



Dave Yost • Auditor of State

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Schedule of Federal Award Expenditures.....	1
Notes to the Schedule of Federal Award Expenditures	2
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required By <i>Government Auditing Standards</i>	3
Report of Independent Accountants on Compliance with Requirements Applicable to Major Federal Programs and Internal Controls over Compliance in Accordance with OMB Circular A-133.....	5
Schedule of Findings.....	7
Independent Accountants' Report on Applying Agreed-upon Procedures	9

THIS PAGE INTENTIONALLY LEFT BLANK.

AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2011

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
National School Lunch Program	048298-LLP4-2010	10.555	\$981,248	\$92,120	\$981,248	\$92,120
National School Breakfast Program	048298-05PU-2010	10.553	199,790		199,790	
Total Nutrition Cluster			1,181,038	92,120	1,181,038	92,120
Total U.S. Department of Agriculture			1,181,038	92,120	1,181,038	92,120
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed Through Ohio Department of Education:</i>						
Grants to Local Educational Agencies						
Title I Grants to Local Educational Agencies	048298-C1S1-2010	84.010	18,483		94,782	
Title I Grants to Local Educational Agencies	048298-C1S1-2011	84.010	660,894		643,156	
Title I Grants to Local Educational Agencies, ARRA		84.389	19,448		117,006	
Total Grants to Local Educational Agencies			698,825		854,944	
Special Education Cluster:						
Special Education Grants to States	048298-6BSF-2010-P	84.027	96,806		224,417	
Special Education Grants to States	048298-6BSF-2011-P	84.027	870,721		839,013	
Special Education Grants to States, ARRA 2010		84.391	1,135		94,330	
Special Education Grants to States, ARRA 2011		84.391	242,759		234,659	
Total Special Education Cluster			1,211,421		1,392,419	
Safe and Drug Free School and Communities		84.186	0		235	
Education Technology State Grants	048298-TJS1-2010	84.318	2,511		2,407	
Improving Teacher Quality Grant	048298-TRS1-2010	84.367	0		27,750	
Improving Teacher Quality Grant	048298-TRS1-2011	84.367	190,956		166,512	
Total Improving Teacher Quality Grant			190,956		194,262	
State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act (Education Stabilization Fund)		84.394	1,489,653		1,489,653	
Total Department of Education			3,593,366		3,933,920	
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>						
<i>Passed Through Ohio Environmental Protection Agency</i>						
Clean Diesel School Bus Heater Retrofit Grant		66.036	90,000		0	
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>						
<i>Passed Through Ohio Department of Health and Human Services</i>						
Injury Prevention and Control Research and State and Community Based Programs		93.136	45,000		30,868	
		93.136	30,000		27,314	
Total Department of Health and Human Services			75,000		58,182	
Totals			\$4,939,404	\$92,120	\$5,173,140	\$92,120

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2011**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Austintown Local School District
Mahoning County
100 Wadsworth Street
Austintown, Ohio 44406

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 30, 2011, in which we noted the District implemented Government Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

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

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 30, 2011.

We intend this report solely for the information and use of management, the Board of Education, audit committee, others within the District, federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

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

December 30, 2011



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Austintown Local School District
Mahoning County
700 South Raccoon Road
Austintown, Ohio 44515

To the Board of Education:

Compliance

We have audited the compliance of Austintown Local School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Austintown Local School's major federal programs for the year ended June 30, 2011. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion Austintown Local School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2011.

Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Federal Awards Expenditures

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Austintown Local School District (the District) as of and for the year ended June 30, 2011 and have issued our report thereon dated December 30, 2011. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the management, the Board of Education, others within the District, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Dave Yost
Auditor of State

December 30, 2011

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	No
(d)(1)(vii)	Major Programs (list):	Special Ed Cluster-84.027, 84.391 SFSF -84.394 Title I/ARRA-84.010, 84.389 Nutrition Cluster -10.553, 10.555
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

THIS PAGE INTENTIONALLY LEFT BLANK.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Austintown Local School District
Mahoning County
700 South Raccoon Road
Austintown, Ohio 44515

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Austintown Local School District, (the District) has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board amended its anti-harassment policy at its meeting on March 21, 2011 to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

December 30, 2011

This page intentionally left blank.

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

OF THE

**AUSTINTOWN LOCAL
SCHOOL DISTRICT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2011

**PREPARED BY
TREASURER'S DEPARTMENT
MARY ANN HERSCHEL, TREASURER**

700 S. RACCOON ROAD YOUNGSTOWN, OHIO 44515

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**
**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

TABLE OF CONTENTS

TITLE PAGE

TABLE OF CONTENTS..... i-iv

I. INTRODUCTORY SECTION

Letter of Transmittal 1-5
List of Principal Officers 6
Organizational Chart..... 7
Government Finance Officers Association Certificate of Achievement for
Excellence in Financial Reporting 8

II. FINANCIAL SECTION

INDEPENDENT ACCOUNTANTS' REPORT..... 9-10

MANAGEMENT'S DISCUSSION AND ANALYSIS 11-24

BASIC FINANCIAL STATEMENTS:

Government-Wide Financial Statements:

Statement of Net Assets..... 27
Statement of Activities 28-29

Fund Financial Statements:

Balance Sheet - Governmental Funds..... 30
Reconciliation of Total Governmental Fund Balances to Net Assets
of Governmental Activities..... 31
Statement of Revenues, Expenditures and Changes in Fund
Balances - Governmental Funds 32-33
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities 34-35
Statement of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual (Non GAAP Budgetary Basis) - General Fund..... 36
Statement of Net Assets - Proprietary Fund 37
Statement of Revenues, Expenses and Changes in
Net Assets - Proprietary Fund..... 38
Statement of Cash Flows - Proprietary Fund..... 39

BASIC FINANCIAL STATEMENTS - (Continued):

Statement of Fiduciary Net Assets - Fiduciary Funds	40
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds.....	41
Notes to the Basic Financial Statements.....	43-78

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES:

Combining Statements - Major Governmental Funds:

Fund Descriptions - Major Governmental Funds	80
--	----

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

Public School Support	81
CCIP	81
Miscellaneous General Fund.....	81
HRA Payment.....	82
Bond Retirement.....	83
Classroom Facilities.....	84

Combining Statements - Nonmajor Governmental Funds:

Nonmajor Governmental Fund Descriptions	85-87
---	-------

Combining Balance Sheet - Nonmajor Governmental Funds.....	88
--	----

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	89
--	----

Combining Balance Sheet - Nonmajor Special Revenue Funds.....	90-93
---	-------

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	94-97
---	-------

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

Food Service Fund.....	98
Other Grants.....	98
Miscellaneous Grants.....	98
Classroom Facilities Maintenance	99
District Managed Student Activity	99
Auxiliary Services.....	99
Education Management Information Systems	100
OneNet Subsidy	100
Alternative School Grant	100
Title VI-B.....	101
Education Stabilization.....	101
Title II-D Technology.....	101
Title I	102
Drug-Free School Grant.....	102
Improving Teacher Quality.....	102
Miscellaneous Federal Grants.....	103

Combining Balance Sheet - Nonmajor Capital Projects Funds	104
---	-----

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds	105
---	-----

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES - (Continued):

Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
Permanent Improvement.....	106
Building	106
Capital Projects H.B. 426	106
Combining Statements - Proprietary Funds:	
Proprietary Fund Descriptions.....	107
Individual Fund Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
Special Enterprise	108
Combining Statements - Fiduciary Funds:	
Fiduciary Fund Descriptions	109
Combining Statement of Changes in Assets and Liabilities - Agency Fund	110
Individual Fund Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
Scholarship Trust	111
III. STATISTICAL SECTION	
Table of Contents.....	115
Net Assets by Component - Last Nine Fiscal Years	116-117
Changes in Net Assets - Last Nine Fiscal Years	118-123
Fund Balances, Governmental Funds - Last Ten Fiscal Years	124-125
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years	126-129
Assessed Valuation and Estimated Actual Value of Taxable Property - Last Ten Years.....	130-131
Direct and Overlapping Property Tax Rates - Last Ten Years	132
Principal Real Estate Property Tax Payers - December 31, 2010 and December 31, 2001	133
Property Tax Levies and Collections - Last Ten Calendar Years	134-135
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	136
Ratios of General Bonded Debt Outstanding - Last Eight Fiscal Years	137
Direct and Overlapping Governmental Activities Debt - As of June 30, 2011.....	138
Legal Debt Margin Information - Last Ten Fiscal Years	139

III. STATISTICAL SECTION - (Continued)

Demographic and Economic Statistics - Last Ten Fiscal Years	140
Principal Employers in Mahoning County - December 31, 2010 and December 31, 2003	141
Staffing Statistics, Full Time Equivalents (FTE) by Function/Program - Last Five Fiscal Years	142
Operating Indicators by Function - Last Seven Fiscal Years	144-145
Capital Asset Statistics - Last Nine Fiscal Years	146-147
School Building Information - Last Seven Fiscal Years	148-149
Operating Statistics - Last Ten Fiscal Years.....	150-151
Teacher Education and Experience - June 30, 2011 and June 30, 2002	152
Teacher Salaries - Last Ten Fiscal Years	153

INTRODUCTORY SECTION



Austintown Local School District

Vincent S. Colaluca, Superintendent

Mary Ann Herschel, Treasurer



700 S. Raccoon Rd.

Austintown, Ohio 44515

Phone: (330) 797-3900

austintown.k12.oh.us

December 30, 2011

Members of the Board of Education and Residents of the
Austintown Local School District

The Comprehensive Annual Financial Report (CAFR) of the Austintown Local School District (the "District") for the fiscal year ended June 30, 2011, is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Management of the District is responsible for establishing and maintaining an internal control structure 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 control structure is 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 costs and benefits requires estimates and judgments by management.

State statute requires an annual audit by independent accountants. The Ohio Auditor of State's office conducted the audit. The audit has been conducted in accordance with generally accepted auditing standards, generally accepted government auditing standards, and includes a review of internal controls and test of compliance with Federal and State laws and regulations. The Independent Accountant's Report is included in this CAFR.

As a part of the District's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to Federal financial assistance programs, as well as to determine that the school district has complied with applicable laws and regulations. The results of the District's independent audit for the fiscal year ended June 30, 2011, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the District, as well as complement the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The District's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Accountants' Report.

Profile of Austintown Local School District

The District ranks as the 64th largest in the State of Ohio among 918 public school districts and community schools and is the 2nd largest of the 14 school districts located within Mahoning County in terms of total enrollment. As of the most current school year (2010-2011), 5,157 students were enrolled in the District's seven schools (four elementaries, one intermediate, one middle and one high school). Approximately 125 District residents attend the Mahoning County Career and Technical Center.

The District employs 231 non-certified staff members and 338 certificated staff members. The certified staff members include 20 administrators and 318 full-time and part-time teachers. Of the 318 member teaching staff, 67% have master's degrees. The District faculty has an average 13 years of teaching experience. Currently the District has 7 teachers who have attained National Board Certification. Classroom teachers at all levels are supported by specialists in reading, guidance, art, music and physical education. The District's Pupil Personnel Services include school health and psychological services, pupil appraisal, counseling and guidance services, and speech-language and hearing services at all levels.

The District's curriculum, based on the Ohio Content Standards and Ohio Models, offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and alternative programs. A full range of extracurricular programs and activities is available, beginning in the elementary grades with the after-school enrichment program. All District schools have libraries, lunch programs and multipurpose rooms or gyms for student activities.

The educational program is based on a "graded structure". The four elementary buildings house kindergarten (full day) through third grade. This has allowed for consistency across the District, as well as a focus on developmentally appropriate practices and integration in all subject areas. Grades four and five are housed in an intermediate building and grades six through eight are housed in the newly opened middle school building. These buildings use a departmental structure. This allows for increased articulation among and across grade levels, as well as the development of expertise of specialists. The benefits of these programs are reflected in the fact that the District's averages on the 4th and 6th grade Ohio Proficiency Tests are above average for the State of Ohio.

The United States Department of Education named Lloyd Elementary as one of 14 Ohio public schools designated as a 2008 No Child Left Behind Blue Ribbon School. Watson Elementary was named as one of 14 Ohio public schools designated as a 2009 No Child Left Behind Blue Ribbon School. The Blue Ribbon Schools Program honors public and private K-12 schools that are either academically superior in their state or that demonstrate dramatic gains in student achievement. Watson Elementary was also named an Ohio School of Promise for the 2010-2011 school year.

The District was rated Effective by the Ohio Department of Education for the 2010-2011 school year.

Overlapping Governmental Entities

The major political subdivisions or other governmental entities that overlap the territory of the District are listed below. The stated percentage is that percentage of the tax valuation of the overlapping entity that is located within the District.

1. Mahoning County (14.74%)
2. Mill Creek Park District (14.74%)
3. Austintown Township (98.65%)
4. Mahoning County Career and Technical Center (16.93%)

Each of these entities operates independently, with its own separate budget, taxing power, and sources of revenue.

Economic Conditions and Outlook

The District is located in Mahoning County in northeastern Ohio, approximately 75 miles southeast of the City of Cleveland. The District's approximately 25.0 square miles encompasses most of the territory of Austintown Township. The District is in the Youngstown-Warren Metropolitan Statistical Area, which is comprised of Columbiana, Mahoning and Trumbull Counties.

The District's general area is served by diversified transportation facilities. Immediate access is available to several State and U.S. highways and to interstate highways I-76, I-80 and I-680, and Rt. 11. The District is adjacent to areas served by Conrail and Amtrak, and is served by passenger air service at Youngstown Municipal Airport, located near the City of Youngstown.

Within 75 miles of the District, there are approximately 11,700 manufacturing plants, 12,500 wholesale distribution centers, and 46 Fortune 500 industrial, service, and corporate world headquarters. Employment in the Youngstown-Warren Metropolitan Statistical Area is primarily comprised of the manufacturing sector, largely in the automobile and steel industries. Since the mid 1980's, there has been an overall decrease in employment in the manufacturing sector, which has been offset by an increase in employment in the non-manufacturing sector.

Major commercial banks with offices within the District include Huntington Bank, Chase, Charter One, Home Savings and Loan, Farmers National Bank and Metropolitan National Bank.

Four daily newspapers serve the district. The District falls within the broadcast area of eight television stations and twenty one AM and FM radio stations. The District also operates a cable television channel which broadcasts school information on Channel 19.

Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include Youngstown State University, a public four-year university in the City of Youngstown with a full-time enrollment of over 13,500, Kent State University, The University of Akron, Penn State University (Sharon, Pennsylvania Branch), Mount Union College, Walsh University and Northeastern Ohio Universities College of Medicine.

A number of hospital and several adult and adolescent residential treatment centers are located in the area of the Youngstown-Warren Metropolitan Statistical Area.

Mahoning County provides numerous golf, tennis and swimming facilities all accessible to residents of the District.

There are many cultural activities available in the County including the Butler Institute of American Art, the Arms Museum, the Youngstown Playhouse and Youth Theatre, Uptown Theatre Easy Street Productions and the Youngstown Symphony Center. Youngstown University also provides art, music and plays. The Covelli Center is Northeast Ohio's newest event arena. It opened in 2005 and is centrally located in downtown Youngstown. The arena seats 5,700 and is home to the Youngstown Phantoms, an ice hockey team. The center also hosts various concerts and performances. Many cultural activities are within driving distance in the greater Cleveland and Pittsburgh areas. Professional basketball, baseball, football and hockey teams are also located in the cities of Cleveland and Pittsburgh.

Internal Controls

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 costs and benefits requires estimates and judgments by management.

Budgetary Controls

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriations resolution, 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 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 this level 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.

Long-Term Financial Planning

The District prepares a five-year financial forecast annually for use as a tool for long range planning. The five-year forecast contains projected local and state revenues, spending patterns within each area of the budget, and cash balances in the District's operating fund. The five-year forecast provides early warning signs of potential financial problems.

