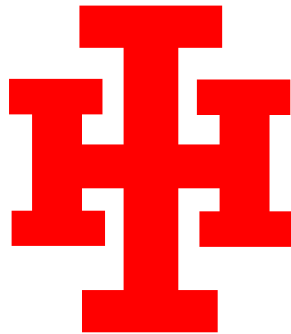


# **INDIAN HILL EXEMPTED VILLAGE SCHOOL DISTRICT**

**Hamilton County, Ohio**

**2018**

## **Annual Financial Information Statement**



This Annual Financial Information Statement pertains to the operations of Indian Hill Exempted Village School District (CUSIP-6 base: 454272) for the fiscal year ended June 30, 2017.

This Annual Financial Information Statement is intended to satisfy the District's Continuing Disclosure obligations for providing annual financial information and operating data in compliance with Securities and Exchange Commission Rule 15c2-12.

Questions regarding information contained in this Annual Financial Information Statement should be directed to: Mick Davis, Treasurer, Indian Hill Exempted Village School District, 6855 Drake Road, Cincinnati, Ohio 45243.

This Annual Financial Information Statement is dated as of February 1, 2018.

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## **REGARDING THIS ANNUAL FINANCIAL INFORMATION STATEMENT**

This Annual Financial Information Statement does not constitute an offering of any security of the Board of Education of the School District of Indian Hill Exempted Village (the "School District" or "District"), County of Hamilton, Ohio.

The information herein is subject to change without notice. The delivery of this Annual Financial Information Statement shall not create any implication that there has been no change in the affairs of the School District since the date hereof.

While the School District has reviewed this Annual Financial Information Statement for accuracy, no other federal, state, municipal, or other governmental entity, agency, or instrumentality (including, but not limited to, the Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB")) has passed, or been asked to pass, upon the accuracy or adequacy of this Annual Financial Information Statement and the information contained herein.

This Annual Financial Information Statement, which includes the cover page and Appendices A through E, has been prepared by the School District, pursuant to Continuing Disclosure Certificates entered into by the School District in compliance with SEC Rule 15c-2-12 (the "Rule") for outstanding obligations of the School District. Certain information contained herein is not required to be supplied under the Rule, and the School District is under no obligation to continue to provide this additional information in the future.

This Annual Financial Information Statement is not sufficient to base an investment decision on but should be read in conjunction with the original offering document and all subsequent updates.

All financial and other information presented in this Annual Financial Information Statement has been provided by the School District from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the School District. No representation is made that past experience, as is shown by financial and other information, will necessarily continue or be repeated in the future.

Insofar as the statements contained in this Annual Financial Information Statement involve matters of opinion, projections or estimates, even if not expressly stated as such, such statements are made as such and not as representations of fact or certainty, no representation is made that any of such statements have been or will be realized, and such statements should be regarded as suggesting independent investigation or consultation of other sources prior to the making of investment decisions. Certain information may not be current; however, attempts were made to date and document sources of information.

References herein to provisions of Ohio law, whether codified in the Ohio Revised Code (the "Revised Code") or uncodified, or to the provisions of the Ohio Constitution or the School District's resolutions, are references to such provisions as they presently exist. Any of these provisions may from time to time be amended, repealed or supplemented.

As used in this Annual Financial Information Statement, "School District" or "District" means the Indian Hill Exempted Village School District, and "State" or "Ohio" means the State of Ohio.

Additional information concerning this Annual Financial Information Statement, as well as copies of the basic documentation relating to any outstanding obligations of the School District, is available from Mick Davis, Treasurer, Board of Education, Indian Hill Exempted Village School District, 6855 Drake Road, Cincinnati, Ohio 45243, (513) 272-4513.

## **GENERAL INFORMATION AND OPERATING DATA CONCERNING THE BOARD OF EDUCATION AND THE SCHOOL DISTRICT**

There follows in this Annual Financial Information Statement a brief description of the District, together with certain information concerning its governmental organization, its indebtedness, current major revenue sources and general and specific funds.

### **About the School District**

The Indian Hill Exempted Village School District encompasses approximately 23 square miles. The U.S. Census Bureau estimated that the 2016 population of the District was 12,933, which includes the Village of Indian Hill. The District consists of two elementary schools (grades K-2 and 3-5), one middle school (grades 6-8), and one senior high school (grades 9-12).

The 2017-2018 school year enrollment is approximately 2,029 students. The District currently employs 195 certified personnel and approximately 100 support personnel. The District is providing transportation for 1,503 public school students and 86 private school students.

The District's senior administrative staff consists of a Superintendent, an Assistant Superintendent for Teaching and Learning, Assistant Superintendent of Administrative Operations, a Director of Pupil Services, four Principals, two Assistant Principals, an Athletic Director, a Facilities Director, a Director of Technology, a Director of Communications, a Director of Transportation, and a Treasurer.

The District is accredited by the North Central Association of Colleges and Schools. In addition to academic and related services, students have the opportunity to participate in a wide range of extra-curricular activities for both boys and girls. These include football, basketball, cheerleading, cross country, gymnastics, baseball, golf, softball, track, swimming, volleyball and wrestling. Students may also participate in such activities as orchestra, band, choir, drama, district musical, student council, school newspaper, National Honor Society, foreign language clubs, yearbook and pep band.

The major sources of revenue to the District are local property taxes on real and personal property, along with State aid. Other funds, such as lunch programs and special classes are funded for their expenditures by designated State and Federal grants.

**Organization of the Board of Education**

The Board of Education (the "Board") of the School District is the governing body of the School District and is a body politic and corporate. The Board can be sued and can sue, can enter into contracts and can be contracted with, can acquire, hold, possess and dispose of real and personal property, and can take and hold in trust, for the use and benefit of the District, any grant or devise of land and any donation or bequest of money or other personal property.

Subject to the provisions of the State Constitution, the District operates pursuant to the Revised Code. Under such law, there is no authority for the District to have a charter or adopt local laws.

**School District Officials**

The Board is made up of five elected-at-large members with overlapping four-year terms. The following table provides information about the current composition of the Board as well as the Superintendent and the Treasurer.

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>	<u>Beginning of Tenure</u>
Nancy Aichholz	Board President	12/31/2019	01/01/2016
Kim Martin Lewis	Board Vice President	12/31/2021	01/01/2010
Lyle Fiore	Board Member	12/31/2019	01/01/2016
Dr. Edmond A. Hooker	Board Member	12/31/2021	01/01/2014
Elizabeth Johnston	Board Member	12/31/2021	01/01/2006
Dr. Mark T. Miles	Superintendent	Contract	08/01/2012
Mick Davis	Treasurer	Contract	08/01/2016

**Budget Procedure**

The fiscal year for all Ohio school districts runs from July 1 to June 30. Each spring, the District's administration reviews the enrollment projections along with the objectives of the upcoming fiscal year. A tentative budget is prepared for review by the administration and the Board, and the budget is then approved at a public meeting of the Board.

**Employees**

The Board currently employs approximately 295 (including non-teaching personnel) employees. In fiscal year 2016-2017, the Board paid \$19,939,079 in salaries and wages to these employees (including substitutes) and \$6,834,753 for fringe benefits, which includes state employer retirement contributions, workers' compensation insurance coverage, unemployment compensation, severance payments, and medical, dental and life insurance premiums. Of the Board's current employees, 195 are certified by the Ohio Department of Education serving as

classroom teachers, education specialists and administrators. The starting salary for a teacher with a Bachelor's degree for the period beginning August 1, 2017 was \$44,034. The maximum teacher salary in 2017-2018 for a Master's degree, plus 30 semester hours, is \$102,051 with 25 years' experience. The number of persons employed by the District, the collective bargaining agents, if any, which represent them and the dates of expiration of the various collective bargaining agreements follow:

<u>No. of Employees</u> <u>2017-2018</u>	<u>Union</u>	<u>Contract Expiration Date</u>
167	Indian Hill Educators Professional Organization (IHEPO)	June 30, 2019

### **Enrollment**

Actual enrollment in the School District for the school year 2017-2018 and projected enrollment for the year 2018-2019 are shown in the table below:

<u>School Year</u>	<b>Grades</b>				<u>Total Enrollment</u>
	<u>K-2</u>	<u>3-5</u>	<u>6-8</u>	<u>9-12</u>	
2017-2018	439	460	490	640	2,029
2018-2019*	429	445	508	655	2,037

\* Projected.

Source: Records of the Treasurer of the Board of Education

The following is a description of the existing school facilities, including name of school, grades housed and student capacity:

### **Basic Data Concerning the School Facilities for 2017-2018**

<u>Name of Building</u>	<u>Grades Housed</u>	<u>Enrollment as of November 1, 2017</u>	<u>Capacity</u>
Indian Hill Primary School	K-2	439	500
Indian Hill Elementary School	3-5	460	600
Indian Hill Middle School	6-8	490	700
Indian Hill High School	9-12	<u>640</u>	<u>850</u>
TOTAL		<u>2,029</u>	<u>2,650</u>

## **FINANCIAL MATTERS**

### **Accounting - Basis and Policies**

The District maintains its records in accordance with the Uniform System of Accounting prescribed by the Department of Audit for the State of Ohio. Examination of the records is conducted on an annual basis by the Department. The most recent examination of the District's records by the Department covers the period ending June 30, 2017.

All Board of Education expenditures are made in accordance with the annual appropriation resolution adopted at the beginning of the fiscal year at a total not to exceed the Amended Certificate of Estimated Resources certified by the County Budget Commission.

All receipts are classified in accordance with the guidelines prescribed by the office of the Auditor of the State.

Other special funds for grants and restricted monies and their related budgets are maintained in accordance with the agreements or specific purposes designated for these funds. These funds are also maintained in accordance with guidelines of the Auditor of State and are included in the two-year audits conducted by the Department of Audit.

