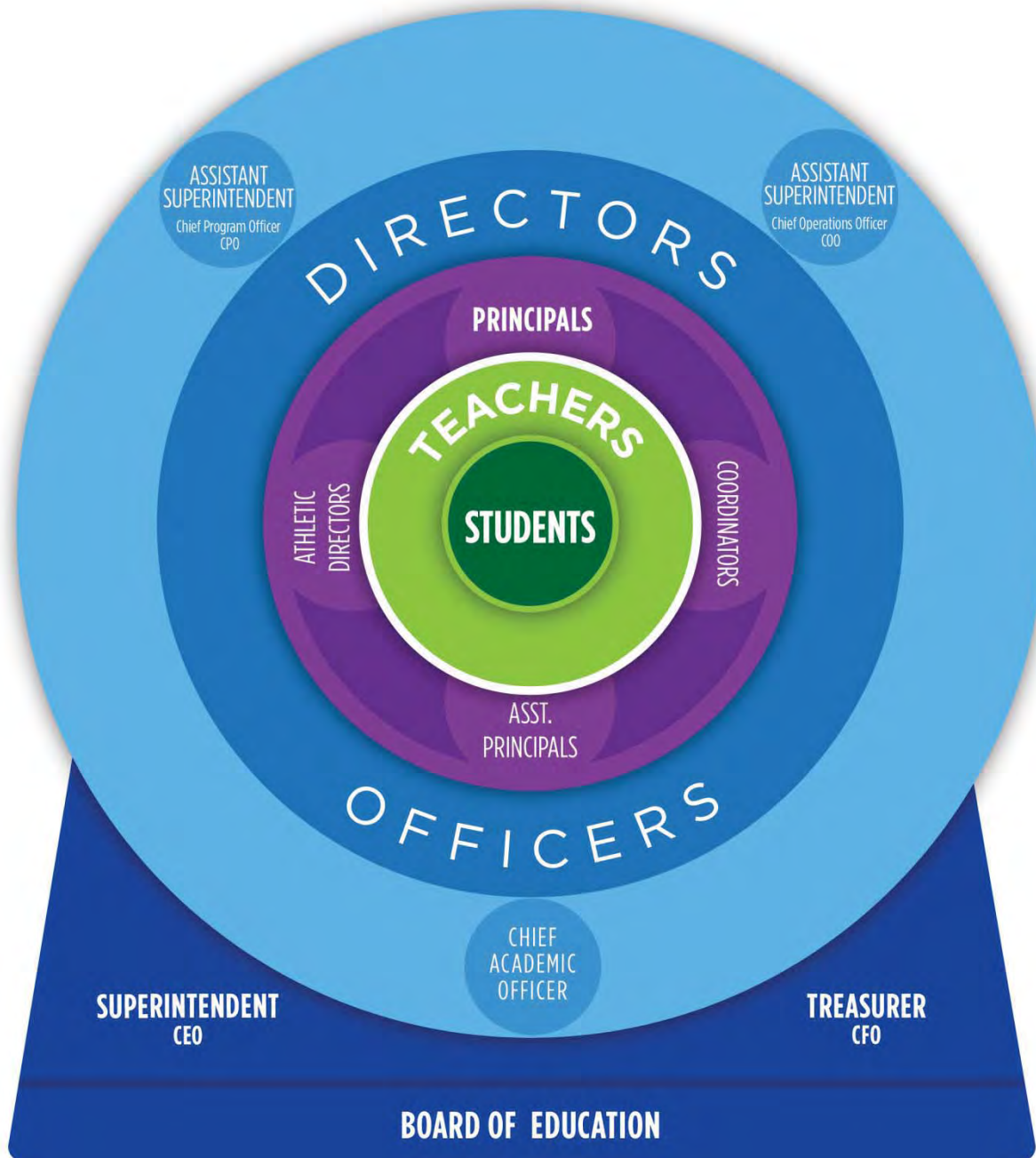
Superintendent
Treasurer

John Marschhausen, Ph.D.
Brian W. Wilson

ADMINISTRATIVE STAFF

Assistant Superintendent	Leslie McNaughton	Principal, Hilliard Davidson High School	Aaron Cookson
Assistant Superintendent	Mike McDonough	Principal, Hilliard Darby High School	Joyce Brickley
Assistant Treasurer	Anita Dalluge	Principal, Hilliard Bradley High School	Melinda Mordarski
Chief Technology Officer	Rich Boettner	Principal, Hilliard Heritage Middle School	Shannon Sayre
Chief Academic Officer	Kimberly Halley	Principal, Hilliard Memorial Middle School	Barry Bay
Director, Business Affairs	Cliff Hetzel	Principal, Hilliard Weaver Middle School	Craig Vroom
Director, Secondary Curriculum	John Bandow	Principal, Hilliard Station Sixth Grade School	Kevin Buchman
Director, Middle Level Curriculum	Susanne Lintz	Principal, Hilliard Tharp Sixth Grade School	Cori Kindl
Director, Elementary Curriculum	Jennifer Adams	Director, Alton Darby Preschool	Annette Andres
Director, Pupil Services	Vicki Clark	Principal, Alton Darby Elementary School	Herb Higginbotham
Director of Professional Development	Brian Lidle	Principal, Avery Elementary School	Kevin Landon
Director, Human Resources	Roy Walker	Principal, Beacon Elementary School	Betsy Long
Director, School Age Child Care	Kelly Wigg	Principal, Britton Elementary School	Stephanie Borlaza
Director, Innovative Learning Center	Brent Wise	Principal, Brown Elementary School	Jon Way
Director, School Community Relations	Stacie Raterman	Principal, Darby Creek Elementary School	Cindy Teske
Coordinator, Human Resources	Greg Hennes	Principal, Hilliard Crossing Elementary School	Kayla Pinnick
Coordinator, Payroll/Accountant	Madison Ratliff	Principal, Hilliard Horizon Elementary School	Hilary Sloat
Coordinator, Instructional Technology	Mark Pohlman	Principal, Hoffman Trails Elementary School	Katie Windham
Coordinator, Administrative Technology	Jerry Drobnick	Principal, J.W. Reason Elementary School	Jaelyn Prati
Coordinator, Transportation	Randy Snyder	Principal, Norwich Elementary School	Michael Heitzman
Coordinator, Custodial	Archie Armentrout	Principal, Ridgewood Elementary School	Tara Grove
Coordinator, HVAC	John Kudart	Principal, Scioto Darby Elementary School	Tamar Campbell-Sauer
Coordinators, Maintenance	Dave Huston	Principal Washington Elementary	Jennifer Lowery
	Gary Heyder	Coordinators, Special Education	Mike Abraham
	Keith Rabley		Brian Hart
Network Administrators	Steve Hoyda		Shelli Miller
	Tim Harris		Deb Cochran
	Ron Castle		

Organizational Chart



[Adoption date: August 14, 2001]

[Re-adoption date: January 24, 2005]

[Re-adoption date: January 22, 2007]

[Re-adoption date: April 27, 2009]

[Re-adoption date: December 14, 2009]

[Re-adoption date: February 13, 2012]

[Re-adoption date: May 11, 2015]

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Hilliard City School District

John Marschhausen, PhD, Superintendent • Brian W. Wilson, Treasurer/CFO

October 25, 2016

To the Citizens and Board of Education of the Hilliard City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Hilliard City School District (the "District"). This CAFR, which includes an unmodified 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, rest with the District's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

This report includes all funds of the District. The District provides a full range of traditional and nontraditional 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 St. Brendan's School, Sunrise Academy and Dublin Prep Academy, private schools located within District boundaries. In accordance with GASB Statement 24, this responsibility is included in the reporting entity as a special revenue fund. While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, these organizations' financial statements are not included in this report.

PROFILE OF THE SCHOOL DISTRICT

The District was organized in the late 1800's and is a fiscally independent political subdivision of the State of Ohio. The District is a public school system located primarily in Franklin County, with a small portion (less than 1%) extending into Union County. The District's area is approximately 60 square miles in and around the City of Hilliard. Also included are portions of the cities of Columbus and Dublin, as well as Norwich, Brown, Washington, Prairie, and Franklin Townships. Located approximately 15 miles northwest of the downtown area of the City of Columbus, the District is largely suburban in character and continues to be one of the faster growing school districts in the State of Ohio.

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 annual operating budget and the approval of all expenditures of the District. The Board is a body politic and

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www.hilliardschools.org

HILLIARD CITY SCHOOL DISTRICT

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.

The District had an estimated enrollment of 16,059 students for the fiscal year end June 30, 2016 compared to 16,045 students for the fiscal year ended June 30, 2015. This makes the District the ninth largest public school district in the State of Ohio. These students are housed in 14 elementary schools (grades pre-k to 5), 2 sixth grade centers, 3 middle schools (grades 7 to 8), and 3 comprehensive high schools (grades 9 to 12). The age of buildings varies with the oldest built in 1956 and the latest which opened in the fall of 2009. Of the District's 22 instructional buildings, 13 have been built since 1989 of which 5 opened in 2002, 1 in 2007 and 1 in 2009. Additionally, the District operates a central administration/support services facility, a transportation depot and an innovative learning center. The District estimates enrollment to be 16,375; 16,657; and 16,893 for the fiscal years ended June 30, 2017, 2018, and 2019 respectively. The District's enrollment figures do not include students living within the District's attendance area who attend charter schools. Currently, the District has 317 students attending 43 different charter schools.

Economic Condition and Outlook

Local Economy - The District is in the Columbus, Ohio Metropolitan Statistical Area (MSA), which is comprised of the counties of Delaware, Fairfield, Franklin, Licking, Madison, Morrow, Pickaway and Union, and is the thirty-second largest MSA of 362 in the United States at the time of the 2010 census.

Employment in Franklin County has improved slightly with unemployment in June of 2016 of approximately 4% decreasing from 4.2% as of June 2015. Employment in the District is diversified with a majority in the service sector. The two largest employers in the District are the District itself with 1,745 employees and Cellco Partnership dba Verizon, a telecommunications service company, with 1,716 employees. The next two largest employers in the District are in the Columbus portion and they are West-Ward Pharmaceuticals Corp, a pharmaceutical company with approximately 1,419 employees and UPS, a package delivery service with approximately 930 employees. Employers in the Hilliard portion of the District include BMW Financial Services with 582 employees. Additionally, the District is home to many trucking and small manufacturing companies as a result of Interstates 270 and 70 intersecting the District.

The City of Columbus and the City of Hilliard are aggressive in recruiting new businesses and will make use of all economic incentives to increase the tax base. Both entities have made use of tax abatements and Tax Increment Financing to attract businesses. Through negotiations with the cities the District has been reimbursed for property taxes it would have otherwise collected ranging from complete reimbursements to the minimums required by law.

Long-term Financial Planning – The financial forecast of General Fund operations for the next five years demonstrates that the District's fiscal year 2017 ending General Fund cash balance is projected to be approximately at \$33,871,235. Negative ending cash balances are projected beginning in fiscal year 2020.

The projected declining General Fund cash balance is a reflection of the challenge of Ohio school district financing. One piece of the puzzle for the declining balance is due to negotiated pay increases with each union coupled with no increase in tax levies since 2011. The new agreements call for modest pay increases while the tax levy funding has not changed.

The State of Ohio implemented a new funding model for FY2014. The State added a guarantee and a growth cap in the formula so that Districts would not be harmed by the new formula or would not receive a windfall from the formula. Our District was impacted by the growth cap. For Fiscal Year 2016 School Foundation aid increased \$3.1 million. The funding model was modified again in the latest budget but we are still on the growth cap. For Fiscal Year 2017 with a growth cap of 7.5% the

HILLIARD CITY SCHOOL DISTRICT

District should receive an increase of approximately \$2.9 million. Casino revenue is estimated to remain flat.

The State reimbursement of tangible tax revenues eliminated through House Bill 66 passed in June 2005, were frozen at the Fiscal Year 2013 level of \$6 million for our District. The latest State budget passed for Fiscal Year 2016 and 2017 phased out this reimbursement. For Fiscal Year 2016 this reimbursement was reduced by \$3 million to \$3 million. For Fiscal Year 2017 the reimbursement will be reduced to \$90,000 and then eliminated in Fiscal Year 2018.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Accomplishments for 2016

Financial – The District received the Certificate of Achievement For Excellence in Financial Reporting from the Government Finance Officers Association for the twentieth consecutive year and the Award for Outstanding Achievement in Popular Annual Financial Reporting for the tenth consecutive year. In addition, the District received the Meritorious Budget Award from the Association of School Business Officials International for the ninth time for the FY2016 budget document.

Instruction – Based on the most recent ODE Local Report Card Data available, as of FY2015, Hilliard City Schools received the grade of A for Indicators Met, Overall Value-Added, and Graduation Rates. In addition, the District received a grade of C for Overall Performance Index.

The District continues to expand offerings of the Innovative Learning Center through a variety of funding sources, mainly through the Straight A grant given by the state. Through the Innovative Learning Center, students are able to earn both college credits and professional certifications to prepare them for tomorrow.

Initiatives for 2017

Financial – The District will continue its focus on the implementation of new state and national standards during the 2016-2017 school year. Financial resources will continue to be used to accommodate needed professional development for teachers through this process and implementation of the new Ohio Teacher Evaluation System (OTES) and the Third Grade Guarantee.

Instruction – During the 2015 school year, the District began implementing its “One2One” initiative. This blended learning program provides iPad devices to students to utilize both at school and at home during their enrollment with Hilliard Schools. This initiative is supported by research data that suggests that using devices of this type of technology in a school setting is one of the most significant ways to impact student motivation, increase learning and achievement, provide learning resources, and prepare students for their future. The initial phase of the “One2One” initiative in 2015 provided iPad mini devices to all students enrolled in the 6th grade and all 6th grade teachers received iPad Airs. During the 2015-16 school year, all middle schools began using iPad Mini and Air devices for both students and staff. In the 2016-17 school year, all high school students and staff will begin to use iPad Air devices, as well.

Executive leadership of the District, including the Treasurer’s office, crafted a plan to implement the One2One program without having to increase funding. This funding-neutral plan is being achieved through a combination of methods. The most significant is simply the reallocation of technology funds formally spent on desktop and laptop computers and laptop carts to now purchasing iPads. We have

HILLIARD CITY SCHOOL DISTRICT

also moved towards writing and using our own curriculum and shifting buildings and curriculum to electronic resources instead of printed resources.

Student learning will be driven by the implementation of the Common Core Standards (CCSS) in math and English/language arts and Ohio's Academic Content Standards in science and social studies. Students will demonstrate understanding of academic content through the use of a balanced assessment system designed to drive instruction. Student learning will be maximized through the implementation of differentiated teaching strategies and the monitoring of instructional practice. Student learning will be enhanced by 21st century instructional practices and habits of mind that embrace creativity, critical thinking, communication, and collaboration.

FINANCIAL INFORMATION

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 GAAP. 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 alternative tax budget document, the certificate of estimated resources, and the appropriations 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 required by the 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

The Uniform Guidance requires an annual audit by independent accountants. The Ohio Auditor of State conducted the District's 2016 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Uniform Guidance. The auditor's report on the basic financial statements is included in the financial section of this report.

Awards

GFOA Certificate of Achievement - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Hilliard City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2015.

HILLIARD CITY SCHOOL DISTRICT

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for their review.

Acknowledgements

Preparation of this report could not have been accomplished without the support and hard work of the staff of the Treasurer's office, Superintendent's office, and the School-Community Relations office. Credit must also be given to the Board of Education. Without their leadership and commitment to excellence this report would not be possible.

Respectfully submitted,



Brian W. Wilson
Treasurer/CFO



John Marschhausen, PhD
Superintendent



Government Finance Officers Association

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

Presented to

**Hilliard City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO



Financial Section



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Hilliard City School District
Franklin County
2140 Atlas Street
Columbus, Ohio 43228

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 Hilliard City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2016, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

October 25, 2016

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Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

As management of the Hilliard City School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the District's financial statements, which follow this section.

Financial Highlights

Key financial highlights for 2016 are as follows:

- In total, net position of governmental activities decreased \$19,331,402 which represents a 10.9% decrease from 2015.
- General revenues accounted for \$194,647,158 in revenue or 91.41% of all revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$18,282,671 or 8.59% of total revenues of \$212,929,829.
- The District had \$232,261,231 in expenses related to governmental activities; only \$18,282,671 of these expenses were offset by program specific charges for services and operating grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$213,978,560 along with beginning net position were sufficient to provide for these programs.
- As of June 30, 2016 the General Fund reported a positive fund balance of \$66,961,894, which represents a 4.30% increase from 2015.

Reporting the District as a Whole

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, liabilities and deferred inflows 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.

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 and 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. A schedule showing the fund balance and the total change in fund balance from June 30, 2015 to 2016 for the District's major funds appears on page 10. 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 basic financial statements.

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

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 that are 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 Funds

The District's proprietary fund is the Self Insurance Internal Service Fund used to account for interfund charges and claims payments applicable to the District's group health insurance plan. The activity of the self-insurance fund is included within governmental activities in the government-wide financial statements.

Fiduciary Funds

The District's fiduciary funds are Student-managed Activities and the Vision Administration agency funds. The District's fiduciary activities are reported in the Statement of Fiduciary Assets and Liabilities. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

GASB 68 Implementation and Implications

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

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

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

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the

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For the Fiscal Year Ended June 30, 2016
Unaudited

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

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

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

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

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 exceeded assets and deferred outflows by \$197,159,095. Because of the pension reporting requirements noted above, the net liability of the pension reporting on our financial statements is \$287,844,062. If this net liability is removed, this will provide a more accurate net position which results in assets and deferred outflows exceeding liabilities and deferred inflows by \$90,684,967.

A portion of the District's net position reflects its investment in capital assets less depreciation and any related debt used to acquire those assets that is still outstanding. As of June 30, 2016 this portion of net position is positive which reflects the District has \$25.8 million more in capital assets, net of depreciation, than associated debt. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves usually are not used to liquidate these liabilities.

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

A comparative analysis of fiscal year 2016 to 2015 follows from the Statements of Net Position:

Hilliard City School District			
Net Position			
Governmental Activities			
	2016	2015	Change
Current assets	207,009,348	197,952,253	9,057,095
Capital assets	145,954,248	150,895,751	(4,941,503)
Total assets	352,963,596	348,848,004	4,115,592
Deferred Outflows			
Deferred Charges on Refunding	7,678,524	8,346,655	(668,131)
Net Pension	32,681,669	17,227,232	15,454,437
Deferred Outflows	40,360,193	25,573,887	14,786,306
Current Liabilities	21,694,124	20,776,259	917,865
Long-term liabilities	440,670,967	413,815,309	26,855,658
Total liabilities	462,365,091	434,591,568	27,773,523
Deferred Inflows			
Property Taxes	82,451,047	74,650,402	7,800,645
Net Pension	45,666,746	43,007,614	2,659,132
Total Deferred Inflows	128,117,793	117,658,016	10,459,777
Net Position:			
Net Investment in Capital Assets	25,811,174	21,959,216	3,851,958
Restricted	24,258,948	28,202,700	(3,943,752)
Unrestricted	(247,229,217)	(227,989,609)	(19,239,608)
Total net position	\$ (197,159,095)	\$ (177,827,693)	\$ (19,331,402)

A portion of the District's net position (12.30%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the ongoing obligations to citizens and creditors. Unrestricted net position decreased by 8.44% from 2015.

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

Hilliard City School District
Changes in Net Position

	Governmental Activities		Change
	2016	2015	
Program revenues:			
Charges for services	8,889,391	8,593,171	296,220
Operating Grants and Contributions	9,393,280	10,734,614	(1,341,334)
General revenues:			
Property taxes	124,818,304	127,808,131	(2,989,827)
Grants & entitlements not restricted	65,123,271	63,102,610	2,020,661
Investment earnings	574,775	234,322	340,453
Miscellaneous	4,130,808	3,980,847	149,961
Total revenues	212,929,829	214,453,695	(1,523,866)
Program expenses:			
Instruction	138,923,401	113,874,067	25,049,334
Support services	72,013,206	62,357,635	9,655,571
Community services	2,908,701	2,892,732	15,969
Food Service Operations	5,436,729	5,442,641	(5,912)
Extracurricular Activities	5,546,211	4,847,363	698,848
Interest and Fiscal Charges	7,432,983	7,939,505	(506,522)
Total expenses	232,261,231	197,353,943	34,907,288
Increase/(Decrease) in net position	(19,331,402)	17,099,752	(36,431,154)
July 1 Net Position	(177,827,693)	(194,927,445)	17,099,752
June 30 Net Position	(197,159,095)	(177,827,693)	(19,331,402)

Governmental Activities

Net position of the District's governmental activities decreased by \$19,331,402. The decrease in net position is the result of an increase in the Net Pension Liability, as noted above, along with the associated expense recognition that is required.

The Statement of Activities shows the cost of program services and the charges for services and operating grants and contributions 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.

Programs	Total Cost of Services	Net Cost/(Income)
	2016	of Service 2016
Instructional services	138,923,401	\$ 131,544,030
Support services	72,013,206	71,406,418
Community services	2,908,701	(359,750)
Food services	5,436,729	(218,141)
Extracurricular Activities	5,546,211	4,415,806
Interest and Fiscal Charges	7,432,983	7,190,197
Total	\$ 232,261,231	\$ 213,978,560

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

Local property taxes make up 64.13% of total general revenues for governmental activities. The net services column reflects the need for \$213,978,560 of support indicating the reliance on general revenues to support governmental activities.

The District's Funds

The District's governmental funds reported a fund balance of \$91,194,332 which represents an increase of \$340,501 as compared to last year's total of \$90,853,831 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, 2015 to 2016.