The District uses the five-year forecast to provide a basis for making financial decisions, including the construction of the annual budget, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot.

Major Initiatives for the Year

The District identified several significant goals needed to meet both student requirements and community desires.

Goal 1 - By 2012, 90% of students District-wide will meet or exceed the proficient level in mathematics on the State performance assessments. There will be a reduction in the number of non-proficient students by at least 10% annually in each subgroup.

Goal 2 - By 2012, 92% of students District-wide will meet or exceed to proficient level in reading on the State performance assessments. There will be a reduction in the number of non-proficient students by at least 10% annually in each subgroup.

Goal 3 - By 2012, 90% of all Austintown resident students will attend the Austintown Local School District.

Capital Improvements - Through the generous donations of the "Falcon Forward Campaign" a new press box was constructed on the visitor side of the stadium to house the press and allow space for video equipment. The committee also raised funds to replace two concession stands that were completed in Fall 2009. All money for these projects was from donations to Falcon Forward.

The District completed a construction project to build a new transportation facility on the current high school campus. The approximate 12,000 square foot building houses four bay areas for bus repairs along with a wash bay. The transportation office is housed in the facility. There is also a secure fenced parking area for all of the transportation vehicles. The total cost of the project was approximately \$2 million.

Community - The Austintown Walmart was converted to a Super Walmart. The conversion doubled the store's size. Harley Davidson of Austintown built a new showroom and warehouse at a cost of approximately \$3.2 million. Infocision put on an addition to their building costing approximately \$2.8 million. Walgreen's built a new store at a cost of approximately \$2 million.

Major Initiatives for the Future

The Ohio Improvement Plan (OIP) is a three year goal increasing student achievement above the State bar of 75% passage. The District is using the academic coaching model to improve classroom instruction.

In May 2010, the District's voters passed a 2.9 mill bond issue to work with the Ohio School Facilities Commission (OSFC) to build two new elementary buildings (K-2 and 3-5). The buildings will be built on the current campus where the current high school and middle schools are located. This will create a campus setting with all students in one area and will enable sharing of resources along with streamlined transportation. The OSFC will pay 47% of the costs with the District's share being 53%. The project has a target completion date of August 2013.

Use of this Report

The report is published to provide to the Board of Education, as well as to our citizens and other interested persons, detailed information concerning the financial condition of the District, with particular emphasis placed on the utilization of resources during the past fiscal year. It is also intended that this report will serve as a guide in formulating policies and in conducting the District's future day-to-day activities. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

In today's bond market environment, it is increasingly important that public agencies prepare soundly conceived annual financial reports which are independently audited by a qualified firm or agency. It has become almost required practice that such reports be prepared in accordance with generally accepted accounting principles (GAAP), and the major bond rating agencies review the data presented in such reports before determining a public agency's bond rating.

Use of this report by the various departments of the District is encouraged when furnishing information. Copies of this report are being placed in the public library for use by the general public.

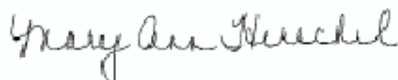
Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Austintown Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

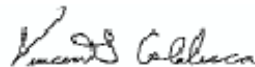
Acknowledgments

It is with great pride and pleasure that we submit this CAFR for review and wish to express appreciation to the members of the Board of Education for supporting us in this endeavor and other members of the Treasurer's office who contributed time and effort in completing this project. We would also like to acknowledge our consultant, Julian & Grube, Inc., who provided us with expert technical assistance in all phases of preparing the report and the cooperation of the team from the Ohio Auditor of State's office, who conducted a thorough audit of our finances.

Sincerely,



Mary Ann Herschel, Treasurer



Vincent S. Colaluca, Superintendent

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**LIST OF PRINCIPAL OFFICERS
JUNE 30, 2011**

Board of Education

<u>Name</u>	Began Service As Board Member <u>January 1</u>	Present Term Expires <u>December 31</u>	Vocation in Private <u>Life</u>
Mrs. Kathy Mock*	2010	2013	Educator
Mr. Lou Chine**	2008	2011	Retired Tradesman
Dr. David Ritchie	1968	2011	Retired Podiatrist
Mr. Dave Schnurrenberger	2010	2013	Engineer
Dr. Thomas Stellers	2010	2013	Educator

* President

** Vice President

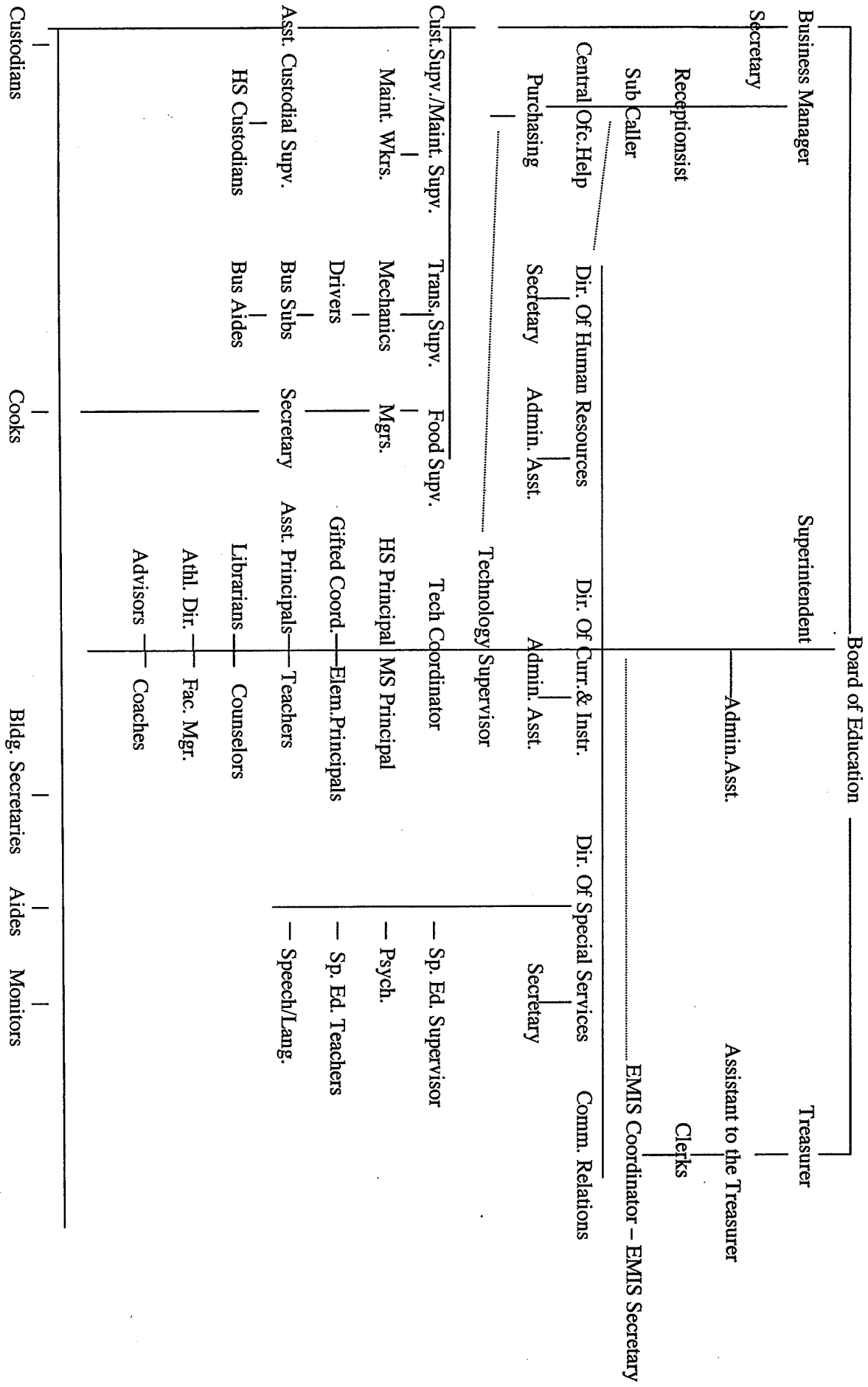
Central Office Administrative Staff

Superintendent	Mr. Vincent Colaluca
Treasurer	Ms. Mary Ann Herschel
Director of Instruction	Mr. Daniel Bokesch

District Administrative Staff

Director of Special Education	Mrs. Becky Morris
Supervisor of Operations and Facilities	Mr. Mal Culp
Transportation Supervisor	Ms. Colleen Murphy
Technology Coordinator	Mr. Thomas Ventresco
Athletic Administrator	Mr. Robert Conklin
Director of 21 st Century Learning	Ms. Janet Polish
Director of Special Programs	Ms. Carole Sutton
EMIS Coordinator	Ms. Cindy Douglas

ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Austintown Local School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

THIS PAGE INTENTIONALLY LEFT BLANK.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Austintown Local School District
Mahoning County
700 South Raccoon Road
Austintown, Ohio 44515

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio, as of June 30, 2011, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparisons for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2011, the District adopted the provisions of Governmental Accounting Standards Board No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which resulted in reclassifications to its governmental fund balances.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2011, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise 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 provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

December 30, 2011

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

The management's discussion and analysis of Austintown Local School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2011 are as follows:

- In total, net assets increased \$25,968,564. Net assets of governmental activities increased \$25,986,871, which represents a 208.08% increase from 2010. Net assets of business-type activities decreased \$18,307 or 27.35% from 2010.
- General revenues accounted for \$62,990,862 in revenue or 83.76% of all governmental activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$12,217,181 or 16.24% of total governmental activities revenues.
- The District had \$49,216,172 in expenses related to governmental activities; only \$12,217,181 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$62,990,862 were adequate to provide for these programs.
- The District's major governmental funds are the general fund, bond retirement fund and classroom facilities fund. The general fund had \$39,591,421 in revenues and other financing sources and \$39,521,056 in expenditures and other financing uses. The general fund's fund balance increased \$70,365 from a restated balance of \$576,259 to a balance of \$646,624.
- The bond retirement fund had \$30,331,727 in revenues and other financing sources and \$29,902,941 in expenditures. The bond retirement fund's fund balance increased \$428,786 from \$1,149,822 to \$1,578,608.
- The classroom facilities fund had \$33,818,332 in revenues and other financing sources and \$1,428,042 in expenditures. This fund was created during fiscal year 2011 in order to account for the District's construction project. The ending balance of the classroom facilities fund is \$32,390,290.
- Net assets for the business-type activities decreased in 2011 by \$18,307. This decrease in net assets was mainly due to operating expenses exceeding tuition and fees revenue in the special enterprise fund.

Using this Comprehensive Annual Financial Report (CAFR)

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

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

Reporting the District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The statement of net assets and the statement of activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

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

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

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

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's special enterprise operations are reported as business activities.

The District's statement of net assets and statement of activities can be found on pages 27-29 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 19 and the analysis of the District's non major enterprise fund begins on page 18. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, bond retirement fund and classroom facilities fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(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 available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 30-36 of this report.

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole. The basic proprietary fund financial statements can be found on pages 37-39 of this report.

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The District's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets on pages 40 and 41. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 43-78 of this report.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)

The District as a Whole

The statement of net assets provides the perspective of the District as a whole.

The table below provides a summary of the District's net assets for 2011 and 2010.

	Net Assets					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<u>Assets</u>						
Current assets	\$ 82,388,198	\$ 28,891,682	\$ 37,394	\$ 50,141	\$ 82,425,592	\$ 28,941,823
Capital assets, net	<u>34,699,980</u>	<u>34,630,735</u>	<u>24,231</u>	<u>23,388</u>	<u>34,724,211</u>	<u>34,654,123</u>
Total assets	<u>117,088,178</u>	<u>63,522,417</u>	<u>61,625</u>	<u>73,529</u>	<u>117,149,803</u>	<u>63,595,946</u>
<u>Liabilities</u>						
Current liabilities	24,328,181	23,344,843	11,585	5,332	24,339,766	23,350,175
Long-term liabilities	<u>54,283,968</u>	<u>27,688,416</u>	<u>1,400</u>	<u>1,250</u>	<u>54,285,368</u>	<u>27,689,666</u>
Total liabilities	<u>78,612,149</u>	<u>51,033,259</u>	<u>12,985</u>	<u>6,582</u>	<u>78,625,134</u>	<u>51,039,841</u>
<u>Net assets</u>						
Invested in capital assets, net of related debt	11,061,480	10,941,252	24,231	23,388	11,085,711	10,964,640
Restricted	26,787,374	2,710,737	-	-	26,787,374	2,710,737
Unrestricted (deficit)	<u>627,175</u>	<u>(1,162,831)</u>	<u>24,409</u>	<u>43,559</u>	<u>651,584</u>	<u>(1,119,272)</u>
Total net assets	<u>\$ 38,476,029</u>	<u>\$ 12,489,158</u>	<u>\$ 48,640</u>	<u>\$ 66,947</u>	<u>\$ 38,524,669</u>	<u>\$ 12,556,105</u>

At year-end, capital assets represented 29.64% of total assets. Capital assets include, land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. Capital assets, net of related debt to acquire the assets at June 30, 2011 were \$11,061,480. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

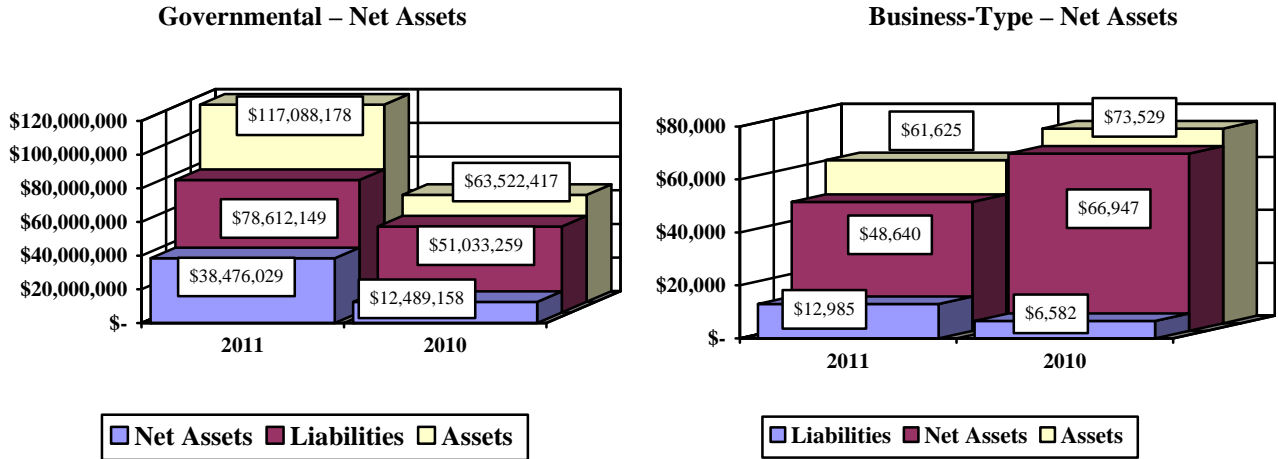
A portion of the District's net assets, \$26,787,374, represents resources that are subject to external restriction on how they may be used. \$22,525,587 of the District's net assets is restricted for capital projects. The remaining balance of governmental activities unrestricted net assets of \$627,175 may be used to meet the District's ongoing obligations to the students and creditors.

During fiscal year 2011, the District's current assets increased by approximately \$53.5 million. This is due to the grant award from the Ohio Schools Facilities Commission (OSFC) and the cash the District received from the \$26,680,000 bond issue. Long-term liabilities also increased due to this bond issue.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

The graphs below show the assets, liabilities and net assets of the governmental activities and business-type activities at June 30, 2011 and 2010.