The Board of Education's fiscal year corresponds with the July 1 to June 30 school year. The collection of taxes is made on a calendar year basis.

The responsibilities for the major financial functions of the Board of Education are divided between the Board of Education and the Treasurer. The Treasurer is the fiscal officer of the Board of Education, its chief accounting officer, and serves the Board of Education as financial advisor. The Treasurer keeps the accounts of the Board of Education and is responsible for accurate statements of all moneys received and expended and of all taxes. At the end of each fiscal year, the Treasurer must examine the accounts of all offices and departments of the Board of Education. The Treasurer is not to allow the amount set aside for any appropriation to be overdrawn, or the amount appropriated for any one item of expense to be drawn upon for any other purpose, or allow a voucher to be paid unless sufficient funds are in the treasury of the Board of Education to the credit of the fund upon which such voucher is drawn.

### **Financial Reports and Audits**

The School District maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the Ohio Auditor of State (the State Auditor). The State Auditor is charged by law with the responsibility of inspecting and supervising the accounts and records of each taxing subdivision and most public agencies and institutions.

School District receipts and expenditures are compiled on a cash basis, pursuant to accounting procedures prescribed by the State Auditor that are generally applicable to all Ohio school districts. The records of these cash receipts and expenditures are converted annually for reporting purposes to a modified accrual basis of accounting for governmental funds and an accrual basis for proprietary funds. These accounting procedures conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB),

including, beginning in Fiscal Year 2015, GASB Statement No. 68, “*Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*”, GASB Statement No. 69 “*Government Combinations and Disposals of Government Operations*”, and GASB Statement No. 71, “*Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*”. Those principles, among other things, provide for a modified accrual basis of accounting for the general fund, all special revenue funds and the debt service (bond retirement) fund and for a full accrual basis of accounting for all other funds, and for the preparation for each fund of balance sheets, statements of revenues and expenditures and statements showing changes in fund balances.

Annual financial reports are prepared by the School District and are filed as required by law with the State Auditor after the close of each Fiscal Year. Audits are made by the State Auditor, or by private auditing firms (CPAs) at the direction of that officer, pursuant to Ohio law and under certain federal program requirements. See the various appendices contained herein for applicable financial summaries (including cash-basis receipts and expenditures) and annual financial reports and statements

**Investment Policy**

The School District is limited by the Uniform Depository Act and the Revised Code Chapter 135 on its investments. The School District makes all investments in accordance with the law. The School District values safety, liquidity and return in that order. Interest earned by the School District in fiscal year ending June 30, 2017 totaled \$77,410.45.

**Financial Condition of the School District / General Fund and Financial Outlook**

The Board of Education maintained an unencumbered balance in the general operating fund over the past two fiscal years as shown below:

Fiscal Year <u>Ending</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	Ending <u>Balance</u>
06/30/2016	\$26,959,132	\$33,217,948	\$39,129,547	\$21,047,533
06/30/2017	\$21,047,533	\$33,170,691	\$34,614,246	\$19,603,978

The General Fund is the School District’s main operating fund, from which most expenditures are paid and into which most revenues are deposited. The General Fund receives moneys from many sources, but primarily from the ad valorem property taxes levied by the Board and education aid distributions from the State under the State School Funding System. In Fiscal Years 2013 through 2017, ad valorem property taxes and related make-up and property tax relief payments from the State provided between 81.89% and 83.63% of the School District’s general operating fund revenues and State education aid distributions provided between 3.45% and 5.10%.

Pursuant to State law, the School District has prepared a Five-Year Financial Forecast that is adopted by the Board and filed with the Ohio Department of Education. The Forecast reflects three years of general operations, General Fund, historical revenues and expenditures, as well as a



forecast of the present Fiscal Year and four additional Fiscal Years. Notes to the Financial Forecast accompany the projections. The Forecast must be adopted by the Board by October 31 of each fiscal year and then updated between April 1 and May 31. The School District's most recent Forecast was submitted to the State in October 2017.

The Board's current five-year projections indicate that the School District may not require additional operating income at any time through Fiscal Year 2022. Those projections are based on assumptions that include stable property values, consistent enrollment, and maintaining the current staffing levels.

Other than its authority to levy ad valorem property taxes, the only tax the Board may under existing State law impose, and only if approved by the School District's electors, is an income tax on (i) the school district income of individuals and estates or (ii) wages, salaries, tips and other employee compensation. The Board has not ever acted to put an income tax issue before the voters.

### Assessed Valuation of the School District

The assessed valuation of property within the School District subject to levy of ad valorem taxes for the most recent tax collection years are indicated in the following table:

Collection Year	Real(a)	Public Utility(b)	Total Assessed Valuation	%
				Increase/Decrease Over Previous Year
2013	1,160,332,210	10,731,100	1,171,063,310	
2014	1,165,697,360	11,567,240	1,177,264,600	0.53%
2015(c)	1,182,153,470	12,408,780	1,194,562,250	1.47%
2016	1,191,597,700	12,640,540	1,204,238,240	0.81%
2017	1,198,509,650	11,054,100	1,209,563,750	0.44%
2018(d)	1,232,795,130	12,079,330	1,244,874,460	2.92%

(a) Other than real property of railroads. The real property of public utilities, other than railroads, is assessed by the County Auditor. Real property of railroads is assessed, together with tangible personal property of all public utilities, by the State Tax Commissioner.

(b) Tangible personal property of all public utilities and real property of railroads; see footnote (a).

(c) Reflects triennial adjustment.

(d) Reflects sexennial reappraisal.

Source: Hamilton County Auditor.

Taxes collected on "Real" in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. "Public Utility" (real and tangible personal) taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year.

Pursuant to statutory requirements for sexennial reappraisals, in 2017 the County Auditor adjusted the true value of taxable real property to reflect then current fair market values. Those adjustments will be first reflected in the duplicate for tax year 2017 (collection year 2018) and in

the ad valorem taxes distributed to the School District in 2018. The County Auditor is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal), and has adjusted, taxable real property value triennially to reflect true values. The County Auditor last undertook such a triennial adjustment in 2014. The results of that adjustment were first reflected in the duplicate for tax year 2014 (collection year 2015) and in the ad valorem taxes distributed to the School District in 2015.

The “assessed valuation” of real property is fixed at 35% of true value and is determined pursuant to rules of the State Tax Commissioner. An exception is that real property devoted exclusively to agricultural use is to be assessed at not more than 35% of its current agricultural use value. Real property devoted exclusively to forestry or timber growing is taxed at 50% of the local tax rate upon its assessed value.

The taxation of all tangible personal property used in general businesses (excluding certain public utility tangible personal property) was phased out over tax years 2006 to 2009. Previously, machinery and equipment and furniture and fixtures were generally taxed at 25% of true value, and inventory was taxed at 23%.

The taxation of all tangible personal property used by telephone, telegraph or interexchange telecommunications companies (“telecommunications property”) was phased out over tax years 2007 to 2011. Previously, telecommunications property was taxed at 25% or 46% of true value (depending on the type of equipment and when it was placed into service).

Public utility tangible personal property (with some exceptions) is currently assessed (depending on the type of property) from 25% to 88% of true value. Effective for collection year 2002, the assessed valuation of electric utility production equipment was reduced from 100% and natural gas utility property from 88% of true value, both to 25% of true value. While eligible school districts have received, and are to continue to receive, reimbursement payments from the State to offset portions of such reductions, the School District does not now qualify.

As a result of the phase-out of taxation of tangible personal property used in general business (excluding certain public utility property) and tangible personal property used by telephone, telegraph or interexchange telecommunications companies, and the reduction of the percentages of true value of electric utility production equipment and natural gas utility property assessed for taxation as described above, eligible school districts have received reimbursement payments from the State to account for the loss of property tax revenue.

As indicated herein, the General Assembly has from time to time exercised its power to revise the laws applicable to the determination of assessed valuation of taxable property and the amount of receipts to be produced by ad valorem taxes levied on that property, and may continue to make similar revisions.

Ohio law grants tax credits to offset increases in taxes resulting from increases in the true value of real property. Legislation classifies real property as between residential and agricultural property and all other real property, and provides for tax reduction factors to be separately computed for and applied to each class. These tax credits apply only to certain voted levies on

real property, and they do not apply to unvoted levies or to voted levies to provide a specified dollar amount or to pay debt charges on general obligation debt.

### Largest Taxpayers

The largest taxpayers within the School District for tax year 2016 (collection year 2017) are shown in the following table:

<u>Taxpayer</u>	<u>Total Assessed Valuation (Real and Personal Property)</u>	<u>% of Total Assessed Valuation</u>
DUKE ENERGY OHIO INC C/O TAX DEPARTMENT	12,009,020	0.96%
GA HC REIT II SEASONS CCRC LLC	9,243,250	0.74%
GALBRAITH NORTH REALTY COMPANY LLC	8,181,360	0.66%
BRE DDR CROCODILE SYCAMORE PLAZA LLC	8,096,880	0.65%
KENWOOD PAVILION 14 A LLC@3	7,160,110	0.58%
KENWOOD MALL LLC	5,792,960	0.47%
KENWOOD LAND ACQUISITION LLC	5,391,080	0.43%
NISBET PROPERTY HOLDINGS	4,405,610	0.35%
VIKING PARTNERS KENWOOD LLC	3,917,320	0.31%
GREENACRES FOUNDATION	3,857,620	0.31%
<b>Total</b>	<b>68,055,210</b>	<b>5.47%</b>

Source: Hamilton County Auditor

### Ad Valorem Property Taxes – Collections

The following are the amounts billed and collected for School District ad valorem real and public utility property taxes for the tax collection years shown.