	Fund Balance at June 30, 2016	Fund Balance at June 30, 2015	Increase/ (Decrease)
General Fund	66,961,894	64,200,665	2,761,229
Bond Retirement Fund	17,048,368	16,758,931	289,437
Permanent Improvement Fund	2,863,771	5,918,249	(3,054,478)
Other Governmental Funds	4,320,299	3,975,986	344,313
Total	<u>91,194,332</u>	<u>90,853,831</u>	<u>340,501</u>

General Fund

The District's General Fund balance increased as a result of revenues exceeding expenditures.

Revenues	<u>2016</u>	<u>2015</u>	<u>% Change</u>
Property taxes	\$ 104,905,451	\$ 109,794,257	-4.45%
Intergovernmental	63,721,415	61,869,175	2.99%
Investment earnings	444,544	226,979	95.85%
Other revenue	<u>6,118,598</u>	<u>6,016,026</u>	<u>1.70%</u>
Total	<u>\$ 175,190,008</u>	<u>\$ 177,906,437</u>	<u>-1.53%</u>

Though there is an overall decrease in revenue, the only decrease is through property taxes. This decrease is due to timing of when the County releases settlements at fiscal year end.

As the table below indicates, the largest portion of General Fund expenditures at 61.21% is for instruction.

Expenditures by Function	<u>2016</u>	<u>2015</u>	<u>% Change</u>
Instruction	\$ 105,412,827	\$ 104,213,918	1.15%
Support services	62,113,855	61,296,848	1.33%
Extracurricular activities	3,963,317	3,930,318	0.84%
Capital Outlay	431,065	221,790	94.36%
Debt service	<u>277,500</u>	<u>277,500</u>	<u>0.00%</u>
Total	<u>\$ 172,198,564</u>	<u>\$ 169,940,374</u>	<u>1.33%</u>

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

Expenditures are up 1.33% over the prior year. This is due to the negotiated bargaining agreements and pay increases.

Bond Retirement Fund

The Bond Retirement fund balance has increased by \$289,437 due to revenue collections exceeding principal and interest payments coupled with the use of refunding bond issues to reduce our annual debt service requirements. The revenues of the fund are property taxes, calculated by the county auditor, and state homestead and rollback money computed as a percentage of the tax due to the fund. The expenditures of the fund include principal and interest payments as well as county auditor and treasurer fees.

Permanent Improvement Fund

The Permanent Improvement fund is used to account for significant capital projects. In 2015, the decrease in fund balance of \$3,054,478 is due to a spending of land proceeds from the prior fiscal year on technology updates.

Other Funds

Other governmental funds consist of Special Revenue funds. The aggregate fund balance of these funds showed an increase of \$344,313. This is mainly due to our latchkey program, our foodservice program and our student activities.

General Fund Budget Information

The District's budget is prepared in accordance with Ohio law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. Changes are made to the District's budget as changes in revenues and spending patterns are experienced. In 2016, there was one update made to general fund appropriations and estimated resources as approved by the County Budget Commission.

The District uses the five-year forecast as the original document from which to form the operating budget. After updating the forecast for changes in revenue and expenditure assumptions, the operating budget begins at the school level. Each school in the District receives a per pupil allocation augmented with resources for special education students in the specific buildings. Budgets are reviewed periodically to ensure management becomes aware of any variations during the year.

For Fiscal Year 2016, the District budgeted for \$173.6 million in revenues and \$176.7 million in expenditures and a net decrease in fund balance of \$3.2 million. Due in part to higher than anticipated state revenue sources, the District collected \$4.7 million more in revenue than budgeted. Additionally, due mainly to lower than expected insurance costs for employees, the District had \$3.8 million less in actual expenditures than budgeted. When taken together, the District actually experienced a net increase of \$5.4 million in fund balances rather than a net decrease.

Hilliard City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

Capital Assets

At June 30, 2016 the District has \$145,954,248 invested in capital assets net of accumulated depreciation. The following table shows fiscal year 2016 and 2015 balances:

	Governmental Activities		Increase (Decrease)
	2016	2015	
Land	\$ 16,322,832	\$ 16,322,832	\$ -
Land Improvements	35,522,454	33,663,521	1,858,933
Building and improvements	208,837,262	208,615,502	221,760
Furniture, fixtures and equipment	12,389,350	11,947,658	441,692
Buses, autos and trucks	13,134,771	12,977,219	157,552
Less: Accumulated Depreciation	<u>(140,252,421)</u>	<u>(132,630,981)</u>	<u>7,621,440</u>
Total	<u>\$ 145,954,248</u>	<u>\$ 150,895,751</u>	<u>(4,941,503)</u>

Additional information on the District's capital assets can be found in the Note 7 to the financial statements.

Debt

On June 30, 2016, the District had \$148,056,703 in outstanding general obligation bonds and taxable Qualified School Construction Energy Conservation Bonds and \$2,695,921 in outstanding tax anticipation notes including unamortized premiums and accretion. Principal payments of \$835,000 and interest of \$115,675 were paid for tax anticipation notes during the 2016 fiscal year. Additional information on the District's debt activity is included in Note 8, page 38 in the notes to the basic financial statements.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total taxable valuation of real and personal property with certain exceptions. As of June 30, 2016, the District's general obligation debt was below the legal limit.

Economic Conditions and Outlook

The future financial stability of the District is not without challenges. The two biggest challenges facing the district is the future of state funding and the proposed operating levy/bond issue on the ballot in November 2016. The District's school foundation funding under the current funding formula resulted in a slight increase for 2015 and another increase in 2016. While the District continues to receive a moderate amount of federal funding the amount will continue to be stagnant moving through 2016. The District has been able to stretch a 3-year levy approved in 2011 for five years, however, will need tax payers to approve an increase at current staffing/service levels.

In keeping with the District's continuing efforts to reduce operating costs, the District continuously evaluates means to conserve funds and stretch taxpayer dollars. The District is currently in the middle of negotiated agreements with both unions which call for pay increases in each January in return for more employee payments towards medical costs.

Request for Information

This financial report is designed to provide the citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show accountability for the money it receives. Questions concerning any information provided in this report should be addressed to the Treasurer of the Hilliard City School District, 2140 Atlas Street, Columbus, Ohio 43228.

BASIC FINANCIAL STATEMENTS



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Hilliard City School District
Statement of Net Position
June 30, 2016

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$30,712,950
Investments	35,495,903
Receivables	
Taxes - Current	134,113,528
Taxes - Delinquent	5,046,801
Accounts	345,158
Accrued Interest	150,058
Intergovernmental	1,118,315
Materials & Supplies Inventory	26,635
Land	16,322,832
Other Capital Assets, Net	129,631,416
Total Assets	<u><u>352,963,596</u></u>
 Deferred Outflows of Resources	
Deferred Charge on Refunding	7,678,524
Net Pension	32,681,669
Total Deferred Outflows of Resources	<u><u>40,360,193</u></u>
 Liabilities	
Accounts Payable	898,903
Contracts Payable	130,426
Claims Payable	2,317,281
Accrued Wages and Benefits	15,530,439
Due to Other Governments	2,445,268
Interest Payable	371,807
Long-Term Liabilities	
Due within One Year	15,268,077
Net Pension Liability	274,858,985
Due in More Than One Year	150,543,905
Total Liabilities	<u><u>462,365,091</u></u>
 Deferred Inflows of Resources	
Property Taxes	82,451,047
Pension	45,666,746
Total Deferred Inflows of Resources	<u><u>128,117,793</u></u>
 Net Position	
Net Investment in Capital Assets	25,811,174
Restricted for:	
Debt Service	17,048,368
Capital Projects	2,863,771
Regular Education	36,727
Special Education	591,722
Support Services	32,594
Targeted Assistance	353,100
Food Service	2,420,772
Extracurricular	719,873
Non-Public Schools	151,432
Other Purposes	40,589
Unrestricted	(247,229,217)
Total Net Position	<u><u>(197,159,095)</u></u>

The notes to the basic financial statements are an integral part of this statement.

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Hilliard City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2016

	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities				
Instruction				
Regular	\$ 116,218,842	\$ 1,959,823	\$ 1,938,514	\$ (112,320,505)
Special	20,199,336	168,157	2,981,315	(17,049,864)
Vocational	2,505,223	20,856	310,706	(2,173,661)
Support Services				
Pupils	15,769,006	-	114,409	(15,654,597)
Instructional Staff	12,144,287	-	103,953	(12,040,334)
General Administration	10,464,016	-	35,404	(10,428,612)
Board of Education	343,483	-	300	(343,183)
Fiscal Services	4,412,504	-	532	(4,411,972)
Business	828,153	-	-	(828,153)
Operation & Maintenance of Plant	16,442,726	-	312,590	(16,130,136)
Pupil Transportation	9,845,289	-	-	(9,845,289)
Central	1,763,742	-	39,600	(1,724,142)
Community Services	2,908,701	2,443,107	825,344	359,750
Food Service Operations	5,436,729	3,186,892	2,467,978	218,141
Extracurricular Activities	5,546,211	1,110,556	19,849	(4,415,806)
Interest and Fiscal Charges	7,432,983	-	242,786	(7,190,197)
Totals	<u>\$ 232,261,231</u>	<u>\$ 8,889,391</u>	<u>\$ 9,393,280</u>	<u>\$ (213,978,560)</u>

General Revenues

Property Taxes Levied for:	
General Purposes	105,623,435
Debt Service	15,088,715
Permanent Improvement	4,106,154
Grants & Entitlements not Restricted to Specific Programs	65,123,271
Investment Earnings	574,775
Miscellaneous	4,130,808
Total General Revenues	<u>194,647,158</u>
Change in Net Position	(19,331,402)
Net Position Beginning of Year	(177,827,693)
Net Position End of Year	<u>(197,159,095)</u>

The notes to the basic financial statements are an integral part of this statement.

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Hilliard City School District
Balance Sheet
Governmental Funds
June 30, 2016

	<u>General</u>	<u>Bond Retirement Fund</u>	<u>Permanent Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Cash and cash equivalents	\$ 5,566,118	\$ 10,814,935	\$ 1,271,625	\$ 5,125,782	\$ 22,778,460
Investments	35,495,903	-	-	-	35,495,903
Receivables					
Taxes - Current	113,899,878	15,843,556	4,370,005	-	134,113,439
Taxes - Delinquent	4,269,487	608,932	168,382	-	5,046,801
Accounts	337,696	-	-	7,462	345,158
Accrued Interest	150,058	-	-	-	150,058
Intergovernmental	-	-	-	1,118,315	1,118,315
Interfund	31,205	-	-	-	31,205
Materials and Supplies Inventory	-	-	-	26,635	26,635
Total assets	<u>159,750,345</u>	<u>27,267,423</u>	<u>5,810,012</u>	<u>6,278,194</u>	<u>199,105,974</u>
Liabilities:					
Accounts Payable	677,143	-	1,095	220,665	898,903
Contracts Payable	-	-	130,426	-	130,426
Accrued Wages and Benefits	14,951,367	-	-	579,072	15,530,439
Interfund Payable	-	-	-	31,205	31,205
Due to other governments	2,354,093	-	-	91,175	2,445,268
Compensated Absences Payable	70,566	-	-	-	70,566
Total Liabilities	<u>18,053,169</u>	<u>-</u>	<u>131,521</u>	<u>922,117</u>	<u>19,106,807</u>
Deferred Inflows of Resources					
Taxes - Current	70,194,586	9,610,123	2,646,338	-	82,451,047
Unavailable Taxes - Delinquent	4,269,487	608,932	168,382	-	5,046,801
Other Revenue	271,209	-	-	1,035,778	1,306,987
Total Deferred Inflows of Resources	<u>74,735,282</u>	<u>10,219,055</u>	<u>2,814,720</u>	<u>1,035,778</u>	<u>88,804,835</u>
Fund Balances					
Nonspendable	-	-	-	26,635	26,635
Restricted	-	17,048,368	2,863,771	3,302,616	23,214,755
Committed	-	-	-	1,623,640	1,623,640
Assigned	3,155,665	-	-	-	3,155,665
Unassigned	63,806,229	-	-	(632,592)	63,173,637
Total fund balances	<u>66,961,894</u>	<u>17,048,368</u>	<u>2,863,771</u>	<u>4,320,299</u>	<u>91,194,332</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 159,750,345</u>	<u>\$ 27,267,423</u>	<u>\$ 5,810,012</u>	<u>\$ 6,278,194</u>	<u>\$ 199,105,974</u>

The notes to the basic financial statements are an integral part of this statement.

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

Total Governmental Fund Balances	\$91,194,332
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	145,954,248
Other assets are not available to pay for current period expenditures and therefore are deferred in the funds.	6,353,788
Other liabilities are not to be paid from current period resources and are not reported in the funds.	
Interest Payable	(371,807)
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.	5,617,209
Long-Term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences	(14,220,703)
General Obligation Debt	(150,752,624)
Retirement Incentive	(768,000)
Deferred Refunding	7,678,524
	(158,062,803)
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	32,681,669
Deferred Inflows - Pension	(45,666,746)
Net Pension Liability	(274,858,985)
	(287,844,062)
Net Position of Governmental Activities	\$ (197,159,095)

The notes to the basic financial statements are an integral part of this statement.

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

	<u>General</u>	<u>Bond Retirement Fund</u>	<u>Permanent Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
From local sources					
Taxes	\$ 104,905,451	\$ 14,964,060	\$ 4,075,889	\$ -	\$ 123,945,400
Tuition	992,314	-	-	2,446,115	3,438,429
Investments Earnings	444,544	\$ 8,634	-	12,774	465,952
Other local	-	-	-	126,090	126,090
Intergovernmental - State	63,184,434	2,014,873	484,297	1,066,395	66,749,999
Intergovernmental - Federal	536,981	-	-	6,865,324	7,402,305
Classroom Materials & Fees	1,078,395	-	-	-	1,078,395
Other revenue	3,890,373	-	-	750	3,891,123
Extracurricular Activities	157,516	-	-	953,040	1,110,556
Food Services	-	-	-	3,186,892	3,186,892
Total Revenues	175,190,008	16,987,567	4,560,186	14,657,380	211,395,141
Expenditures:					
Current:					
Instruction					
Regular	88,416,403	-	1,884,628	1,886,062	92,187,093
Special	14,961,053	-	-	2,811,957	17,773,010
Vocational	2,035,371	-	-	-	2,035,371
Support Services					
Pupils	13,574,209	-	-	150,315	13,724,524
Instructional Staff	10,344,086	-	-	106,612	10,450,698
General Administration	8,932,028	-	-	37,702	8,969,730
Board of Education	343,483	-	-	-	343,483
Fiscal Services	4,077,580	239,188	66,011	-	4,382,779
Business	777,660	-	-	-	777,660
Operation & Maintenance of Plant	13,699,130	-	1,679,920	319	15,379,369
Pupil Transportation	8,701,064	-	45,552	2,972	8,749,588
Central	1,658,811	-	-	39,600	1,698,411
Community Services	5,804	-	-	2,843,591	2,849,395
Food Service Operations	-	-	-	5,349,708	5,349,708
Extracurricular Activities	3,963,317	-	-	709,602	4,672,919
Capital Outlay	431,065	-	2,989,378	374,627	3,795,070
Debt Service:					
Principal Retirement	-	12,965,000	835,000	-	13,800,000
Interest and Fiscal Charges	277,500	3,989,573	115,675	-	4,382,748
Total Expenditures	172,198,564	17,193,761	7,616,164	14,313,067	211,321,556
Excess (deficiency) of revenue over expenditures	2,991,444	(206,194)	(3,055,978)	344,313	73,585
Other Financing Sources (Uses)					
Transfers in	-	328,352	-	-	328,352
Transfers out	(328,352)	-	-	-	(328,352)
Proceeds from sale of capital assets	98,137	-	1,500	-	99,637
Issuance of refunding bonds	-	8,855,000	-	-	8,855,000
Premium on refunding bonds sold	-	1,019,475	-	-	1,019,475
Payment to refunded bond escrow agent	-	(9,707,196)	-	-	(9,707,196)
Total other financing sources (uses)	(230,215)	495,631	1,500	-	266,916
Net Change in Fund balances	2,761,229	289,437	(3,054,478)	344,313	340,501
Fund balances, July 1	64,200,665	16,758,931	5,918,249	3,975,986	90,853,831
Fund balances, June 30	<u>\$ 66,961,894</u>	<u>\$ 17,048,368</u>	<u>\$ 2,863,771</u>	<u>\$ 4,320,299</u>	<u>\$ 91,194,332</u>

The notes to the basic financial statements are an integral part of this statement.

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

Net Change in Fund Balances - Total Governmental Funds **\$ 340,501**

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. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	3,795,070
Depreciation	(8,707,509)

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

Taxes	872,904
Tuition	(3,008)
Earnings on Investments	108,823
Other Local	13,957
Intergovernmental - State	11,076
Intergovernmental - Federal	353,171
Classroom Materials and Fees	78,128

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

15,747,288

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

(40,799,880)

Repayment of bond and note principal are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not result in an expense in the statement of activities.

23,507,196

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position however, issuing debt increases long-term liabilities and does not affect the statement of activities.

(9,874,475)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.

(3,050,235)

An internal service fund is used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.

(1,242,434)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	(1,089,975)
Retirement Incentive	608,000

Change in Net Position of Governmental Activities

\$ (19,331,402)

The notes to the basic financial statements are an integral part of this statement.

Hilliard City School District
Statement of Net Position
Proprietary Fund
June 30, 2016

	Governmental Internal Service Fund
Assets	
Cash and Cash Equivalents	\$ 7,934,490
Total Assets	<u>7,934,490</u>
Liabilities	
Claims Payable	<u>2,317,281</u>
Total Liabilities	<u>2,317,281</u>
Net Position	
Unrestricted	<u>5,617,209</u>
Total Net Position	<u>\$ 5,617,209</u>

The notes to the basic financial statements are an integral part of this statement

Hilliard City School District
Statement of Revenues, Expenditures and Change in Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2016

	Governmental Internal Service Fund
Operating Revenues	
Charges for Services	\$ 24,197,258
Total Operating Revenues	24,197,258
Operating Expenses	
Purchased Services	2,637,673
Claims and Benefits	22,802,019
Total Operating Expenses	25,439,692
Operating Income/(Loss)	(1,242,434)
Net Position Beginning of Year	6,859,643
Net Position End of Year	\$ 5,617,209

The notes to the basic financial statements are an integral part of this statement

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

	Governmental Internal Service Fund
Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 23,893,477
Cash Payments for Purchased Services	(2,637,673)
Cash Payments for Claims	(22,403,068)
Net Cash Used for Operating Activities	(1,147,264)
 Net Decrease in Cash and Cash Equivalents	 (1,147,264)
 Cash and Cash Equivalents Beginning of Year	 9,081,754
Cash and Cash Equivalents End of Year	7,934,490
 Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	(1,242,434)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Change in assets and liabilities:	
Claims Payable	95,170
Net Cash Used for Operating Activities	\$ (1,147,264)

The notes to the basic financial statements are an integral part of this statement

Hilliard City School District
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2016

	<u>Agency</u>
Assets:	
Cash and cash equivalents	\$ 451,343
Accounts Receivable	4,130
Total Assets	<u>\$ 455,473</u>
Liabilities:	
Accounts Payable	165
Due to Other	455,308
Total Liabilities	<u>\$ 455,473</u>

The notes to the basic financial statements are an integral part of this statement.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements
June 30, 2016

1. Reporting Entity

The Hilliard City School District (the District) was organized in 1870 and is a fiscally independent political subdivision of the State of Ohio. The District is governed by a five-member board of education (the Board) elected by the citizens of the District.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards (GASB) Statement No. 14, the *Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus*, in that the financial statements include all organizations, activities and functions for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of a component unit's board and either (i) the District's ability to impose its will over a component unit, or (ii) the possibility that the component unit will provide a financial benefit or impose a financial burden on the District. The District has no component units.

The Metropolitan Educational Technology Association (META) is a jointly governed organization of the District. The organization was formed for the purpose of applying modern technology, with the aid of computers and other electronic equipment, to administrative and instructional functions among member districts. Districts participating in META are within the boundaries of Franklin, Delaware, Union, Pickaway, Madison and Fairfield counties. META is governed by a Board of Directors consisting of a member of the Board of Education and a member of the administrative staff from each of the participating members. Financial statements for META can be obtained from Metropolitan Educational Technology Association administrative offices at 100 Executive Drive, Marion, Ohio 43302.

Tolles Career & Technical Center in Madison County is a jointly governed organization of the District. The District's Board of Education appoints one member of the seven-member Board of Education of Tolles. However, the financial statements of Tolles are not included within the District's reporting entity as the District cannot impose its will and there is no financial benefit, financial burden relationship or related party transactions between the District and Tolles.

The District's reporting entity includes the following:

St. Brendan's School – Within the District's boundaries, St. Brendan School is operated as a private school. Current State legislation provides funding to the parochial school. The monies are received and disbursed on behalf of the parochial school by the Treasurer of the District, as directed by the parochial school. The activity is reflected in a special revenue fund of the District.

Sunrise Academy – Within the District's boundaries, Sunrise Academy is operated as a private school. Current State legislation provides funding to the Academy. The monies are received and disbursed on behalf of the Academy by the Treasurer of the District, as directed by the Academy. The activity is reflected in a special revenue fund of the District.

Dublin Prep Academy – Within the District's boundaries, Dublin Prep Academy is operated as a private school. Current State legislation provides funding to the Academy. The monies are received and disbursed on behalf of the Academy by the Treasurer of the District, as directed by the Academy. The activity is reflected in a special revenue fund of the District.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

2. Summary of Significant Accounting Policies

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

(a) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used. Governmental Activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Likewise, the primary government is reported separately from legal component units for which the primary government is financially accountable. The District (primary government) has no business-type activities or component units.