The table below shows the changes in net assets for fiscal year 2011 and 2010. The 2010 balance of operating grants and contributions and general revenues – grant and entitlements have been restated to conform to 2011 presentation of Pathway to Student Success (PASS) funding from the State of Ohio which is reported as an operating grant and contribution rather than as general revenue.

Change in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	Restated 2010	2011	2010	2011	Restated 2010
Revenues						
Program revenues:						
Charges for services and sales	\$ 3,610,294	\$ 2,824,151	\$ 65,915	\$ 67,514	\$ 3,676,209	\$ 2,891,665
Operating grants and contributions	8,606,887	7,318,743	-	1,546	8,606,887	7,320,289
General revenues:						
Property taxes	18,336,207	17,460,846	-	-	18,336,207	17,460,846
Unrestricted grants and entitlements	20,634,581	21,601,726	-	-	20,634,581	21,601,726
Restricted grants and entitlements	23,661,484	-	-	-	23,661,484	-
Investment earnings	334,362	89,584	-	-	334,362	89,584
Other	24,228	48,791	-	-	24,228	48,791
Total revenues	75,208,043	49,343,841	65,915	69,060	75,273,958	49,412,901

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

Change in Net Assets (Continued)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Expenses						
Program expenses:						
Instruction:						
Regular	19,873,586	19,689,324	-	-	19,873,586	19,689,324
Special	5,880,047	5,945,781	-	-	5,880,047	5,945,781
Vocational	233,553	255,143	-	-	233,553	255,143
Other	1,788,380	1,851,855	-	-	1,788,380	1,851,855
Support services:						
Pupil	2,848,283	2,767,898	-	-	2,848,283	2,767,898
Instructional staff	1,466,491	1,963,838	-	-	1,466,491	1,963,838
Board of education	78,862	51,886	-	-	78,862	51,886
Administration	3,711,310	3,703,502	-	-	3,711,310	3,703,502
Fiscal	869,790	837,264	-	-	869,790	837,264
Business	51,035	3,772	-	-	51,035	3,772
Operations and maintenance	3,992,828	4,130,588	-	-	3,992,828	4,130,588
Pupil transportation	2,691,538	2,543,253	-	-	2,691,538	2,543,253
Central	7,278	337	-	-	7,278	337
Operation of non-instructional services:						
Food service operations	1,960,212	1,851,766	-	-	1,960,212	1,851,766
Other non-instructional services	158,420	337,536	-	-	158,420	337,536
Extracurricular activities	983,310	1,096,890	-	-	983,310	1,096,890
Interest and fiscal charges	2,621,249	1,218,649	-	-	2,621,249	1,218,649
Special enterprise	-	-	89,222	98,683	89,222	98,683
Total expenses	49,216,172	48,249,282	89,222	98,683	49,305,394	48,347,965
Transfers	(5,000)	-	5,000	-	-	-
Changes in net assets	25,986,871	1,094,559	(18,307)	(29,623)	25,968,564	1,064,936
Net assets at beginning of year	12,489,158	11,394,599	66,947	96,570	12,556,105	11,491,169
Net assets at end of year	\$ 38,476,029	\$ 12,489,158	\$ 48,640	\$ 66,947	\$ 38,524,669	\$ 12,556,105

Governmental Activities

For fiscal year 2011, the net assets of the District's governmental activities increased \$25,986,871. Total governmental expenses of \$49,216,172 were offset by program revenues of \$12,217,181 and general revenues of \$62,990,862. Program revenues supported 24.82% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These two revenue sources represent 51.82% of total governmental revenue. Real estate property is reappraised every six years.

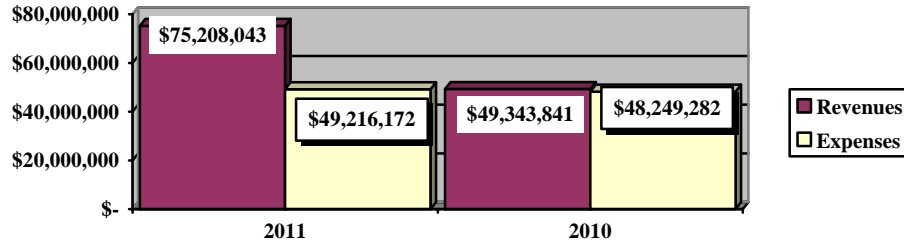
During fiscal year 2011, the District received a grant award from the OSFC in the amount of \$23,661,484 for a construction project. This is the primary cause of the District's increase in net assets. Property tax revenue also increased due to an additional 2.4 mill bond levy and a 0.50 classroom facilities maintenance levy. Operating grants and contributions increased due to grants from the Education Jobs program.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2011 and 2010.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2011 and 2010. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. The 2010 net cost of services for special instruction has been restated to conform to 2011 presentation of PASS funding from the State of Ohio which is reported as an operating grant and contribution offsetting special instruction.

Governmental Activities

	Total Cost of Services <u>2011</u>	Net Cost of Services <u>2011</u>	Total Cost of Services <u>2010</u>	Restated Net Cost of Services <u>2010</u>
Program expenses:				
Instruction:				
Regular	\$ 19,873,586	\$ 16,616,065	\$ 19,689,324	\$ 18,276,830
Special	5,880,047	2,479,305	5,945,781	2,435,449
Vocational	233,553	164,238	255,143	186,344
Other	1,788,380	1,715,006	1,851,855	1,793,815

-- Continued

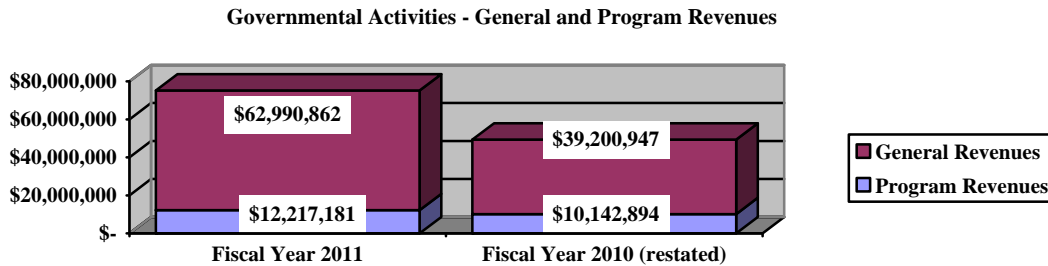
**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

	Total Cost of Services <u>2011</u>	Net Cost of Services <u>2011</u>	Total Cost of Services <u>2010</u>	Net Cost of Services <u>2010</u>
Support services:				
Pupil	2,848,283	2,631,531	2,767,898	2,612,445
Instructional staff	1,466,491	971,880	1,963,838	1,325,432
Board of education	78,862	78,862	51,886	51,886
Administration	3,711,310	1,690,498	3,703,502	2,108,553
Fiscal	869,790	865,642	837,264	821,338
Business	51,035	51,035	3,772	3,772
Operations and maintenance	3,992,828	3,977,822	4,130,588	4,102,002
Pupil transportation	2,691,538	2,564,886	2,543,253	2,440,832
Central	7,278	7,278	337	337
Operation of non-instructional services:				
Food service operations	1,960,212	6,680	1,851,766	(162,511)
Other non-instructional services	158,420	(20,695)	337,536	101,750
Extracurricular activities	983,310	577,709	1,096,890	789,465
Interest and fiscal charges	<u>2,621,249</u>	<u>2,621,249</u>	<u>1,218,649</u>	<u>1,218,649</u>
Total expenses	<u>\$ 49,216,172</u>	<u>\$ 36,998,991</u>	<u>\$ 48,249,282</u>	<u>\$ 38,106,388</u>

The dependence upon tax revenues during fiscal year 2011 for governmental activities is apparent, as 75.52% of 2011 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 75.18%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2011 and 2010. The 2011 program revenues and general revenues have been restated to conform to 2011 presentation of PASS funding from the State of Ohio which is reported as program revenue rather than as general revenue.



Business-type Activities

Business-type activities include special enterprise operations. These programs had revenues of \$65,915 and expenses of \$89,222 for fiscal year 2011. These programs also received a \$5,000 transfer from governmental activities. The decrease in net assets is due to increased personal services and materials and supplies expenses during the fiscal year. The District's business-type activities receive no support from tax revenues.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

The District's Funds

The District's governmental funds (as presented on the balance sheet on page 30) reported a combined fund balance of \$36,847,686, which is greater than last year fund's total of \$2,572,571. The District restated fund balances at June 30, 2010 as described in Note 3.B.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2011 and 2010.

	Fund Balance <u>June 30, 2011</u>	Restated Fund Balance <u>June 30, 2010</u>	<u>Increase</u>
General	\$ 646,624	\$ 576,259	\$ 70,365
Bond retirement	1,578,608	1,149,822	428,786
Classroom facilities	32,390,290	-	32,390,290
Other governmental	<u>2,232,164</u>	<u>846,490</u>	<u>1,385,674</u>
Total	<u>\$ 36,847,686</u>	<u>\$ 2,572,571</u>	<u>\$ 34,275,115</u>

General Fund

The District's general fund balance increased \$70,365, which is primarily due to an increase in tuition revenue during the fiscal year. The table that follows assists in illustrating the financial activities and fund balance of the general fund.

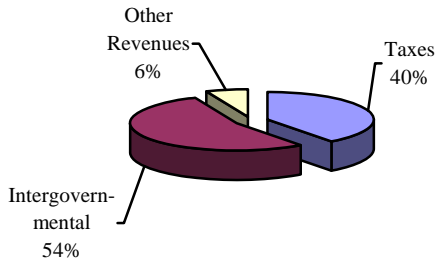
	2011 <u>Amount</u>	Restated 2010 <u>Amount</u>	Increase <u>(Decrease)</u>	Percentage <u>Change</u>
<u>Revenues</u>				
Taxes	\$ 15,742,571	\$ 15,701,596	\$ 40,975	0.26 %
Intergovernmental	21,357,933	23,073,236	(1,715,303)	(7.43) %
Other revenues	<u>2,487,877</u>	<u>1,742,804</u>	<u>745,073</u>	42.75 %
Total	<u>\$ 39,588,381</u>	<u>\$ 40,517,636</u>	<u>\$ (929,255)</u>	(2.29) %

Tax revenue increased by \$40,975 or 0.26% from fiscal 2010. Intergovernmental revenue decreased \$1,715,303 or 7.43% from the prior year. This decrease is attributed to a decrease in State Foundation revenue and decreases in homestead and rollback revenue and tangible personal property tax reimbursements. Other revenues increased \$745,073 or 42.75% due to an increase in tuition revenue received from the District's open enrollment policy.

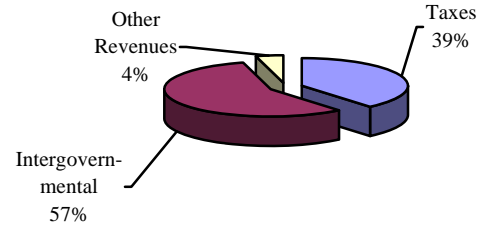
**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

Revenues – Fiscal Year 2011



Revenues – Fiscal Year 2010

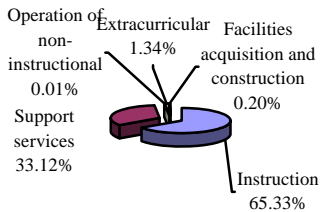


The table that follows assists in illustrating the expenditures of the general fund.

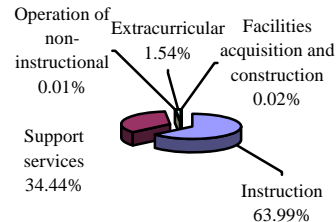
	2011 <u>Amount</u>	Restated 2010 <u>Amount</u>	Increase (Decrease)	Percentage Change
<u>Expenditures</u>				
Instruction	\$ 25,391,855	\$ 24,562,487	\$ 829,368	3.38 %
Support services	12,870,894	13,219,434	(348,540)	(2.64) %
Operation of non-instructional services	5,235	5,271	(36)	(0.68) %
Extracurricular activities	521,748	589,796	(68,048)	(11.54) %
Facilities acquisition and construction	<u>81,580</u>	<u>10,740</u>	<u>70,840</u>	659.59 %
Total	<u>\$ 38,871,312</u>	<u>\$ 38,387,728</u>	<u>\$ 483,584</u>	1.26 %

The most significant increase in expenditures during fiscal year 2011 was for instructional services. This was primarily due to wage and benefit increases. The most significant decrease was in support services expenditures. Support services expenditures decreased due to the District cost control policies. Other expenditures remained consistent with the prior fiscal year.

Expenditures – Fiscal Year 2011



Expenditures – Fiscal Year 2010



**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

Bond Retirement Fund

The bond retirement fund had \$30,331,727 in revenues and other financing sources and \$29,902,941 in expenditures. The bond retirement fund's fund balance increased \$428,786 from \$1,149,822 to \$1,578,608. The increase is primarily due to a new 2.4 mill bond levy and interest reimbursements received on the Build America Bonds and the Qualified School Construction Bonds.

Classroom Facilities Fund

The classroom facilities fund had \$33,818,332 in revenues and other financing sources and \$1,428,042. This fund was created during fiscal year 2011 in order to account for the District's construction project. The ending balance of the classroom facilities fund is \$32,390,290.

General Fund Budgeting Highlights

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

During the course of fiscal 2011, the District amended its general fund budget numerous times, none significant. The District uses budgeting systems to tightly control local budgets but provide flexibility for management.

For the general fund, final budgeted revenues and other financing sources were \$39,330,491, which was increased from the original budgeted revenues and other financing sources estimate of \$37,972,904. Actual revenues and other financing sources for fiscal 2011 were \$39,325,887. This represents a \$4,604 decrease from final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$40,661,843 were increased to \$41,175,925 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2011 totaled \$38,906,340, which was \$2,269,585 less than the final budget appropriations.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2011, the District had \$34,724,211 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. Of this total, \$34,699,980 was reported in governmental activities and \$24,231 was reported in business-type activities.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

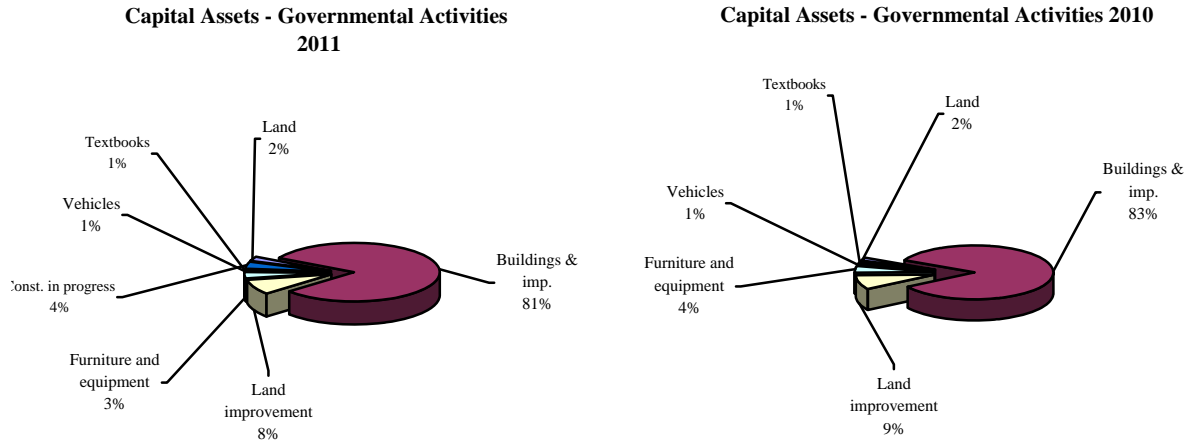
The following table shows fiscal 2011 balances compared to 2010:

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2011	2010	2011	2010	2011	2010
Land	\$ 833,477	\$ 672,477	\$ -	\$ -	\$ 833,477	\$ 672,477
Construction in progress	1,324,118	-	-	-	1,324,118	-
Land improvements	2,913,593	3,032,849	-	-	2,913,593	3,032,849
Building and improvements	28,005,809	28,936,714	-	-	28,005,809	28,936,714
Furniture and equipment	1,165,238	1,324,543	24,231	23,388	1,189,469	1,347,931
Vehicles	218,981	297,952	-	-	218,981	297,952
Textbooks	238,764	366,200	-	-	238,764	366,200
Total	<u>\$ 34,699,980</u>	<u>\$ 34,630,735</u>	<u>\$ 24,231</u>	<u>\$ 23,388</u>	<u>\$ 34,724,211</u>	<u>\$ 34,654,123</u>

Capital assets of the governmental activities increased \$69,245, which is due to capital outlays of \$1,612,810 exceeding depreciation expense of \$1,543,565 in the current year. Capital assets of the business-type activities increased \$843 which is due to current year capital outlays of \$7,150 exceeding depreciation expense of \$6,307 in the current year.