Collection Year	Current Billed	Current Collected	Current % Collected	Delinquent	
				Current	Accumulated
2012	\$31,158,556	\$30,340,051	97.37%	\$868,383	\$843,683
2013	31,370,870	30,644,407	97.68	626,686	838,056
2014	31,747,074	31,124,664	98.04	762,081	680,056
2015	30,539,713 <sup>(a)</sup>	29,931,010	98.01	530,740	728,887
2016	31,432,285	30,787,321	97.95	621,581	722,116
2017	31,593,919	30,889,312	97.77	664,305	810,877

(a) The District refrained from collecting 1.25 mills of its statutory share of inside millage in tax year 2014 (collected in 2015).

Source: Hamilton County Auditor.

Included in the “Current Billed”, “Current Collected” and “Current % Collected” figures above are payments made from State revenue sources under two Statewide real property tax relief programs – the Homestead Exemption and the Property Tax Rollback Exemption. Homestead Exemptions have been available for (i) persons 65 years of age or older, (ii) persons who are totally or permanently disabled and (iii) surviving spouses of persons who were totally or permanently disabled or 65 years of age or older, and had applied and qualified for a reduction of property taxes in the year of death, so long as the surviving spouses were not younger than 59 or older than 65 years of age on the date of their deceased spouses’ deaths. The Homestead Exemption exempts \$25,000 of the homestead’s market value from taxation, thereby reducing the property owner’s ad valorem property tax liability. The Property Tax Rollback Exemption applies to all non-business properties, and reduces each property owner’s ad valorem property tax liability by either 12.5% (for owner-occupied non-business properties) or 10% (for non-owner non-business occupied properties). Payments to taxing subdivisions have been made in amounts approximately equal to the Homestead and Property Tax Rollback Exemptions granted. This State assistance reflected in the School District’s tax collections for 2017 was \$159,745 for the elderly/disabled homestead payment and \$3,288,364 for the rollback payment.

The State Budget Act makes the Homestead Exemption subject to means testing beginning January 1, 2014, and eliminates the Property Tax Rollback Exemption and related reimbursements with respect to new or replacement tax levies approved at elections after its effective date and for other taxes (or increases in taxes) not levied for tax year 2013. See **Tax Rates**.

Real property taxes are payable in two installments, the first usually by February and the second in August.

### **Ad Valorem Property Taxes – Delinquencies**

The following is a general description of delinquency procedures under Ohio law, the implementation of which may vary in practice among the counties. Under the Revised Code, taxes become a lien of the State on the first day of January, annually, and continue until the taxes, including any penalties, interest or other charges, are paid. Real estate taxes and special assessments that are not paid in the year they are due are to be certified by the county auditor’s office as delinquent. Any amount of a previous tax bill not paid before new tax bills are mailed for the next half of the year is considered delinquent and becomes subject to a 10% penalty. A list of delinquent properties is compiled by the county auditor (the “delinquent land duplicate”). If delinquent taxes (and special assessments) are not paid within 60 days after a copy of the county auditor’s delinquent land duplicate is delivered to the county treasurer, then the county treasurer is to enforce the lien of the State that attached on January 1 of the year the taxes first became payable. Under State law (Section 323.25 of the Revised Code), the county treasurer is to enforce the lien “in the same way mortgage liens are enforced,” that is, by an action in the court of common pleas for foreclosure and sale of the property in satisfaction of the delinquency. If the county treasurer fails to bring an action to enforce the lien, then the State Tax Commissioner is to do so. In addition, one year after certification of a delinquent land list, the county prosecuting attorney is authorized to institute foreclosure proceedings in the name of the county treasurer to foreclose the lien.

The property owner may arrange a payment plan with the county treasurer providing for payments over a period not to exceed five years. If payments are made when due under the plan, no further interest will be assessed against delinquent balances covered by the plan; a default in any payment under the plan or in the payment of current taxes will invalidate the taxpayer's participation in the plan. If a payment plan is not adhered to or if none is arranged, foreclosure proceedings may be initiated by the county. Mass foreclosure proceedings and sales are permitted after three years' delinquency. Proceeds from delinquent property foreclosure sales become part of and are distributed as current collections to the taxing subdivisions.

In recent years, the State legislature has enacted several programs with respect to forestalling the foreclosure process or the forfeiture of property due to tax delinquency that may have the effect of delaying or eliminating the collection of certain property taxes. Notwithstanding the delay or loss of the tax revenues from those properties, an issuer of general obligation notes or bonds, such as the School District, remains obligated to pay the debt charges on those notes or bonds from the available revenues.

There were 5,884 nonexempt parcels in the School District for collection year 2017 and the number of delinquent (by any positive amount unpaid) parcels was 141. The total number of foreclosure proceedings was not available from the County Auditor's office.

These five taxpayers accounted for more than 48% of the delinquencies identified above for collection year 2017:

<b>Taxpayer</b>	<b>Amount Due<sup>(a)</sup></b>
Individual Taxpayer	\$86,840
7180 Given Road LLC	53,405
Breezy Hill Estates I LLC	25,530
Individual Taxpayer	20,583
Individual Taxpayer	17,699

(a) Includes both taxes due and penalties assessed that are owed to all overlapping taxing subdivisions, of which approximately 65% is due the School District.

### **Unvoted and Voted Taxes for Local Purposes / Tax Rates**

To meet current expenses of subdivisions, the laws of Ohio authorize two types of ad valorem tax levies - unvoted and voted.

Unvoted ad valorem tax levies are permitted by the State Constitution and the Revised Code so long as all such unvoted taxes do not exceed one per cent (ten mills) of any property's assessed valuation. This limitation is known as the "ten-mill limitation" and such unvoted taxes are referred to as the "inside millage".

Ohio law permits voted ad valorem tax levies outside the one percent limitation when approved by a majority of the electors of a taxing District voting on the proposition. A voted tax levy for a board of education is generally initiated by a resolution of the Board of Education to place such a levy on the ballot at a general, primary or special election.

All references to tax rates under this caption are in terms of stated rates in mills per \$1.00 of assessed valuation.

The following chart lists the effective rates of taxation for the General Fund and Bond Retirement Fund of the Board of Education for collection year 2018 (tax year 2017):

**Rates of Taxation**  
2018 Collection Year (2017 Tax Year)

	<u>Mills – General Fund/Cur. Exp.</u>			Permanent Improve. <u>Inside</u>	Bond Retirement <u>Fund</u>	<u>Total</u>
	<u>Inside</u>	<u>Outside</u>	<u>Total</u>			
Effective Rate Res/Ag	6.41	16.119597	22.529597	0.00	3.24	25.769597
Effective Rate Com/Ind	6.41	14.122697	20.532697	0.00	3.24	23.772697

Source: Hamilton County Auditor

The following are the rates at which the School District and overlapping taxing subdivisions have in recent years levied ad valorem property taxes in that area of the School District located in the City.

**TAX TABLE A**  
**Overlapping Tax Rates**

<b>Collection Year</b>	<b>School District</b>	<b>City</b>	<b>Career Center</b>	<b>County and Others(a)</b>	<b>Total</b>
2013	45.99	0.96	2.70	21.06	70.71
2014	46.06	0.96	2.70	21.06	70.78
2015	44.81	0.96	2.70	20.88	69.35
2016	46.06	0.96	2.70	20.88	70.60
2017	46.16	0.96	2.70	20.88	70.70
2018	46.16	0.96	2.70	21.19	71.01

(a) Includes, in addition to County, Hamilton County Park District and Cincinnati-Hamilton County Public Library. Source: County Auditor.

Statutory procedures limit, by the application of tax credits, the amount realized by each taxing subdivision from real property taxation to the amount realized from those taxes in the preceding year plus both:

- the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year; and
- amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year.

The tax credit provisions do not apply to amounts realized from taxes levied at whatever rate is required to produce a specified amount or an amount to pay debt charges on voted general obligations, or from taxes levied inside the ten-mill limitation or from school district levies for operating purposes once the “twenty-mill floor” has been reached. To calculate the limited amount to be realized, a reduction factor is applied to the stated rates of the levies subject to these tax credits. A resulting “effective tax rate” reflects the aggregate of those reductions, and is the rate based on which real property taxes are in fact collected. As an example, the total overlapping tax rate for the 2018 tax collection year of 71.01 mills within the portion of the School District within the City was reduced by reduction factors of 0.383107 for residential/agricultural property and 0.359862 for all other real property, which resulted in “effective rates” of 43.805607 mills for residential and agricultural property and 45.456255 mills for all other real property. See **Tax Table A**.

Residential and agricultural real property tax amounts paid by taxpayers generally are further reduced by an additional 10% (12.5% in the case of owner-occupied residential property); however, the State Budget Act eliminates such reductions for additional and replacement levies that approved at elections after its effective date and for other taxes (or increases in taxes) not levied for tax year 2013. See **Collections** for a discussion of reimbursements by the State to taxing subdivisions for these reductions and related changes made by the State Budget Act.

The following are the rates at which the School District levied property taxes for the general categories of purposes for the years shown, both inside and outside the ten-mill limitation.

**TAX TABLE B  
School District Tax Rates**

**Unvoted (inside the 10-Mill Limitation)**

<b>Collection Year</b>	<b>Operating</b>	<b>Permanent Improvements</b>	<b>Total</b>
2014	5.16	1.25	6.41
2015	5.16	0.00	5.16
2016	6.41	0.00	6.41
2017	6.41	0.00	6.41
2018	6.41	0.00	6.41

**Voted**

<b>Collection Year</b>	<b>Operating</b>	<b>Debt Retirement</b>	<b>Total</b>
2014	36.51	3.14	39.65
2015	36.51	3.14	39.65
2016	36.51	3.14	39.65
2017	36.51	3.24	39.75
2018	36.51	3.24	39.75

The voted levies for “Debt Retirement” continue for the life of the bonds authorized by the voters, in annual amounts sufficient to pay debt charges on those bonds as they come due.