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

Separate financial statements are provided for governmental, proprietary, and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary and proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing related to cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service principal expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied, provided they are collected and certified by the county auditor by the fiscal year-end. Additionally, taxes collected by June 30 of each year are recorded as a receivable

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

with an offset to deferred inflows of resources for amounts not collected and available for advance on June 30 by the county auditor. Tuition, grants, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as receivable, revenue, or deferred inflows of resources of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund – The General Fund is the general 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, a debt service fund, is used to account for the accumulation of resources restricted for the payment of general long-term debt principal, interest and related costs.

Permanent Improvement Fund – The Permanent Improvement Fund, a capital projects fund, is used to account for permanent improvement tax levy receipts and other resources restricted to expenditure for acquiring, constructing, or improving major capital facilities.

The District's non-major governmental funds include the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects.

Additionally, the District reports the following fund types:

Proprietary Fund – The District's proprietary fund consists of an internal service fund. Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost reimbursement basis. The Self Insurance Internal Service Fund accounts for the interfund charges and claim payments applicable to the District's group health insurance plan.

Fiduciary Funds – Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. This consists of Agency Funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds are primarily used for the District's student activities and the Vision Administration Fund.

(c) *Deferred Outflows/Inflows of Resources*

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, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources include a deferred charge on refunding and pension reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension is explained in Note 10.

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 as an inflow of resources (revenue) until that

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

time. For the District, deferred inflows of resources include property taxes, pension and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2016, but which were levied to finance fiscal year 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District, unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide Statement of Net Position (see Note 10).

(d) *Cash, Cash Equivalents and Investments*

The majority of cash received by the District is pooled in a central bank account with individual fund balance integrity retained throughout. In 1998, the District adopted GASB Statement No. 31 (GASB 31), *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records its investments at fair value. Repurchase agreements and investments with maturities of one year or less from the date of purchase are valued at amortized costs.

Investments listed are considered to be specific to the General Fund.

(e) *Inventory*

Inventory is valued at cost (first-in, first-out). The cost of inventory is recorded as an expenditure/expense at the time individual inventory items are consumed.

(f) *Capital Assets and Depreciation*

General capital assets are those assets specifically related to activities reported in the governmental funds. These assets are reported in 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 are updated for additions and retirements during the year. Donated capital assets are recorded at fair market value as of the date received. Intangible assets are those that lack physical substance, are non-financial in nature and have an initial useful life extending beyond a single reporting period. Intangible assets are capitalized at cost. The District's policy is to capitalize all assets with a cost of \$5,000 or more and a useful life of more than one year. The District has no infrastructure.

All reported capital assets, with the exception of land and intangible assets with an indefinite useful life, are depreciated. Intangible assets that are to be depreciated are included in the appropriate category below following the same depreciation schedule. Improvements are depreciated over the remaining useful life of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Land Improvements	20
Buildings & Improvements	20-50
Furniture, Fixtures and Equipment	5-20
Buses, Autos and Trucks	8

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

(g) *Interfund Activity*

Exchange transactions between funds are reported as revenues in the seller fund and as expenditures in the purchaser fund. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers and other financing sources/uses in governmental funds. Short-term interfund loans are classified as interfund loans receivable/payable.

Interfund transfers and short-term loans are eliminated on the entity-wide statement of activities and statement of net position.

(h) *Compensated Absences/Retirement Incentive*

The District has implemented the provisions of GASB Statement No. 16 *Accounting for Compensated absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' right to receive compensation is attributable to services already rendered and it is probable that the employer 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 is based on sick leave accumulated at June 30 by those employees who are currently eligible to receive termination benefits as well as other employees who are expected to become eligible for such payment in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, state laws and past experience.

Administrators and classified staff who work twelve month contracts are granted vacation leave. The leave amount is based on length of service and position. The District accrues vacation leave benefits as earned. Accrued vacation may be carried forward for the next fiscal year. Administrators may carry over an amount of vacation equal to 20 days without approval from the Superintendent. With approval from the Superintendent an administrator may carry-over an additional 10 days for a total of 30 days. The maximum classified staff may carry over is the amount of vacation earned, but not used, during the preceding two years of continued employment by the District. District employees earn sick leave at fifteen days per year, which, if not taken, accumulates to a maximum of 255 days. Upon retirement, an employee is paid one-fourth of the accumulated sick leave up to a maximum of 60 days for certified and administrative staff and 63 and $\frac{3}{4}$ days for classified staff. The General Fund is primarily responsible for liquidating the liability.

The District, on June 6, 2011, approved a voluntary retirement incentive plan for employees belonging to the HEA (Hilliard Education Association) Union. Employees who are HEA members and are eligible to retire under STRS (State Teachers Retirement System) as of June 30, 2012 will receive a \$40,000 incentive by providing their irrevocable written notice of intent to retire on or before June 30, 2012. The letter must be received by the Treasurer no later than February 1, 2012. Those who are one year away from meeting STRS eligibility rules or who will be at 24, 29 or 34 years of STRS service as of June 30, 2012 may extend their retirement no later than June 30, 2013. Their irrevocable letter of intent to retire must still be received by February 1, 2012. The incentive payment is in addition to payment for their accrued but unused sick leave discussed previously. The incentive payment will be made over a 5 year period in equal installments the first pay period of each January subsequent to their retirement date.

The entire compensated absences liability and retirement incentive liability is reported on the entity-wide financial statements. Governmental fund financial statements report a liability for compensated absences and the retirement incentive to the extent the liabilities mature each period and are expected to be paid using expendable available financial resources.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

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

All accrued liabilities and long-term debt are reported in the entity-wide financial statements. For governmental fund financial statements, accrued liabilities are generally reported if payment is due as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments, termination benefits and compensated absences paid from governmental funds are reported as a fund liability only to the extent they are expected to be paid from expendable available financial resources. Long-term liabilities or liabilities with a maturity of more than one year paid from governmental funds are not recognized within the fund financial statements until payment is due.

(j) *Fund Balance*

Fund balances of governmental funds are classified as nonspendable, restricted, committed, assigned or unassigned based on the level of constraint placed on the resources of the funds. Nonspendable fund balance consists of balances that are not in spendable form, such as, inventory or prepaid items or balances that are legally required to be maintained intact, such as, the principal of a permanent fund. Restricted fund balances have constraints placed on the use of resources by law through constitutional provisions or enabling legislation, or externally by creditors, grantors, contributors or laws/regulations of other governments. Committed fund balances have constraints imposed by the Board of Education upon passage of a Board resolution committing resources in a fund for specific purposes. Assigned fund balances are neither restricted nor committed but are constrained by the District's intent to use the balances for specific purposes. The Treasurer is authorized to assign amounts for a specific purpose in accordance with Ohio budgetary law and the District's purchasing policies. Unassigned fund balance is the residual balance of the general fund that does not meet the criteria of nonspendable, restricted, committed or assigned. In other governmental funds, unassigned fund balance is the residual negative fund balance where expenditures exceeded the resources restricted, committed and/or assigned.

The District's policy is to first apply restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted balances are available. The District's policy is to first apply assigned, committed and unassigned resources, respectively, when an expense is incurred for the purposes for which assigned, committed and/or unassigned balances are available.

(k) *Net position*

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of capital assets. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws and regulations of other governments.

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

(l) *Management Estimates*

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows and the related revenues and expenditures for the financial statement reporting period. Actual results may differ from those estimates.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

(m) Pensions

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

(n) Fair Market Value

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.

3. Change in Accounting Principles

For fiscal year 2016, the District has implemented, with no effect on the financial report, GASB Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68" and GASB Statement 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". GASB Statement No. 72, "Fair Value Measurement and Application" was implemented with updates made to note disclosures.

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

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

Cash, Cash Equivalents and Investments

In 1998, the District adopted GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all investments at fair value, except repurchase agreements, and investments with maturities of one year or less from the date

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

of purchase, which are reported at amortized cost. The fair value of investments in STAR Ohio is valued at STAR Ohio's share price which is the price investments could be sold for June 30, 2016.

The investment and deposit of the District's monies is governed by the provisions of the ORC. In accordance with these statutes, the District is authorized to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificates of deposit; banker acceptances; commercial paper notes rated prime and issued by United States corporations; repurchase agreements secured by United States obligations; and STAR Ohio. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities Exchange Commission as an investment company, but does operate in a manner similar to Rule 2a of the Investment Company Act of 1940. Earnings on investments are credited to the General Fund and certain Special Revenue Funds, which is in compliance with ORC section 3315.01. In fiscal year 2016 investment income of \$444,544 was recorded in the General Fund.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned. The District has no deposit policy for custodial credit risk beyond the requirements of state statute. According to state law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in addition to the amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of all public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the District's name. During 2016, the District and public depositories complied with the provisions of these statutes.

At year-end, the District carried deposit balances at four banks. The carrying amount of all District deposits was \$31,201,465 exclusive of \$1,000 in cash on hand. The combined bank balance was \$31,863,880 of which \$11,574,950 was covered by FDIC insurance and \$20,288,930 was uninsured. Of the remaining uninsured bank balance, all was collateralized with securities held by the pledging institution's trust department, not in the District's name.

Investments

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

<u>Measurement/Investment</u>	<u>Measurement Amount</u>	<u>Weighted Average Maturity (Years)</u>
<u>Fair Value</u>		
Brokered CDs	3,486,856	0.30
Commercial Paper	5,712,672	0.10
FFCB	1,250,038	0.13
FHLB	2,676,397	0.28
FHLMC	12,596,605	0.96
FNMA	9,689,381	0.97
STAROhio	83,955	0.00
	<u>35,495,904</u>	
Portfolio Weighted Average Maturity		0.68

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

For fiscal year 2016, Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application," was effective. These GASB pronouncements had no effect on beginning net position. Accordingly, the School District has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the School District's recurring fair value measurements as of June 30, 2016. All of the School District's investments measured at fair value are valued using quoted market prices (Level 1 inputs).

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Board policy dictates that the Treasurer may take no more than 25% of the funds to a maximum maturity of five years from the date of purchase as long as cash flow requirements allow the securities to be held to maturity.

Diversification Requirements – The following securities are authorized under both the District's policy and the Ohio Revised Code. District policy requires diversification of the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities.

<u>Diversification by Instrument</u>	<u>Maximum Percent of Portfolio</u>
U.S. Treasurer Obligations (bills, notes and bonds)	100%
U.S. Government Agency/Instrumentalities	75%
Certificates of Deposit/Bank Deposits (collateralized)	75%
Repurchase Agreements (repos)	25%
State and Local Government Securities	25%
State of Ohio Investment Pool	75%
Commercial Paper/Banker's Acceptance	25%

Credit Risk – The Ohio Revised Code requires that investments in commercial paper are rated at the time of purchase in the highest classification. In addition, as noted above, the District's investment policy and the Ohio Revised Code place limitations on the types of investments allowed by the District. The District's investments and STAR Ohio were rated AAA by Standard & Poor's.

Concentration of Credit Risk – The District places limits on the amount the District may invest in any one issuer as disclosed above under diversification requirements. The District investments are in U.S. Government Agency (FFCB, FHLMC, FNMA and FHLB), Commercial Paper and STAR Ohio. These investments are 73.85%, 16.09% and 0.24% respectively, of the District's total investments, for the amounts listed above. For meeting District diversification requirements certificates of deposit and savings accounts must also be taken into consideration. When taking into account the \$31,863,880 in cash (regular CDs, savings accounts and checking accounts) the District holds, the concentration of credit risk goes to insured/collateralized deposits, U.S. Government Agency (FFCB, FHLMC, FNMA and FHLB), Commercial Paper and STAR Ohio. These percentages of concentration are 47.30%, 38.91%, 13.66% and 0.12% respectively.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

5. Receivables

Receivables at June 30, 2016 consist of the following:

	<u>Taxes</u>	<u>Due From Other Governments</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:				
General Fund	\$ 118,169,365	\$ -	\$ 518,959	\$ 118,688,324
Bond Retirement Fund	16,452,488	-	-	16,452,488
Permanent Improvement Fund	4,538,387	-	-	4,538,387
Other Governmental Funds	-	1,118,315	7,462	1,125,777
Total	<u>\$ 139,160,240</u>	<u>\$ 1,118,315</u>	<u>\$ 526,421</u>	<u>\$ 140,804,976</u>

The amounts shown on the previous page reflect the total receivable. If a portion of the receivable amount is not received within the District's available period (or available for receipt), the amount will not be recognized as revenue. Rather, the amount not received will be recognized as a Deferred Inflow. Of the amounts listed above, \$271,209 from the General Fund – Other is classified as Deferred which represents accrued interest and accounts receivable not received. Additionally, \$1,035,778 of Due From Other Governments in Other Governmental Funds is Federal revenue that was not received within the available period.

6. Interfund receivables, payables and transfers

An interfund receivable and payable of \$31,205 reported within the General Fund and Other Governmental Funds respectively, represents the amount due to the General Fund from Special Revenue Funds for negative cash balances. The negative cash balances reported within the Special Revenue Funds is due to the timing of grant receipts and allowable grant expenditures.

The following is a summary of transfers in and out between all funds for fiscal year end June 30, 2015:

<u>Fund</u>	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	328,352	-
Bond Retirement Fund	-	328,352
Total	<u>328,352</u>	<u>328,352</u>

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

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

7. Property Plant and Equipment

A summary of changes in general capital assets for the year ended June 30, 2016, follows:

	Balance June 30, 2015	Additions	Disposals	Balance June 30, 2016
<i>Governmental Activities</i>				
Capital Assets, Not Being Depreciated:				
Land	\$ 16,322,832	\$ -	\$ -	\$ 16,322,832
Construction in progress	-	-	-	-
Total Capital Assets, Not Being Depreciated	16,322,832	-	-	16,322,832
Capital Assets, Being Depreciated:				
Land improvements	33,663,521	1,858,933	-	35,522,454
Building and improvements	208,615,502	242,660	20,900	208,837,262
Furniture, fixtures and equipment	11,947,658	568,574	126,882	12,389,350
Buses, autos and trucks	12,977,219	1,124,903	967,351	13,134,771
Total Capital Assets, Being Depreciated	267,203,900	3,795,070	1,115,133	269,883,837
Less Accumulated Depreciation:				
Land improvements	16,946,729	1,517,651	-	18,464,380
Building and improvements	97,989,202	5,660,331	20,900	103,628,633
Furniture, fixtures and equipment	8,252,741	577,478	97,818	8,732,401
Buses, autos and trucks	9,442,309	952,049	967,351	9,427,007
Total accumulated depreciation	132,630,981	8,707,509	1,086,069	140,252,421
Capital assets, net	\$ 150,895,751	\$ (4,912,439)	\$ 29,064	\$ 145,954,248

Depreciation expense was charged to governmental functions as follows:

Instructional services:	
Regular	\$ 6,363,985
Special	14,285
Vocational	9,111
Support services:	
Pupils	657
Instructional staff	18,092
General administration	269,184
Business	38,171
Operation and maintenance of plant	768,622
Pupil Transportation	897,717
Central	44,709
Food service operations	87,021
Community services	1,434
Extracurricular activities	194,521
Total Depreciation	\$ 8,707,509

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

8. Long-Term Obligations

A summary of changes in long-term obligations for the year ended June 30, 2016 follows:

Issue	Interest Rate	Balance at June 30, 2015	Additions	(Reductions)	Balance Outstanding June 30, 2016	Due Within One Year
(A) 2014 Refunding Issue	4.757%	\$ 5,605,000	\$ -	\$ -	\$ 5,605,000	\$ -
(B) 2005 Refunding Issue	4.353%	14,044,233	796,414	(4,220,000)	10,620,647	2,119,899
(C) 2009B Refunding Issue	4.059%	8,547,757	189,818	(1,435,000)	7,302,575	1,735,000
(D) 2015 Refunding Issue	3.430%	-	8,855,000	-	8,855,000	25,000
(E) 2000 School Improvement	6.689%	15,764,891	979,640	(3,720,000)	13,024,531	3,595,946
(F) 2006 School Improvement	4.360%	6,261,378	259,250	(3,310,000)	3,210,628	3,210,631
(G) 2009A School Improvement	4.469%	10,287,905	71,793	(6,920,000)	3,439,698	170,000
(H) 2011 Energy Conservation	5.550%	5,000,000	-	-	5,000,000	-
(I) 2012 Refunding Bonds	4.512%	13,670,000	-	(2,305,000)	11,365,000	2,150,000
(J) 2013A Refunding Bonds	2.107%	47,268,299	165,797	-	47,434,096	-
(K) 2013B Refunding Bonds	2.892%	19,684,153	144,398	-	19,828,551	-
		<u>\$ 146,133,616</u>	<u>\$ 11,462,110</u>	<u>\$ (21,910,000)</u>	<u>\$ 135,685,726</u>	<u>\$ 13,006,476</u>
Premium on Bonds		12,315,513	1,019,454	(993,990)	12,340,977	-
Total General Obligation Bonds		<u>\$ 158,449,129</u>	<u>\$ 12,481,564</u>	<u>\$ (22,903,990)</u>	<u>\$ 148,026,703</u>	<u>\$ 13,006,476</u>
(L) Tax Anticipation Note	2.5%-3.75%	3,530,000	-	(835,000)	2,695,000	865,000
Premium on Notes		1,383	-	(462)	921	-
Compensated Absences		13,447,709	1,094,474	(251,308)	14,290,875	796,601
Retirement Incentive		1,376,000	-	(608,000)	768,000	600,000
Net Pension Liability:						
STRS		199,993,478	33,099,542	-	233,093,020	-
SERS		37,017,610	4,748,355	-	41,765,965	-
Total Net Pension Liability		<u>237,011,088</u>	<u>37,847,897</u>	<u>-</u>	<u>274,858,985</u>	<u>-</u>
Total Governmental Activities		<u>\$ 413,815,309</u>	<u>\$ 51,423,935</u>	<u>\$ (24,598,760)</u>	<u>\$ 440,640,484</u>	<u>\$ 15,268,077</u>

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

General obligation bonds are direct obligations and pledges of the full faith and credit of the District. The bonds include current interest serial bonds, capital appreciation bonds, and current interest term bonds. For fiscal year 2016 the capital appreciation bonds accreted \$3,170,915.

- A. Advance refunded portion of 2006 School Improvement Bonds. The bond proceeds were invested in obligations guaranteed as to both principal and interest by the United States Government and placed in an escrow account which will use principal and earned interest to pay the interest and principal of the refunded portion of the debt. As a result, the District has in-substance satisfied its obligations through the advance refunding of the serial bonds. The refunding resulted in a decrease of debt service payments of \$917,982 with an economic gain of \$922,139. The defeased amount of the debt is \$5,635,000.
- B. Advance refunded portions of the 1996 School Improvement Issue and the 2000 School Improvement Issue. The bond proceeds were invested in obligations guaranteed as to both principal and interest by the United States Government and were placed in an irrevocable escrow account which, including interest earned, was used to pay the principal and interest of the refunded bonds.
- C. Issued to current refund portions of the 2000 School Improvement Issue, 2006 School Improvement Issue, 2001 Refunding Issue and 2005 Refunding Issue to reduce current year obligations within the debt service fund to maintain the 6.3 bond millage rate assessed on taxpayers in 2009.
- D. Partial current refunding of Series 2005 and partial advance refunding of Series 2009A. The proceeds from the refunding will be placed in escrow accounts for each respective issue refunded which will use principal and earned interest to pay the interest and principal of the refunded portion of the debt. As a result, the District has in-substance satisfied its obligations through the refunding of the serial bonds. The refunding resulted in a decrease in debt service payments of \$1,244,811 and an economic gain of \$108,364. The amount of defeased debt at June 30, 2016 is \$8,945,000.
- E. Issued to construct two elementary schools, renovate a sixth grade school, improve existing facilities and acquire land.
- F. Issued to construct, furnish and equip a third high school and new elementary school
- G. Issued to retire a bond anticipation note (BAN) in the amount of \$10,000,000. The BAN was issued for construction purposes and to purchase various capital assets for school improvement.
- H. Issued as federally taxable QSCBs (Qualified School Construction Energy Conservation Bonds) under the American Recovery and Reinvestment Act of 2009 for the purpose of installing, modifying and remodeling school buildings to conserve energy. The term bonds mature December 1, 2025 and are subject to mandatory sinking fund requirements. The District will receive direct federal subsidy payments for interest due equal to the lesser of 100% of the interest due or the tax credit rate published daily by the U.S. Treasury, for municipal tax-credit bonds as of the date the bonds are issued. The bonds are subject to extraordinary redemption prior to maturity by either mandatory redemption or optional redemption. Mandatory redemption will occur should the District fail to spend the proceeds within the 3-year period or, if applicable, IRS approved extended period. The mandatory redemption prior to maturity, in whole or part, would occur within 90 days following the close of the three-year period or extended period. The bonds would be redeemed for 100% of the principal plus any interest accrued up to the redemption date. Optional redemption prior to maturity is at the sole discretion of the District in the event QSCB direct payments

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

cease or are reduced. Redemption, in whole or part, will be equal to 100% of the principal amount redeemed plus any accrued interest to the redemption date.