The following graphs show the breakdown of governmental activities capital assets by category for 2011 and 2010.



See Note 8 to the basic financial statements for detail on the District's capital assets.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)

Debt Administration

At June 30, 2011 the District had \$50,203,605 in an asbestos abatement loan, House Bill 264 loan and general obligation bonds outstanding. Of this total, \$1,288,498 is due within one year and \$48,915,107 is due in greater than one year. The following table summarizes the bonds and loans outstanding.

	Outstanding Debt, at Year End	
	Governmental Activities 2011	Governmental Activities 2010
	<u>2011</u>	<u>2010</u>
Asbestos abatement loan	\$ 12,562	\$ 37,686
House Bill 264 loan	283,293	304,727
General obligation bonds	<u>49,907,750</u>	<u>23,639,958</u>
 Total	 <u>\$ 50,203,605</u>	 <u>\$ 23,982,371</u>

The District issued an asbestos abatement loan to provide energy improvements to various District buildings. The asbestos abatement loan is interest free. The asbestos abatement loan matures on May 30, 2012.

During fiscal 2004, the District issued \$26,000,000 in current interest and capital appreciation bonds. The bonds bear an annual interest rate of 2.00% - 5.13% and mature on December 1, 2030.

The District issued a House Bill 264 loan to provide for energy improvements to various District buildings. The House Bill 264 loan bears an interest rate of 4.75% and matures on October 1, 2021.

During fiscal year 2011, the District issued \$26,680,000 in general obligation bonds. The bonds bear interest rates ranging from 2% to 6% and mature on November 1, 2047.

At June 30, 2011 the District's overall legal debt margin was \$7,021,825 with an unvoted debt margin of 607,369.

See Note 9 to the basic financial statements for more detail on the District's long-term obligations.

Current Financial Related Activities

The passage of Amended Substitute House Bill 66 brings about several challenges to the District. House Bill 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroad property. Tangible personal property taxes were phased out from 2006 through 2008, with the tax being eliminated on January 1, 2009. The State will make compensating distributions to school districts from revenue generated by the new commercial activities (CAT) tax, which is being phased in over a five year period. The District stands to lose over \$2 million by the year 2013 with the phasing out of tangible personal property taxes. In addition, House Bill 66 terminates the 10 percent real property tax rollback and related State rollback payments for commercial and industrial real property tax used in business (except for farming and or certain housing uses) effective for tax year 2005.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

The District passed a 2.4 mill bond issue placed on the May 2010 ballot. This allows the District to construct two new elementary schools with the State covering nearly half the cost of the new buildings. The construction will include two buildings: one will house Kindergarten through 2nd grade and the other 3rd through 5th grade. These two buildings will replace the District's five existing elementary schools which will decrease utilities and maintenance expenses. The Ohio School Facilities Commission (OSFC) will pay 47% of the cost with the remaining 53% paid by local taxpayers.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Mary Ann Herschel, Treasurer, Austintown Local School District, 700 S. Raccoon Road, Youngstown, Ohio 44515.

**BASIC
FINANCIAL STATEMENTS**

THIS PAGE IS INTENTIONALLY LEFT BLANK

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF NET ASSETS
JUNE 30, 2011

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents.	\$ 16,804,621	\$ 37,394	\$ 16,842,015
Investments.	25,997,826	-	25,997,826
Receivables:			
Taxes	20,534,918	-	20,534,918
Accounts.	5,717	-	5,717
Intergovernmental	18,312,890	-	18,312,890
Accrued interest	93,826	-	93,826
Prepayments	35,538	-	35,538
Materials and supplies inventory.	34,390	-	34,390
Unamortized bond issuance costs	568,472	-	568,472
Capital assets:			
Land and construction in progress.	2,157,595	-	2,157,595
Depreciable capital assets, net.	32,542,385	24,231	32,566,616
Capital assets, net	34,699,980	24,231	34,724,211
 Total assets.	 <u>117,088,178</u>	 <u>61,625</u>	 <u>117,149,803</u>
 Liabilities:			
Accounts payable.	110,539	593	111,132
Contracts payable.	149,275	-	149,275
Accrued wages and benefits	4,512,907	8,556	4,521,463
Pension obligation payable.	930,488	2,109	932,597
Intergovernmental payable	213,919	327	214,246
Deposits payable	260,000	-	260,000
Accrued interest payable	428,033	-	428,033
Unearned revenue	17,723,020	-	17,723,020
Long-term liabilities:			
Due within one year.	1,751,688	1,400	1,753,088
Due in more than one year.	52,532,280	-	52,532,280
 Total liabilities	 <u>78,612,149</u>	 <u>12,985</u>	 <u>78,625,134</u>
 Net assets:			
Invested in capital assets, net			
of related debt.	11,061,480	24,231	11,085,711
Restricted for:			
Capital projects	22,525,587	-	22,525,587
Classroom facilities maintenance	235,248	-	235,248
Debt service.	1,477,084	-	1,477,084
Locally funded programs	47,915	-	47,915
State funded programs.	29,398	-	29,398
Federally funded programs	1,482,619	-	1,482,619
Food service operations	766,969	-	766,969
Student activities	123,458	-	123,458
Other purposes	99,096	-	99,096
Unrestricted	627,175	24,409	651,584
 Total net assets	 <u>\$ 38,476,029</u>	 <u>\$ 48,640</u>	 <u>\$ 38,524,669</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>
Governmental activities:			
Instruction:			
Regular	\$ 19,873,586	\$ 2,124,828	\$ 1,132,693
Special	5,880,047	11,547	3,389,195
Vocational	233,553	-	69,315
Other	1,788,380	-	73,374
Support services:			
Pupil	2,848,283	9,847	206,905
Instructional staff	1,466,491	-	494,611
Board of education	78,862	-	-
Administration	3,711,310	238,817	1,781,995
Fiscal	869,790	-	4,148
Business	51,035	-	-
Operations and maintenance	3,992,828	15,006	-
Pupil transportation	2,691,538	-	126,652
Central	7,278	-	-
Operation of non-instructional services:			
Food service operations	1,960,212	804,368	1,149,164
Other non-instructional services	158,420	888	178,227
Extracurricular activities	983,310	404,993	608
Interest and fiscal charges	2,621,249	-	-
Total governmental activities	<u>49,216,172</u>	<u>3,610,294</u>	<u>8,606,887</u>
Business-type activities:			
Special enterprise	<u>89,222</u>	<u>65,915</u>	<u>-</u>
Totals	<u>\$ 49,305,394</u>	<u>\$ 3,676,209</u>	<u>\$ 8,606,887</u>

General revenues:

Property taxes levied for:

- General purposes
- Debt service
- Classroom facilities maintenance

Grants and entitlements not restricted to specific programs

Grants and entitlements restricted for Ohio School Facilities Commission

Investment earnings

Miscellaneous

Total general revenues

Transfers

Change in net assets

Net assets at beginning of year

Net assets at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Governmental Activities	Business-Type Activities	Total
\$ (16,616,065)	\$ -	\$ (16,616,065)
(2,479,305)	-	(2,479,305)
(164,238)	-	(164,238)
(1,715,006)	-	(1,715,006)
(2,631,531)	-	(2,631,531)
(971,880)	-	(971,880)
(78,862)	-	(78,862)
(1,690,498)	-	(1,690,498)
(865,642)	-	(865,642)
(51,035)	-	(51,035)
(3,977,822)	-	(3,977,822)
(2,564,886)	-	(2,564,886)
(7,278)	-	(7,278)
(6,680)	-	(6,680)
20,695	-	20,695
(577,709)	-	(577,709)
(2,621,249)	-	(2,621,249)
(36,998,991)	-	(36,998,991)
-	(23,307)	(23,307)
(36,998,991)	(23,307)	(37,022,298)
15,860,458	-	15,860,458
2,314,189	-	2,314,189
161,560	-	161,560
20,634,581	-	20,634,581
23,661,484	-	23,661,484
334,362	-	334,362
24,228	-	24,228
62,990,862	-	62,990,862
(5,000)	5,000	-
25,986,871	(18,307)	25,968,564
12,489,158	66,947	12,556,105
<u>\$ 38,476,029</u>	<u>\$ 48,640</u>	<u>\$ 38,524,669</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	General	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents.	\$ 6,029,646	\$ 1,578,608	\$ 6,478,729	\$ 2,646,580	\$ 16,733,563
Investments	-	-	25,997,826	-	25,997,826
Receivables:					
Taxes.	17,297,587	3,076,509	-	160,822	20,534,918
Accounts	5,717	-	-	-	5,717
Intergovernmental	108,807	-	16,779,976	1,424,107	18,312,890
Accrued interest	-	-	93,826	-	93,826
Prepayments	35,538	-	-	-	35,538
Materials and supplies inventory	-	-	-	34,390	34,390
Restricted assets:					
Equity in pooled cash and cash equivalents.	71,058	-	-	-	71,058
Total assets	<u>\$ 23,548,353</u>	<u>\$ 4,655,117</u>	<u>\$ 49,350,357</u>	<u>\$ 4,265,899</u>	<u>\$ 81,819,726</u>
Liabilities:					
Accounts payable	\$ 96,020	\$ -	\$ -	\$ 14,519	\$ 110,539
Contracts payable.	-	-	149,275	-	149,275
Accrued wages and benefits.	4,107,556	-	-	405,351	4,512,907
Compensated absences payable	180,288	-	-	4,763	185,051
Early retirement incentive payable	48,000	-	-	-	48,000
Pension obligation payable	863,345	-	-	67,143	930,488
Intergovernmental payable	200,126	-	-	13,793	213,919
Deposits payable	-	-	-	260,000	260,000
Deferred revenue	2,563,394	326,509	16,810,792	1,138,146	20,838,841
Unearned revenue.	14,843,000	2,750,000	-	130,020	17,723,020
Total liabilities	<u>22,901,729</u>	<u>3,076,509</u>	<u>16,960,067</u>	<u>2,033,735</u>	<u>44,972,040</u>
Fund balances:					
Nonspendable	35,538	-	-	34,390	69,928
Restricted	71,058	1,578,608	32,390,290	1,721,867	35,761,823
Committed.	-	-	-	479,417	479,417
Assigned.	457,516	-	-	-	457,516
Unassigned (deficit)	82,512	-	-	(3,510)	79,002
Total fund balances	<u>646,624</u>	<u>1,578,608</u>	<u>32,390,290</u>	<u>2,232,164</u>	<u>36,847,686</u>
Total liabilities and fund balances	<u>\$ 23,548,353</u>	<u>\$ 4,655,117</u>	<u>\$ 49,350,357</u>	<u>\$ 4,265,899</u>	<u>\$ 81,819,726</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2011

Total governmental fund balances		\$ 36,847,686
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		34,699,980
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes receivable	\$ 2,811,898	
Accrued interest receivable	30,816	
Intergovernmental receivable	17,996,127	
Total	20,838,841	20,838,841
Unamortized bond issuance costs are not recognized in the funds.		568,472
Unamortized premiums on bond issuances are not recognized in the funds.		(802,645)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(428,033)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	49,907,750	
Compensated absences	2,964,667	
Early retirement incentives	80,000	
House Bill 264 loan	283,293	
Asbestos loan	12,562	
Total	53,248,272	(53,248,272)
Net assets of governmental activities		\$ 38,476,029

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	General	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Revenues:					
From local sources:					
Taxes	\$ 15,742,571	\$ 2,154,395	\$ -	\$ 130,758	\$ 18,027,724
Tuition	2,014,999	-	-	-	2,014,999
Earnings on investments	49,284	-	254,625	2,128	306,037
Charges for services	888	-	-	804,368	805,256
Extracurricular	233,789	-	-	350,571	584,360
Classroom materials and fees	120,826	-	-	567	121,393
Other local revenues	68,091	2,288	100	80,847	151,326
Intergovernmental - intermediate	-	-	-	16,309	16,309
Intergovernmental - state	21,357,933	335,216	6,881,508	285,768	28,860,425
Intergovernmental - federal	-	454,207	-	5,705,540	6,159,747
Total revenues	39,588,381	2,946,106	7,136,233	7,376,856	57,047,576
Expenditures:					
Current:					
Instruction:					
Regular	19,265,784	-	-	94,905	19,360,689
Special	4,171,805	-	-	1,619,243	5,791,048
Vocational	236,402	-	-	-	236,402
Other	1,717,864	-	-	70,516	1,788,380
Support services:					
Pupil	2,710,428	-	-	125,495	2,835,923
Instructional staff	899,132	-	-	435,104	1,334,236
Board of education	78,862	-	-	-	78,862
Administration	2,047,613	-	-	1,649,977	3,697,590
Fiscal	821,790	47,406	-	4,279	873,475
Business	66,035	-	-	-	66,035
Operations and maintenance	3,814,778	-	-	-	3,814,778
Pupil transportation	2,424,978	-	-	48,691	2,473,669
Central	7,278	-	-	-	7,278
Operation of non-instructional services:					
Food service operations	-	-	-	1,874,849	1,874,849
Other non-instructional services	5,235	-	-	153,185	158,420
Extracurricular activities	521,748	-	-	358,178	879,926
Facilities acquisition and construction	81,580	-	1,428,042	161,840	1,671,462
Debt service:					
Principal retirement	-	27,273,657	-	-	27,273,657
Interest and fiscal charges	-	2,182,301	-	-	2,182,301
Bond and note issuance costs	-	399,577	-	-	399,577
Total expenditures	38,871,312	29,902,941	1,428,042	6,596,262	76,798,557
Excess (deficiency) of revenues over (under) expenditures	\$ 717,069	\$ (26,956,835)	\$ 5,708,191	\$ 780,594	\$ (19,750,981)

-- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	General	Bond Retirement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Other financing sources (uses):					
Premium on bonds and notes	\$ -	\$ 657,415	\$ -	\$ -	\$ 657,415
Sale of bonds.	-	26,680,000	-	-	26,680,000
Sale of capital assets	3,040	-	-	-	3,040
Sale of notes	-	-	26,682,099	-	26,682,099
Transfers in.	-	48,206	-	596,538	644,744
Transfers (out)	(649,744)	-	-	-	(649,744)
Total other financing sources (uses).	<u>(646,704)</u>	<u>27,385,621</u>	<u>26,682,099</u>	<u>596,538</u>	<u>54,017,554</u>
Net change in fund balances	70,365	428,786	32,390,290	1,377,132	34,266,573
Fund balances at beginning of year (restated).	576,259	1,149,822	-	846,490	2,572,571
Increase in reserve for inventory	-	-	-	8,542	8,542
Fund balances at end of year.	<u>\$ 646,624</u>	<u>\$ 1,578,608</u>	<u>\$ 32,390,290</u>	<u>\$ 2,232,164</u>	<u>\$ 36,847,686</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Net change in fund balances - total governmental funds \$ 34,266,573

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 exceeds depreciation expense in the current period.