The total School District operating millage of 42.92 mills for collection year 2018 includes voted fixed rate current expense levies aggregating 36.51 mills, all approved by the School District electorate for a continuing period of time and which do not require a renewal vote. The balance of 6.41 mills constituted a portion of the School District’s mandated share of the unvoted 10 mills.

See the discussion of the ten-mill limitation, and the priority of claim on that millage for debt charges on unvoted general obligation debt, under **Indirect Debt and Unvoted Property Tax Limitations**.

The following table presents certain information concerning the School District’s voted property tax levies for current expenses for collection year 2017, each of which is levied for a continuing period of time.

Voter Authorized	Millage Rate		Last Collection Year
	Levied for		
	Res./Agr.	All Other	
2.47	1.074635	0.941667	Continuing
3.80	1.653285	1.448719	Continuing
4.09	1.779456	1.559279	Continuing
5.75	2.501681	2.192141	Continuing
11.77	5.120832	4.487218	Continuing
8.63	4.272385	4.139474	Continuing

Each operating levy approved for a continuing period is subject to reduction through a statutory procedure requiring both (i) a petition signed by 10% of the electors of the School District voting in the last general election (to be filed at least 60 days before the general election in any year) stating the amount of the proposed reduction and (ii) the approval of the reduction by a majority vote at the general election, with the reduction to commence at the expiration of the then-current year. No such petition has ever been filed with respect to a School District levy.

For collection year 2017, the School District had an effective tax rate on residential and agricultural property of 22.812274 mills (including 16.402274 for voted levies and the 6.41-mill mandated share of the unvoted 10 mills) and an effective tax rate for all other real property of 21.17850 (including 14.76850 for voted levies and the 6.41-mill mandated share of the unvoted 10 mills) for current operating expenses. State law establishes a “20-mill floor” for a school district’s levy for current operating expenses (excluding for this purpose emergency tax levies and other “fixed dollar” levies for operating purposes). At that floor, the effect of the reduction mechanism discussed above is negated, and the School District receives the proceeds of 20 mills of property tax levied against all property subject to ad valorem property taxes without reduction. The effect of reaching that floor is that the School District receives increases or decreases in property tax receipts for operating purposes more nearly commensurate with increases or decreases in its assessed valuation.



## Voting Records

The District has not placed any bond issues, permanent improvement or operating levies on the ballot for the last ten years.

### TAX TABLE C ELECTION HISTORY Bond Issues and Tax Levies Voted Upon

<b>Election Date</b>	<b>Purpose</b>	<b>Mills Appearing on Ballot</b>	<b>Levy Type</b>	<b>Result</b>
11/03/92	Current Expenses	5.10	New Money	Defeated
11/03/92	School Improvements	0.50	Bond Issue	Defeated
05/04/93	Emergency requirements	2.13	New Money	Approved
11/07/00	School Improvements	4.18	Bond Issue	Approved

The Ohio Supreme Court (the "Supreme Court") issued its opinion in *Sanborn v. Hamilton Cty. Budget Comm.* (Slip Opinion No. 2014-Ohio-5218) regarding the Indian Hill Exempted Village School District's Board of Education's conversion of 1.25 mills of inside millage from classification as an operating expense levy to classification as a permanent improvement levy in 2009 for future property tax collections, beginning in tax year 2010 (collection year 2011). The Supreme Court's opinion found that the evidence presented by the Board did not support a conclusion that increased revenue was clearly required by the School District. The Supreme Court remanded the case to the Board of Tax Appeals with instructions to issue an order that would rescind the Hamilton County Budget Commission's prior approval of the Board's inside millage conversion.

In response to the Supreme Court's decision in that case, the Board adopted a resolution on December 8, 2014 requesting that the Hamilton County Budget Commission refrain from collecting the 1.25 mill permanent improvement levy for tax collection year 2015 while the School District analyzed the Court's opinion and considered its response. The net result of the reduction in millage collected on these operating expense levies was estimated to be a combined loss of approximately \$1,500,000 in property tax revenue to the School District during tax collection year 2015 (which affected School District property tax receipts in the second half of Fiscal Year 2015 and the first half of Fiscal Year 2016). The Board has included levies of the 1.25 mills of inside millage as a part of the current operating expense levies in its tax budgets for Fiscal Years 2016 and 2017 (which will affect School District property tax receipts in the second half of Fiscal Year 2016 and the first half of Fiscal Year 2017). Those tax budgets were approved by the Hamilton County Budget Commission on May 29, 2015 and January 12, 2016, respectively. See Tax Table B.

The School District was a party to a related class action suit in the Hamilton County Court of Common Pleas in which the plaintiffs sought property tax refunds from the School District for

tax collection years 2011 through 2014. In November 2015, the School District and the other parties to that litigation entered into a Settlement Agreement that requires the District to repay \$5.5 million, approximately the amount of refunds demanded by plaintiffs in the action. Of this amount, the Board has made available a total of \$4.6 million for pro rata distribution to the class members as a refund of the property taxes the class members paid for the relevant years and \$900,000 to cover (a) the attorney fees of the lawyers who represented the class in the action, (b) incentive awards for the four class representatives, and (c) litigation expenses incurred by the plaintiffs in prosecuting the action. In addition, the Board has agreed to pay the reasonable costs of settlement administration, including the expenses incurred by the administrator in sending the notice and in implementing the class members' individual decisions whether to accept their pro rata distribution or to donate the equivalent amount to the Indian Hill School District Foundation. The administrator mailed claim forms to class members on or about April 28, 2016. The settlement administrator has mailed 1099s and has filed a 1096 with the IRS. The bank account has been reconciled for a final time. All items regarding the administering of the refund have been completed.

Under current Ohio law, School District money, accounts and investments are not subject to attachment to satisfy tort judgments in State courts against the School District.

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## Sources of Income

The following chart shows the sources and uses of income for the General Fund of the Board of Education for the fiscal year 2016-2017, which ended on June 30, 2017:

### Sources and Uses of Income - General Fund

BEGINNING BALANCE	\$21,047,533
INCOME	
Existing Property Taxes	\$27,165,015
Investments	77,410
Other Local	4,272,445
Borrowing	
State Foundation	1,307,627
Other State	306,170
Miscellaneous	<u>42,024</u>
TOTAL INCOME	\$33,170,691
TOTAL RESOURCES	\$54,218,224
EXPENDITURES	
Salaries & Wages	\$19,939,079
Fringe Benefits	6,834,753
Purchased Services	4,832,466
Materials/Supplies	1,273,041
Capital Outlay	1,208,802
Other Non-Operating	523,279
Other Expenses	<u>2,826</u>
TOTAL EXPENSE	\$34,614,246
ENDING BALANCE	\$19,603,978
Cash Balance as % of Revenues	59.1%

Source: Records of the Treasurer of the District

### State Funding for Public Schools / State School Funding System

The State's General Assembly has historically provided financial assistance to city, exempted village, local and municipal school districts as a part of its undertaking to secure a thorough and efficient system of common schools throughout the State as required by the Ohio Constitution. The levels of that financial assistance (State Education Aid) and methods used in allocating it among the school districts have been established and frequently modified in the State's biennial budget and other legislation passed by the General Assembly from time to time.

The State Budget Act provides for State Education Aid in estimated amounts of \$7.56 billion and \$7.91 billion in Fiscal Years 2017 and 2018, respectively, and establishes a core foundation funding formula and additional types of categorical funding to be utilized in

allocating that State Education Aid. Under the core foundation funding formula, the State Department of Education (the Department) is to calculate and pay to city, exempted village, local and municipal school district a base amount of State Education Aid (known as an “Opportunity Grant”) determined by multiplying a “formula amount” of spending per pupil by (i) the school district’s “average daily membership” (ADM), generally based on the number of its full-time equivalent students as reported to the Department three times annually, and (ii) an index (the State Share Index) dependent on factors such as a school district’s tax valuation and income and wealth indicators. In general, the State Share Index will result in the State assuming a larger percentage of the formula amount for school districts with less tax valuation or lower median income residents. For Fiscal Year 2017, the formula amount was \$6,000 and for Fiscal Year 2018 the formula amount is \$6,010.

In addition to the Opportunity Grant described above, under the core foundation funding formula school districts may also receive, as applicable, State Education Aid in the form of (i) targeted assistance based on tax valuation and income factors, (ii) supplemental targeted assistance based on a school district’s agricultural property percentage, (iii) a specific amount based on six categories of disabilities for special education and related services, (iv) kindergarten through third grade literacy funds, (v) supplemental funding based on the relative proportion of a school district’s students identified as economically disadvantaged, (vi) a specific amount for each of three English proficiency categories, (vii) gifted identification funds, (viii) gifted unit funding, (ix) a specific amount for each of five career-technical categories, (x) career-technical education associated services funds, (xi) performance bonuses based on a school district’s four-year graduation rate and third-grade reading proficiency achievement and (xii) capacity aid for school districts with property tax yields per mill below the State median.

As with Opportunity Grant funds, special education, kindergarten through third grade literacy, limited English proficiency, career-technical education funds and performance bonuses are subject to the State Share Index. Certain other categories of funding, including pupil transportation funding, are funded in whole or in part by the State outside of the core funding formula.

Notwithstanding the amount of State Education Aid a school district would receive under the new funding formula, its funding increases for core funding (other than performance bonuses) and for most pupil transportation funding are capped at not more than 7.5% of the previous Fiscal Year’s State Education Aid for Fiscal Years 2016 and 2017. All school districts are guaranteed to receive at least the amount of State Education Aid in Fiscal Years 2016 and 2017 as they received in Fiscal Year 2015 (other than career technical and career technical associated services funds in Fiscal Year 2017).