- I. Issued to advance refund 2001A and 2001B term bonds. The bond proceeds were invested in obligations guaranteed as to both principal and interest by the United States Government and were placed in an irrevocable escrow account which, including interest earned, will be used to pay the principal and interest of the refunded bonds. As a result, the 2001A and 2001B term bonds are not reported as a long-term liability of the District since the District has in-substance satisfied its obligations through the advance refunding. The difference between the reacquisition price and net carrying amount of the old debt is \$544,272. The refunding resulted in a decrease of debt service payments in the amount of \$2,516,087 with an economic gain of \$2,299,199. The amount of defeased debt as of June 30, 2016 is \$12,125,000
- J. Issued to advance refund a portion of the 2006A (F) serial bonds. The bond proceeds were invested in obligations guaranteed as to both principal and interest by the United States Government and placed in an escrow account which will use principal and earned interest to pay the interest and principal of the refunded portion of the debt. As a result, the District has in-substance satisfied its obligations through the advance refunding of the serial bonds. The refunding resulted in a decrease of debt service payments of \$3,614,663 with an economic gain of \$3,460,536. The amount of defeased debt as of June 30, 2016 is \$46,995,000
- K. Issued to advance refund a portion of the 2005 (B) refunding bonds. The bond proceeds were invested in obligations guaranteed as to both principal and interest by the United States Government and placed in an escrow account which will use principal and earned interest to pay the interest and principal of the refunded portion of the debt. As a result, the District has in-substance satisfied its obligations through the advance refunding of the serial bonds. The refunding resulted in a decrease of debt service payments of \$1,521,002 with an economic gain of \$1,441,546. The amount of defeased debt as of June 30, 2016 is \$19,430,000
- L. Issued in anticipation of permanent improvement tax levy money to acquire, construct, enlarge, renovate and finance permanent improvement

The annual maturities of the general obligation bonds and tax anticipation note as of June 30, 2017, and related interest payments are as follows:

Year ending June 30,	General Obligation Bonds		Tax Anticipation Note		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	13,006,476	4,198,023	865,000	84,843	13,871,476	4,282,866
2018	12,887,771	4,407,999	900,000	51,750	13,787,771	4,459,749
2019	13,788,290	4,601,477	930,000	17,438	14,718,290	4,618,915
2020	13,274,459	4,745,236			13,274,459	4,745,236
2021	8,376,082	4,731,725			8,376,082	4,731,725
2022-2026	54,017,647	13,756,414			54,017,647	13,756,414
2027-2029	20,335,000	810,550			20,335,000	810,550
Totals	<u>\$ 135,685,725</u>	<u>\$ 37,251,424</u>	<u>\$ 2,695,000</u>	<u>\$ 154,031</u>	<u>\$ 138,380,725</u>	<u>\$ 37,405,455</u>

Net Investment in Capital Assets requires the debt calculation to exclude accumulated accretion on appreciation bonds and include deferred charges on refunding. As a result, the cash carrying amount of the District debt, excluding accretion, is \$112,464,750 and the deferred refunding charges included are \$7,678,524. This results in a total debt amount tied to capital assets of \$120,143,274.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

9. Fund Balance

Fund balances are nonspendable, restricted, committed, or assigned for the following purposes:

	General	Bond Retirement Fund	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable					
Inventory	-	-	-	26,635	26,635
Restricted					
Debt Service	-	17,048,368	-	-	17,048,368
Facilities Construction & Maintenance	-	-	2,863,771	-	2,863,771
Special Education	-	-	-	447	447
Extracurricular Activities	-	-	-	719,873	719,873
Foodservice	-	-	-	2,394,137	2,394,137
Non-Public Schools	-	-	-	151,432	151,432
Other	-	-	-	36,727	36,727
Total Restricted	<u>-</u>	<u>17,048,368</u>	<u>2,863,771</u>	<u>3,302,616</u>	<u>23,214,755</u>
Committed					
Latchkey	-	-	-	1,623,640	1,623,640
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,623,640</u>	<u>1,623,640</u>
Assigned					
Instruction	1,381,326	-	-	-	1,381,326
Support Services	1,374,540	-	-	-	1,374,540
Extracurricular Activities	91,337	-	-	-	91,337
Facilities Construction & Maintenance	308,462	-	-	-	308,462
Total Assigned	<u>3,155,665</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,155,665</u>

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

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

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 <http://www.ohsers.org> under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017*	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; 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 with this plan.

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2016, the allocation to pension was 13.21%, death benefits was 0.05%, and Medicare B was 0.74% percent. No portion of the employer contribution was allocated to the Health Care Fund.

The District's contractually required contribution to SERS was \$3,171,804 for fiscal year 2016. Of this amount \$407,600 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

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

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

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2016, plan members were required to contribute 13 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2016 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$12,575,482 for fiscal year 2016. Of this amount \$1,766,664 is reported as an intergovernmental payable.

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

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

	<u>STRS</u>	<u>SERS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	233,093,020	41,765,965	274,858,985
Proportion of the Net Pension Liability	0.84340698%	0.731953%	
Pension Expense	37,303,640	3,496,239	40,799,879

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>STRS</u>	<u>SERS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	13,854,299	3,080,084	16,934,383
District Contributions subsequent to measure date	<u>12,575,482</u>	<u>3,171,804</u>	<u>15,747,286</u>
Total Deferred Outflows	<u>26,429,781</u>	<u>6,251,888</u>	<u>32,681,669</u>

Deferred Inflows of Resources

Net difference between projected and actual earnings on pension plan investments	<u>41,160,700</u>	<u>4,506,046</u>	<u>45,666,746</u>
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\$15,747,286 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, 2017. 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>STRS</u>	<u>SERS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2017	(6,826,600)	(356,491)	(7,183,091)
2018	(6,826,600)	(356,491)	(7,183,091)
2019	(6,826,600)	(356,491)	(7,183,091)
2020	<u>(6,826,600)</u>	<u>(356,491)</u>	<u>(7,183,091)</u>
	<u>(27,306,400)</u>	<u>(1,425,964)</u>	<u>(28,732,364)</u>

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

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

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

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

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

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

The long-term return expectation for the Pension Plan Investments has been determined using a building block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	<u>15.00</u>	7.50
Total	<u>100.00%</u>	

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

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

SERS Sensitivity	1% Decrease	Current	1% Increase
	6.75%	Discount Rate 7.75%	8.75%
District's proportionate share of the NPL	57,914,385	41,765,965	28,167,664

Actuarial Assumptions - STRS

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

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

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

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

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

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

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

Discount Rate The discount rate used to measure the total pension liability was 7.75% as of June 30, 2015. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the 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 Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2015. Therefore, the long-term expected rate of return on pension plan investments of 7.75% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2015.

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

STRS Sensitivity	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
District's proportionate share of the NPL	323,783,788	233,093,020	156,400,454

11. Post-employment Benefits Other Than Pension Benefits

School Employees Retirement System

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

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. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2016, 0.00 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2016, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2016, the District's surcharge obligation was \$209,793.

The District's contributions for health care for the fiscal years ended June 30, 2016, 2015, and 2014 were \$209,793, \$376,235 and \$447,389, respectively. The full amount has been contributed for fiscal years 2016, 2015 and 2014.

State Teachers Retirement System

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2016, STRS did not allocate any employer contributions to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2016, 2015, and 2014 were \$0, \$0 and \$118,601, respectively. The full amount has been contributed for fiscal years 2016, 2015 and 2014.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

12. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the District. Due and collection dates, as established by Franklin County, were January 20, 2016 and June 20, 2016, for taxes due during 2015. Real property taxes collected during 2016 had a lien and levy date of January 1, 2015 and December 31, 2015, respectively.

Assessed values are established by State law at 35% of appraised market value for Real Estate and Public Utility real property. Public utility tangible personal property is assessed at varying percentages of true value. A reappraisal of all property is required to be completed no less than every six years. A revaluation of all property is required to be completed no less than every three years.

The assessed values for collection in 2016, upon which 2015 levies were based, were as follows:

Real Estate	2,370,824,420
Public Utility Real and Tangible	<u>75,996,270</u>
Total	<u><u>2,446,820,690</u></u>

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the District's share is .445% (4.45 mills) of assessed value.

The Franklin County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Hilliard City School District. The Franklin County Auditor periodically remits to the District its portion of the taxes collected. Property taxes may be paid on an annual or semiannual basis.

Accrued property taxes receivable represents delinquent taxes outstanding and real property and public utility taxes which became measurable as of June 30, 2016. Although total property tax collections for the next fiscal year are measurable, they are not (exclusive of advances) intended to finance the current year operations. The net receivable (total receivable less the amount available for advance and delinquent taxes intended to finance the current year) is therefore offset by the deferred inflow of resources.

13. Set-Aside Calculation

The District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. State law has set the amount for the set-aside at the number of students times 3% of the average cost per pupil.

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

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

	Capital Reserve
Set-aside balance, July 1, 2015	\$ -
Current year set-aside requirement	2,649,644
Qualifying expenditures	(5,840,625)
Total	(3,190,981)
Set-aside balance, June 30, 2016	\$ -

Amounts listed as qualifying disbursements in this table are the total amounts for the year. The District had an excess of qualifying disbursements, however, the set-aside cash balance carried forward is \$0 for capital acquisition.

14. Contingent Liabilities

The Hilliard City School District is party to various legal proceedings seeking damages or injunction relief generally incidental to its operations and pending projects. The ultimate disposition of such proceedings is not presently determinable, but will not, in the opinion of District Management, have a material adverse effect on the financial condition of the District.

15. Federal and State Grants

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, tradition school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2016 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

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. However, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2016, if applicable, cannot be determined at this time.

16. Risk Management

The District carries all-risk property insurance on buildings and contents, fleet insurance on all rolling stock, liability and excess liability insurance coverage as well as officers' liability insurance, employee benefits liability and workers' compensation intentional acts defense coverage. All employees are covered by the District's blanket bond. There have been no changes in the aforementioned insurance coverage. Additionally, there were no settlements in excess of insurance coverage over the past three years.

The District became self-insured for workers' compensation costs effective July 1, 2014. The District uses actuarial evaluations to establish the charges adequate to cover all incurred claims

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

and build a reserve against future claims. The District maintains reinsurance for claims over \$400,000 with Midwest Employers Casualty Company.

The District has a limited risk management program for employee health benefits. The premiums are paid into the Self-Insurance Internal Service Fund by the participating District funds. Premiums are based on the District's claims experience. An excess coverage insurance policy covers individual claims in excess of \$250,000 and aggregate claims in excess of the aggregate stop loss amount which is calculated as 120% of expected claims, divided by the expected number of participants at the beginning of the plan year, divided by the number of months in the policy year. For calendar year 2016 the aggregate stop loss amount was \$27,167,445. The maximum benefit amount that will be paid for claims in excess of the aggregated stop loss amount is \$1,000,000 for the plan year. As of June 30, 2016 the individual stop loss amount was exceeded by \$349,828 and the aggregate stop loss amount was not exceeded. Additionally, effective January 1, 2014, the District is self-insuring dental insurance provided to employees. Rates for insurance are based on actuarial projections.

The liability for unpaid claims of \$2,317,281 reported in the Self Insurance Fund at June 30, 2016, is based on existing unpaid claims and an estimate for incurred but unreported claims at year end. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the Self-Insurance Fund's claim liability amount as of June 30, 2016 and 2015 are:

Medical Self Insurance	2016	2015	Change
Unpaid Claims, Beginning	2,099,718	2,063,751	35,967
Incurred Claims (Including IBNR)	20,579,084	18,055,919	2,523,165
Claims Payments	(20,499,276)	(18,019,952)	(2,479,324)
Unpaid Claims, Ending	<u>2,179,526</u>	<u>2,099,718</u>	79,808
Dental Self Insurance	2016	2015	Change
Unpaid Claims, Beginning	120,326	122,159	(1,833)
Incurred Claims (Including IBNR)	1,779,131	1,697,673	81,458
Claims Payments	(1,762,113)	(1,699,506)	(62,607)
Unpaid Claims, Ending	<u>137,344</u>	<u>120,326</u>	17,018
Workers Comp Self Insurance	2016	2015	Change
Unpaid Claims, Beginning	2,067	2,604	(537)
Incurred Claims (Including IBNR)	140,023	131,336	8,687
Claims Payments	(141,679)	(131,873)	(9,806)
Unpaid Claims, Ending	<u>411</u>	<u>2,067</u>	(1,656)

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

17. Compliance and Accountability

The following funds had a deficit balance as of June 30, 2016:

Fund	Deficit Fund Balance
Special Revenue Funds:	
Other State Grants	\$ (4,893)
Part B, IDEA	(361,312)
Title III	(33,066)
Title I	(196,619)
Title II-A	(36,702)

The deficit fund balances are the result of the application of generally accepted accounting principles. The General Fund provides advances to cover deficit balances; however, this is done when cash is needed rather than when an accrual occurs.

18. Significant Commitments

(a) Construction Commitments

As of June 30, 2016, the District had the following commitments with respect to the District's energy conservation, roof replacement and bus loop projects:

<u>Project</u>	<u>Contractor</u>	<u>Amount Remaining</u>	<u>Estimated Completion Date</u>
Brown E.S. Roof	Weatherproofing	134,590	September 2016
Hoffman Trails Roof	K&W Roofing	305,698	September 2016
Tharp Sixth Grade Roof	K&W Roofing	357,317	September 2016
		797,605	

(b) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds. Encumbrances are reported as a component of assigned, restricted, or committed fund balances since they do not constitute expenditures or liabilities. Outstanding encumbrances in governmental funds as of June 30, 2016 were as follows:

<u>Fund Type</u>	<u>Encumbrances</u>
General	1,519,454
Permanent Improvement	175,872
Other Governmental	327,165
Total	2,022,491

HILLIARD CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2016

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REQUIRED SUPPLEMENTARY INFORMATION



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**Hilliard City School District
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2016**

	Budgeted Amounts			Variance with Final Budget - Positive/ (Negative)
	Original	Final	Actual	
REVENUES:				
Property taxes	110,974,641	110,974,641	109,010,972	(1,963,669)
Intergovernmental:				
Federal-				
Unrestricted grants-in-aid	152,521	152,521	193,653	41,132
Restricted grants-in-aid	191,218	191,218	242,786	51,568
State-				
Unrestricted grants-in-aid	57,251,597	57,251,597	62,473,353	5,221,756
Restricted grants-in-aid	560,047	560,047	711,081	151,034
Investment income	283,777	283,777	360,307	76,530
Tuition fees	614,813	614,813	780,617	165,804
Classroom materials & fees	779,896	779,896	990,220	210,324
Miscellaneous	2,674,521	2,674,521	3,395,789	721,268
Total revenues	173,483,031	173,483,031	178,158,778	4,675,747
EXPENDITURES:				
Instructional services:				
Regular	90,408,559	89,870,716	87,915,331	1,955,385
Special	15,314,696	15,223,588	14,892,357	331,231
Vocational	2,090,577	2,078,140	2,032,924	45,216
Total instructional services	107,813,832	107,172,444	104,840,612	2,331,832
Support services:				
Pupils	13,943,076	13,860,128	13,558,563	301,565
Instructional staff	10,836,927	10,772,458	10,538,073	234,385
Board of education	353,298	351,196	343,555	7,641
General administration	9,295,040	9,239,743	9,038,707	201,036
Fiscal services	4,210,297	4,185,250	4,094,188	91,062
Business	883,596	878,340	859,229	19,111
Operation and maintenance of plant	14,415,406	14,329,648	14,017,867	311,781
Student transportation	9,000,614	8,947,069	8,752,401	194,668
Central services	1,724,846	1,714,585	1,677,279	37,306
Total support services	64,663,100	64,278,417	62,879,862	1,398,555
Extracurricular student activities	4,065,539	4,041,353	3,953,422	87,931
Facility acquisition and improvement	628,253	624,515	610,927	13,588
Debt service	285,370	283,672	277,500	6,172
Total expenditures	177,456,094	176,400,401	172,562,323	3,838,078
Excess (deficiency) of revenues over expenditures	(3,973,063)	(2,917,370)	5,596,455	8,513,825
OTHER FINANCING SOURCES (USES):				
Gain on Sale of Assets	72,969	72,969	92,647	19,678
Transfers out	(328,352)	(328,352)	(328,352)	-
Total other financing sources (uses)	(255,383)	(255,383)	(235,705)	19,678
Net Change in Fund Balance	(4,228,446)	(3,172,753)	5,360,750	8,533,503
Fund balances at beginning of year	31,667,570	31,667,570	31,667,570	-
Prior Year Encumbrances Appropriated	1,554,475	1,554,475	1,554,475	-
Fund balances at end of year	28,993,599	30,049,292	38,582,795	8,533,503

Hilliard City School District
 Required Supplementary Information
 Schedule of Proportionate Share of the Net Pension Liability
 School Employees Retirement System
 Last Ten Fiscal Years (1)

	2015	2014	2013
District's Proportion of the Net Pension Liability	0.731953%	0.731437%	0.731437%
District's Proportionate Share of the Net Pension Liability	41,765,965	37,017,610	43,496,211
District's Covered Employee Payroll	23,542,700	19,546,896	19,013,828
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	177%	189%	229%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.16%	71.70%	65.52%

(1) - Information prior to 2013 not available

Hilliard City School District
 Required Supplementary Information
 Schedule of Proportionate Share of the Net Pension Liability
 State Teacher's Retirement System
 Last Ten Fiscal Years (1)

	2015	2014	2013
District's Proportion of the Net Pension Liability	0.84340698%	0.82222460%	0.82222460%
District's Proportionate Share of the Net Pension Liability	233,093,020	199,993,478	238,230,923
District's Covered Employee Payroll	85,432,486	84,714,756	83,426,168
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	273%	236%	286%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.10%	74.70%	69.30%

(1) - Information prior to 2013 not available

Hilliard City School District
 Required Supplementary Information
 Schedule of District Contributions
 School Employees Retirement System
 Last Ten Fiscal Years (1)

	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually Required Contribution	3,171,804	3,295,978	2,736,565	2,661,936	2,819,646	2,831,776	2,945,811	2,755,458	2,701,207
Contributions in Relation to the Contractually Required Contribution	<u>(3,171,804)</u>	<u>(3,295,978)</u>	<u>(2,736,565)</u>	<u>(2,661,936)</u>	<u>(2,819,646)</u>	<u>(2,831,776)</u>	<u>(2,945,811)</u>	<u>(2,755,458)</u>	<u>(2,701,207)</u>
Deficiency/(Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered Employee Payroll	22,655,743	23,542,700	19,546,896	19,013,828	20,140,332	20,226,969	21,041,506	19,681,842	19,294,339
Contributions as a Percentage of Covered Employee Payroll	14%	14%	14%	14%	14%	14%	14%	14%	14%

(1) Information prior to 2008 not available

Hilliard City School District
 Required Supplementary Information
 Schedule of District Contributions
 State Teacher's Retirement System
 Last Ten Fiscal Years (1)

	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually Required Contribution	12,575,482	12,319,354	11,860,066	11,679,664	12,334,264	12,539,592	12,213,521	11,517,487	11,221,658
Contributions in Relation to the Contractually Required Contribution	(12,575,482)	(12,319,354)	(11,860,066)	(11,679,664)	(12,334,264)	(12,539,592)	(12,213,521)	(11,517,487)	(11,221,658)
Deficiency/(Excess)	-	-	-	-	-	-	-	-	-
District's Covered Employee Payroll	89,824,869	85,432,486	84,714,756	83,426,168	88,101,883	89,568,514	87,239,433	82,267,761	80,154,698
Contributions as a Percentage of Covered Employee Payroll	14%	14%	14%	14%	14%	14%	14%	14%	14%

(1) Information prior to 2008 not available

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HILLIARD CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information
For the Year Ended June 30, 2016

A. Budgetary Information

All governmental funds are subject to annual expenditures budgets. The Board follows the procedures outlined below in establishing the expenditures budget data:

- (1) Beginning in fiscal year 2011 the Franklin County Auditor eliminated the tax budget requirement. Alternative information must be filed by January 20th with the County Auditor. Board action is not required for the alternative document.
- (2) The County Budget Commission certifies its actions to the District by March 1. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about July 1, this certificate is amended to include any unencumbered balances from the preceding year.
- (3) An annual appropriation measure must be passed by October 1 of each year for the period July 1 to June 30. Unencumbered appropriations lapse at year-end and encumbered appropriations are carried over to the following fiscal year and need not be re-appropriated. The Hilliard Board of Education adopted its 2016 permanent appropriation measure at its July 8, 2015 regular meeting. The Board of Education adopted at the June 27, 2016 regular meeting a permanent appropriation measure for fiscal year 2017. The appropriation measure may be amended or supplemented during the year as new information becomes available. Individual buildings and/or departments may transfer funds within their budgets. Revised appropriations are presented during the year and include the transfers requested by staff and any amendments to fund unanticipated expenditures. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations at the fund level.

B. Reconciling Budgetary Basis and GAAP

The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule—General Fund 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. There are three funds that roll into the General Fund for financial reporting but are reported separately on the budgetary presentation;
- C. Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis); and
- D. Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance (GAAP basis).

HILLIARD CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information
For the Year Ended June 30, 2016

A reconciliation of the General Fund results of operations at the end of the year on the GAAP basis to the budget basis follows:

Net change in fund balance	\$ 2,761,229
Adjustments	
Due to accruals to revenue/Other Financing Sources	3,785,058
Due to Other Fund cash revenues	(821,774)
Due to accruals to expenditures/Other Financing Uses	602,142
Due to Other Fund cash expenditures	706,425
Due to Encumbrances	(1,672,330)
Excess of revenues and other financing sources over expenditures and other financing uses (Budget Basis)	<u>\$ 5,360,750</u>

SUPPLEMENTAL DATA



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Hilliard City School District

MAJOR GOVERNMENTAL FUNDS (Other than General Fund)

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, interest and related costs.

PERMANENT IMPROVEMENT FUND

A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Section 5705, Ohio Revised Code.

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HILLIARD CITY SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances – Budget and Actual
 (Non-GAAP Budgetary Basis)
 For the fiscal year ended June 30, 2016

MAJOR GOVERNMENTAL FUNDS

	Final Budget	Actual	Variance with Final Budget positive (negative)
Bond Retirement Fund			
Total Revenues and Other Sources	\$ 27,065,000	27,476,362	411,362
Total Expenditures and Other Uses	26,976,000	26,900,957	75,043
Net Change in Fund Balance	89,000	575,405	486,405
Fund Balance, July 1	10,239,533	10,239,533	-
Fund Balance, June 30	<u>\$ 10,328,533</u>	<u>\$ 10,814,938</u>	486,405
Permanent Improvement Fund			
Total Revenues and Other Sources	\$ 4,755,306	4,697,375	(57,931)
Total Expenditures and Other Uses	8,895,391	8,710,416	184,975
Net Change in Fund Balance	(4,140,085)	(4,013,041)	127,044
Fund Balance, July 1	1,011,150	1,011,150	-
Prior Year Encumbrances Appropriated	3,169,616	3,169,616	-
Fund Balance, June 30	<u>\$ 40,681</u>	<u>\$ 167,725</u>	127,044

NONMAJOR OTHER GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects.