Capital asset additions	\$ 1,612,810	
Current year depreciation	(1,543,565)	
Total		69,245

Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.

8,542

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

Taxes	308,483	
Earnings on investments	30,816	
Intergovernmental	17,929,975	
Total		18,269,274

Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets. Principal payments during the year were:

General obligation bonds	545,000	
Bond anticipation notes	26,682,099	
House Bill 264 loan	21,434	
Asbestos loan	25,124	
Total		27,273,657

Issuances of bonds and notes are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net assets.

General obligation bonds	(26,680,000)	
Bond anticipation notes	(26,682,099)	
Total		(53,362,099)

Premiums on bonds and bond issuance costs related to the issuance of bonds are amortized over the life of the issuance in the statement of activities. The following transactions occurred in the year:

Premiums on bonds	(566,162)	
Bond issuance costs	333,455	
Total		(232,707)

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:

Increase in accrued interest payable	\$	(336,874)	
Accreted interest on capital appreciation bonds		(132,792)	
Amortization of bond issuance costs		(20,000)	
Amortization of bond premiums		25,587	
Total		(464,079)	(464,079)

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

158,465

Change in net assets of governmental activities

\$ 25,986,871

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
From local sources:				
Taxes	\$ 15,660,000	\$ 15,742,571	\$ 15,742,571	\$ -
Tuition.	1,240,000	2,010,814	2,010,362	(452)
Earnings on investments	25,000	51,000	48,921	(2,079)
Charges for services	1,000	888	888	-
Extracurricular.	4,500	4,500	4,482	(18)
Classroom materials and fees	96,945	99,905	101,150	1,245
Other local revenues	37,959	39,838	36,857	(2,981)
Intergovernmental - state	20,885,000	21,357,935	21,357,934	(1)
Total revenues	<u>37,950,404</u>	<u>39,307,451</u>	<u>39,303,165</u>	<u>(4,286)</u>
Expenditures:				
Current:				
Instruction:				
Regular	19,933,269	19,888,569	18,887,807	1,000,762
Special.	4,358,187	4,441,737	4,087,836	353,901
Vocational.	264,180	241,087	232,117	8,970
Other.	1,720,000	1,717,865	1,717,864	1
Support services:				
Pupil.	2,549,378	2,787,060	2,684,219	102,841
Instructional staff	1,021,441	998,117	946,522	51,595
Board of education	57,000	90,618	90,279	339
Administration.	2,237,906	1,877,628	1,746,662	130,966
Fiscal	876,604	852,347	812,366	39,981
Business	4,500	66,442	66,035	407
Operations and maintenance.	4,391,870	4,202,489	3,937,934	264,555
Pupil transportation	2,662,808	2,663,402	2,348,492	314,910
Central.	400	7,593	7,278	315
Operation of non-instructional services	5,000	4,797	4,794	3
Extracurricular activities.	539,300	548,401	548,362	39
Facilities acquisition and construction	40,000	86,930	86,930	-
Total expenditures	<u>40,661,843</u>	<u>40,475,082</u>	<u>38,205,497</u>	<u>2,269,585</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(2,711,439)</u>	<u>(1,167,631)</u>	<u>1,097,668</u>	<u>2,265,299</u>
Other financing sources (uses):				
Refund of prior year's expenditures	20,000	20,000	19,682	(318)
Transfers (out).	-	(700,843)	(700,843)	-
Sale of capital assets	2,500	3,040	3,040	-
Total other financing sources (uses)	<u>22,500</u>	<u>(677,803)</u>	<u>(678,121)</u>	<u>(318)</u>
Net change in fund balance	(2,688,939)	(1,845,434)	419,547	2,264,981
Fund balance at beginning of year (restated)	5,045,857	5,045,857	5,045,857	-
Prior year encumbrances appropriated . .	121,045	121,045	121,045	-
Fund balance at end of year	<u>\$ 2,477,963</u>	<u>\$ 3,321,468</u>	<u>\$ 5,586,449</u>	<u>\$ 2,264,981</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2011

	Business-type Activities
	Nonmajor Enterprise Fund
Assets:	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 37,394
Noncurrent assets:	
Depreciable capital assets, net	24,231
Total assets.	61,625
Liabilities:	
Accounts payable.	593
Accrued wages and benefits	8,556
Compensated absences.	1,400
Pension obligation payable.	2,109
Intergovernmental payable	327
Total liabilities	12,985
Net assets:	
Invested in capital assets.	24,231
Unrestricted.	24,409
Total net assets	\$ 48,640

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Business-type Activities
	Nonmajor Enterprise Fund
Operating revenues:	
Tuition and fees.	\$ 65,186
Sales/charges for services.	729
Total operating revenues	65,915
Operating expenses:	
Personal services.	59,408
Contractual services	10,511
Materials and supplies	12,996
Depreciation	6,307
Total operating expenses.	89,222
Operating loss before transfers.	(23,307)
Transfer in	5,000
Change in net assets	(18,307)
Net assets at beginning of year	66,947
Net assets at end of year.	\$ 48,640

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Business-type Activities
	Nonmajor Enterprise Fund
Cash flows from operating activities:	
Cash received from tuition and fees	\$ 65,186
Cash received from sales/charges for services.	729
Cash payments for personal services.	(53,598)
Cash payments for contractual services	(10,026)
Cash payments for materials and supplies	(12,888)
Net cash used in operating activities	(10,597)
Cash flows from noncapital financing activities:	
Cash received from transfers in	5,000
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(7,150)
Net decrease in cash and cash equivalents.	(12,747)
Cash and cash equivalents at beginning of year	50,141
Cash and cash equivalents at end of year.	\$ 37,394
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss.	\$ (23,307)
Adjustments:	
Depreciation	6,307
Changes in assets and liabilities:	
Increase in accounts payable.	593
Increase in accrued wages and benefits.	4,877
(Decrease) in intergovernmental payable.	(59)
Increase in compensated absences payable.	150
Increase in pension obligation payable	842
Net cash used in operating activities	\$ (10,597)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	Private Purpose Trust	
	Scholarship	Agency
Assets:		
Equity in pooled cash and cash equivalents	\$ 59,139	\$ 55,477
Receivables:		
Accounts	-	46
Total assets.	59,139	\$ 55,523
Liabilities:		
Accounts payable.	-	\$ 3,484
Due to students.	-	52,039
Total liabilities	-	\$ 55,523
Net assets:		
Held in trust for scholarships	59,139	
Total net assets	\$ 59,139	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Private Purpose Trust
	Scholarship
Additions:	
Interest	\$ 146
Gifts and contributions	13,193
Total additions	13,339
Deductions:	
Scholarships awarded	14,000
Change in net assets	(661)
Net assets at beginning of year	59,800
Net assets at end of year	\$ 59,139

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

THIS PAGE IS INTENTIONALLY LEFT BLANK

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

Austintown Local School District (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is governed by a locally elected five member Board of Education (the "Board") which provides educational services.

The District is the 64th largest in the State of Ohio (among 918 public school districts and community schools) in terms of total enrollment. The District is staffed by 231 non-certified and 338 certified personnel to provide services to approximately 5,157 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary fund provided it does not conflict with or contradict GASB pronouncements. The District also has the option of following subsequent private-sector guidance for their business-type activities and enterprise fund, subject to the same limitations. The government has elected not to follow subsequent private-sector guidance. The District's significant accounting policies are described below.

A. Reporting Entity

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

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

The following organizations are described due to their relationship with the District:

JOINTLY GOVERNED ORGANIZATIONS

Area Cooperative Computerized Educational Service System

Area Cooperative Computerized Educational Service System (ACCESS), a not-for-profit computer service, is jointly governed by 24 districts within Mahoning and Columbiana counties. ACCESS is governed by an assembly consisting of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the assembly. Members of ACCESS are assessed annual user fees and periodic capital improvement fees based on their average daily membership. The members have an ongoing financial interest in ACCESS, however, they do not have an equity interest. Financial information can be obtained from the Treasurer for the Mahoning County Educational Service Center, who serves as fiscal agent, at 100 DeBartolo Place, Youngstown, Ohio 44512-7019.

Mahoning County Career & Technical Center

The Mahoning County Career & Technical Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of representatives from the participating school districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information, write to the Treasurer of the Career & Technical Center, at 7300 North Palmyra Road, Canfield, Ohio 44406.

PUBLIC ENTITY RISK POOLS

Stark County Schools Council of Governments Health Benefit Plan

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

B. Fund Accounting

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

GOVERNMENTAL FUNDS

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

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

Bond retirement fund - The bond retirement fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources when the government is obligated in some manner for payment.

Classroom facilities fund - The classroom facilities capital projects fund is used to account for monies received and expended in connection with contracts entered into by the District and the Ohio School Facilities Commission (OSFC) for the building and equipping of classroom facilities.

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

PROPRIETARY FUNDS

Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise funds or internal service funds. The District has no internal service funds.

Enterprise fund - The enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The District's enterprise fund accounts for community center and summer school operations.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: private-purpose trust funds, investment trust funds, pension trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private-purpose trust which accounts for scholarship programs for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency fund accounts for student managed activities.

C. Basis of Presentation and Measurement Focus

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the special enterprise fund are tuition and fees. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-purpose trust funds are reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting on the fund financial statements. Proprietary and fiduciary funds also use the accrual basis of accounting.

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

Unearned Revenue and Deferred Revenue - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2011, but which were levied to finance fiscal year 2012 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2011 are recorded as deferred revenue in the governmental funds.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred revenue.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as donated commodities revenue.

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

E. Budgets

The District is required by State statute to adopt an annual appropriated cash basis budget for all funds. The specific timetable for the fiscal year is as follows:

1. The Mahoning County Budget Commission voted to waive the requirement that school districts adopt a tax budget as required by Section 5705.28 of the Ohio Revised Code, by January 15th and the filing by January 20th. The Budget Commission now requires an alternate tax budget be submitted by January 20th, which no longer requires specific Board approval.
2. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificated of estimated resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate in effect when the final appropriations were passed by the Board of Education.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

3. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year). Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures for the general fund. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation total.
4. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.
5. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized cash basis appropriation.
6. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal year 2011. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board of Education during the fiscal year.
7. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level.

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

F. Cash and Cash Equivalents

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

During fiscal year 2011, investments were limited to federal agency securities, repurchase agreements, U.S. Treasury notes, U.S. Government money market funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

The District has invested funds in STAR Ohio during fiscal year 2011. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on June 30, 2011.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or by policy of the Board of Education. Interest revenue credited to the general fund during fiscal 2011 amounted to \$49,284, which includes \$19,974 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the statement of net assets, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at year end is provided in Note 4.

G. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the purchase method on the fund statements and using the consumption method on the government-wide statements.

Inventories consist of donated food and purchased food.

H. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$4,000 for its capital assets. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

All reported capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	10 - 30 years	N/A
Building/improvements	10 - 40 years	N/A
Furniture/equipment	5 - 20 years	5 - 20 years
Vehicles	8 - 15 years	N/A
Textbooks	7 years	N/A

I. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2011, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

J. Accrued Liabilities and Long-Term Obligations

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

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

K. Fund Balance

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

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

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

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

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

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

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

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes represent amounts restricted for school bus purchases and miscellaneous grants.

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

M. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

N. Parochial Schools

Within the District boundaries, Immaculate Heart of Mary, St. Anne, and St. Joseph Schools are operated through the Youngstown Catholic Diocese. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The fiduciary responsibility of the District for these monies is reflected in the auxiliary services fund, a nonmajor governmental fund, for financial reporting purposes.

O. Estimates

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

P. Unamortized Bond Issuance Costs and Bond Premiums

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method. Unamortized issuance costs are recorded as a separate line item on the statement of net assets.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

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

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period. A reconciliation of the bonds face value and the amount reported on the statement of net assets is presented in Note 9.F.

Q. Capital Contributions

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. The District had no capital contributions during fiscal year 2011.

R. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets include the amount required by State statute to be set-aside for school bus purchases. See Note 16 for details.

S. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during fiscal year 2011.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2011, the District has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", and GASB Statement No. 59, "Financial Instruments Omnibus".

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB Statement No. 54 also clarifies the definitions of governmental fund types.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the District.

B. Fund Reclassifications

Fund reclassifications are required in order to report funds in accordance with GASB Statement No 54. These fund reclassifications had the following effect on the District's governmental fund balances as previously reported:

	General	Bond Retirement	Nonmajor Governmental	Total Governmental
Fund balance as previously reported	\$ 402,438	\$ 1,149,822	\$ 1,020,311	\$ 2,572,571
Fund reclassifications:				
Public school support fund	173,821	-	(173,821)	-
Total fund reclassifications	173,821	-	(173,821)	-
Restated fund balance at July 1, 2010	\$ 576,259	\$ 1,149,822	\$ 846,490	\$ 2,572,571

The fund reclassifications did not have an effect on net assets as previously reported.

C. Deficit Fund Balance

Fund balances at June 30, 2011 included the following individual fund deficit:

<u>Nonmajor governmental fund</u>	<u>Deficit</u>
Education management information systems	\$ 3,510

The general fund is liable for a deficit in this fund and provides transfers when cash is required, not when accruals occur. The deficit fund balance resulted from adjustments for accrued liabilities.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

D. Budgetary Prior Period Adjustment

In prior years certain funds that are legally budgeted in separate special revenue funds were considered part of the general fund on a budgetary basis. Pursuant to GASB Statement No. 54, only the legally budgeted general fund should be reported in the budgetary statement; therefore, a restatement to the beginning budgetary balance is required. The restatement of the general fund's budgetary-basis fund balance at June 30, 2010 is as follows:

Budgetary Basis	<u>General Fund</u>
Balance at June 30, 2010	\$ 5,287,861
Funds budgeted elsewhere	<u>(242,004)</u>
Restated balance at July 1, 2010	<u>\$ 5,045,857</u>

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool the State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time: and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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

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

A. Deposits with Financial Institutions

At June 30, 2011, the carrying amount of all District deposits was \$(896,137), exclusive of the repurchase agreement reported in investments below. A liability was not recorded for the negative carrying amount of deposits because there was no actual overdraft, due to the "zero-balance" nature of the District's bank accounts. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2011, the entire amount of the District's bank balance of \$25,500 was covered by the FDIC.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of June 30, 2011, the District had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment maturities</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
FHLB	\$ 9,274,443	\$ -	\$ -	\$ 4,038,688	\$ 5,235,755	\$ -
FHLMC	6,003,898	-	-	2,504,205	3,499,693	-
U.S. Treasury notes	3,691,911	-	-	1,875,437	-	1,816,474
FNMA	7,027,574	-	1,210,764	2,097,984	3,718,826	-
STAR Ohio	101,386	101,386	-	-	-	-
Repurchase agreement	17,594,952	17,594,952	-	-	-	-
U.S. Government money market mutual funds	156,430	156,430	-	-	-	-
	<u>\$ 43,850,594</u>	<u>\$ 17,852,768</u>	<u>\$ 1,210,764</u>	<u>\$ 10,516,314</u>	<u>\$ 12,454,274</u>	<u>\$ 1,816,474</u>

The weighted average maturity of investments is 0.89 years.