The following table presents certain information concerning State funding and Unrestricted and Restricted Grants-in-Aid for the School District under the various funding models in place for the Fiscal Years indicated, as taken from the District's Five Year Forecast as required by Section 5705.391 of the Revised Code (the most recent of which was last updated in October 2016; see Appendix D).

<b>Fiscal Year</b>	<b>Unrestricted and Restricted Grants-in-Aid (Total)</b>	<b>Such State Aid as a % of General Operating Fund Total Revenues and Other Financing Sources(a)</b>	<b>Such State Aid as a % of General Operating Fund Total Expenditures and Other Financing Uses(a)</b>
2013	\$1,089,765	3.45%	3.61%
2014	1,201,234	3.80	4.01
2015	1,639,875	5.10	4.36
2016	1,521,567	4.58	3.89
2017	1,563,274	4.71	4.51
2018(b)	1,640,005	4.82	4.49

- (a) See **Appendix D** for details regarding revenues and expenditures.
- (b) Forecasted.

There can be no assurance concerning future funding levels or systems or formulae for allocation of State Education Aid. Funding has also been subject to adjustment during a biennium. As indicated above, the General Assembly has the power to modify the system of State school funding and has often exercised that authority. The School District cannot predict whether, when or in what form any future system of State school funding will be enacted into law.

### **Overlapping Governmental Entities / Net Overlapping Debt**

The major political subdivisions or other governmental entities that overlap all or a portion of the territory of the School District are listed in the table below. Each of the subdivisions below operates independently, with its own separate budget, taxing power and sources of revenue. Only the County, the Cities, the Villages, the Townships and the Career Center may, as may the School District, levy ad valorem property taxes within the ten-mill limitation (subject to available statutory allocation of the 10 mills) described herein.

**Net Overlapping Debt  
For Indian Hill Exempted Village School District**

<u>Subdivision</u>	<u>Type of Subdivision</u>	<u>Overlap Percentage</u>	<u>Net Debt of Subdivision</u>
Indian Hill EVSD	Exempted S/D	100.00%	\$16,735,000
Hamilton County	County	6.55	8,766,848
Indian Hill City	City	99.44	218,768
Madeira City	City	2.93	10,548
Milford City	City	0.33	11,088
Terrace Park Village	Village	0.02	262
Columbia Township	Township	0.13	0
Sycamore Township	Township	41.53	6,289,719
Symmes Township	Township	8.25	645,150
Great Oaks Career Ctr.	Jt. Voc. S/D	6.44	390,908
Cin. & Ham. County Port Auth.	Misc. Dist.	6.55	0
Cin. & Ham. County Public Library	Misc. Dist.	6.55	0
Ham. County Park District	Misc. Dist.	6.55	0
Little Miami Jt. Fire & Rescue	Misc. Dist.	0.07	4,582

<u>NET DEBT</u>			<u>NET OVERALL DEBT</u>		
<u>Total</u>	<u>Per Capita</u>	<u>% of A/V</u>	<u>Total</u>	<u>Per Capita</u>	<u>% of A/V</u>
\$16,735,000	\$1,294	1.34%	\$33,072,872	\$2,557	2.73%

Source: Ohio Municipal Advisory Council. Data is as of January 1, 2018. Excludes Special Assessment and Self-Supporting Debt.

**Statutory Direct Debt Limitations**

The Revised Code provides two debt limitations on general obligation debt that are directly based on tax (assessed) valuation, applicable to all school districts, including the School District.

- The net principal amount of both voted and unvoted debt of the School District, excluding “exempt debt” (discussed below), may not exceed 9% of the total tax (assessed) valuation of all property in the School District as listed and assessed for taxation, except in the case of a “special needs” school district. All of the School District’s current general obligation debt is subject to this limitation.
- The net principal amount of unvoted debt of the School District, excluding exempt debt, may not exceed 1% of that valuation, as discussed below.

These two limitations, which are referred to as the “direct debt limitations,” may be amended from time to time by the General Assembly.

The School District’s ability to incur unvoted debt (whether or not exempt from the direct debt limitations) is also restricted by the indirect debt limitation discussed under **Indirect Debt and Unvoted Property Tax Limitations**.

The tax valuation used for the calculation of the School District’s direct debt limitations in collection year 2018 is \$1,244,874,460.

The Revised Code provides as a general limitation that the net principal amount of general obligation debt of a school district incurred without a vote of the electors, in general, may not exceed 1% of the School District’s total tax valuation. A further general limitation, from which certain energy conservation and exempt debt (discussed below) may be excluded, is 1/10th of 1% of its total tax valuation; the School District at present has no outstanding unvoted debt subject to this limitation. School Districts may also issue unvoted general obligation debt and other debt under certain circumstances for energy conservation programs, which general obligation debt may not exceed 9/10ths of 1% of the School District’s tax valuation; the School District at present has no debt subject to that limitation. Debt charges on any unvoted debt, unless paid from other sources, must be paid from the millage levied within the ten-mill limitation, resulting in a reduction in money available for operating expenses.

The Bonds will not be subject to the unvoted debt limitation, but will be subject to the 9% direct debt limitation.

Certain debt that the School District may issue is exempt from the 9%, 1/10th of 1%, 9/10ths of 1% and 1% direct debt limitations (exempt debt). Exempt debt includes, without limitation, current tax revenue anticipation notes, tax anticipation notes, securities issued to pay final judgments or court-approved settlements, securities issued to acquire school buses and other equipment used in transporting pupils, securities evidencing State solvency assistance loans, certain securities issued to acquire computers and related hardware and certain unvoted securities issued a school district’s share of the basic project cost necessary to participate in a cooperative project with the Ohio Facilities Construction Commission (the Commission) under Chapter 3318 of the Revised Code that are secured by a pledge of proceeds of a school district income tax or a voted property tax levy. In addition, under Section 133.06(I) of the Revised Code, to the extent that, when issued, it would cause the total net indebtedness of a school district to exceed the 9% direct debt limitation, debt issued solely to raise (i) a school district’s share of the basic project cost necessary to participate in a cooperative project with the Commission under Chapter 3318 of the Revised Code, (ii) the cost of items designated by that Commission as required locally funded initiatives in connection with such a project, (iii) the cost of other related locally funded initiatives in an amount that does not exceed 50% of the district’s portion of the basic project cost, and (iv) the cost of acquiring sites for such a project, is exempt from the 9% direct debt limitation. The School District has no such exempt debt outstanding.

BANs issued in anticipation of exempt bonds also are exempt debt.

The School District may incur debt for operating purposes, such as current tax revenue anticipation notes or tax anticipation notes, only under certain limited statutory authority.

In the calculation of debt subject to the direct debt limitations, the amount in a school district's bond retirement fund allocable to the principal amount of nonexempt debt is deducted from gross nonexempt debt. Without consideration of amounts in the Bond Retirement Fund, and based on outstanding debt and the Bonds and the current tax (assessed) valuation, the School District's voted and unvoted nonexempt debt capacities are detailed in Debt Table A and Appendix C – Indebtedness Statement.

**Debt Table A - Principal Amounts of Outstanding Debt;  
Leeway for Additional Debt Within  
Direct Debt Limitations  
(further elaborated in Appendix C – Indebtedness Statement)**

Total Debt	\$ 16,735,000
Exempt Debt	0
Total non-exempt debt	16,735,000
1/10th of 1% of tax valuation (unvoted debt limitation)	1,244,874
Total limited tax non-exempt bonds outstanding	0
Debt leeway within the 1/10th of 1% unvoted debt limitation but subject to indirect debt limitation	1,244,874
9% of tax valuation (voted and unvoted debt limitation)	112,038,701
Total non-exempt bonds outstanding	16,735,000
Balance in Bond Retirement Fund (@ 12/31/2017)	921,415
Net Non-exempt Debt	15,813,585
Debt leeway within 9% direct debt limitation	96,225,116

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**Debt Table B - Various School District and Overlapping GO Debt Allocations (Principal Amounts)  
(Including Special Assessment and Self-Supporting Debt)**

	Amount	Per Capita(a)	% of School District's Current Assessed Valuation(b)
School District Nonexempt GO Debt	\$16,735,000	\$1,293.98	1.34%
Total School District GO Debt (exempt and nonexempt)	16,735,000	1,293.98	1.34
Highest Total Overlapping GO Debt(c)	32,341,574	2,500.70	5.17

(a) Based on 2016 (estimated) Census population of 12,933.

(b) The District's current assessed valuation is \$1,244,874,460.

(c) Includes, in addition to "Total School District GO Debt," allocations of total GO debt of overlapping debt issuing subdivisions (as of January 1, 2018) resulting in the calculation of highest total overlapping debt based on percent of tax (assessed) valuation of territory of the subdivisions located within the School District (% figures are resulting percent of total debt of subdivisions allocated to the School District in this manner), as follows:

\$ 8,925,947 County (6.55%);

\$ 6,289,719 Sycamore Township (41.53%); and

\$ 390,908 Great Oaks Career Center (6.44%).

Allocation of GO debt of the remaining overlapping debt issuing subdivisions is as follows:

\$ 2,645,104 The City (99.44%);

\$ 10,548 City of Madeira (2.93%);

\$ 11,088 City of Milford (0.33%);

\$ 262 Village of Terrace Park (0.02%);

\$ 4,582 Little Miami Jt. Fire and Rescue District (0.07%); and

\$ 645,150 Symmes Township (8.25%).

Sources of tax (assessed) valuation and confirmation of GO debt figures for overlapping subdivisions: OMAC and the County Auditor.