OTHER GRANTS FUND

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.

UNDERGROUND STORAGE TANKS FUND

A fund used to account for the deductible amount as required by the Ohio Bureau of Underground Storage Tank Regulation. The District has 3 underground petroleum tanks at its transportation facility.

STUDENT ACTIVITY FUND

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

FOOD SERVICE FUND

A fund used to record financial transactions related to the District's food service operation.

STRAIGHT A FUND

A State Fund that provides funds to educational entities in Ohio with the drive and courage to try new approaches that meet the learning needs of students, reduce the cost of running a school district, and drives more dollars to classrooms.

LATCHKEY FUND

A fund provided to account for revenues and expenditures made in connection with the District's school age care program.

OHIO EDUCATION COMPUTER NETWORK FUND (OECN Data Comm.)

A fund to account for the monies received from the State of Ohio with expenditures for installation and support costs for data communication links to connect schools to the Data Acquisition Sites, and to help offset upgrade and support costs necessary to increase data communication links.

OTHER STATE GRANTS FUND

A fund used to account for revenues and expenditures related to grants received by the District for SchoolNet Professional Development, Timeline Mini Mural Grant, Ohio Reads Volunteer Fund, Safe School Help Line, Entry Year Teacher Grant, Student Assistance Program, Promising Practice Grant SIRI Professional Development and Government Highway Safety.

EDUCATION OF HANDICAPPED CHILDREN ACT TITLE VI-B FUND (Part B-IDEA)

Provision of grants, including ARRA grants, received to assist states in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

TITLE III FUND

A fund provided to account for the Foreign Language Grant program, which is funded with U.S. Department of Education grant monies.

TITLE I FUND

To provide financial assistance to State and Local Educational Agencies, to meet the special reading needs of educationally deprived children.

EHA PRESCHOOL GRANTS FOR THE HANDICAPPED FUND (Preschool Grant)

The Preschool Grant Program, Section 69 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 FUND

A fund to account for grants providing financial assistance to State and Local Educational Agencies to improve teacher quality.

OTHER FEDERAL GRANTS FUND

A fund used to currently account for revenues and expenditures related to federal grants received for academic enrichment opportunities during non-school hours for children, particularly students who attend high-poverty and low-performing schools.

AUXILIARY SERVICES FUND

A special revenue fund used to account for monies which provide services and materials to pupils attending non-public schools, located within the District.

The following Special Revenue Funds are reported within the General Fund for GAAP purposes due to GASB 54. However, they are reported separately on the schedule of budgetary expenditures only.

SPECIAL BUILDING TRUST

A fund used to account for building contributions and can be fully expended for district/building purposes.

ROTARY SERVICES FUND

A fund to report any activity for which a fee is charged to external users for goods or services and tend to be curricular in nature.

PUBLIC SCHOOL SUPPORT

A fund provided to account for specific local revenue sources, other than taxes or expendable trusts, which are assigned to expenditures for specified purposes approved by board resolution.

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Hilliard City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	SPECIAL REVENUE FUNDS			
	Other	Underground	Student	Food
	<u>Grants</u>	<u>Tanks</u>	<u>Activity</u>	<u>Service</u>
Assets:				
Cash and Cash Equivalents	\$ 32,091	\$ 11,000	\$ 743,144	\$ 2,507,942
Receivables				
Accounts	-	-	-	-
Intergovernmental	-	-	-	58,241
Materials and Supplies Inventory	-	-	-	26,635
Total assets	32,091	11,000	743,144	2,592,818
Liabilities:				
Accounts Payable	-	-	23,271	178,410
Accrued wages and benefits	-	-	-	-
Interfund Payable	-	-	-	-
Due to Other Governments	-	-	-	-
Total Liabilities	-	-	23,271	178,410
Deferred Inflows of Resources				
Other Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	26,635
Restricted	32,091	11,000	719,873	2,387,773
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	32,091	11,000	719,873	2,414,408
Total Liabilities, Deferred Inflows and Fund Balances	\$ 32,091	\$ 11,000	\$ 743,144	\$ 2,592,818

Hilliard City School District

SPECIAL REVENUE FUNDS

<u>Straight A</u>	<u>Latchkey</u>	<u>OECN Data Comm.</u>	<u>Other State Grants</u>	<u>Part B, IDEA</u>
\$ -	\$ 1,646,512	\$ -	\$ 3,557	\$ -
-	7,462	-	-	-
-	-	-	11,076	587,765
-	-	-	-	-
-	<u>1,653,974</u>	-	<u>14,633</u>	<u>587,765</u>
-	5,514	-	-	-
-	15,272	-	7,300	312,168
-	-	-	-	535
-	2,404	-	1,150	49,151
-	<u>23,190</u>	-	<u>8,450</u>	<u>361,854</u>
-	7,144	-	11,076	587,223
-	<u>7,144</u>	-	<u>11,076</u>	<u>587,223</u>
-	-	-	-	-
-	-	-	-	-
-	1,623,640	-	-	-
-	-	-	(4,893)	(361,312)
-	<u>1,623,640</u>	-	<u>(4,893)</u>	<u>(361,312)</u>
\$ -	\$ <u>1,653,974</u>	\$ -	\$ <u>14,633</u>	\$ <u>587,765</u>

continued

Hilliard City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

SPECIAL REVENUE FUNDS

	<u>Title III</u>	<u>Title I</u>	<u>Preschool Grant</u>	<u>Title II-A</u>
Assets:				
Cash and Cash Equivalents	\$ 242	\$ -	\$ 447	\$ 373
Receivables				
Accounts	-	-	-	-
Intergovernmental	36,169	383,477	4,052	32,822
Materials and Supplies Inventory	-	-	-	-
Total assets	<u>36,411</u>	<u>383,477</u>	<u>4,499</u>	<u>33,195</u>
Liabilities:				
Accounts Payable	-	1,150	-	-
Accrued wages and benefits	28,777	168,879	-	32,229
Interfund Payable	-	30,376	-	-
Due to Other Governments	4,531	26,590	-	5,074
Total Liabilities	<u>33,308</u>	<u>226,995</u>	<u>-</u>	<u>37,303</u>
Deferred Inflows of Resources				
Other Revenue	36,169	353,101	4,052	32,594
Total Deferred Inflows of Resources	<u>36,169</u>	<u>353,101</u>	<u>4,052</u>	<u>32,594</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	447	-
Committed	-	-	-	-
Unassigned	(33,066)	(196,619)	-	(36,702)
Total fund balances	<u>(33,066)</u>	<u>(196,619)</u>	<u>447</u>	<u>(36,702)</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 36,411</u>	<u>\$ 383,477</u>	<u>\$ 4,499</u>	<u>\$ 33,195</u>

Continued

Hilliard City School District

SPECIAL REVENUE FUNDS

<u>Other Federal</u>	<u>Auxiliary Services</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 180,474	\$ 5,125,782
-	-	7,462
4,713	-	1,118,315
-	-	26,635
<u>4,713</u>	<u>180,474</u>	<u>6,278,194</u>
-	12,320	220,665
-	14,447	579,072
294	-	31,205
-	2,275	91,175
<u>294</u>	<u>29,042</u>	<u>922,117</u>
<u>4,419</u>	<u>-</u>	<u>1,035,778</u>
<u>4,419</u>	<u>-</u>	<u>1,035,778</u>
-	-	26,635
-	151,432	3,302,616
-	-	1,623,640
-	-	(632,592)
<u>-</u>	<u>151,432</u>	<u>4,320,299</u>
<u>\$ 4,713</u>	<u>\$ 180,474</u>	<u>\$ 6,278,194</u>

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

	SPECIAL REVENUE FUNDS			
	Other <u>Grants</u>	Underground Storage <u>Tanks</u>	Student <u>Activity</u>	Food <u>Service</u>
Revenues:				
From local sources				
Tuition	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	-	11,564
Other local	15,025	-	106,194	-
Intergovernmental - State	-	-	-	38,219
Intergovernmental - Federal	-	-	-	2,429,759
Other revenue	-	-	-	750
Extracurricular Activities	-	-	953,040	-
Food Services	-	-	-	3,186,892
Total Revenues	<u>15,025</u>	<u>-</u>	<u>1,059,234</u>	<u>5,667,184</u>
Expenditures:				
Current:				
Instruction				
Regular	3,049	-	-	-
Special	-	-	-	-
Support Services				
Pupils	64	-	-	39,559
Instructional Staff	846	-	-	-
General Administration	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Community Services	-	-	-	-
Food Service Operations	-	-	-	5,349,708
Extracurricular Activities	-	-	709,602	-
Capital Outlay	-	-	243,727	130,900
Total Expenditures	<u>3,959</u>	<u>-</u>	<u>953,329</u>	<u>5,520,167</u>
Net Change in Fund Balance	11,066	-	105,905	147,017
Fund balances, July 1	<u>21,025</u>	<u>11,000</u>	<u>613,968</u>	<u>2,267,391</u>
Fund balances, June 30	<u>\$ 32,091</u>	<u>\$ 11,000</u>	<u>\$ 719,873</u>	<u>\$ 2,414,408</u>

Hilliard City School District

SPECIAL REVENUE FUNDS

<u>Straight A</u>	<u>Latchkey</u>	<u>OECN Data Comm.</u>	<u>Other State Grants</u>	<u>Part B, IDEA</u>
\$ -	\$ 2,446,115	\$ -	\$ -	\$ -
-	-	-	-	-
-	4,871	-	-	-
251,042	7,053	39,600	45,420	-
-	2,524	-	-	2,514,031
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>251,042</u>	<u>2,460,563</u>	<u>39,600</u>	<u>45,420</u>	<u>2,514,031</u>
211,503	-	-	-	-
-	-	-	-	2,591,852
-	-	-	51,370	59,322
40,578	-	-	-	47,578
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	39,600	-	-
-	2,104,591	-	-	36,785
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>252,081</u>	<u>2,104,591</u>	<u>39,600</u>	<u>51,370</u>	<u>2,735,537</u>
(1,039)	355,972	-	(5,950)	(221,506)
1,039	1,267,668	-	1,057	(139,806)
<u>\$ -</u>	<u>\$ 1,623,640</u>	<u>\$ -</u>	<u>\$ (4,893)</u>	<u>\$ (361,312)</u>

continued

Hilliard City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the Fiscal Year Ended June 30, 2016

	SPECIAL REVENUE FUNDS			
	<u>Title III</u>	<u>Title I</u>	Preschool <u>Grant</u>	<u>Title II-A</u>
Revenues:				
From local sources				
Tuition	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	-	-
Other local	-	-	-	-
Intergovernmental - State	-	-	-	-
Intergovernmental - Federal	190,326	1,324,306	23,543	177,377
Other revenue	-	-	-	-
Extracurricular Activities	-	-	-	-
Food Services	-	-	-	-
Total Revenues	190,326	1,324,306	23,543	177,377
Expenditures:				
Current:				
Instruction				
Regular	206,101	1,334,994	-	-
Special	-	-	21,287	198,818
Support Services				
Pupils	-	-	-	-
Instructional Staff	-	5,148	-	-
General Administration	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Pupil Transportation	-	2,405	-	-
Central	-	-	-	-
Community Services	1,467	88,057	-	1,124
Food Service Operations	-	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	207,568	1,430,604	21,287	199,942
Excess (deficiency) of revenue over expenditures	(17,242)	(106,298)	2,256	(22,565)
Fund balances, July 1	(15,824)	(90,321)	(1,809)	(14,137)
Fund balance, June 30	\$ (33,066)	\$ (196,619)	\$ 447	\$ (36,702)

Hilliard City School District

<u>SPECIAL REVENUE FUNDS</u>		<u>Total Nonmajor Governmental Funds</u>
<u>Other Federal</u>	<u>Auxiliary Services</u>	
\$ -	\$ -	2,446,115
-	1,210	12,774
-	-	126,090
-	685,061	1,066,395
203,458	-	6,865,324
-	-	750
-	-	953,040
-	-	3,186,892
<u>203,458</u>	<u>686,271</u>	<u>14,657,380</u>
130,415	-	1,886,062
-	-	2,811,957
-	-	150,315
12,462	-	106,612
37,702	-	37,702
319	-	319
567	-	2,972
-	-	39,600
21,138	590,429	2,843,591
-	-	5,349,708
-	-	709,602
-	-	374,627
<u>202,603</u>	<u>590,429</u>	<u>14,313,067</u>
855	95,842	344,313
(855)	55,590	3,975,986
<u>\$ -</u>	<u>\$ 151,432</u>	<u>\$ 4,320,299</u>

HILLIARD CITY SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances – Budget and Actual
 (Non-GAAP Budgetary Basis)
 For the fiscal year ended June 30, 2016

	Final Budget	Actual	Variance with Final Budget positive (negative)
SPECIAL REVENUE FUNDS			
Other Grants			
Total Revenues and Other Sources	\$ 10,000	15,025	5,025
Total Expenditures and Other Uses	18,700	10,882	7,818
Net Change in Fund Balance	(8,700)	4,143	12,843
Fund Balance, July 1	24,222	24,222	-
Prior Year Encumbrances Appropriated	3,726	3,726	-
Fund Balance, June 30	<u>\$ 19,248</u>	<u>32,091</u>	<u>12,843</u>
Underground Storage Tanks			
Total Revenues and Other Sources	\$ -	-	-
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance, July 1	11,000	11,000	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	<u>\$ 11,000</u>	<u>11,000</u>	<u>-</u>
Student Activity Fund			
Total Revenues and Other Sources	\$ 925,000	845,283	(79,717)
Total Expenditures and Other Uses	1,169,790	835,468	334,322
Net Change in Fund Balance	(244,790)	9,815	254,605
Fund Balance, July 1	617,612	617,612	-
Prior Year Encumbrances Appropriated	60,790	60,790	-
Fund Balance, June 30	<u>\$ 433,612</u>	<u>688,217</u>	<u>254,605</u>
Food Service Fund			
Total Revenues and Other Sources	\$ 5,345,500	5,312,277	(33,223)
Total Expenditures and Other Uses	6,033,040	5,326,265	706,775
Net Change in Fund Balance	(687,540)	(13,988)	673,552
Fund Balance, July 1	2,069,591	2,069,591	-
Prior Year Encumbrances Appropriated	278,040	278,040	-
Fund Balance, June 30	<u>\$ 1,660,091</u>	<u>2,333,643</u>	<u>86,642</u>
Latchkey			
Total Revenues and Other Sources	\$ 2,069,916	2,461,216	391,300
Total Expenditures and Other Uses	2,317,576	2,104,202	213,374
Net Change in Fund Balance	(247,660)	357,014	604,674
Fund Balance, July 1	1,281,255	1,281,255	-
Prior Year Encumbrances Appropriated	7,090	7,090	-
Fund Balance, June 30	<u>\$ 1,040,685</u>	<u>1,645,359</u>	<u>604,674</u>

HILLIARD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2016

	Final Budget	Actual	Variance with Final Budget positive (negative)
Straight A Grant			
Total Revenues and Other Sources	\$ 290,000	251,043	(38,957)
Total Expenditures and Other Uses	254,889	252,081	2,808
Net Change in Fund Balance	35,111	(1,038)	(36,149)
Fund Balance, July 1	(22,851)	(22,851)	-
Prior Year Encumbrances Appropriated	23,889	23,889	-
Fund Balance, June 30	\$ 36,149	\$ -	(36,149)
Ohio Education Computer Network (O.E.C.N.)			
Total Revenues and Other Sources	\$ 39,600	39,600	-
Total Expenditures and Other Uses	39,600	39,600	-
Net Change in Fund Balance	-	-	-
Fund Balance, July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	\$ -	-	-
Other State Grants			
Total Revenues and Other Sources	\$ 60,000	45,422	(14,578)
Total Expenditures and Other Uses	49,000	42,920	6,080
Net Change in Fund Balance	11,000	2,502	(8,498)
Fund Balance, July 1	1,056	1,056	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	\$ 12,056	3,558	(8,498)
Part B - IDEA			
Total Revenues and Other Sources	\$ 2,900,000	2,706,489	(193,511)
Total Expenditures and Other Uses	2,825,000	2,715,222	109,778
Net Change in Fund Balance	75,000	(8,733)	(83,733)
Fund Balance, July 1	8,191	8,191	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	\$ 83,191	(542)	(83,733)
Title III			
Total Revenues and Other Sources	\$ 225,000	209,327	(15,673)
Total Expenditures and Other Uses	220,000	209,773	10,227
Net Change in Fund Balance	5,000	(446)	(5,446)
Fund Balance, July 1	(234)	(234)	-
Prior Year Encumbrances Appropriated	924	924	-
Fund Balance, June 30	\$ 5,690	244	(5,446)

HILLIARD CITY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2016

	Final Budget	Actual	Variance with Final Budget positive (negative)
Title I			
Total Revenues and Other Sources	\$ 1,600,000	1,410,930	(189,070)
Total Expenditures and Other Uses	1,542,461	1,451,885	90,576
Net Change in Fund Balance	57,539	(40,955)	(98,494)
Fund Balance, July 1	(307)	(307)	-
Prior Year Encumbrances Appropriated	5,035	5,035	-
Fund Balance, June 30	\$ 62,267	(36,227)	(98,494)
Preschool Grant			
Total Revenues and Other Sources	\$ 30,000	27,584	(2,416)
Total Expenditures and Other Uses	25,000	24,904	96
Net Change in Fund Balance	5,000	2,680	(2,320)
Fund Balance, July 1	(2,241)	(2,241)	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	\$ 2,759	439	(2,320)
Title II-A			
Total Revenues and Other Sources	\$ 210,000	194,149	(15,851)
Total Expenditures and Other Uses	210,000	196,033	13,967
Net Change in Fund Balance	-	(1,884)	(1,884)
Fund Balance, July 1	1,656	1,656	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	\$ 1,656	(228)	(1,884)
Other Federal Grants			
Total Revenues and Other Sources	\$ 224,811	220,666	(4,145)
Total Expenditures and Other Uses	217,766	213,914	3,852
Net Change in Fund Balance	7,045	6,752	(293)
Fund Balance, July 1	(24,810)	(24,810)	-
Prior Year Encumbrances Appropriated	17,765	17,765	-
Fund Balance, June 30	\$ -	(293)	(293)
Auxillary Services			
Total Revenues and Other Sources	\$ 700,400	686,271	(14,129)
Total Expenditures and Other Uses	785,566	731,584	53,982
Net Change in Fund Balance	(85,166)	(45,313)	39,853
Fund Balance, July 1	27,541	27,541	-
Prior Year Encumbrances Appropriated	85,566	85,566	-
Fund Balance, June 30	\$ 27,941	67,794	39,853

HILLIARD CITY SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances – Budget and Actual
 (Non-GAAP Budgetary Basis)
 For the fiscal year ended June 30, 2016

	Final Budget	Actual	Variance with Final Budget positive (negative)
Special Building Trust Fund			
Total Revenues and Other Sources	\$ 45,000	36,245	(8,755)
Total Expenditures and Other Uses	70,500	27,976	42,524
Net Change in Fund Balance	(25,500)	8,269	33,769
Fund Balance, July 1	129,618	129,618	-
Prior Year Encumbrances Appropriated	100	100	-
Fund Balance, June 30	<u>\$ 104,218</u>	<u>137,987</u>	<u>33,769</u>
Rotary Services Fund			
Total Revenues and Other Sources	\$ 365,084	403,036	37,952
Total Expenditures and Other Uses	400,424	371,131	29,293
Net Change in Fund Balance	(35,340)	31,905	67,245
Fund Balance, July 1	142,853	142,853	-
Prior Year Encumbrances Appropriated	579	579	-
Fund Balance, June 30	<u>\$ 108,092</u>	<u>175,337</u>	<u>67,245</u>
Public School Support Fund			
Total Revenues and Other Sources	\$ 420,000	382,492	(37,508)
Total Expenditures and Other Uses	559,333	324,827	234,506
Net Change in Fund Balance	(139,333)	57,665	196,998
Fund Balance, July 1	352,185	352,185	-
Prior Year Encumbrances Appropriated	34,133	34,133	-
Fund Balance, June 30	<u>\$ 246,985</u>	<u>443,983</u>	<u>196,998</u>

FIDUCIARY FUND TYPE

Agency Funds

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

VISION ADMINISTRATION FUND

A fund established to account for the employee vision insurance contributions and resulting expenditures to a third party administrator of the plan.

STUDENT ACTIVITY AGENCY 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. This fund typically includes those student activities, which consist of a student body, student president, student treasurer, and faculty advisor.