Interest Rate Risk: Interest rate risk arises as potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: STAR Ohio and U.S. Government money market mutual funds carry a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's investments in federal agency securities and U.S. Treasury notes were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The U.S. Treasury notes and federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the District's name. Of the District's investment in repurchase agreements, the entire balance is collateralized by underlying securities that are held by the investment's counterparty, not in the name of the District. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of securities subject to a repurchase agreement by 2%. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2011:

<u>Investment type</u>	<u>Fair value</u>	<u>% of total</u>
FHLB	\$ 9,274,443	21.15
FHLMC	6,003,898	13.69
U.S. Treasury notes	3,691,911	8.42
FNMA	7,027,574	16.03
STAR Ohio	101,386	0.23
Repurchase agreement	17,594,952	40.12
U.S. Government money market mutual funds	<u>156,430</u>	<u>0.36</u>
Total investments	<u>\$ 43,850,594</u>	<u>100.00</u>

C. Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of June 30, 2011:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ (896,137)
Investments	<u>43,850,594</u>
Total	<u>\$ 42,954,457</u>

<u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 42,802,447
Business type activities	37,394
Private-purpose trust fund	59,139
Agency fund	<u>55,477</u>
Total	<u>\$ 42,954,457</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended June 30, 2011 consisted of the following as reported on the governmental fund financial statements:

<u>Transfers from the general fund to:</u>	<u>Amount</u>
Bond retirement fund	\$ 48,206
Nonmajor governmental funds	596,538
Nonmajor enterprise fund	<u>5,000</u>
	<u>\$ 649,744</u>

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

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property, public utility property, and certain tangible personal (used in business) property located in the District. Real property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed values as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien on December 31, 2009, were levied after April 1, 2010, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in the District's fiscal year ended June 30, 2011 (other than public utility property) generally represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009 on the value as of December 31, 2009. Amounts paid by multi-county taxpayers were due September 20, 2010. Single county taxpayers could pay annually or semiannually. If paid semiannually, the first payment was due April 30, 2010, with the remainder payable by September 20, 2010.

The District receives property taxes from Mahoning County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 6 - PROPERTY TAXES - (Continued)

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2011 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to unearned revenue.

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

The assessed values upon which the fiscal year 2011 taxes were collected are:

	2010 Second Half Collections		2011 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 595,856,810	98.05	\$ 595,580,890	98.06
Public utility personal	11,376,920	1.88	11,788,190	1.94
Tangible personal property	<u>526,550</u>	<u>0.07</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 607,760,280</u>	<u>100.00</u>	<u>\$ 607,369,080</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation				
Operations	\$ 54.60		\$ 54.60	
Debt service	2.90		5.30	
Classroom facilities maintenance	-		0.50	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2011 consisted of taxes, accounts (billings for user charged services and student fees), intergovernmental grants and entitlements and accrued interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

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

Governmental activities:

Taxes	\$ 20,534,918
Accounts	5,717
Intergovernmental	18,312,890
Accrued interest	<u>93,826</u>
Total governmental activities	<u>\$ 38,947,351</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 7 – RECEIVABLES - (Continued)

Receivables have been disaggregated on the face of the basic financial statements. An intergovernmental receivable in the amount of \$16,779,976 reported in the classroom facilities fund is expected to be collected over the life of the OSFC project. All other receivables are expected to be collected within the subsequent year.

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	<u>Balance</u> <u>6/30/10</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>6/30/11</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 672,477	\$ 161,000	\$ -	\$ 833,477
Construction in progress	<u>-</u>	<u>1,324,118</u>	<u>-</u>	<u>1,324,118</u>
Total capital assets, not being depreciated	<u>672,477</u>	<u>1,485,118</u>	<u>-</u>	<u>2,157,595</u>
Capital assets, being depreciated:				
Land improvements	3,843,225	79,580	-	3,922,805
Building/improvements	45,066,269	-	-	45,066,269
Furniture/equipment	3,345,302	30,112	-	3,375,414
Vehicles	2,841,765	18,000	(139,899)	2,719,866
Textbooks	<u>4,547,399</u>	<u>-</u>	<u>-</u>	<u>4,547,399</u>
Total capital assets, being depreciated	<u>59,643,960</u>	<u>127,692</u>	<u>(139,899)</u>	<u>59,631,753</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(810,376)	(198,836)	-	(1,009,212)
Building/improvements	(16,129,555)	(930,905)	-	(17,060,460)
Furniture/equipment	(2,020,759)	(189,417)	-	(2,210,176)
Vehicles	(2,543,813)	(96,971)	139,899	(2,500,885)
Textbooks	<u>(4,181,199)</u>	<u>(127,436)</u>	<u>-</u>	<u>(4,308,635)</u>
Total accumulated depreciation	<u>(25,685,702)</u>	<u>(1,543,565)</u>	<u>139,899</u>	<u>(27,089,368)</u>
Governmental activities capital assets, net	<u>\$ 34,630,735</u>	<u>\$ 69,245</u>	<u>\$ -</u>	<u>\$ 34,699,980</u>
Business-type activities:				
Capital assets, being depreciated:				
Furniture/equipment	\$ 56,115	\$ 7,150	\$ -	\$ 63,265
Less: accumulated depreciation	<u>(32,727)</u>	<u>(6,307)</u>	<u>-</u>	<u>(39,034)</u>
Total	<u>\$ 23,388</u>	<u>\$ 843</u>	<u>\$ -</u>	<u>\$ 24,231</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 8 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged as follows:

	<u>Amount</u>
Governmental activities:	
<u>Instruction:</u>	
Regular	\$ 734,076
Special	92,561
Vocational	3,027
<u>Support services:</u>	
Pupil	22,506
Instructional staff	136,688
Administration	50,730
Fiscal	893
Operations and maintenance	56,758
Pupil transportation	238,860
Food service operations	97,870
Extracurricular activities	109,596
Total governmental activities	1,543,565
Business-type activities:	
Community center	6,307
Total depreciation expense	\$ 1,549,872

NOTE 9 - LONG-TERM OBLIGATIONS

- A. The District has an asbestos loan to provide for energy improvements to various District buildings. The primary source of repayment of this obligation is through energy savings as a result of the improvements. Payments of principal relating to this liability are recorded as expenditures in the bond retirement fund.

The following is a description of the District's asbestos loan outstanding as of June 30, 2011:

	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance 6/30/10</u>	<u>Issued in 2011</u>	<u>Retired in 2011</u>	<u>Balance 6/30/11</u>
Asbestos loan	0.00%	12/01/93	05/30/12	\$ 37,686	\$ -	\$ (25,124)	\$ 12,562
Total				\$ 37,686	\$ -	\$ (25,124)	\$ 12,562

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the District's future annual debt service requirements to maturity for the asbestos loan:

<u>Fiscal Year Ending</u>	<u>Principal on Loan</u>	<u>Interest on Loan</u>	<u>Total</u>
2012	\$ 12,562	\$ -	\$ 12,562
Total	<u>\$ 12,562</u>	<u>\$ -</u>	<u>\$ 12,562</u>

- B.** During fiscal year 2004, the District issued \$26,000,000 in general obligation bonds to provide funds for various District building projects. These bonds are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to this bond are recorded as expenditures in the bond retirement fund.

This issue is comprised of both current interest bonds, par value \$25,065,000, and capital appreciation bonds, par value \$935,000. The interest rates on the current interest bonds range from 2.00% to 5.13%. The capital appreciation bonds mature on December 1, 2011 (approximate initial offering yield to maturity 4.25%), December 1, 2012 (approximate initial offering yield to maturity 4.40%), and December 1, 2013 (approximate initial offering yield to maturity 4.55%), at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$1,810,000. A total of \$675,247 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at June 30, 2011.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated of the current interest bonds is December 1, 2030.

The following is a schedule of activity for fiscal year 2011 on the 2004 general obligation bonds:

<u>Series 2004</u>	<u>Balance 6/30/10</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/11</u>
Current interest bonds	\$ 22,150,000	\$ -	\$ (545,000)	\$ 21,605,000
Capital appreciation bonds	935,000	-	-	935,000
Accreted interest	<u>554,958</u>	<u>120,289</u>	<u>-</u>	<u>675,247</u>
Total series 2004	<u>\$ 23,639,958</u>	<u>\$ 120,289</u>	<u>\$ (545,000)</u>	<u>\$ 23,215,247</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the future debt service requirements to maturity for the 2004 general obligation bonds:

Year Ended	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ -	\$ 824,560	\$ 824,560	\$ 320,000	\$ 250,000	\$ 570,000
2013	-	774,560	774,560	315,000	300,000	615,000
2014	-	749,560	749,560	300,000	325,000	625,000
2015	630,000	1,061,330	1,691,330	-	-	-
2016	705,000	1,033,559	1,738,559	-	-	-
2017 - 2021	4,415,000	4,596,782	9,011,782	-	-	-
2022 - 2026	6,545,000	3,241,345	9,786,345	-	-	-
2027 - 2031	9,310,000	1,259,754	10,569,754	-	-	-
Total	\$ 21,605,000	\$ 13,541,450	\$ 35,146,450	\$ 935,000	\$ 875,000	\$ 1,810,000

- C. The District has a House Bill 264 loan to provide for energy improvements to various District buildings. The primary source of repayment of this obligation is through energy savings as a result of the improvements. Payments of principal and interest relating to these liabilities are recorded as expenditures in the bond retirement fund.

The following is a description of the District's House Bill 264 loan outstanding as of June 30, 2011:

	Interest Rate	Issue Date	Maturity Date	Balance 6/30/10	Issued in 2011	Retired in 2011	Balance 6/30/11
House Bill 264 Loan	4.75%	10/5/2006	10/1/2021	\$ 304,727	\$ -	\$ (21,434)	\$ 283,293
Total				\$ 304,727	\$ -	\$ (21,434)	\$ 283,293

The following is a summary of the District's future annual debt service requirements to maturity for the House Bill 264 loan:

Fiscal Year Ending	Principal on Loan	Interest on Loan	Total
2012	\$ 22,453	\$ 13,191	\$ 35,644
2013	23,595	12,049	35,644
2014	24,757	10,887	35,644
2015	25,976	9,668	35,644
2016	27,232	8,412	35,644
2017 - 2021	157,762	20,460	178,222
2022	1,518	6	1,524
Total	\$ 283,293	\$ 74,673	\$ 357,966

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

- D.** On September 1, 2010, the District issued general obligation classroom facilities improvement bonds, in the amount of \$26,680,000, for constructing, adding to, renovating, remodeling, furnishing, equipping, and improving District buildings. The bond issue included tax exempt current interest serial bonds, tax exempt capital appreciation bonds, term Build America Bonds (BABs) and Qualified School Construction Bonds (QSCBs) in the amount of \$2,625,000, \$140,000, \$12,655,000 and \$11,260,000, respectively. The bonds were issued for a thirty-eight year period, with final maturity during fiscal year 2048. The bonds will be retired through the bond retirement fund.

The interest rate on the tax exempt current interest bonds is 2.00%. The tax exempt capital appreciation bonds mature on November 1, 2028 (approximate initial offering yield to maturity 4.75%), November 1, 2029 (approximate initial offering yield to maturity 4.85%), and November 1, 2030 (approximate initial offering yield to maturity 4.95%), at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$1,605,000. A total of \$12,503 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at June 30, 2011.

The term BABs maturing on November 1, 2040 (interest rate 6.006%), and November 1, 2047 (interest rate 6.306%), are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the District. The mandatory redemption of the 2040 term BABs is to occur on November 1 in each of the years 2031 through 2039 (with the balance of \$760,000 to be paid at stated maturity on November 1, 2040) and of the 2047 term BABs is to occur on November 1 in each of the years 2041 through 2046 (with the balance of \$1,000,000 to be paid at stated maturity on November 1, 2047), at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

2040 term BABs		2047 term BABs	
Year	Amount	Year	Amount
2031	\$ 535,000	2041	\$ 785,000
2032	560,000	2042	820,000
2033	580,000	2043	855,000
2034	600,000	2044	890,000
2035	625,000	2045	925,000
2036	650,000	2046	965,000
2037	675,000		
2038	700,000		
2039	730,000		

Term BABs redeemed by other than mandatory redemption, or purchased for cancellation may be credited against the applicable mandatory redemption requirement.

The District receives a reimbursement from the United States Treasury of 35% of the corresponding interest payable on the term BABs. The District records this reimbursement as federal intergovernmental revenue in the bond retirement fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The QSCBs bear an interest rate of 5.327% and mature September 1, 2027. The District is required to make mandatory sinking fund deposits (consisting of cash and/or U.S. Treasury obligations) on September 1, in the following years and in the following amounts (in each case equal to the value of any cash deposits, plus the stated principal value at maturity of any U.S. Treasury obligations plus any interest to be paid thereon through and including the maturity date) except the final principal payment date shall be the maturity date:

September 1 of year	Amounts Due
2014	\$ 670,000
2015	695,000
2016	705,000
2017	715,000
2018	765,000
2019	775,000
2020	785,000
2021	815,000
2022	830,000
2023	840,000
2024	895,000
2025	905,000
2026	915,000
	\$ 10,310,000

The District receives a reimbursement from the United States Treasury equal to 100% of the lesser of the interest payments on the QSCBs or the federal tax credits that would have otherwise been available to the holders of the QSCBs. The District records this reimbursement as federal intergovernmental revenue in the bond retirement fund.

The following is a schedule of activity for fiscal year 2011 on the 2010 general obligation bonds:

Series 2010	Balance 6/30/10	Additions	Reductions	Balance 6/30/11
Current interest bonds	\$ -	\$ 2,625,000	\$ -	\$ 2,625,000
Capital appreciation bonds	-	140,000	-	140,000
Accreted interest	-	12,503	-	12,503
BABs	-	12,655,000	-	12,655,000
QSCBs	-	11,260,000	-	11,260,000
Total series 2010	\$ -	\$ 26,692,503	\$ -	\$ 26,692,503

As of fiscal year end, \$26,680,000 of the bond proceeds was unspent.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the future debt service requirements to maturity for the 2010 general obligation bonds:

Year Ended	Current Interest Bonds, BABs and QSCBs			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 705,000	\$ 1,424,050	\$ 2,129,050	\$ -	\$ -	\$ -
2013	840,000	1,408,599	2,248,599	-	-	-
2014	865,000	1,391,549	2,256,549	-	-	-
2015	215,000	1,380,749	1,595,749	-	-	-
2016	-	1,378,600	1,378,600	-	-	-
2017 - 2021	-	6,893,000	6,893,000	-	-	-
2022 - 2026	-	6,892,995	6,892,995	-	-	-
2027 - 2031	11,260,000	4,793,629	16,053,629	140,000	1,465,000	1,605,000
2032 - 2036	2,900,000	3,471,675	6,371,675	-	-	-
2037 - 2041	3,515,000	2,511,765	6,026,765	-	-	-
2042 - 2046	4,275,000	1,315,587	5,590,587	-	-	-
2047 - 2048	1,965,000	125,017	2,090,017	-	-	-
Total	\$ 26,540,000	\$ 32,987,215	\$ 59,527,215	\$ 140,000	\$ 1,465,000	\$ 1,605,000

- E. On July 13, 2010, the District issued \$26,682,099 in bond anticipation notes to begin a school facilities construction and improvement project. The notes were deposited in the classroom facilities fund. The notes matured on November 17, 2010 and bore an interest rate of 2.50%. The notes were retired from the bond retirement fund using the proceeds from the District's \$26,680,000 bond issue (see Note 9.D). In accordance with generally accepted accounting principles, the bond anticipation notes were classified as long-term obligations because they have been replaced with long-term bonds.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

F. The changes in the District's long-term obligations during the year consist of the following:

	<u>Balance</u> <u>6/30/10</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/11</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
Governmental activities:					
Compensated absences payable	\$ 3,219,975	\$ 403,806	\$ (474,063)	\$ 3,149,718	\$ 415,190
Early retirement incentive payable	224,000	-	(96,000)	128,000	48,000
Bond anticipation notes payable	-	26,682,099	(26,682,099)	-	-
Loans payable	342,413	-	(46,558)	295,855	35,015
G.O. bonds payable	<u>23,639,958</u>	<u>26,812,792</u>	<u>(545,000)</u>	<u>49,907,750</u>	<u>1,253,483</u>
Total governmental activities long-term liabilities	<u>\$ 27,426,346</u>	<u>\$ 53,898,697</u>	<u>\$ (27,843,720)</u>	53,481,323	<u>\$ 1,751,688</u>
Add: Unamortized premium on bond issues				<u>802,645</u>	
Total on statement of net assets				<u>\$ 54,283,968</u>	
Business-type activities:					
Compensated absences payable	<u>\$ 1,250</u>	<u>\$ 1,400</u>	<u>\$ (1,250)</u>	<u>\$ 1,400</u>	<u>\$ 1,400</u>

Compensated absences will be paid from the fund from which the employee is paid, which, for the District, is primarily the general fund, food service fund, auxiliary services fund, Title VI-B fund, Title I fund and the special enterprise fund.