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**Debt Table C – Projected Debt Charges Requirements on School District GO Debt**

Year	Debt Charges -		Total, All Paid from Unlimited
	2005 Bonds	2016 Bonds	Ad Valorem Taxes
2018	\$ 3,139,500	\$ 632,237.50	\$ 3,771,737.50
2019	-	1,683,937.50	1,683,937.50
2020	-	1,685,137.50	1,685,137.50
2021	-	1,734,337.50	1,734,337.50
2022	-	1,739,537.50	1,739,537.50
2023	-	1,743,087.50	1,743,087.50
2024	-	1,810,337.50	1,810,337.50
2025	-	1,815,587.50	1,815,587.50
2026	-	1,818,587.50	1,818,587.50
2027	-	1,885,462.50	1,885,462.50

**Indirect Debt and Unvoted Property Tax Limitations**

Voted general obligation debt may be issued by the School District if authorized by vote of the electors. Ad valorem taxes, without limitation as to amount or rate, to pay debt charges on voted bonds are authorized by the electors at the same time they authorize the issuance of the bonds.

General obligation debt also may be issued by the School District without a vote of the electors, but subject to the 1% and 1/10th and 9/10ths of 1% limitations discussed above unless it is exempt debt. This unvoted debt may not be issued unless the ad valorem property tax for the payment of debt charges on those bonds (or the bonds in anticipation of which BANs are issued), and all outstanding unvoted general obligation bonds (including bonds in anticipation of which BANs are issued) of the combination of overlapping taxing subdivisions including the School District resulting in the highest tax required for such debt charges, in any year is 10 mills or less per \$1.00 of assessed valuation. This indirect debt limitation, the product of what is commonly referred to as the “ten-mill limitation,” is imposed by a combination of provisions of the Ohio Constitution and the Revised Code.

The ten-mill limitation is the maximum aggregate millage for all purposes that may be levied on any single piece of property by all overlapping taxing subdivisions without a vote of the electors. The 10 mills are allocated pursuant to a statutory formula among certain overlapping taxing subdivisions in the County, including the School District. For collection year 2017, less than the entire 10 mills was levied by the combination of the School District and taxing subdivisions overlapping portions of the School District. The allocation of the 10 mills (sometimes referred to as the “inside millage”) was as follows in the various portions of the School District:

School District	County	Great Parks of the County	Columbia Township	Sycamore Township	Symmes Township	Terrace Park Village	The City	City of Madeira(a)	City of Milford	Total
6.41	2.26	0.03	1.30							10.00
6.41	2.26	0.03		1.30						10.00
6.41	2.26	0.03			1.30					10.00
6.41	2.26	0.03				1.30				10.00
6.41	2.26	0.03					0.96			9.66
6.41	2.26	0.03						1.28		9.98
6.41	2.26	0.03							1.30	10.00

(a) The City of Madeira has levied Charter millage in lieu of inside millage for at least the last five years.

Because the School District is restricted in the amount of unvoted debt it can issue, the major impact of the indirect debt limitation generally results from the ability of overlapping political subdivisions to issue unvoted general obligation debt in amounts that require unvoted taxes for the payment of debt charges on that debt to be levied at a rate in excess of the rates within the ten-mill limitation allocated by statutory formula to the subdivisions. The result of a subdivision having to draw on millage to pay debt charges in an amount exceeding its allocated rate within the ten-mill limitation would be to reduce the millage within the ten-mill limitation available to the overlapping subdivisions, including the inside millage then levied by the Board for operating purposes. To the best knowledge of current School District officials, no such reduction in the School District’s statutory share of inside millage has occurred since the ten-mill limitation has been in effect.

Present Ohio law requires the inside millage allocated to a taxing subdivision to be used first for the payment of debt charges on its unvoted general obligation debt, unless provision has been made for that payment from other sources, with the balance usable for other purposes. To the extent this inside millage is required for debt charges of a taxing subdivision (which may exceed the formula allocation to that subdivision), the amount that would otherwise be available to that subdivision for general fund purposes is reduced. Because the inside millage that may actually be required to pay debt charges on a subdivision’s unvoted general obligation debt may exceed the formula allocation of that millage to the subdivision, the excess reduces the amount of inside millage available to overlapping subdivisions. A law applicable to all Ohio cities and villages, however, requires that any lawfully available receipts from a municipal income tax or from voted property tax levies be allocated to pay debt charges on the municipality’s unvoted debt before the formula allocations of the inside millage to overlapping subdivisions can be invaded for that purpose.

In the case of BANs issued in anticipation of unvoted general obligation bonds, the highest estimate of annual debt charges for the anticipated bonds is used to calculate the millage required.

The total millage theoretically required by Sycamore Township, the Career Center and the County (the combination of overlapping taxing subdivisions that have the highest millage requirement within the ten-mill limitation for debt charges on unvoted debt) for debt charges on their outstanding unvoted general obligation debt was estimated to be 3.9461 mills for 2018, the year of the highest potential debt charges. There thus remained 6.0539 mills within the ten-mill limitation that had yet to be allocated to debt charges and that were available to the School District

and overlapping subdivisions in connection with the issuance of additional unvoted general obligation debt.

**Outstanding Debt**

The Debt Tables herein provide information concerning the School District’s outstanding debt represented by bonds and notes, School District and overlapping subdivisions general obligation debt allocations and debt charges on the School District’s outstanding general obligation debt outstanding. The following table shows the principal amount of School District’s general obligation debt outstanding as of June 30 in the years shown.

<b>Year</b>	<b>Total, all Voted</b>
2013	\$29,790,000
2014	27,400,000
2015	24,865,000
2016	23,550,000
2017	19,640,000

The District has the following outstanding bonds, notes and other debt obligations as of February 1, 2017.

**Debt Table D - General Obligation Bonds**

<u>Date of Original Issue</u>	<u>Purpose</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount Issued</u>	<u>Amount Outstanding</u>
07/19/05	School Improv. Ref.	3.00%- 5.00%	12/01/18	\$13,220,000	\$ 2,990,000
09/14/16	School Improv. Ref.	1.50%- 5.00%	12/01/27	13,940,000	<u>13,745,000</u>
					\$16,735,000

The School District is not, and to the knowledge of current School District officials has not ever been, in default in the payment of debt charges on any of the bonds or notes on which the School District is obligor.

**Security for General Obligation Debt; Bonds and BANs**

The following describes the security for the School District’s general obligation debt, such as the voted Bonds.

**Voted Bonds.** The basic security for voted School District general obligation bonds is the authorization by the electors for the Board to levy, and its levy pursuant to constitutional and statutory requirements of, ad valorem taxes, without limitation as to rate or amount, on all real and tangible personal property subject to ad valorem taxation by the Board. These taxes are outside of the ten-mill limitation and are to be sufficient in amount to pay (to the extent not paid

from other sources) as they come due the debt charges on the voted bonds (subject to the provisions of bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion).

The School District has \$16,735,000 of voted general obligation bonds outstanding (including the Bonds). All references to the School District's outstanding debt in this Official Statement exclude accretions to the value of any capital appreciation bonds.

**Unvoted Bonds.** The basic security for the limited amount of School District unvoted general obligation bonds (see **Statutory Direct Debt Limitations**) is the Board's ability to levy, and its levy pursuant to constitutional and statutory requirements of, ad valorem taxes on all real and tangible personal property subject to ad valorem taxation by the Board, within the ten-mill limitation described below. These taxes are to be sufficient in amount to pay (to the extent not paid from other sources) as they come due the debt charges on unvoted general obligation bonds. The law provides that the levy necessary for debt charges has priority over any levy for other purposes within that tax limitation; that priority may be subject to the provisions of bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion.

The School District has no unvoted general obligation bonds outstanding.

**BANs.** While BANs are outstanding, Ohio law requires the levy of ad valorem property taxes in an amount not less than what would have been levied if bonds had been issued without the prior issuance of the BANs. That levy need not actually be collected if payment in fact is to be provided from other sources, such as the proceeds of the bonds anticipated or of renewal BANs. BANs, including renewal BANs, may be issued and outstanding from time to time up to a maximum period of 240 months from the date of issuance of the original notes. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated. Portions of the principal amount of BANs outstanding for more than five years must be retired in amounts at least equal to, and payable not later than, those principal maturities that would have been required if the bonds had been issued at the expiration of the initial five-year period.

The School District has no outstanding BANs.

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**Bond Retirement Fund**

The School District’s Bond Retirement Fund is the fund from which it pays debt charges on its general obligation debt and into which money required to be applied to those payments is deposited. The following table is an unaudited summary of Bond Retirement Fund cash basis receipts, disbursements, and year-end balances for Fiscal Year 2016 and other recent Fiscal Years.

<b>Fiscal Year</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>June 30 Balance</b>
2014	\$3,647,778	\$3,652,863	\$2,128,494
2015	3,691,240	3,694,618	2,125,116
2016	3,789,662	3,799,346	2,115,432
2017	3,800,393	3,565,838	2,349,987
2018(a)	3,972,889	3,610,781	2,712,095

(a) Projected.

**Long-Term Financial Obligations Other Than Bonds and Notes / Lease Obligations**

In 2007, the School District entered into a capital lease agreement providing for the leasing and eventual acquisition of school buses. Payments under that agreement have been and are to be made through Fiscal Year 2017. The final payment was made on June 30, 2017. As of June 30, 2017, the aggregate remaining payments amounted to \$0. Details on the lease agreement are below:

<u>Date of Original Issue</u>	<u>Purpose</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount Issued</u>	<u>Amount Outstanding as of June 30, 2017</u>
7/01/07	School Buses	4.10%	7/01/17	\$154,000	\$0
TOTAL				\$154,000	<u>\$0</u>

The School District has no other long-term financial obligations, other than the bonds and lease purchase obligations described above, the retirement obligations and net pension liability described under **Pension Obligations / Retirement Expenses** and the compensated absences (for vacation and sick pay) obligations as detailed in the School District’s audited Basic Financial Statements.