Hilliard City School District
 Combining Statement of Assets and Liabilities - Agency Funds
 June 30, 2016

	Vision Administration Fund	Student Activity Agency Fund	Total Agency Funds
Assets:			
Cash and cash equivalents	\$ 15,166	\$ 436,177	\$ 451,343
Accounts Receivable	29	4,101	4,130
Total assets	\$ 15,195	\$ 440,278	\$ 455,473
Liabilities:			
Accounts Payable	-	165	165
Due to Other	15,195	440,113	455,308
Total Liabilities	\$ 15,195	\$ 440,278	\$ 455,473

Hilliard City School District
Combining Statement of Changes in Assets & Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2016

	Beginning Balance <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2016</u>
Vision Administration				
Assets				
Cash and cash equivalents	\$ 85,199	\$ 13,471,730	\$ 13,541,763	\$ 15,166
Accounts Receivable	22	29	22	29
Total Assets	<u>\$ 85,221</u>	<u>\$ 13,471,759</u>	<u>\$ 13,541,785</u>	<u>\$ 15,195</u>
Liabilities				
Due to Other	85,221	-	70,026	15,195
Total Liabilities	<u>\$ 85,221</u>	<u>\$ -</u>	<u>\$ 70,026</u>	<u>\$ 15,195</u>
Student Activity				
Assets				
Cash and cash equivalents	\$ 432,832	\$ 519,077	\$ 515,732	\$ 436,177
Accounts Receivable	178	4,101	178	4,101
Total Assets	<u>\$ 433,010</u>	<u>\$ 523,178</u>	<u>\$ 515,910</u>	<u>\$ 440,278</u>
Liabilities				
Accounts Payable	\$ -	\$ 165	\$ -	\$ 165
Due to Other	433,010	7,103	-	440,113
Total Liabilities	<u>\$ 433,010</u>	<u>\$ 7,268</u>	<u>\$ -</u>	<u>\$ 440,278</u>
Total Agency Funds				
Assets				
Cash and cash equivalents	\$ 518,031	\$ 13,990,807	\$ 14,057,495	\$ 451,343
Accounts Receivable	200	4,130	200	4,130
Total Assets	<u>\$ 518,231</u>	<u>\$ 13,994,937</u>	<u>\$ 14,057,695</u>	<u>\$ 455,473</u>
Liabilities				
Accounts Payable	\$ -	\$ 165	\$ -	\$ 165
Due to Other	518,231	7,103	70,026	455,308
Total Liabilities	<u>\$ 518,231</u>	<u>\$ 7,268</u>	<u>\$ 70,026</u>	<u>\$ 455,473</u>

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Statistical Section

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	91
These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.	
Revenue Capacity	98
These schedules contain information to help the reader assess the affordability of the District’s most significant local revenue source, the property tax.	
Debt Capacity	103
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.	
Demographic and Economic Information	107
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.	
Operating Information	110
These schedules contain service data to help the reader understand how the information in the District’s financial report relates to the services the District provides and the activities it performs.	

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

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Hilliard City School District
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2015	2014*	2013	2012	2011	2010	2009	2008	2007
Governmental Activities										
Net Investment in										
Capital Assets	\$ 25,811,174	\$ 21,959,216	\$ (8,121,617)	\$ (1,635,849)	\$ (2,460,276)	\$ (5,565,570)	\$ (4,211,910)	\$ 4,242,923	\$ 4,702,740	\$ 8,880,362
Restricted	24,258,948	28,202,700	20,267,242	20,130,187	22,977,705	28,151,321	27,606,826	23,210,974	19,853,220	19,649,575
Unrestricted	(247,229,217)	(227,989,609)	(207,073,070)	37,382,509	37,776,426	28,246,896	32,276,105	33,600,143	20,835,088	29,545,108
Total governmental activities										
Net Position	<u>\$ (197,159,095)</u>	<u>\$ (177,827,693)</u>	<u>\$ (194,927,445)</u>	<u>\$ 55,876,847</u>	<u>\$ 58,293,855</u>	<u>\$ 50,832,647</u>	<u>\$ 55,671,021</u>	<u>\$ 61,054,040</u>	<u>\$ 45,391,048</u>	<u>\$ 58,075,045</u>

* - 2014 has been restated for implementation of GASB 68

Hilliard City School District
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Expenses:										
Governmental Activities:										
Instruction										
Regular	\$ 116,218,842	\$ 95,102,748	\$ 92,979,628	\$ 88,134,477	\$ 89,643,622	\$ 93,677,503	\$ 93,413,678	\$ 88,191,190	\$ 86,138,527	\$ 80,768,738
Special	20,199,336	16,564,476	18,044,104	17,336,817	24,053,702	20,208,756	19,298,827	17,026,624	16,504,671	16,412,601
Vocational	2,505,223	2,206,843	1,463,815	6,643,022	1,112,666	1,442,162	1,350,631	1,035,569	1,095,475	1,419,415
Support Services										
Pupils	15,769,006	12,703,659	12,496,611	12,363,839	12,565,375	10,625,989	10,047,902	9,622,713	10,346,486	9,685,260
Instructional Staff	12,144,287	9,683,587	8,911,666	8,461,569	9,024,280	8,385,670	9,854,465	9,351,098	8,774,032	8,996,674
Board of Education	343,483	330,816	353,808	392,731	307,354	276,592	438,072	296,409	305,636	306,505
General Administration	10,464,016	9,195,349	9,184,869	8,453,457	8,339,886	11,145,918	10,214,620	10,054,745	9,859,499	9,412,344
Fiscal Services	4,412,504	4,446,147	4,464,183	5,617,968	3,046,569	3,849,167	3,831,070	3,743,879	3,439,673	3,385,951
Business	828,153	839,653	1,072,724	800,665	770,869	1,035,375	971,255	919,294	871,298	654,354
Operation & Maintenance of Plant	16,442,726	14,162,837	15,445,577	17,294,230	14,659,261	16,893,977	16,420,139	14,726,606	13,947,605	11,697,001
Pupil Transportation	9,845,289	9,506,593	9,279,309	8,233,115	8,441,721	8,522,165	7,997,969	7,845,830	7,908,945	7,838,069
Central	1,763,742	1,488,994	1,355,218	1,602,582	694,076	712,997	673,108	609,281	636,785	533,039
Community Services	2,908,701	2,892,732	2,828,520	2,901,940	2,645,637	2,730,639	2,556,229	2,490,233	2,264,588	1,959,881
Food Service Operations	5,436,729	5,442,641	5,424,534	4,846,102	5,582,177	5,108,862	4,774,193	4,787,269	4,337,259	3,987,232
Extracurricular Activities	5,546,211	4,847,363	4,883,018	4,705,386	4,443,274	4,664,946	4,924,554	4,191,362	3,744,410	3,573,573
Interest and Fiscal Charges	7,432,983	7,939,505	8,081,667	9,755,664	10,985,896	10,822,788	11,204,471	10,450,932	11,517,266	9,932,681
Miscellaneous	-	-	-	-	-	-	-	105,061	6,927	2,107
Total Governmental Activities Expenses	232,261,231	197,353,943	196,269,251	197,543,564	196,316,365	200,103,506	197,971,183	185,448,095	181,699,082	170,565,425

Hilliard City School District
Changes in Net Position (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Program Revenues										
Governmental Activities:										
Charges for Services										
Instruction										
Regular	\$ 1,959,823	\$ 1,932,859	\$ 1,854,719	\$ 1,919,533	\$ 1,483,516	\$ 1,679,389	\$ 1,538,363	\$ 1,348,163	\$ 1,203,811	\$ 240,537
Special	168,157	169,363	182,556	170,386	183,235	133,848	123,065	145,737	139,276	232,404
Vocational	20,856	22,564	14,278	65,288	10,771	13,588	12,373	9,947	12,504	-
Support Services										
Pupils	-	21,620	12,549	-	738	1,676	5,710	-	-	653
Instructional Staff	-	-	-	16,067	1	869	22,044	6,884	190	2,862
General Administrative	-	-	-	-	-	2,801	26,296	216,709	218,876	-
Board of Education	-	-	-	-	-	-	-	-	-	188,449
Fiscal Services	-	-	-	-	2,315	5,475	4,222	-	-	-
Business	-	-	-	-	-	-	-	221,632	205,829	204,219
Operation & Maintenance of Plant	-	-	-	-	22,328	555,959	225,873	133,808	95,292	2,404
Pupil Transportation	-	-	-	-	-	1,221	11,262	28,647	15,985	142,806
Central	-	-	-	-	-	-	25,326	-	1,655	-
Community Services	2,443,107	2,319,092	2,457,955	2,176,647	2,000,354	2,082,628	1,824,209	1,594,139	1,786,838	1,448,208
Food Service Operations	3,186,892	3,175,578	3,289,006	3,208,563	3,363,808	3,415,428	3,353,215	3,435,693	3,378,852	3,074,733
Extracurricular Activities	1,110,556	952,095	939,886	842,171	720,859	731,532	738,491	795,366	809,354	620,401
Miscellaneous	-	-	487,348	1,555	-	-	-	1,324	3,385	-
Operating Grants and Contributions	9,393,280	10,734,614	9,094,822	8,066,269	9,558,097	13,593,714	11,301,014	7,460,389	6,712,834	5,237,751
Total Governmental Activities										
Program Revenues	18,282,671	19,327,785	18,333,119	16,466,480	17,346,023	22,218,128	19,211,463	15,398,438	14,584,681	11,395,427
Net (Expense)/Revenue										
Governmental Activities	\$ (213,978,560)	\$ (178,026,158)	\$ (177,936,132)	\$ (181,077,084)	\$ (178,970,342)	\$ (177,885,378)	\$ (178,759,720)	\$ (170,049,657)	\$ (167,114,401)	\$ (159,169,998)
General Revenues and Other										
Changes in Net Position										
Governmental Activities										
Property Taxes Levied for:										
General Purposes	\$ 105,623,435	\$ 108,595,687	\$ 109,762,468	\$ 101,300,569	\$ 106,363,533	\$ 93,209,760	\$ 93,523,208	\$ 103,839,779	\$ 75,988,748	\$ 93,656,960
Debt Service	15,088,715	14,997,594	15,042,636	13,800,506	14,458,043	13,720,546	13,571,060	14,819,019	12,438,423	14,947,957
Permanent Improvement	4,106,154	4,214,850	4,260,901	3,946,788	4,174,035	4,217,280	4,222,950	4,660,001	3,954,210	4,272,030
Grants and Entitlements not										
Restricted to Specific Programs	65,123,271	63,102,610	59,418,666	55,711,006	56,437,892	58,010,452	59,245,699	58,265,356	54,444,629	51,582,809
Investment Earnings	574,775	234,322	140,830	156,411	209,521	265,473	477,848	1,584,812	5,146,726	5,606,814
Miscellaneous	4,130,808	3,980,847	5,496,686	3,744,796	4,788,525	3,623,493	2,335,936	2,543,682	2,457,668	2,914,144
Total Governmental Activities	194,647,158	195,125,910	194,122,187	178,660,076	186,431,549	173,047,004	173,376,701	185,712,649	154,430,404	172,980,714
Change in Net Position										
Governmental Activities	\$ (19,331,402)	\$ 17,099,752	\$ 16,186,055	\$ (2,417,008)	\$ 7,461,207	\$ (4,838,374)	\$ (5,383,019)	\$ 15,662,992	\$ (12,683,997)	\$ 13,810,716

Hilliard City School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Assigned	3,155,665	1,497,811	1,026,079	1,540,114	2,422,109
Unassigned	<u>63,806,229</u>	<u>62,702,854</u>	<u>55,539,623</u>	<u>45,527,185</u>	<u>43,770,852</u>
Total General Fund	<u>\$ 66,961,894</u>	<u>\$ 64,200,665</u>	<u>\$ 56,565,702</u>	<u>\$ 47,067,299</u>	<u>\$ 46,192,961</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special Revenue Funds	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Permanent Improvement Fund	-	-	-	-	-
Building Fund	-	-	-	-	-
Nonspendable	26,635	6,364	67,961	67,961	67,961
Restricted	23,214,755	25,641,886	21,817,169	21,271,022	25,099,863
Committed	1,623,640	1,267,668	1,008,827	732,714	682,063
Assigned	-	-	-	-	-
Unassigned	(632,592)	(262,752)	(381,843)	(305,665)	(224,659)
Total All Other Governmental Funds	<u>\$ 24,232,438</u>	<u>\$ 26,653,166</u>	<u>\$ 22,512,114</u>	<u>\$ 21,766,032</u>	<u>\$ 25,625,228</u>

2011	2010 *	2009	2008	2007
\$ -	\$ -	\$ 1,632,959	\$ 1,530,740	\$ 1,383,439
-	-	36,268,191	21,444,843	31,853,938
1,036,373	1,025,108	-	-	-
34,640,821	39,071,706	-	-	-
<u>\$ 35,677,194</u>	<u>\$ 40,096,814</u>	<u>\$ 37,901,150</u>	<u>\$ 22,975,583</u>	<u>\$ 33,237,377</u>
\$ -	\$ -	\$ 3,226,908	\$ 27,702,511	\$ 62,633,142
-	-	2,123,150	2,636,854	1,832,813
-	-	11,843,799	11,415,734	13,902,046
-	-	6,461,561	7,401,278	2,307,316
-	-	(10,012,055)	(9,531,947)	(9,243,583)
71,297	52,898	-	-	-
26,675,323	26,580,762	-	-	-
2,419,864	2,142,959	-	-	-
-	-	-	-	-
(503,894)	(922,280)	-	-	-
<u>\$ 28,662,590</u>	<u>\$ 27,854,339</u>	<u>\$ 13,643,363</u>	<u>\$ 39,624,430</u>	<u>\$ 71,431,734</u>

* - Restated for implementation of GASB 54 during fiscal year 2011. The District has elected to not restate prior fund balance amounts for fiscal years prior to implementation

Hilliard City School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2015	2014	2013	2012
Revenues:					
From Local Sources					
Taxes	\$ 123,945,400	\$ 129,218,235	\$ 129,124,414	\$ 119,645,337	\$ 124,561,285
Tuition	3,438,429	3,284,514	3,148,206	3,225,320	2,721,616
Investment Earnings	465,952	237,651	127,775	180,793	189,390
Other Local	126,090	28,970	371,678	339,874	3,875,611
Intergovernmental - State	66,749,999	66,334,585	61,048,870	56,489,713	57,632,156
Intergovernmental - Federal	7,402,305	7,580,453	7,366,554	7,164,610	9,433,081
Classroom Materials & Fees	1,078,395	1,164,301	1,097,211	1,101,860	922,624
Other Revenue	3,891,123	3,258,494	5,988,989	3,364,205	-
Extracurricular Activities	1,110,556	1,002,536	824,806	715,050	695,956
Food Services	3,186,892	3,175,578	3,289,006	3,208,563	3,363,808
Total Revenues	211,395,141	215,285,317	212,387,509	195,435,325	203,395,527
Expenditures					
Current:					
Instruction					
Regular	92,187,093	91,365,919	87,593,486	81,091,077	80,862,121
Special	17,773,010	17,401,298	18,383,419	17,414,250	23,650,479
Vocational	2,035,371	2,199,076	1,445,717	6,513,919	1,140,440
Support Services					
Pupils	13,724,524	13,285,576	12,716,233	12,243,664	12,346,639
Instructional Staff	10,450,698	9,982,621	9,066,018	8,528,419	9,006,121
Board of Education	343,483	330,816	353,808	392,731	307,354
General Administration	8,969,730	9,207,189	9,011,498	8,384,587	8,007,011
Fiscal Services	4,382,779	4,477,279	4,453,492	5,616,389	3,038,120
Business	777,660	882,095	1,080,101	757,218	755,267
Operation & Maintenance of Plant	15,379,369	13,926,016	15,198,189	14,432,290	14,279,069
Pupil Transportation	8,749,588	9,037,167	8,536,016	7,328,457	7,572,840
Central	1,698,411	1,493,327	1,338,044	1,446,040	642,462
Community Services	2,849,395	2,908,704	2,844,926	2,909,959	2,638,112
Food Service Operations	5,349,708	5,362,676	5,343,594	4,763,766	5,501,044
Extracurricular Activities	4,672,919	4,771,517	4,702,757	4,504,183	4,257,601
Capital Outlay	3,795,070	2,135,850	2,756,645	3,097,070	4,063,632
Debt Service					
Principal Retirement	13,800,000	13,045,000	12,815,000	14,220,000	12,805,000
Interest and Fiscal Charges	4,382,748	4,483,587	4,504,081	5,643,800	6,310,520
Total Expenditures	\$ 211,321,556	\$ 206,295,713	\$ 202,143,024	\$ 199,287,819	\$ 197,183,832
Excess (deficiency) of revenue over (under) expenditures	\$ 73,585	\$ 8,989,604	\$ 10,244,485	\$ (3,852,494)	\$ 6,211,695
Other Financing Sources/(Uses)					
Refund of prior year expenditure/receipt (net)	-	-	-	306,776	926,946
Transfers In	328,352	331,100	331,820	332,252	333,333
Transfers (out)	(328,352)	(331,100)	(331,820)	(332,252)	(333,333)
Proceeds of Capital Lease	-	-	-	-	-
Insurance Recovery	-	-	-	-	45,713
Proceeds Sale of Fixed Assets	99,637	2,263,720	-	21,000	103,800
Premium and interest on Bonds Sold	1,019,475	706,225	-	11,666,702	1,899,524
Bonds Issued	-	-	-	-	-
Refunding Bonds Issued	8,855,000	5,605,000	-	66,424,912	13,885,000
Payments to Refunded Bond Escrow	(9,707,196)	(6,200,578)	-	(77,551,753)	(15,594,273)
Total Other Financing (Sources) Uses	266,916	2,374,367	-	867,637	1,266,710
Net Change in Fund Balance	\$ 340,501	\$ 11,363,971	\$ 10,244,485	\$ (2,984,857)	\$ 7,478,405
Debt Service as a Percentage of Noncapital Expenditures	8.76%	8.59%	9.51%	11.27%	10.99%

2011	2010	2009	2008	2007
\$ 111,760,961	\$ 112,954,990	\$ 122,283,939	\$ 92,804,208	\$ 112,479,976
2,819,341	2,324,020	2,183,931	2,142,734	1,943,573
263,188	560,884	1,694,614	5,085,428	5,534,832
3,815,281	2,980,635	3,158,909	2,931,615	2,423,468
58,970,417	59,971,902	59,150,778	55,284,194	52,384,420
11,940,550	10,469,544	5,616,327	5,782,809	4,436,140
934,866	897,395	903,599	946,857	926,316
-	-	127,992	200,077	117,974
669,710	674,030	666,000	671,909	581,556
3,415,428	3,353,215	3,435,693	3,378,852	3,074,733
<u>194,589,742</u>	<u>194,186,615</u>	<u>199,221,782</u>	<u>169,228,683</u>	<u>183,902,988</u>
86,826,416	86,028,126	82,763,446	81,632,638	73,728,857
20,166,794	19,149,813	16,921,131	16,528,021	16,389,505
1,448,326	1,347,615	1,029,274	1,176,943	1,430,059
10,653,853	9,889,608	9,632,199	10,345,957	9,673,614
8,413,999	9,676,792	9,215,489	8,749,726	8,995,107
276,592	438,072	296,409	305,636	306,505
10,882,076	9,877,254	9,739,605	9,567,995	9,184,437
3,860,110	3,825,655	3,735,261	3,433,343	3,393,790
1,011,884	966,153	911,239	855,111	636,323
16,708,894	16,124,551	12,919,323	12,105,860	11,979,133
7,715,064	7,124,289	7,608,970	8,067,378	6,847,701
678,564	665,286	609,952	634,300	553,049
2,741,814	2,553,223	2,472,220	2,258,361	1,959,839
5,028,995	4,695,145	4,729,538	4,326,173	3,960,729
4,466,193	4,630,561	3,946,561	3,478,139	3,311,308
-	-	26,941,614	38,828,746	20,691,242
-	-	105,061	6,927	2,107
4,102,437	1,813,259	-	-	125,380
12,614,561	3,001,225	10,643,522	10,281,042	9,293,989
5,848,628	6,271,802	6,299,309	6,720,102	6,984,582
<u>\$ 203,445,200</u>	<u>\$ 188,078,429</u>	<u>\$ 210,520,123</u>	<u>\$ 219,302,398</u>	<u>\$ 189,447,256</u>
\$ (8,855,458)	\$ 6,108,186	\$ (11,298,341)	\$ (50,073,715)	\$ (5,544,268)
	10,073,118	659,993	3,224,778	-
	(10,073,118)	(659,993)	(3,224,778)	-
	-	-	-	125,380
22,370	39,863	213,591	-	-
221,719	33,000	29,250	-	-
	421,807	-	4,617	-
5,000,000	9,999,993	-	-	-
	9,029,972	-	-	-
	-	-	8,000,000	-
	(9,226,181)	-	-	-
<u>5,244,089</u>	<u>10,298,454</u>	<u>242,841</u>	<u>8,004,617</u>	<u>125,380</u>
<u>\$ (3,611,369)</u>	<u>\$ 16,406,640</u>	<u>\$ (11,055,500)</u>	<u>\$ (42,069,098)</u>	<u>\$ (5,418,888)</u>
10.21%	5.24%	10.12%	10.40%	10.68%

**Hilliard City School District
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection Years**

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)		Total		Tax Rate (d)
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2016	\$ 2,370,824,420	\$ 6,773,784,057	\$ -	\$ -	\$ 75,996,270	\$ 217,132,200	\$ 2,446,820,690	\$ 6,990,916,257	56.62
2015	2,332,367,080	6,663,905,943	-	-	71,514,850	204,328,143	2,403,881,930	6,868,234,086	56.76
2014	2,278,811,240	6,510,889,257	-	-	65,485,990	187,102,829	2,344,297,230	6,697,992,086	57.72
2013	2,279,187,380	6,511,963,943	-	-	62,558,580	178,738,800	2,341,745,960	6,690,702,743	57.68
2012	2,274,409,700	6,498,313,429	-	-	57,421,280	164,060,800	2,331,830,980	6,662,374,229	57.47
2011	2,367,466,070	6,764,188,771	-	-	54,840,830	156,688,086	2,422,306,900	6,920,876,857	49.29
2010	2,371,857,150	6,776,734,714	2,026,288	2,026,288	49,401,120	141,146,057	2,423,284,558	6,919,907,059	42.70
2009	2,338,363,870	6,681,039,629	4,055,232	64,883,712	48,651,380	139,003,943	2,391,070,482	6,884,927,284	42.72
2008	2,279,605,140	6,513,157,543	48,731,453	779,703,248	48,132,690	137,521,971	2,376,469,283	7,430,382,762	43.37
2007	2,254,686,370	6,441,961,057	91,572,454	732,579,632	55,970,360	159,915,314	2,402,229,184	7,334,456,003	44.18

Source : Franklin County Auditor

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

(b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and will reach 0 in 2009. Personal property assessed for collection year 2010 is for delinquent taxes outstanding.