The early retirement incentive is described in Note 10.B.

G. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2011, are a voted debt margin of \$7,021,825 (including available funds of \$1,578,608) and an unvoted debt margin of \$607,369.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 10 - EMPLOYEE BENEFITS

A. Compensated Absences

Employees earn vacation at rates specified under State of Ohio law and based on credited service. Teachers and some administrators do not earn vacation time. Administrators, clerical, technical, and maintenance and operations employees with one or more years of service are entitled to vacation ranging from 5 to 25 days. Employees with less than one year of service earn one vacation day per month worked, not to exceed five days. Unused vacation is not cumulative to the next year.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service (earned on a pro-rata basis for less than full-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 168 days and ten percent of remaining days for certified employees and classified employees.

B. Early Retirement Incentive

The District offers an early retirement incentive (ERI) for certified employees. An employee, who has accrued at least twenty-four years of experience under the State Teachers Retirement System of Ohio (STRS Ohio) rules and regulations, shall be eligible to receive the incentive. An employee had to retire by January 1, 2010 in order to be eligible for this incentive. An employee's incentive shall be calculated as follows:

<u>Years of STRS Ohio Experience</u>	<u>Amount of Payments</u>	<u>Number of Payments</u>
24 - 30	\$ 8,000	5
31	8,000	4
32	8,000	3
33	8,000	2
34 or more	8,000	1

Payments shall be made into the employee's Health Reimbursement Account (HRA). Payments will be made each July.

The District has recorded a liability of \$128,000 related to employees who have accepted the ERI. Of this total, \$48,000 is due within one year and has been recorded as a liability on the governmental fund financial statements. The ERI will be paid from the fund from which the employee is paid, which, for the District, is the general fund.

NOTE 11 - RISK MANAGEMENT

A. Property, Fleet, and Liability Insurance

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2011, the District contracted with Ohio Casualty for property, automobile, liability and umbrella insurance.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 11 - RISK MANAGEMENT - (Continued)

	<u>Per Occurrence</u>	<u>Deductibles</u>	<u>Annual Aggregate</u>
Property:			
Building and contents - replacement cost	\$ -	\$ 5,000	\$ 129,859,544
Computers	-	5,000	2,197,995
Equipment	-	500	960,768
Automobile:			
Liability	-	-	1,000,000
Uninsured motorist	-	-	350,000
Medical payments	-	-	5,000
Liability:			
General	1,000,000	-	2,000,000
Fire damage	-	-	300,000
Employer's liability	-	-	1,000,000
Employee benefits	-	1,000	1,000,000
Sexual misconduct	-	-	1,000,000
Employment practices	-	2,500	1,000,000
Umbrella	1,000,000	-	1,000,000

Settled claims have not exceeded this commercial coverage and there has not been a significant reduction in coverage from the prior year.

B. Employee Health Benefits

The District has contracted with Stark County Schools Council of Governments (a shared risk pool) (Note 2) to provide employee medical/surgical and dental benefits. Rates are set through an annual calculation process. The District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating districts. The District's Board of Education pays 93% of medical/surgical premiums for certified and administrative employees and 90% for classified employees. Employees are responsible for the remaining 7% and 10% respectively.

The dental coverage is administered by Medical Mutual of Ohio; a third party administrator. The District pays 100% of dental premiums.

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

C. Workers' Compensation

Workers' compensation coverage is provided by the State of Ohio. The District pays the Bureau of Workers' Compensation a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 12 - PENSION PLANS

A. School Employees Retirement System

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement, disability, survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under "*Media/Financial Reports*".

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2011, 11.77 percent and 0.04 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$661,122, \$727,107 and \$511,792, respectively; 71.30 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. The remaining pension liability is presented as a component of "pension obligation payable" on the basic financial statements.

B. State Teachers Retirement System of Ohio

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at www.strsoh.org, under "*Publications*".

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. 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 DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 12 - PENSION PLANS - (Continued)

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor 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 - For fiscal year 2011, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010 and 2009 were \$2,596,057, \$2,619,986 and \$2,559,627, respectively; 84.11 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. The remaining pension liability is presented as a component of "pension obligation payable" on the basic financial statements. Contributions to the DC and Combined Plans for fiscal year 2011 were \$68,683 made by the District and \$49,059 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the SERS/STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2011, certain members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

NOTE 13 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B 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. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Section 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 was \$96.40 and SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under "Media/Financial Reports".

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 13 - POSTEMPLOYMENT BENEFITS - (Continued)

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2011, 1.43 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2011, the actuarially determined amount was \$35,800.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2011, 2010 and 2009 were \$167,477, \$142,587 and \$331,384, respectively; 71.30 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. The remaining health care liability is presented as a component of "pension obligation payable" on the basic financial statements.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2011, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009 were \$42,545, \$43,240 and \$42,227, respectively; 71.30 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. The remaining health care liability is presented as a component of "pension obligation payable" on the basic financial statements.

B. State Teachers Retirement System of Ohio

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

Funding Policy - Ohio law 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 Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2011, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2011, 2010 and 2009 were \$199,697, \$201,537 and \$196,894, respectively; 84.11 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. The remaining pension liability is presented as a component of "pension obligation payable" on the basic financial statements.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ 419,547
Net adjustment for revenue accruals	(3,646)
Net adjustment for expenditure accruals	(471,891)
Net adjustment for other sources/uses	(19,682)
Funds budgeted elsewhere	(28,811)
Adjustment for encumbrances	174,848
GAAP basis	\$ 70,365

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the CCIP fund, the HRA payment fund, miscellaneous general funds fund and the public school support fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 15 - CONTINGENCIES

A. Grants

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

B. Litigation

The District is a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and spending projects. The District management is of the opinion that disposition of the claim and legal proceedings will not have a material effect, if any, on the financial condition of the District.

NOTE 16 - SET ASIDES

The District is required by State statute to annually set-aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. These amounts must be carried forward to be used for the same purposes in future years.

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

	<u>Textbooks</u>	<u>Capital Improvements</u>
Set-aside reserve balance June 30, 2010	\$ -	\$ -
Current year set-aside requirement	749,503	749,503
Contributions in excess of the current fiscal year set-aside requirement	-	-
Current year qualifying expenditures	(396,942)	(1,473,359)
Excess qualified expenditures from prior years	(2,124,004)	-
Current year offsets	-	(704,575)
Waiver granted by ODE	-	-
Prior year offset from bond proceeds	-	-
Total	<u>\$ (1,771,443)</u>	<u>\$ (1,428,431)</u>
Balance carried forward to fiscal year 2012	<u>\$ -</u>	<u>\$ -</u>
Set-aside reserve balance June 30, 2011	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 16 - SET ASIDES - (Continued)

The District had qualifying disbursements and offsets during the fiscal year that reduced the textbook set-aside amount to below zero. Effective July 1, 2011, the textbook set-aside is no longer required and has been removed from existing law. This negative balance is therefore not being presented as being carried forward to the future fiscal year. Although the District had qualifying disbursements and offsets during the fiscal year that reduced the set-aside amount to below zero for the capital improvements set-aside, this amount may not be used to reduce the set-aside requirement for future fiscal years. The negative balance is therefore not presented as being carried forward to future fiscal years.

During fiscal year 2011, the District issued \$26,680,000 in capital related school improvement bonds. These proceeds may be used to reduce the capital improvements set-aside amount to below zero for future years. The amount presented for prior year offset from bond proceeds is limited to an amount needed to reduce the capital improvements set-aside balance to \$0. The District is responsible for tracking the amount of bond proceeds that may be used as an offset in future periods, which was \$26,680,000 at June 30, 2011.

In addition to the above statutory set-asides, the District also has \$71,058 restricted for school bus purchases.

NOTE 17 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 166,501
Classroom facilities	1,729,221
Other governmental	<u>110,405</u>
 Total	 <u>\$ 2,006,127</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 18 - FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund balance	General	Bond Retirement	Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Materials and supplies inventory	\$ -	\$ -	\$ -	\$ 34,390	\$ 34,390
Prepays	<u>35,538</u>	-	-	-	<u>35,538</u>
Total nonspendable	<u>35,538</u>	-	-	<u>34,390</u>	<u>69,928</u>
Restricted:					
Debt service	-	1,578,608	-	-	1,578,608
Capital improvements	-	-	32,390,290	4,505	32,394,795
Classroom facilities maintenance	-	-	-	204,446	204,446
Food service operations	-	-	-	817,227	817,227
Non-public schools	-	-	-	32,084	32,084
Special education	-	-	-	82,961	82,961
Extracurricular	-	-	-	123,458	123,458
Targeted academic assistance	-	-	-	21,799	21,799
School bus purchases	71,058	-	-	-	71,058
Other purposes	-	-	-	435,387	435,387
Total restricted	<u>71,058</u>	<u>1,578,608</u>	<u>32,390,290</u>	<u>1,721,867</u>	<u>35,761,823</u>
Committed:					
Capital improvements	-	-	-	451,379	451,379
Extracurricular	-	-	-	28,038	28,038
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>479,417</u>	<u>479,417</u>
Assigned:					
Student instruction	16,158	-	-	-	16,158
Student and staff support	279,915	-	-	-	279,915
Early retirement incentive	80,000	-	-	-	80,000
Other purposes	81,443	-	-	-	81,443
Total assigned	<u>457,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>457,516</u>
Unassigned (deficit)	<u>82,512</u>	<u>-</u>	<u>-</u>	<u>(3,510)</u>	<u>79,002</u>
Total fund balances	<u>\$ 646,624</u>	<u>\$ 1,578,608</u>	<u>\$ 32,390,290</u>	<u>\$ 2,232,164</u>	<u>\$ 36,847,686</u>

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

MAJOR GOVERNMENTAL FUND

General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio. A budgetary statement for the general fund is presented as part of the basic financial statements. The level of detail presented in that statement is greater than the legal level of budgetary control; therefore, a separate additional schedule is not presented.

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

Public School Support

Section 5705.12, Revised Code

To account for specific local revenue sources (other than taxes) generated by individual school buildings (e.g. sale of pictures, profits from vending machines, etc.) Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular

CCIP

Section 5705.09, Revised Code

A fund used to account for the District's activities relating to the Comprehensive Continuous Improvement Plan and grant administration. The sole revenue source of this fund is transfers from the general fund.

Miscellaneous General Fund

Section 5705.12, Revised Code

A fund used to account for miscellaneous programs, such as independent study and various other instructional programs funded by fees.

HRA Payment

Section 5705.09, Revised Code

To account for resources set-aside for payment of the early retirement incentive to recipient's Health Reimbursement Accounts. This fund's revenue source is transfers from the general fund.

OTHER MAJOR GOVERNMENTAL FUNDS

Bond Retirement

Section 5705.09, Revised Code

The bond retirement debt service fund is used to account for the accumulation of resources for and the payment of general obligation bond principal and interest and certain other long-term obligations for governmental resources when the District is obligated in some manner for the payment.

Classroom Facilities

Sections 3318.080 and 3318.15, Revised Code

The classroom facilities capital projects fund is used to account for monies received and expended in connection with contracts entered into by the District and the Ohio School Facilities Commission (OSFC) for the building and equipping of classroom facilities.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Public School Support				
Total revenues and other sources	\$ 268,260	\$ 260,813	\$ 263,473	\$ 2,660
Total expenditures and other uses	<u>276,166</u>	<u>304,343</u>	<u>303,098</u>	<u>1,245</u>
Net change in fund balance	(7,906)	(43,530)	(39,625)	3,905
Fund balance at beginning of year.	164,906	164,906	164,906	-
Prior year encumbrances appropriated.	<u>8,758</u>	<u>8,758</u>	<u>8,758</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 165,758</u></u>	<u><u>\$ 130,134</u></u>	<u><u>\$ 134,039</u></u>	<u><u>\$ 3,905</u></u>
CCIP				
Total revenues and other sources	\$ -	\$ 60,000	\$ 60,000	\$ -
Net change in fund balance	-	60,000	60,000	-
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 60,000</u></u>	<u><u>\$ 60,000</u></u>	<u><u>\$ -</u></u>
Miscellaneous General Fund				
Total revenues and other sources	\$ 5,081	\$ 26,764	\$ 26,899	\$ 135
Total expenditures and other uses	<u>1,000</u>	<u>28,941</u>	<u>28,810</u>	<u>131</u>
Net change in fund balance	4,081	(2,177)	(1,911)	266
Fund balance at beginning of year.	<u>18,004</u>	<u>18,004</u>	<u>18,004</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 22,085</u></u>	<u><u>\$ 15,827</u></u>	<u><u>\$ 16,093</u></u>	<u><u>\$ 266</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
HRA Payment				
Total expenditures and other uses	\$ 96,000	\$ 96,000	\$ 96,000	\$ -
Net change in fund balance	(96,000)	(96,000)	(96,000)	-
Fund balance at beginning of year.	<u>224,000</u>	<u>224,000</u>	<u>224,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ 128,000</u>	<u>\$ 128,000</u>	<u>\$ 128,000</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Bond Retirement				
Total revenues and other sources	\$ 1,690,712	\$ 30,331,727	\$ 30,331,727	\$ -
Total expenditures and other uses	<u>1,718,501</u>	<u>29,902,941</u>	<u>29,902,941</u>	<u>-</u>
Net change in fund balance	(27,789)	428,786	428,786	-
Fund balance at beginning of year.	<u>1,149,822</u>	<u>1,149,822</u>	<u>1,149,822</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 1,122,033</u></u>	<u><u>\$ 1,578,608</u></u>	<u><u>\$ 1,578,608</u></u>	<u><u>\$ -</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Classroom Facilities				
Total revenues and other sources	\$ 26,732,099	\$ 33,746,742	\$ 33,761,564	\$ 14,822
Total expenditures and other uses	<u>72,028</u>	<u>3,190,778</u>	<u>3,157,263</u>	<u>33,515</u>
Net change in fund balance	26,660,071	30,555,964	30,604,301	48,337
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 26,660,071</u></u>	<u><u>\$ 30,555,964</u></u>	<u><u>\$ 30,604,301</u></u>	<u><u>\$ 48,337</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. A description of the District's special revenue funds follows:

Food Service Section 3313.81, Revised Code

A fund used to record financial transactions related to food service operations.

Other Grants Section 5705.09, Revised Code

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.

Miscellaneous Grants Section 5705.12, Revised Code

A fund provided to account for the proceeds of specific local revenue sources, except for State and federal grants that are legally restricted for specified purposes. This fund is used to account for the District's DARE and Channel 19 programs.

Classroom Facilities Maintenance Section 3318.06, Revised Code

A fund used to account for the proceeds of a levy for the maintenance of facilities.

District Managed Student Activity Section 3313.062, Revised Code

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

Auxiliary Services Current Budget Bill appropriation line item 200-511 and 200-532

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

Education Management Information Systems Current Budget Bill appropriation line item 200-446

A fund used to account for funds associated with the State-wide requirements of the Education Management System (EMIS).

OneNet Subsidy Current Budget Bill appropriation line item 200-426

A fund provided to account for money appropriated for Ohio Educational Computer Network Connections.

Alternative School Grant Current Budget Bill appropriation line item 200-421

A fund used to account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services facility.