**Future Financings**

The Board of Education has agreed to lease five new buses in the summer of 2017. The term of the lease is five years and the interest rate will be 2.85%. The original principal amount is \$468,590. The first of five payments occurred on August 25, 2017 and these payments will occur annually on August 25<sup>th</sup>.

**Pension Obligations / Retirement Expenses**

The tables below show the employee and employer contributions to the retirement programs of certificated and classified employees of the District for the fiscal year 2016-2017.

**Retirement Programs**

State Teachers' Retirement - Certificated Employees

<u>Member Contribution</u>			<u>Employer Contribution</u>	
<u>Year</u>	<u>Percent</u>	<u>\$ Amount</u>	<u>Percent</u>	<u>\$ Amount</u>
2016-2017	14%	\$2,220,224*	14%	\$2,220,224

School Employee Retirement - Classified Employees

<u>Member Contribution</u>			<u>Employer Contribution</u>	
<u>Year</u>	<u>Percent</u>	<u>\$ Amount</u>	<u>Percent</u>	<u>\$ Amount</u>
2016-2017	10%	\$466,349.96	14%	\$652,887.94

\*This is the amount calculated to be paid to STRS by certificated employees based on the salaries of certificated employees. \$170,241 was “picked-up” by the Board

Source: Records of the Treasurer of the Board of Education and Records of State Teachers' Retirement System and School Employee Retirement System

Present and retired employees of the School District are covered under two statewide public employee retirement (including disability retirement) systems. The State Teachers Retirement System (STRS) covers all teachers, principals, supervisors and administrators who are required to hold a certificate issued by the State Department of Education. Other eligible employees are covered by the School Employees Retirement System (SERS).

STRS and SERS are two of five statewide public employee retirement systems created by and operating pursuant to Ohio law, all of which currently have unfunded actuarial accrued liabilities. The General Assembly has the power to amend the format of those systems and to revise rates and methods of contributions to be made by public employers and their employees and eligibility criteria, benefits or benefit levels for employee members. On September 12, 2012, the General Assembly passed five separate pension reform bills intended to assist each of the five retirement systems in addressing its unfunded actuarial accrued liabilities. Those bills applicable to STRS and SERS became effective on January 7, 2013.

The law now applicable to STRS provides for (i) no change in the School District’s contribution rate with respect to its employees’ earnable salaries and (ii) an increase in the STRS employees’ contribution rate from 10% to 14% in annual increments of 1% (the last of which took effect on July 1, 2016). Among other changes and with certain transition provisions for current employees, the minimum age and service requirements for eligibility for retirement and disability benefits have been increased, the calculation of an employee’s final average salary on which pension benefits are based has been revised to include the five highest years (rather than the three highest years), STRS pension benefits are being calculated on a lower, fixed formula and provisions with respect to future annual cost-of-living adjustments have been changed to reduce those adjustments to two percent (from 3%). The STRS board has also been provided with authority to make future adjustments to the member contribution rate, retirement age and service requirements, and cost-of-living adjustments as the need or opportunity arises, and depending on

the funding progress. Under current law, STRS has a maximum 30-year period to amortize its unfunded accrued pension liability. For the most recent reporting period (through June 2017), STRS's actuarial consultant projected that the period required to fully amortize STRS actuarial unfunded accrued liability was 18.4 years.

The law now applicable to SERS provides for no change to the School District's or SERS employees' contribution rates, future cost-of-living adjustments or the calculation of an employee's final average salary on which pension benefits (the average of the three highest years). However, among other changes and with certain transition provisions for current employees, the minimum age and service requirements for eligibility for retirement and disability benefits was increased and provisions for disability benefits and service credit purchases were revised.

For further information on STRS and SERS and their pension plans, see the notes to the basic financial statements as applicable. Financial and other information for STRS and SERS can also be found on the respective web site for each retirement system including its Comprehensive Annual Financial Report.

In Fiscal Year 2018, employees covered by STRS are contributing at a statutory rate of 14% of earnable compensation. Employees covered by SERS have contributed and continue to contribute at a statutory rate of 10% of earnable compensation. As the employer, the School District's statutory contribution rate for all of those employees has been and continues to be 14% of the same base. These employee and employer contribution rates have been and continue to be the maximums permitted under current State law.

The School District currently pays the employee contributions of 14% and 10% for STRS and SERS, respectively, on behalf of its Superintendent and Treasurer and administrative employees. This payment is considered a fringe benefit and is added to final average salary calculations for purposes of determining retirement benefits for those individuals.

In Fiscal Year 2018, the School District's current employer contributions to STRS and SERS have been treated as current expenses and included in the School District's operating expenditures. These contributions are directly paid by the District. The SERS deductions were previously made on a calendar year basis, six months in arrears, but in 2010 were changed to a fiscal year basis. As a result, deductions from State funding that would have been collected six months in arrears became due as of June 30, 2010. School districts were given the option to pay this six-month arrearage over a six-year period, however, the District chose to make the payment in full at the time it was assessed.

Federal law requires School District employees hired after March 31, 1986 to participate in the federal Medicare program, which requires matching employer and employee contributions, each being 1.45% of the wage base. Otherwise, School District employees who are covered by a State retirement system are not currently covered under the federal Social Security Act. STRS and SERS are not subject to the funding and vesting requirements of the federal Employee Retirement Income Security Act of 1974.



**CONCLUDING STATEMENT**

This Annual Financial Information Statement has been duly authorized and prepared by, and executed and delivered for and on behalf of, the Board of Education by its President and Treasurer.

**BOARD OF EDUCATION OF THE INDIAN HILL  
EXEMPTED VILLAGE SCHOOL DISTRICT**

By: /s/ Nancy Aichholz  
President

By: /s/ Mick Davis  
Treasurer

Dated: February 1, 2018

**AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

The School District's audited financial statements for the fiscal year ended June 30, 2017 were not available at the time that this Annual Financial Information Report was filed. These audited financial statements will be filed after they have been released by the Ohio Auditor of State.

**FISCAL YEAR 2017-2018 BUDGET APPROPRIATIONS**

**Permanent Appropriation Resolution - FY2018**

The Board of Education of the Indian Hill Exempted Village School District, Hamilton County, Ohio, met in regular session on the 12th day of September, 2017 in the High School Multi-Purpose Room with the following members present:

Mrs. Aichholz, Mr. Fiore, Dr. Hooker, Mrs. Johnston, and Mrs. Lewis

Mrs. Lewis moved the adoption of the following resolution:

Be it resolved by the Board of Education of the Indian Hill Exempted Village School District, Hamilton County, Ohio, that to provide for the current expenses and other expenditures of said Board of Education during the Fiscal Year, ending June 30th, 2018, the following sums be and the same are hereby set and appropriated for the several purposes for which expenditures are to be made and during said fiscal year, as follows, viz:

<b>General Fund – 001</b>	<b>37,000,000.00</b>
<b>Debt Service Fund – 002</b>	<b>4,500,000.00</b>
<b>Food Service – 006</b>	<b>700,000.00</b>
<b>Special Trust Fund – 007</b>	<b>9,849.85</b>
<b>Public School Support Fund – 018</b>	<b>31,174.00</b>
<b>District Agency – 022</b>	<b>15,000.00</b>
<b>Student Managed Activity Fund – 200</b>	<b>200,000.00</b>
<b>Athletic Fund – 300</b>	<b>500,000.00</b>
<b>Auxiliary Fund – 401</b>	<b>700,000.00</b>
<b>Network Connectivity – 451</b>	<b>7,200.00</b>
<b>Title VI-B, IDEA</b>	<b>545,000.00</b>
<b>Carl Perkins Grant – 524</b>	<b>4,000.00</b>
<b>Title I – 572</b>	<b>150,000.00</b>
<b>Title VI-B, Preschool</b>	<b>3,827.56</b>
<b>Title II-A, Teacher Quality</b>	<b><u>53,005.49</u></b>
<b>Total Permanent Appropriation – Fiscal Year 2018</b>	<b>44,419,056.90</b>

Mrs. Aichholz seconded the resolution and the roll being called upon for its adoption resulted as follows:

Aichholz, Aye; Fiore, Aye; Hooker, Aye; Johnston, Aye; Lewis, Aye

## CERTIFICATE

Section 5705.39 ORC - No appropriation measure shall become effective until there is filed with the appropriating authority by the county auditor a certificate that the total appropriations, do not exceed such official estimate or amended official estimate. When the appropriation does not exceed such official estimate, the county auditor shall give such certificate forthwith upon receiving from the appropriating authority a copy of the appropriation measure.

THE STATE OF OHIO, HAMILTON COUNTY, SS.

I, Mick Davis, Treasurer of the Board of Education of the Indian Hill Exempted Village School District, in said county, and in whose custody the files, journals and records of said board meeting are required by the laws of the State of Ohio to be kept, do hereby certify that the foregoing annual appropriation resolution is taken and copied from the original resolution now on file with said Board, that the foregoing resolution has been compared by me with the said original and that the same is a true and correct copy thereof.

Witness my signature, this 12th day of September, 2018.