(c) Assumes public utilities are assessed at true value which is 35%.

(d) Tax rates are per \$1,000 of assessed value. The rate represents the weighted average of all the effective (assessed) rates applied by property type.

	Residential	Agricultural
Current Effective	56.32	65.66

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING
Last Ten Years
(Per \$1000 Assessed Value)

Collection Year	Hilliard City School District				Franklin County	Union County	Cities		
	General Fund	Bond Fund	Permanent Improvement	Total Direct			Hilliard	Dublin	Columbus
2007	67.65	6.24	2.00	75.89	18.44	10.60	1.60	2.95	3.14
2008	67.65	6.24	2.00	75.89	18.49	10.85	1.60	2.95	3.14
2009	74.55	6.24	2.00	82.79	18.02	10.85	1.60	2.95	3.14
2010	74.55	6.30	2.00	82.85	18.07	10.85	1.60	2.95	3.14
2011	74.55	6.40	2.00	82.95	18.07	10.85	1.60	2.95	3.14
2012	80.45	6.90	2.00	89.35	18.07	10.85	1.60	2.95	3.14
2013	80.45	7.00	2.00	89.45	18.47	10.85	1.60	2.95	3.14
2014	80.45	7.00	2.00	89.45	18.47	10.85	1.60	2.95	3.14
2015	80.45	7.10	2.00	89.55	18.47	10.85	1.60	2.95	3.14
2016	80.45	7.10	2.00	89.55	18.47		1.60	2.95	3.14
(Res/Agric)	(47.28)	(7.10)	(1.94)	(56.32)	(18.22)		(1.60)	(1.95)	(3.14)
(Comm/Ind)	(56.57)	(7.10)	(1.99)	(65.66)	(18.47)		(1.60)	(2.07)	(3.14)

Source: County Auditor, Franklin County and Union County

Figures in parentheses reflect "Effective" millage for residential/agricultural (upper) and commercial/industrial (lower) for the current collection year only.
 All other figures are voted millage.

Note: The Hilliard City School District consists of sixteen taxing Districts:
 Hilliard City School District - City of Hilliard (District #050)
 Hilliard City School District - City of Hilliard/Washington Township (District #052)
 Hilliard City School District - City of Hilliard/Brown Township (District #053)
 Hilliard City School District - Brown Township (District #120)
 Hilliard City School District - Brown Township/City of Columbus (District #125)(Effective Fiscal Year 2006)
 Hilliard City School District - Franklin Township (District #142)
 Hilliard City School District - Franklin Township/City of Columbus (District #145)
 Hilliard City School District - Norwich Township (District #200)
 Hilliard City School District - Norwich Township/City of Columbus (District #203)(Effective Fiscal Year 2004)
 Hilliard City School District - Prairie Township (District #241)
 Hilliard City School District - Prairie Township/City of Columbus (District #245)(Effective Fiscal Year 2004)
 Hilliard City School District - Washington Township (District #272)
 Hilliard City School District - City of Dublin/Washington Township (District #274)
 Hilliard City School District - Washington Township/City of Columbus (District #277)(Effective Fiscal Year 2004)
 Hilliard City School District - City of Columbus (District #560)
 Hilliard City School District - Union County - Washington Township

HILLIARD CITY SCHOOL DISTRICT
REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING
Last Ten Years
(Per \$1000 Assessed Value)

Collection Year	Townships					Tolles JVS	Columbus Metropolitan Library
	Brown	Franklin	Norwich	Prairie	Washington		
2007	12.80	21.31	21.60	18.20	19.95	1.30	2.20
2008	12.80	21.31	21.60	18.20	14.47	1.30	2.20
2009	12.80	25.20	21.60	18.20	14.48	1.30	2.20
2010	12.80	25.20	21.60	18.20	15.45	1.30	2.20
2011	12.80	25.20	21.60	18.20	15.45	1.30	2.80
2012	12.80	25.20	21.60	18.20	15.45	1.60	2.80
2013	12.80	25.20	21.60	18.20	15.45	1.60	2.80
2014	12.80	25.20	25.72	18.20	15.45	1.60	2.80
2015	17.92	25.20	25.72	18.20	15.45	1.60	2.80
2016	17.92	25.20	25.72	18.20	15.45	1.60	2.80
(Res/Agric)	(12.22)	(21.45)	(15.29)	(17.48)	(9.76)	(1.60)	(2.80)
(Comm/Ind)	(10.79)	(25.20)	(17.64)	(17.44)	(10.67)	(1.60)	(2.80)

Source: County Auditor, Franklin County and Union County

Figures in parentheses reflect "Effective" millage for residential/agricultural (upper) and commercial/industrial (lower) for the current collection year only. All other figures are voted millage.

Note: The Hilliard City School District consists of sixteen taxing Districts:
Hilliard City School District - City of Hilliard (District #050)
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Hilliard City School District - Franklin Township (District #142)
Hilliard City School District - Franklin Township/City of Columbus (District #145)
Hilliard City School District - Norwich Township (District #200)
Hilliard City School District - Norwich Township/City of Columbus (District #203)(Effective Fiscal Year 2004)
Hilliard City School District - Prairie Township (District #241)
Hilliard City School District - Prairie Township/City of Columbus (District #245)(Effective Fiscal Year 2004)
Hilliard City School District - Washington Township (District #272)
Hilliard City School District - City of Dublin/Washington Township (District #274)
Hilliard City School District - Washington Township/City of Columbus (District #277)(Effective Fiscal Year 2004)
Hilliard City School District - City of Columbus (District #560)
Hilliard City School District - Union County - Washington Township

**Hilliard City School District
Principal Taxpayers
June 30, 2016 and June 30, 2007**

		June 30, 2016	
		Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities			
1 .	Ohio Power Company	\$55,866,820	2.28%
2 .	AEP Ohio Transmission	9,883,010	0.40%
3 .	Columbia Gas of Ohio, Inc	6,986,660	0.29%
Real Estate			
1 .	Hilliard Station	12,505,940	0.51%
2 .	Boehringer Ingelheim	11,706,640	0.48%
3 .	Villages at Britton LTD	10,498,010	0.43%
4 .	MCI International Inc	9,201,930	0.38%
5 .	Hilliard Grand Apartments LLC	8,609,940	0.35%
6 .	River Oaks Apartment Management	7,997,510	0.33%
7 .	LSREF 3 Bravo (Ohio) LLC	7,385,000	0.30%
8 .	Edwards Arlington Park LLC	7,315,000	0.30%
9 .	Greenwich Investors Hickory Chase	6,877,970	0.28%
10 .	One Mill Run LP	6,300,010	0.26%
ALL OTHERS		<u>2,285,686,250</u>	<u>93.41%</u>
TOTAL ASSESSED VALUATION		<u><u>\$2,446,820,690</u></u>	<u><u>100.00%</u></u>
June 30, 2007			
		Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities			
1 .	Columbus Southern Power Company	\$35,487,010	1.48%
2 .	Ohio Bell Telephone Company	7,650,010	0.32%
3 .	Columbia Gas of Ohio	3,838,630	0.16%
4 .	CSX Transportation Inc	-	0.00%
Real Estate			
1 .	RPH Industrial	11,339,640	0.47%
2 .	Westpointe Plaza LP	8,116,920	0.34%
3 .	Duke Realty Ohio	7,455,000	0.31%
4 .	Meritex Properties LLC	6,658,770	0.28%
5 .	United Dominion Realty	6,580,000	0.27%
6 .	Kenhio LLC	6,510,010	0.27%
7 .	Avalon Oaks LLC	6,300,000	0.26%
8 .	JAL Realty Co	5,818,490	0.24%
9 .	Fristcal Industrial 2	5,458,330	0.23%
10 .	USPG Portfolio One LLC	4,868,270	0.20%
Tangible Personal Property*			
1 .	Roxane Laboratories Inc,	7,034,752	0.29%
2 .	Ball Metal Food Container Corp	3,166,835	0.13%
3 .	Simpson Strong-Tie Company Inc	2,310,160	0.10%
4 .	R J F International Corporation	2,101,046	0.09%
5 .	Sygma Network Inc	1,898,360	0.08%
6 .	Rich Product Manufacturing Corp	1,828,075	0.08%
7 .	Allied Mineral Products Inc	1,737,813	0.07%
8 .	ISP Chemicals Inc	1,610,191	0.07%
9 .	Parker Hannifin Corporation	1,552,303	0.06%
10 .	Pactiv Corporation	1,410,940	0.06%
ALL OTHERS		<u>2,261,497,629</u>	<u>94.14%</u>
TOTAL ASSESSED VALUATION		<u><u>\$2,402,229,184</u></u>	<u><u>100.00%</u></u>

Source : Franklin County Auditor's Office

Assessed Values are for the valuation year of 2016 and 2007 respectively

* House Bill 66 initiated the phase out of Tangible Personal Property Tax (TPP) in FY 2006, completed in FY 2009. Personal property values are for reference only due to the phase out of personal property tax.

HILLIARD CITY SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2015	\$ 143,193,064	\$ 138,706,438	96.87	\$ 2,939,392	\$ 141,645,830	98.92	\$ 3,358,187	2.35
2014	141,855,033	135,462,243	95.49	2,946,929	138,409,172	97.57	4,173,897	2.94
2013	144,323,651	141,829,577	98.27	3,202,758	145,032,335	100.49	5,584,000	3.87
2012	141,669,349	138,421,761	97.71	2,921,237	141,342,998	99.77	7,096,740	5.01
2011	127,139,109	124,153,543	97.65	4,258,548	128,412,091	101.00	4,855,851	3.82
2010	126,703,268	124,125,387	97.97	3,540,962	127,666,349	100.76	5,805,557	4.58
2009	124,514,778	119,664,873	96.10	5,122,995	124,787,868	100.22	6,418,931	5.16
2008	111,243,843	103,764,036	93.28	3,255,436	107,019,472	96.20	8,361,722	7.52
2007	112,228,154	108,234,517	96.44	2,874,305	111,108,822	99.00	7,418,844	6.61
2006	106,099,774	102,960,210	97.04	3,081,982	106,042,192	99.95	7,444,671	7.02

Note: The information above is for real estate, public utilities and tangible personal property collections and levies.

The 2016 information was not available at the time of this document's preparation.

Source: Office of the County Auditor, Franklin County, Ohio

Hilliard City School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities						
Year	(a) Gross Bonded Debt	(b) Capital Leases	Total Primary Government	(c) Percentage of Personal Income	(c) Per Capita	(c) Per Enrollment
2016	\$ 150,752,624	\$ -	\$ 150,752,624	5.09%	1,706	9,387
2015	145,221,581	-	145,221,581	4.93%	1,652	9,051
2014	156,322,792	-	156,322,792	5.35%	1,793	9,854
2013	157,940,374	-	157,940,374	5.44%	1,824	10,023
2012	165,147,447	-	165,147,447	5.69%	1,908	10,534
2011	171,854,719	7,840	171,862,559	7.29%	2,076	10,992
2010	172,755,211	37,401	172,792,612	7.74%	2,207	11,157
2009	168,227,337	193,626	168,420,963	7.62%	2,173	11,102
2008	174,978,838	337,148	175,315,986	7.95%	2,264	11,572
2007	167,250,752	473,191	167,723,943	7.67%	2,186	11,160

Sources :

- (a) See schedule "Ratios of Net General Bonded Debt Outstanding" for gross bonded debt information
 Note - Prior to 2016, Net Bonded Debt is used, not Gross
- (b) See notes to the financial statements regarding the District's capital leases payable
- (c) See Schedule "Demographic and Economic Statistics, Last Ten Years" for personal income, population and enrollment information

Hilliard City School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Year	(a) Assessed Value	(b) Gross Bonded Debt	(c) Less Debt Service	Net Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d) Net Bonded Debt Per Capita	(d) Net Bonded Debt Per Enrollment
2016	\$ 2,446,820,690	\$ 150,752,624	\$ 17,048,368	\$ 133,704,256	5.46%	1,513	8,326
2015	2,403,881,930	161,980,512	16,758,931	145,221,581	6.04%	1,652	9,051
2014	2,344,297,230	172,088,762	15,765,970	156,322,792	6.67%	1,793	9,854
2013	2,341,745,960	172,305,885	14,365,511	157,940,374	6.74%	1,824	10,023
2012	2,331,830,980	181,795,586	16,648,139	165,147,447	7.08%	1,908	10,534
2011	2,422,306,900	189,699,924	17,845,205	171,854,719	7.09%	2,076	10,992
2010	2,423,284,558	192,334,849	19,579,638	172,755,211	7.13%	2,206	11,155
2009	2,391,070,482	180,071,136	11,843,799	168,227,337	7.04%	2,170	11,089
2008	2,376,469,283	186,394,572	11,415,734	174,978,838	7.36%	2,260	11,550
2007	2,402,229,184	181,152,798	13,902,046	167,250,752	6.96%	2,180	11,129

Sources :

(a) County Auditor

(b) General Obligation debt outstanding end of fiscal year. School District Records

(c) Balance of General Obligation Bond Retirement fund at end of fiscal year

(d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for population and enrollment information

Hilliard City School District
Computation of Direct and Overlapping General Obligation Bonded Debt
as of June 30, 2016

Governmental Unit	Gross Debt Outstanding	Percent Applicable to School Dist.	Amount Applicable to Hilliard City School District
Hilliard City School District	\$ 150,752,624	100.000%	\$150,752,624
Tolles Career & Technical Center	1,390,000	35.200%	489,280
Franklin County	221,165,000	9.180%	20,302,947
Union County	24,470,000	0.020%	4,894
City of Columbus	1,028,143,483	7.140%	73,409,445
City of Dublin	29,560,000	9.470%	2,799,332
City of Hilliard	19,855,000	99.770%	19,809,334
Prarie Township	9,665,000	27.790%	2,685,904
Franklin Township	690,250	0.670%	4,625
Solid Waste Authority of Central Ohio	98,165,000	8.770%	8,609,071
Total Direct	<u>150,752,624</u>		<u>150,752,624</u>
Total Overlapping	<u>1,433,103,733</u>		<u>128,114,832</u>
Total Direct and Overlapping	<u>\$ 1,583,856,357</u>		<u>\$278,867,456</u>

Note: Percent applicable to Hilliard City School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

Overlapping governments with no outstanding debt are not reflected.

**Hilliard City School District
Legal Debt Margin Information
Last Ten Years**

	2016	2015	2014	2013	2012	2011	2010 *	2009	2008	2007
Assessed Valuation	2,446,820,690	2,403,881,930	2,344,297,230	2,341,745,960	2,331,830,980	2,422,306,900	2,423,284,558	2,391,070,482	2,376,469,283	2,402,229,184
Voted Debt Limit - 9% of Assessed Valuation	220,213,862	216,349,374	210,986,751	210,757,136	209,864,788	218,007,621	218,095,610	215,196,343	213,882,235	216,200,627
Net Indebtedness (a)	150,752,624	124,639,887	121,082,085	131,947,453	147,125,418	144,672,817	147,337,787	168,227,337	174,978,838	167,250,752
Less Exempted Debt (b)	(2,695,000)	(3,530,000)	(4,340,000)	(5,120,000)	(5,875,000)	(6,605,000)	(7,635,000)	(640,000)	(960,000)	(1,280,000)
Net Voted Indebtedness	121,109,887	121,109,887	116,742,085	126,827,453	141,250,418	138,067,817	139,702,787	167,587,337	174,018,838	165,970,752
Legal Debt Margin	99,103,975	95,239,487	94,244,666	83,929,683	68,614,370	79,939,804	78,392,823	47,609,006	39,863,397	50,229,875
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	55%	56%	55%	60%	67%	63%	64%	78%	81%	77%
Unvoted Debt Limit - 1% of Assessed Valuation (General Limitation)	24,468,207	24,038,819	23,442,972	23,417,460	23,318,310	24,223,069	24,232,846	23,910,705	23,764,693	24,022,292
Unvoted Net Indebtedness	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	320,000	-	-	-
Legal Debt Margin	19,468,207	19,038,819	18,442,972	18,417,460	18,318,310	19,223,069	23,912,846	23,910,705	23,764,693	24,022,292
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	20%	21%	21%	21%	21%	21%	1%	0%	0%	0%
Unvoted Debt Limit - 9/10 of 1% of Assessed Valuation (energy conservation limit)	22,021,386	21,634,937	21,098,675	21,075,714	20,986,479	21,800,762	21,809,561	21,519,634	21,388,224	21,620,063
Unvoted Net Indebtedness	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	320,000	640,000	960,000	1,280,000
Legal Debt Margin	17,021,386	16,634,937	16,098,675	16,075,714	15,986,479	16,800,762	21,489,561	20,879,634	20,428,224	20,340,063
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	23%	23%	24%	24%	24%	23%	1%	3%	4%	6%

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt exclusive of certain exemptions and exceptions.

* - Calculation updated for FY2010 to exclude GAAP basis information

(a) - See schedule of Ratios of Net General Bonded Debt Outstanding.

(b) - Exempt debt of District is for tax anticipation notes issued under 133.04(B)(1)

Source: Franklin County Auditor and Bond Counsel

Hilliard City School District
Demographic and Economic Statistics
Last Ten Years

Year	(a)	(b)	Personal Income	(c)	(b)	(d)
	Estimated Population	Per Capita Income		Unemployment Rate *	% of Population 25 Years and Older with Bachelor's Degree or Higher	
2016	88,345	33,514	2,960,794,330	4.0%	46.03%	16,059
2015	87,904	33,514	2,946,014,656	4.2%	46.03%	16,045
2014	87,193	33,514	2,922,186,202	5.5%	46.03%	15,864
2013	86,567	33,514	2,901,206,438	6.4%	46.03%	15,758
2012	86,567	33,514	2,901,206,438	6.5%	46.03%	15,677
2011	82,776	28,496	2,358,784,896	8.2%	46.10%	15,635
2010	78,297	28,496	2,231,151,312	9.2%	46.10%	15,487
2009	77,520	28,496	2,209,009,920	9.0%	46.10%	15,170
2008	77,426	28,496	2,206,331,296	5.7%	46.10%	15,150
2007	76,731	28,496	2,186,526,576	5.3%	46.10%	15,029

Sources :

(a) Population for the District is estimated based on estimates from Mid-Ohio Regional Planning Commission
2013 Information not available at time of publication, 2012 number used.

(b) US Census Bureau: For 2011 and before, 2000 Census Demographic Profiles for the City of Hilliard
For 2012 and after, 2010 US Census Bureau Fact Finder

(c) June Data of Ohio Department of Jobs and Family Services

* Specific employment figures for the Hilliard City School District area are not available.
Unemployment figures presented are for Franklin County.

(d) Educational Management Information System

**Hilliard City School District
Principal Employers
Current Year and Ten Years Ago**

<u>2016</u>		
Employer	Employees	Type of Business
Hilliard City Schools	1,745	Public School District
Cellco Partnership dba Verizon	1,716	Telecommunication Services
West-Ward Pharmaceuticals Corp	1,419 *	Pharmaceuticals
United Parcel Service Inc.	930 *	Package Delivery Service
BMW Financial Services	582	Automotive Financing
Verizon Business Network Services	510	Telecommunication Services
Echosphere LLC	504	Dish Network
Sedgwick Claims Mgmt, Inc	375	Insurance Claims
Micro Center, Inc.	324	Distributor/Wholesaler Computer Equipment
RE Rich Family Holding Corp	<u>247</u>	Food Products
	<u>8,352</u>	

* - Current numbers not available, pulled forward prior year

<u>2007</u>		
Employer	Employees	Type of Business
Hilliard City Schools	2,289	Public School District
Boehringer Ingelheim Roxanne (Now West-Ward Pharmaceuticals)	988	Pharmaceuticals
United Parcel Service	891	Package Delivery Service
Tpusa Inc	800	Telecommunications Services
SYGMA Network	622	Whole Packaged Frozen Goods
BMW Financial Services	572	Automotive Financing
Verizon Business Network	553	Telecommunications Services
Arctic Express	327	Refrigerated Transportation
Micro Center, Inc	284	Distributor/Wholesaler Computer Equipment
Allied Mineral Producers	<u>275</u>	Manufacturer of Non-clay Refractories
	<u>7,601</u>	

Note: Percentage of total employment is not available, as total employment figures for the District were not available.

Source: Cities of Hilliard Tax Department, City of Columbus - Economic Development Division, and Individual Employers

Hilliard City School District
Staffing Statistics - Full Time Equivalents (FTE) by Type and Function
Last Ten Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Professional Staff:										
Teaching Staff:										
Regular Education Teaching	741.67	745.67	742.48	775.82	784.63	783.66	770.38	747.18	766.54	748.25
Special Education Teaching	149.04	145.00	136.24	115.50	118.11	123.50	122.99	115.38	144.58	94.50
Vocational Education Teaching	10.00	10.00	10.00	9.00	9.00	11.25	12.25	8.75	9.00	9.00
Tutors/Small Group Instruction	92.36	87.50	107.04	89.74	88.18	89.08	92.16	70.83	67.74	65.43
Administrators										
District/Building	68.00	69.00	67.00	66.00	65.00	69.48	68.48	69.64	69.50	68.50
Auxiliary Positions										
Psychologists	15.16	13.75	17.81	13.70	13.70	17.35	16.95	14.65	18.95	17.95
Counseling	27.50	26.00	27.00	27.10	27.00	27.50	27.50	27.25	31.50	32.21
Nurses	10.50	9.00	11.00	9.50	9.50	12.00	12.00	12.00	12.00	13.00
Speech	14.46	13.45	13.95	13.45	15.45	13.45	14.35	14.65	14.41	15.06
Adapted Phys Ed/Occupational Therapist	10.10	10.20	10.70	10.20	10.20	9.20	9.20	9.20	12.20	12.20
Physical Therapist	2.74	3.04	2.54	2.54	2.54	2.54	2.54	1.15	1.65	1.65
Social Work	-	-	-	-	-	1.00	2.00	2.00	2.00	2.00
Librarian/Media	15.00	15.00	15.00	15.00	15.00	22.00	22.00	23.30	23.30	20.80
Planning, Curriculum	21.50	18.00	8.00	10.00	10.00	17.50	19.50	16.25	13.25	48.25
Other Professional	36.50	33.23	32.45	26.29	18.29	22.00	19.00	61.88	58.12	75.97
Support Staff										
Secretarial	89.38	88.50	88.50	88.00	89.00	89.81	91.81	88.50	88.50	89.00
Teaching Aides	108.55	112.93	101.50	108.36	113.49	113.50	110.75	96.64	111.90	115.10
Accounting, Auditing, Editing	7.00	7.00	6.50	6.50	8.50	8.50	7.50	7.50	7.50	7.50
Technical	22.00	24.50	26.00	25.00	26.00	29.00	27.00	23.00	20.00	14.75
Messenger	2.00	2.00	2.00	1.50	1.50	1.00	2.00	2.00	2.00	2.00
Custodial	94.00	89.00	94.00	85.00	89.00	92.00	90.00	84.00	86.00	93.00
Maintenance	23.00	27.00	27.00	26.00	32.00	29.00	28.00	26.00	24.00	24.00
Grounds	9.00	9.00	9.00	10.00	10.00	10.00	9.00	7.00	7.00	9.00
Bus Drivers	122.00	132.00	124.00	129.00	118.00	117.50	119.50	67.00	74.50	70.00
Mechanics	5.00	4.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total	1,696.46	1,694.77	1,684.71	1,667.20	1,678.09	1,715.82	1,700.86	1,599.75	1,670.14	1,653.12

Function	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities										
Instruction										
Regular and Special	1,068.00	1,069.50	1,065.63	1,065.95	1,076.42	1,116.61	1,094.90	1,038.78	1,099.76	1,032.28
Support Services										
Pupils	137.76	131.54	137.58	154.67	157.20	107.73	105.48	159.03	164.08	218.29
Instructional Staff	81.38	79.75	76.00	68.25	75.48	94.25	100.25	79.80	76.80	70.55
School Administration	76.00	78.00	74.50	74.00	77.00	108.00	109.00	108.50	108.50	108.50
Fiscal	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50
Business	6.00	7.00	7.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00
Maintenance	133.00	136.50	131.50	127.25	124.99	130.75	128.75	117.00	117.00	124.00
Transportation	156.00	155.00	155.00	134.00	129.00	124.50	128.50	77.00	84.50	80.00
Central	13.00	12.00	12.00	11.00	10.00	2.00	2.00	3.00	3.00	3.00
Community Service	6.82	6.98	7.00	7.60	6.50	7.00	5.00	-	-	-
Extracurricular Activities	9.00	9.00	9.00	8.98	6.00	9.48	11.48	-	-	-
Total Governmental Activities	1,696.46	1,694.77	1,684.71	1,667.20	1,678.09	1,715.82	1,700.86	1,599.61	1,670.14	1,653.12
Total Primary Government	1,696.46	1,694.77	1,684.71	1,667.20	1,678.09	1,715.82	1,700.86	1,599.61	1,670.14	1,653.12

Source - School District EMIS (Education Management Information System) Records

Hilliard City School District
Operating Indicators by Function
Last Eight Fiscal Years

Function	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Support Services - Pupil										
Enrollment (Students)	16,059	16,045	15,864	15,758	15,677	15,635	15,487	15,170	15,150	15,029
Graduates	1,159	1,205	1,117	1,116	1,127	1,099	1,001	1,018	1,011	965
% of Students with Disabilities	13.3%	11.9%	12.9%	12.1%	12.1%	11.4%	11.2%	11.2%	11.5%	11.8%
% of Limited English Proficient Students	6.8%	7.4%	6.7%	5.9%	6.9%	7.3%	8.4%	7.2%	6.3%	5.4%
Support Services										
Instructional Staff										
Information Technology Services										
Work Orders Completed	6,288	6,037	5,831	5,177	4,287	2,965	3,977	3,655	4,526	6,344
School Administration										
Student Attendance Rate	95.6%	95.9%	96.3%	96.2%	96.4%	96.0%	96.0%	96.2%	96.2%	95.6%
Fiscal										
Purchase Orders Processed	6,399	6,714	6,557	6,730	6,821	7,081	7,231	7,271	7,088	6,953
Nonpayroll Checks Issued	8,811	8,776	9,322	9,638	9,497	9,615	10,627	9,328	10,007	9,672
Maintenance										
District Square Footage Maintained by Custodians and Maintenance Staff										
	2,159,610	2,159,610	2,159,610	2,159,610	2,159,610	2,159,610	2,159,610	2,159,610	1,850,447	1,795,447
District Acreage Maintained by Grounds Staff										
	387	387	387	387	387	387	387	246	224	206
Transportation										
Avg. Public and Parochial Students Transported Daily (includes special education)										
	8,420	8,145	8,394	8,434	9,185	9,399	9,244	9,273	10,034	9,734
Avg. Daily Bus Fleet Mileage	10,056	9,130	8,595	8,801	8,240	8,104	7,697	8,064	8,682	8,682
Number of Buses in District Fleet	157	157	157	157	156	156	127	144	144	141
Community Services										
Number of Students Enrolled in District Latchkey Program										
	1016*	978	919	N/A	857	875	877	880	874	792
Extracurricular Activities										
High School Varsity Teams	78	78	78	78	78	78	78	52	52	52
Business-Type Activities										
Food Service Operations										
Meals Served to Students										
Lunch	1,540,177	1,535,972	1,812,336	1,853,646	1,945,097	1,947,405	1,876,701	1,868,200	1,793,815	1,711,086
Breakfast	275,543	246,611	228,485	225,074	183,753	166,783	138,307	117,961	85,417	-

* - Added two buildings so capacity increased in 2016

N/A - Information not available at time of publication

Source - School District Records and Ohio Department of Education Report Card Data

Hilliard City School District
Capital Assets by Function/Program
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Governmental Activities					
Regular Instruction					
Land and Improvements	\$ 46,358,915	\$ 44,499,972	\$ 46,081,278	\$ 45,300,125	\$ 44,248,136
Buildings and Improvements	195,074,896	195,061,738	195,020,369	195,012,925	194,998,683
Furniture Fixtures and Equip.	5,892,155	5,875,059	5,618,305	5,049,729	9,629,096
Special Instruction					
Land and Improvements	221,537	221,537	221,537	221,537	221,537
Buildings and Improvements	74,101	74,101	74,101	74,101	74,101
Furniture Fixtures and Equip.	36,853	24,712	24,712	24,712	24,712
Buses, autos and trucks	65,060	65,060	65,060	65,060	65,060
Pupil Support					
Furniture Fixtures and Equip.	23,501	23,501	23,501	23,501	23,501
Instructional Staff Support					
Furniture Fixtures and Equip.	678,131	671,033	671,033	665,563	665,563
General and School Administration					
Land and Improvements	498,647	498,647	498,647	498,647	498,647
Buildings and Improvements	7,524,681	7,545,581	7,545,581	7,545,581	7,545,581
Furniture Fixtures and Equip.	1,026,661	1,033,661	1,026,711	1,026,711	1,010,742
Buses, autos and trucks	20,300	20,300	20,300	20,300	
Business					
Buildings and Improvements	32,048	32,048	-	-	-
Furniture Fixtures and Equip.	235,716	140,546	124,836	101,755	67,596
Buses, autos and trucks	84,105	84,105	84,105	84,105	84,105
Operations and Maintenance					
Land and Improvements	22,071	22,071	22,071	22,071	22,071
Buildings and Improvements	3,653,042	3,653,042	3,653,042	3,653,042	1,756,031
Furniture Fixtures and Equip.	1,281,380	1,186,394	1,147,796	1,125,915	1,050,854
Buses, autos and trucks	1,056,420	1,022,717	979,360	1,031,147	936,670
Pupil Transportation					
Land and Improvements	316,247	316,247	316,247	316,247	316,247
Buildings and Improvements	555,008	555,008	555,008	555,008	555,008
Furniture Fixtures and Equip.	137,378	27,429	27,429	27,429	27,429
Buses, autos and trucks	11,908,886	11,785,037	11,639,168	11,316,650	11,744,866
Central					
Furniture Fixtures and Equip.	890,462	890,462	890,462	890,462	890,462
Food Service Operations					
Buildings and Improvements	26,787	26,787			
Furniture Fixtures and Equip.	1,695,066	1,600,036	1,549,339	1,536,919	1,494,269
Community Services					
Buildings and Improvements	32,054	32,054	32,054	32,054	32,054
Furniture Fixtures and Equip.	14,342	14,342	14,342	14,342	14,342
Extracurricular Activities					
Land and Improvements	4,427,869	4,427,869	4,435,621	4,435,621	4,435,621
Buildings and Improvements	1,864,645	1,636,145	1,636,145	1,636,145	1,636,145
Furniture Fixtures and Equip.	477,705	454,483	386,375	384,395	349,995
Total Governmental Activities					
Capital Assets	<u>\$ 286,206,669</u>	<u>\$ 283,521,724</u>	<u>\$ 284,384,535</u>	<u>\$ 282,691,799</u>	<u>\$ 284,419,125</u>

Source: School District capital asset records

2011	2010	2009	2008	2007
\$ 43,338,144	\$ 43,079,128	\$ 42,730,306	\$ 29,546,553	\$ 27,099,936
194,953,534	194,953,534	194,876,558	143,533,182	134,301,331
7,832,565	5,193,528	5,101,562	4,910,871	4,861,801
221,537	221,537	237,847	237,847	237,847
74,101	74,101	74,101	74,101	74,101
24,712	24,712	24,712	24,712	24,712
65,060	65,060	65,060		
23,501	18,246	18,246	18,246	18,246
610,772	610,772	435,422	435,422	430,422
498,647	498,647	498,647	498,647	498,647
7,545,581	7,545,581	7,545,581	7,545,581	7,545,581
893,702	875,702	867,585	702,633	684,016
-	-	-	-	-
42,309	36,914	11,295	11,295	11,295
64,595	64,595			
22,071	22,071	22,071	22,071	22,071
1,726,731	1,726,731	1,726,731	1,726,731	1,715,281
980,227	927,553	910,312	797,903	686,536
937,006	937,006	892,102	796,213	776,090
718,154	718,154	718,154	718,154	718,154
555,008	555,008	555,008	555,008	555,008
27,429	27,429	27,429	27,429	27,429
11,559,947	11,336,185	10,768,891	10,392,286	9,558,425
890,462	-	-	-	-
1,446,000	1,412,034	1,346,803	765,199	695,727
32,054	32,054	32,054	32,054	32,054
14,342	14,342	-	-	-
4,435,621	4,435,621	4,435,621	4,435,621	4,435,621
1,667,208	1,667,208	1,661,631	1,661,631	1,661,631
349,996	343,951	277,853	227,948	216,392
<u>\$ 281,551,016</u>	<u>\$ 277,417,404</u>	<u>\$ 275,861,582</u>	<u>\$ 209,697,338</u>	<u>\$ 196,888,354</u>

**Hilliard City School District
School Building Information
Last Ten Fiscal Years**

	2016	2015	2014	2013	2012	2011	2010	2009	2008 **	2007
Alton Darby Elementary (2002)										
Square Feet	60,247	60,247	60,247	60,247	60,247	60,247	60,247	60,247	60,247	60,247
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	461	453	446	465	463	491	509	573	564	562
Avery Elementary (1960)										
Square Feet	45,745	45,745	45,745	45,745	45,745	45,745	45,745	45,745	45,745	45,745
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	391	378	399	407	452	501	508	524	513	483
Beacon Elementary (1968)										
Square Feet	46,200	46,200	46,200	46,200	46,200	46,200	46,200	46,200	46,220	46,220
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	507	479	495	524	518	537	522	530	512	489
Britton Elementary (1968)										
Square Feet	70,338	70,338	70,338	70,338	70,338	70,338	70,338	70,338	70,338	70,338
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	456	493	409	432	398	356	363	360	427	426
Brown Elementary (1965)										
Square Feet	48,323	48,323	48,323	48,323	48,323	48,323	48,323	48,323	48,323	48,323
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	570	562	570	525	541	552	563	523	538	521
Darby Creek Elementary (1998)										
Square Feet	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	469	489	536	573	576	614	610	569	552	676
Hilliard Crossing Elementary (1993)										
Square Feet	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	490	512	540	564	581	564	563	587	587	563
Hilliard Horizon Elementary (1997)										
Square Feet	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	639	633	609	588	577	585	619	533	572	564
Hoffman Trails Elementary (2002)										
Square Feet	60,247	60,247	60,247	60,247	60,247	60,247	60,247	60,247	60,247	60,247
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	596	573	537	534	514	503	494	474	484	565
J.W. Reason Elementary (1958)										
Square Feet	44,295	44,295	44,295	44,295	44,295	44,295	44,295	44,295	44,295	44,295
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	467	480	489	448	446	394	358	387	411	540
Norwich Elementary (1993)										
Square Feet	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552	54,552
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	538	546	544	540	540	522	513	495	505	610
Ridgewood Elementary (1961)										
Square Feet	45,404	45,404	45,404	45,404	45,404	45,404	45,404	45,404	45,404	45,404
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	568	557	576	564	611	576	523	490	504	495
Scioto Darby Elementary (1989)										
Square Feet	64,897	64,897	64,897	64,897	64,897	64,897	64,897	64,897	64,897	64,897
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	459	474	493	478	477	508	512	524	502	507
Washington Elementary (2007)										
Square Feet	60,247	60,247	60,247	60,247	60,247	60,247	60,247	60,247	60,247	N/A
Capacity (Students)	600	600	600	600	600	600	600	600	600	N/A
Enrollment	424	416	431	433	403	388	360	327	261	N/A

Hilliard Station Sixth Grade School (2002)										
Square Feet	56,515	56,515	56,515	56,515	56,515	56,515	56,515	56,515	56,515	56,515
Capacity (Students)	650	650	650	650	650	650	650	650	650	650
Enrollment	599	596	571	569	574	558	528	548	611	605
Hilliard Tharp Sixth Grade School (2002)										
Square Feet	62,000	62,000	62,000	62,000	62,000	62,000	62,000	62,000	62,000	62,000
Capacity (Students)	650	650	650	650	650	650	650	650	650	650
Enrollment	627	615	668	627	595	592	652	636	580	491
Hilliard Heritage Middle School (1996)										
Square Feet	125,405	125,405	125,405	125,405	125,405	125,405	125,405	125,405	125,405	125,405
Capacity (Students)	800	800	800	800	800	800	800	800	800	800
Enrollment	777	794	772	771	747	737	732	858	839	820
Hilliard Memorial Middle School (1956) (a)										
Square Feet	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Capacity (Students)	800	800	800	800	800	800	800	800	800	800
Enrollment	838	830	817	833	763	783	775	713	735	793
Hilliard Weaver Middle School (1994)										
Square Feet	124,785	124,785	124,785	124,785	124,785	124,785	124,785	124,785	124,785	124,785
Capacity (Students)	800	800	800	800	800	800	800	800	800	800
Enrollment	918	889	837	801	852	866	886	704	691	752
Hilliard Darby High School (1997)										
Square Feet	276,553	276,553	276,553	276,553	276,553	276,553	276,553	276,553	290,809 *	290,809
Capacity (Students)	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Enrollment	1,579	1,551	1,548	1,496	1,431	1,423	1,607	2,318	2,275	2,234
Hilliard Davidson High School (1989)										
Square Feet	245,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000	252,680 *	252,680
Capacity (Students)	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Enrollment	1,711	1,703	1,740	1,788	1,777	1,805	1,873	2,159	2,196	2,079
Hilliard Bradley High School (2009)										
Square Feet	309,000	309,000	309,000	309,000	309,000	309,000	309,000	309,000	N/A	N/A
Capacity (Students)	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	N/A	N/A
Enrollment	1,629	1,619	1,529	1,485	1,532	1,434	1,096	-	***	N/A
Hilliard Preschool (2002)										
Square Feet	18,640	18,640	18,640	18,640	18,640	18,640	18,640	18,640	18,640	18,640
Capacity (Students)	200	200	200	200	200	200	200	200	200	200
Enrollment	346	403	308	311	301	346	321	332	283	254
Innovative Learning Center (1990)%										
Square Feet	20,520	20,520	20,520	20,520	20,520	20,520	20,520	20,520	20,520	20,520
ILC Annex (1990)										
Square Feet	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Maintenance (1991)										
Square Feet	701	701	701	701	701	701	701	701	701	701
Central Office/Support Services (2003)										
Square Feet	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000
Transportation (1989)										
Square Feet	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000

Source : School District Records

Note: Year of original construction in parentheses. Increases in square footage and capacity are the result of renovations and additions. Capacity is the "program " capacity and can increase/decrease as a result of changes in federal, state, or local standards.

(a) A portion of Memorial Middle School was used as the District's Sixth grade building until the Hilliard Station conversion was completed and Hilliard Tharp was built, both of which opened in 2002. At this time, the building began functioning as a middle school.

N/A - Not available, building was not open

* In 2005-06 modulars were added to both of the District's high schools to help in accommodating growth.

5 modulars were added at Davidson and 9 were added at Darby. Modulars were removed as of 6/30/09.

** Redistricting at the elementary level went into effect for the 2007-08 school year, with the opening of Washington Elementary.

*** The District took possession of Bradley High School as of June 30, 2009. Students began attending in FY 2010.

% - District central was housed in ILC until 2013, moved to Support Services and ILC renovated for student work

Hilliard City School District
Educational and Operating Statistics
Last Ten School Years

	2015-2016	2014-2015	2013-2014	2012-2013	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
ACT Scores (Averages)										
Hilliard	23.7	23.5	23.8	23.4	23.3	23.2	23.2	22.9	23.4	22.4
Ohio	22.0	22.0	22.0	21.8	21.8	21.8	21.8	21.7	21.7	21.6
National	20.8	21.0	21.0	20.9	21.1	21.1	21.0	21.1	21.1	21.2
SAT Scores (Averages)										
Hilliard										
Verbal/Critical Reading	556.0	552	564	541	536	529	533	511	530	513
Mathematics	592.0	575	597	570	571	553	555	543	553	530
Writing	525.0	519	546	521	515	501	510	502	518	494
Ohio										
Verbal/Critical Reading	556.0	557	555	548	543	539	538	537	534	536
Mathematics	563.0	563	562	556	552	545	548	546	544	542
Writing	534.0	537	535	531	525	522	522	523	521	522
National										
Verbal/Critical Reading	N/A	495	497	496	496	497	501	501	502	502
Mathematics	N/A	511	513	514	514	514	516	515	515	515
Writing	N/A	484	487	488	488	489	492	493	494	494
National Merit Scholars										
Finalist	N/A	8	0	0	0	0	5	2	7	1
Semi-Finalist	16	8	1	8	6	4	5	1	8	1
Commended Scholars	10	17	8	21	8	7	7	6	8	7
State Testing Indicators										
Total Number of Indicators	N/A	33	24	24	26	26	26	30	30	30
Hilliard Met	N/A	31	24	24	26	26	26	29	30	28
State Average Met	N/A	N/A	N/A	20	22	18	18	19	18	19
Performance Index Score *	90.3	95.9	104.3	103.6	104.4	103.5	101.9	101.5	101.1	100.2
ODE Per Pupil Costs #										
Hilliard	\$ 9,736	\$ 11,260	\$ 11,651	\$ 11,386	# \$ 11,336	\$ 11,398	\$ 11,475	\$ 10,697	\$ 10,968	\$ 10,234
State Avg.	\$ 8,711	(a)	(a)	(a)	(a)	(a)	(a)	10,184	\$ 9,939	\$ 9,623
Cost to Educate Graduate										
Hilliard	\$ 124,130	\$ 123,776	\$ 121,275	\$ 117,990	\$ 114,588	\$ 117,170	\$ 111,991	\$ 106,315	\$ 100,773	\$ 94,569
State Avg.	(a)	(a)	(a)	(a)	(a)	(a)	(a)	103,896	\$ 99,495	\$ 95,086
Average Teacher Salary										
Hilliard	\$ 73,858	N/A	\$ 72,646	\$ 69,798	\$ 70,025	\$ 69,870	\$ 69,369	\$ 64,703	\$ 60,326	\$ 59,195
State Avg.	(a)	(a)	(a)	\$ 54,010	\$ 54,140	\$ 56,715	\$ 55,958	\$ 54,656	\$ 53,410	\$ 53,536
Average Teacher Years' Experience	15	N/A	13.59	15	16	14.4	15	13.8	12.5	12.4
Percentage of Teachers with a Master's Degree or Higher	66.5%	N/A	80.8%	73.3%	75.3%	61.7%	63.9%	74.2%	69.6%	67.3%
ODE Teacher/Pupil Ratio										
Hilliard	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	18.8	18.8
State Avg.	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	18.6	19.6
Percentage of Students on Free/Reduced Lunch @										
	24.20%	23.39%	22.79%	24.50%	21.04%	19.62%	17.44%	16.20%	14.62%	14.10%

N/A - Information not available at the time of this document's preparation

(a) - Information is not available.

- Per Pupil for 2014 and 2013 not available from ODE, calculated based on ADM and modified accrual expenditures, excluding debt payments

@ - 2014 Information based on Title Eligibility From CCIP

* - The Performance Index Score reflects the achievement of every tested student.

The score is a weighted average of all tested subjects in grades 3-8 and 10.

The most weight is given to advanced students (1.2) and the weights decrease for each performance level. This creates a scale of 0 to 120 points, with 100 being the goal.

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HILLIARD CITY SCHOOLS

Ready For Tomorrow

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