*Mick Davis*

Treasurer of the Board of Education of the  
Indian Hill Exempted Village School District  
Hamilton County, Ohio

APPENDIX C

**INDEBTEDNESS STATEMENT**

Ohio Revised Code Sections 133.04, 133.06 and 133.33

I, Mick Davis, Treasurer of the Board of Education of the Indian Hill Exempted Village School District in Hamilton County, Ohio, do hereby certify that the following statements concerning the finances of such Board of Education and School District are true and correct:

1.	Tax valuation of the School District as shown by the tax lists and duplicates for the calendar year 2017, the year most recently certified for collection:	\$	1,244,874,460
2.	Total principal amount of all outstanding securities of the School District	\$	16,735,000
3.	Exempt securities included in item 2:		
	(a) Notes issued in anticipation of the collection of current revenues under Section 133.10 O.R.C.:	\$	0
	(b) Notes issued in anticipation of the collection of taxes under Sections 133.10 or 133.301 O.R.C.:	\$	0
	(c) Notes with maturities over one year and issued in anticipation of the collection of the proceeds from a specifically identified voter-approved tax levy under Section 5705.194 or Section 5705.21 O.R.C.:	\$	0
	(d) Securities issued under Sections 139.01 to 139.04 O.R.C. to participate in Federal aid programs:	\$	0
	(e) Securities issued prior to August 19, 1994 to finance energy conservation measures under Section 3313.372 O.R.C.:	\$	0
	(f) Securities evidencing loans received under Sections 3313.483, 3317.0211 and 3317.64 O.R.C.:	\$	0
	(g) Securities issued to establish a self-insurance program for health care benefits under Section 9.833 O.R.C.:	\$	0
	(h) Other exempt securities:	\$	0
	Total of items 3(a) to 3(h) inclusive:		0
4.	(a) Total securities subject to 9% limitation [item 2 minus item 3]:	\$	16,735,000
	(b) Bond retirement fund applicable to principal of such securities:	\$	921,415
	(c) Net amount subject to 9% limitation:	\$	15,813,585
5.	Securities included in item 4(a), but issued without authority of an election:	\$	0
6.	(a) Securities included in item 5 issued for energy conservation measures under Section 3313.372 O.R.C. after August 19, 1994 and Section 133.06(G) O.R.C.:	\$	0
	(b) Bond retirement fund applicable to principal of such securities:	\$	NA
	(c) Net amount subject to 9/10 of 1% limitation of Section 133.06(G) O.R.C.:	\$	0
7.	(a) Unvoted securities issued for other purposes [item 5 minus item 6(a)]:	\$	0
	(b) Bond retirement fund applicable to principal of such securities:	\$	NA
	(c) Net amount subject to 1/10 of 1% limitation of Section 133.06(A) O.R.C.:	\$	0
8.	Bonds or notes issued for the purpose of classroom facilities from the State under Chapter 3318. O.R.C., included in item 4(a):	\$	0
9.	Bonds or notes included in item 4(a) but issued beyond 9% limitation by virtue of certification as approved special needs district under Section 133.06(E) O.R.C.:	\$	0

**Historical Revenues and Expenditures  
General Fund(a)  
Fiscal Years 2013 through 2017 and Forecasted Fiscal Year 2018**

The figures in the table below have been taken from the School District's Five-Year Forecasts as reported to the State as required by Section 5705.391 of the Revised Code (the most recent of which was last updated in October 2016).

	2013	2014	2015	2016	2017	Forecasted 2018
<b>Revenue:</b>						
General Property Tax (Real Estate)	\$22,853,525	\$23,004,627	\$22,987,562	\$23,796,994	\$23,706,170	\$24,294,448
Tangible Personal Property Tax(b)	459,096	510,905	503,322	532,842	449,652	479,186
Unrestricted Grants-in-Aid	1,026,865	1,201,234	1,283,508	1,350,118	1,406,651	1,468,592
Restricted Grants-in-Aid	62,900	0	356,367	171,449	156,623	171,413
Restricted Grants-in-Aid – SFSF	0	0	0	0	0	0
Property Tax Allocation	2,869,067	2,895,479	2,913,942	2,964,142	3,009,086	3,059,065
All Other Revenues	3,956,633	3,968,113	4,094,058	4,364,876	4,442,488	4,496,742
<b>Total Revenues</b>	<b>\$31,228,086</b>	<b>\$31,580,358</b>	<b>\$32,138,759</b>	<b>\$33,180,421</b>	<b>\$33,170,670</b>	<b>\$33,969,446</b>
<b>Other Financing Sources:</b>						
All Other Financing Sources	400,902	63,158	1,959	37,527	21	20,000
<b>Total Other Financing Sources</b>	<b>400,902</b>	<b>63,158</b>	<b>1,959</b>	<b>37,527</b>	<b>21</b>	<b>22,826</b>
<b>Total Revenues and Other Financing Sources</b>	<b>\$31,628,988</b>	<b>\$31,643,516</b>	<b>\$32,140,718</b>	<b>\$33,217,948</b>	<b>\$33,170,691</b>	<b>\$33,992,272</b>
<b>Expenditures:</b>						
Personal Services	\$18,020,702	\$17,474,811	\$19,975,072	\$19,296,004	\$19,939,079	\$20,010,739
Employees' Retirement/Insurance Benefits	5,896,098	6,165,531	6,606,266	7,108,026	6,834,753	7,029,685
Purchased Services	3,349,440	4,491,873	4,259,274	3,954,882	4,832,466	4,116,750
Supplies and Materials	1,017,373	1,113,840	1,131,576	1,336,682	1,273,041	1,300,930
Capital Outlay	1,504,276	195,205	5,148,826	1,476,727	1,208,802	3,517,186
Other Objects	409,728	487,970	461,333	457,226	523,279	527,279
<b>Total Expenditures</b>	<b>\$30,197,617</b>	<b>\$29,929,230</b>	<b>\$37,582,347</b>	<b>\$33,629,547</b>	<b>\$34,611,420</b>	<b>\$36,502,568</b>
<b>Other Financing Uses:</b>						
All Other Financing Uses				\$ 5,500,000		
<b>Total Other Financing Uses</b>				<b>5,500,000</b>	<b>2,826</b>	
<b>Total Expenditures and Other Financing Uses</b>	<b>\$30,197,617</b>	<b>\$29,929,230</b>	<b>\$37,582,347</b>	<b>\$39,129,547</b>	<b>\$34,614,246</b>	<b>\$36,502,568</b>
Excess of Rev & Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 1,431,371	\$ 1,714,286	\$(5,441,629)	\$(5,911,599)	\$(1,443,555)	\$(2,510,296)
Cash Balance July 1 – Excl Proposed Renewal/ Replacement and New Levies	\$29,255,100	\$30,686,471	\$32,400,757	\$26,959,132	\$21,047,533	\$19,603,978
Cash Balance June 30	\$30,686,471	\$32,400,757	\$26,959,128	\$21,047,533	\$19,603,978	\$17,093,682

(a) The School District's Operating Funds include its General Fund, Disadvantaged Pupil Impact Fund/Poverty Based Assistance Fund and Restricted Grants-in-Aid – SFSF Fund.

(b) Public Utility Tangible Personal Property.

**Financial Report (Cash Basis All-Funds Summary) for  
Fiscal Year 2016**

DESCRIPTION	BEGINNING BALANCE	RECEIPTS	EXPENDITURES	ENDING BALANCE
General Fund	\$26,959,125.61	\$33,217,948.25	\$39,129,546.87	\$21,047,526.99
Bond Retirement	2,125,115.28	3,789,662.42	3,799,346.24	2,115,431.46
Permanent Improvement	130,384.95	0.00	91,412.52	38,972.43
Lunchroom	266,363.20	623,530.86	631,844.20	258,049.86
Trust & Agency	9,849.85	0.00	0.00	9,849.85
Public School Support	15,750.44	9,265.56	9,003.68	16,012.32
Employee Benefit Fund	0.00	0.00	0.00	0.00
Student Activity	53,067.11	155,846.28	159,525.86	49,387.53
Athletic Activity	158,244.67	281,944.63	255,225.57	184,963.73
Auxiliary Services	183,337.47	1,221,083.29	1,212,170.24	192,250.52
One Net Connectivity	0.00	7,200.00	7,200.00	0.00
Title VI-B IDEA	23,988.28	515,378.15	535,232.68	4,133.75
Perkins Grant	0.00	4,000.00	4,000.00	0.00
Title I	2,727.86	215,758.86	187,610.23	30,876.49
Title VI-B ECSE	0.00	3,720.63	3,720.63	0.00
Title II-A	0.00	47,731.23	42,549.23	5,182.00
<b>Total</b>	<b>\$29,927,954.72</b>	<b>\$40,093,070.16</b>	<b>\$46,068,387.95</b>	<b>\$23,952,636.93</b>



**Financial Report (Cash Basis All-Funds Summary) for  
Fiscal Year 2017**

DESCRIPTION	BEGINNING BALANCE	RECEIPTS	EXPENDITURES	ENDING BALANCE
General Fund	\$21,047,526.99	\$33,170,693.04	\$34,614,247.55	\$19,603,972.48
Bond Retirement	2,115,431.46	3,800,393.37	3,565,837.52	2,349,987.31
Permanent Improvement	38,972.43	0.00	38,972.43	0.00
Lunchroom	258,049.86	671,998.93	688,866.12	241,182.67
Trust & Agency	9,849.85	0.00	0.00	9,849.85
Public School Support	16,012.32	14,928.99	11,677.51	19,263.80
Employee Benefit Fund	0.00	0.00	0.00	0.00
District Agency	0.00	12,108.00	12,108.00	0.00
Student Activity	49,387.53	160,939.10	151,918.92	58,407.71
Athletic Activity	184,963.73	374,955.17	302,029.31	257,889.59
Auxiliary Services	192,250.52	1,318,655.87	1,107,631.76	403,274.63
One Net Connectivity	0.00	7,200.00	7,200.00	0.00
Title VI-B IDEA	4,133.75	598,901.24	597,688.37	5,346.62
Perkins Grant	0.00	4,000.00	4,000.00	0.00
Title I	30,876.49	169,525.26	191,486.80	8,914.95
Title VI-B ECSE	0.00	4,161.83	4,161.83	0.00
Title II-A	5,182.00	42,557.55	44,261.63	3,477.92
<b>Total</b>	<b>\$23,952,636.93</b>	<b>\$40,351,018.35</b>	<b>\$41,342,087.75</b>	<b>\$22,961,567.53</b>