Education Jobs Catalog of Federal Domestic Assistance #84.410

A fund used to account for a federal program that provides assistance to save or create education jobs.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

Nonmajor Special Revenue Funds - (Continued)

Title VI-B Catalog of Federal Domestic Assistance #84.027

To account for federal monies which assist states in the identification of handicapped children, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Education Stabilization Catalog of Federal Domestic Assistance #84.394

To support and restore State funding for elementary, secondary, post-secondary education and, as applicable, early childhood programs.

Title II-D Catalog of Federal Domestic Assistance #84.386

To improve State academic achievement through technology in schools; to assist students in becoming technologically literate by the end of the eighth grade, and; to encourage effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

Title I Catalog of Federal Domestic Assistance #84.010

To account for funds which are to: 1) establish or improve programs designed to meet the special educational need of migratory children of migratory agricultural workers or migratory fishers' and 2) enable State education agencies to coordinate their state migrant education programs and local projects with similar programs and projects in other states, including the transfer of school records of other information about migratory children.

Title VI Catalog of Federal Domestic Assistance #84.298

To account for funds which consolidate various programs into a single authorization of grants to State for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the State and local agencies.

Drug-Free School Grant Catalog of Federal Domestic Assistance #84.186

To provide funds to local educational agencies and consortia of these agencies to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

Improving Teacher Quality Catalog of Federal Domestic Assistance #84.367

A fund used to account for monies to hire additional classroom teachers in grades one through three so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Catalog of Federal Domestic Assistance #84 and #94

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant and be approved by the Auditor of State.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or trust funds. During fiscal year 2011, the District had three nonmajor capital projects funds. A description of the District's capital projects funds follows:

Permanent Improvement

Section 5705.12, Revised Code

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

Building

Section 5705.09, Revised Code

This fund is used to account for monies received and expended in connection with the renovation and construction of District buildings.

Capital Projects - H.B. 426

Section 5705.13, Revised Code

A fund used to accumulate money for one or more capital projects.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and cash equivalents.	\$ 1,930,696	\$ 715,884	\$ 2,646,580
Receivables:			
Taxes	160,822	-	160,822
Intergovernmental	1,424,107	-	1,424,107
Materials and supplies inventory	34,390	-	34,390
Total assets.	\$ 3,550,015	\$ 715,884	\$ 4,265,899
Liabilities:			
Accounts payable.	\$ 14,519	\$ -	\$ 14,519
Accrued wages and benefits	405,351	-	405,351
Compensated absences payable	4,763	-	4,763
Pension obligation payable.	67,143	-	67,143
Intergovernmental payable.	13,793	-	13,793
Deposits payable.	-	260,000	260,000
Deferred revenue.	1,138,146	-	1,138,146
Unearned revenue.	130,020	-	130,020
Total liabilities.	1,773,735	260,000	2,033,735
Fund balances:			
Nonspendable:			
Materials and supplies inventory.	34,390	-	34,390
Restricted:			
Capital improvements.	-	4,505	4,505
Classroom facilities maintenance.	204,446	-	204,446
Food service operations.	817,227	-	817,227
Non-public schools.	32,084	-	32,084
Special education.	82,961	-	82,961
Targeted academic assistance.	21,799	-	21,799
Extracurricular.	123,458	-	123,458
Other purposes.	435,387	-	435,387
Committed:			
Capital improvements.	-	451,379	451,379
Extracurricular.	28,038	-	28,038
Unassigned (deficit).	(3,510)	-	(3,510)
Total fund balances.	1,776,280	455,884	2,232,164
Total liabilities and fund balances	\$ 3,550,015	\$ 715,884	\$ 4,265,899

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
From local sources:			
Taxes	\$ 130,758	\$ -	\$ 130,758
Earnings on investments	2,128	-	2,128
Charges for services	804,368	-	804,368
Extracurricular	350,571	-	350,571
Classroom materials and fees	567	-	567
Other local revenue	80,847	-	80,847
Intergovernmental - Intermediate	16,309	-	16,309
Intergovernmental - State	285,768	-	285,768
Intergovernmental - Federal	5,705,540	-	5,705,540
Total revenues	7,376,856	-	7,376,856
Expenditures:			
Current:			
Instruction:			
Regular	94,905	-	94,905
Special	1,619,243	-	1,619,243
Other	70,516	-	70,516
Support services:			
Pupil	125,495	-	125,495
Instructional staff	435,104	-	435,104
Administration	1,649,977	-	1,649,977
Fiscal	4,279	-	4,279
Pupil transportation	48,691	-	48,691
Operation of non-instructional services:			
Food service operations	1,874,849	-	1,874,849
Other non-instructional services	153,185	-	153,185
Extracurricular activities	358,178	-	358,178
Facilities acquisition and construction	-	161,840	161,840
Total expenditures	6,434,422	161,840	6,596,262
Excess (deficiency) of revenues over (under) expenditures	942,434	(161,840)	780,594
Other financing sources:			
Transfers in	96,538	500,000	596,538
Net change in fund balances	1,038,972	338,160	1,377,132
Fund balances at			
beginning of year (restated)	728,766	117,724	846,490
Increase in reserve for inventory	8,542	-	8,542
Fund balances at end of year	\$ 1,776,280	\$ 455,884	\$ 2,232,164

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011

	<u>Food Service</u>	<u>Other Grants</u>	<u>Miscellaneous Grants</u>	<u>Classroom Facilities Maintenance</u>
Assets:				
Equity in pooled cash and cash equivalents. . . .	\$ 1,021,390	\$ 52,039	\$ 28,520	\$ 204,446
Receivables:				
Taxes.	-	-	-	160,822
Intergovernmental	-	-	-	-
Materials and supplies inventory	34,390	-	-	-
Total assets.	<u>\$ 1,055,780</u>	<u>\$ 52,039</u>	<u>\$ 28,520</u>	<u>\$ 365,268</u>
Liabilities:				
Accounts payable	\$ 1,152	\$ -	\$ -	\$ -
Accrued wages and benefits	129,532	1,174	470	-
Compensated absences payable	4,763	-	-	-
Pension obligation payable.	62,102	1,754	-	-
Intergovernmental payable	6,614	96	12	-
Deferred revenue	-	-	-	30,802
Unearned revenue.	-	-	-	130,020
Total liabilities.	<u>204,163</u>	<u>3,024</u>	<u>482</u>	<u>160,822</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory.	34,390	-	-	-
Restricted:				
Classroom facilities maintenance.	-	-	-	204,446
Food service operations.	817,227	-	-	-
Non-public schools.	-	-	-	-
Special education.	-	-	-	-
Targeted academic assistance.	-	-	-	-
Extracurricular.	-	-	-	-
Other purposes.	-	49,015	-	-
Committed:				
Extracurricular.	-	-	28,038	-
Unassigned (deficit).	-	-	-	-
Total fund balances (deficits)	<u>851,617</u>	<u>49,015</u>	<u>28,038</u>	<u>204,446</u>
Total liabilities and fund balances.	<u>\$ 1,055,780</u>	<u>\$ 52,039</u>	<u>\$ 28,520</u>	<u>\$ 365,268</u>

District Managed Student Activity	Auxiliary Services	Education Management Information Systems	Alternative School Grant	Education Jobs	Title VI-B
\$ 124,557	\$ 33,459	\$ -	\$ 649	\$ -	\$ 39,808
-	-	-	-	-	-
-	-	-	-	1,062,474	212,980
-	-	-	-	-	-
<u>\$ 124,557</u>	<u>\$ 33,459</u>	<u>\$ -</u>	<u>\$ 649</u>	<u>\$ 1,062,474</u>	<u>\$ 252,788</u>
\$ 1,099	\$ -	\$ -	\$ -	\$ -	\$ -
-	516	3,013	-	-	148,602
-	-	-	-	-	-
-	-	422	-	-	2,865
-	859	75	-	-	3,490
-	-	-	-	1,062,474	14,870
-	-	-	-	-	-
<u>1,099</u>	<u>1,375</u>	<u>3,510</u>	<u>-</u>	<u>1,062,474</u>	<u>169,827</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	32,084	-	-	-	-
-	-	-	-	-	82,961
-	-	-	-	-	-
123,458	-	-	-	-	-
-	-	-	649	-	-
-	-	-	-	-	-
-	-	(3,510)	-	-	-
<u>123,458</u>	<u>32,084</u>	<u>(3,510)</u>	<u>649</u>	<u>-</u>	<u>82,961</u>
<u>\$ 124,557</u>	<u>\$ 33,459</u>	<u>\$ -</u>	<u>\$ 649</u>	<u>\$ 1,062,474</u>	<u>\$ 252,788</u>

- - Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2011

	<u>Title II-D</u>	<u>Title I</u>	<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 103	\$ 18,468	\$ 7,741	\$ 399,516
Receivables:				
Taxes.	-	-	-	-
Intergovernmental	-	92,564	26,089	30,000
Materials and supplies inventory	-	-	-	-
Total assets.	<u>\$ 103</u>	<u>\$ 111,032</u>	<u>\$ 33,830</u>	<u>\$ 429,516</u>
Liabilities:				
Accounts payable.	\$ -	\$ 101	\$ -	\$ 12,167
Accrued wages and benefits	-	89,989	30,367	1,688
Compensated absences payable	-	-	-	-
Pension obligation payable.	-	-	-	-
Intergovernmental payable	-	2,029	577	41
Deferred revenue.	-	-	-	30,000
Unearned revenue.	-	-	-	-
Total liabilities.	<u>-</u>	<u>92,119</u>	<u>30,944</u>	<u>43,896</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory.	-	-	-	-
Restricted:				
Classroom facilities maintenance.	-	-	-	-
Food service operations.	-	-	-	-
Non-public schools.	-	-	-	-
Special education.	-	-	-	-
Targeted academic assistance.	-	18,913	2,886	-
Extracurricular.	-	-	-	-
Other purposes.	103	-	-	385,620
Committed:				
Extracurricular.	-	-	-	-
Unassigned (deficit).	-	-	-	-
Total fund balances (deficits)	<u>103</u>	<u>18,913</u>	<u>2,886</u>	<u>385,620</u>
Total liabilities and fund balances.	<u>\$ 103</u>	<u>\$ 111,032</u>	<u>\$ 33,830</u>	<u>\$ 429,516</u>

**Total
Nonmajor
Special Revenue
Funds**

\$ 1,930,696

160,822

1,424,107

34,390

\$ 3,550,015

\$ 14,519

405,351

4,763

67,143

13,793

1,138,146

130,020

1,773,735

34,390

204,446

817,227

32,084

82,961

21,799

123,458

435,387

28,038

(3,510)

1,776,280

\$ 3,550,015

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Food Service	Other Grants	Miscellaneous Grants	Classroom Facilities Maintenance
Revenues:				
From local sources:				
Taxes	\$ -	\$ -	\$ -	\$ 130,758
Earnings on investments	1,947	-	-	-
Charges for services	804,368	-	-	-
Extracurricular	-	-	-	-
Classroom materials and fees	-	-	-	-
Other local revenues	-	9,847	22,992	-
Intergovernmental - Intermediate	-	16,309	-	-
Intergovernmental - State	23,697	-	-	73,817
Intergovernmental - Federal	1,123,520	-	-	-
Total revenues	1,953,532	26,156	22,992	204,575
Expenditures:				
Current:				
Instruction:				
Regular	-	40,377	-	-
Special	-	-	-	-
Other	-	-	-	-
Support services:				
Pupil	-	24,920	5,271	-
Instructional staff	-	-	23,004	-
Administration	-	2,956	-	-
Fiscal	-	645	-	129
Pupil transportation	-	84	-	-
Operation of non-instructional services:				
Food service operations	1,874,849	-	-	-
Other non-instructional services	-	-	-	-
Extracurricular activities	-	-	-	-
Total expenditures	1,874,849	68,982	28,275	129
Excess (deficiency) of revenues over (under) expenditures	78,683	(42,826)	(5,283)	204,446
Other financing sources:				
Transfers in	-	5,000	-	-
Net change in fund balances	78,683	(37,826)	(5,283)	204,446
Fund balances (deficits)				
at beginning of year (restated)	764,392	86,841	33,321	-
Increase in reserve for inventory	8,542	-	-	-
Fund balances (deficits) at end of year . . .	\$ 851,617	\$ 49,015	\$ 28,038	\$ 204,446

District Managed Student Activity	Auxiliary Services	Education Management Information Systems	OneNet Subsidy	Alternative School Grant	Title VI-B
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
87	94	-	-	-	-
-	-	-	-	-	-
350,571	-	-	-	-	-
567	-	-	-	-	-
48,008	-	-	-	-	-
-	-	-	-	-	-
-	125,695	5,000	15,925	41,634	-
-	-	-	-	-	1,573,709
<u>399,233</u>	<u>125,789</u>	<u>5,000</u>	<u>15,925</u>	<u>41,634</u>	<u>1,573,709</u>
1,936	-	-	-	13,395	-
-	-	-	-	-	873,040
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	15,925	-	223,540
-	-	58,497	-	27,310	122,057
-	-	-	-	-	-
42,347	-	-	-	-	6,260
-	-	-	-	-	-
-	110,842	-	-	-	27,320
<u>358,178</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>402,461</u>	<u>110,842</u>	<u>58,497</u>	<u>15,925</u>	<u>40,705</u>	<u>1,252,217</u>
<u>(3,228)</u>	<u>14,947</u>	<u>(53,497)</u>	<u>-</u>	<u>929</u>	<u>321,492</u>
<u>38,901</u>	<u>-</u>	<u>52,637</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>35,673</u>	<u>14,947</u>	<u>(860)</u>	<u>-</u>	<u>929</u>	<u>321,492</u>
<u>87,785</u>	<u>17,137</u>	<u>(2,650)</u>	<u>-</u>	<u>(280)</u>	<u>(238,531)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 123,458</u>	<u>\$ 32,084</u>	<u>\$ (3,510)</u>	<u>\$ -</u>	<u>\$ 649</u>	<u>\$ 82,961</u>

-- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Education Stabilization</u>	<u>Title II-D</u>	<u>Title I</u>	<u>Drug-Free School Grant</u>
Revenues:				
From local sources:				
Taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Charges for services	-	-	-	-
Extracurricular	-	-	-	-
Classroom materials and fees	-	-	-	-
Other local revenues	-	-	-	-
Intergovernmental - Intermediate	-	-	-	-
Intergovernmental - State	-	-	-	-
Intergovernmental - Federal	1,489,653	2,511	948,614	-
Total revenues	<u>1,489,653</u>	<u>2,511</u>	<u>948,614</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	157
Special	-	-	746,203	-
Other	70,516	-	-	-
Support services:				
Pupil	-	-	11,801	-
Instructional staff	-	2,408	14,751	-
Administration	1,361,111	-	10,298	-
Fiscal	-	-	3,505	-
Pupil transportation	-	-	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services	-	-	15,023	-
Extracurricular activities	-	-	-	-
Total expenditures	<u>1,431,627</u>	<u>2,408</u>	<u>801,581</u>	<u>157</u>
Excess (deficiency) of revenues over (under) expenditures	<u>58,026</u>	<u>103</u>	<u>147,033</u>	<u>(157)</u>
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	<u>58,026</u>	<u>103</u>	<u>147,033</u>	<u>(157)</u>
Fund balances (deficits) at beginning of year	<u>(58,026)</u>	<u>-</u>	<u>(128,120)</u>	<u>157</u>
Increase in reserve for inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits) at end of year . . .	<u>\$ -</u>	<u>\$ 103</u>	<u>\$ 18,913</u>	<u>\$ -</u>

<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ 130,758
-	-	2,128
-	-	804,368
-	-	350,571
-	-	567
-	-	80,847
-	-	16,309
-	-	285,768
<u>205,998</u>	<u>361,535</u>	<u>5,705,540</u>
<u>205,998</u>	<u>361,535</u>	<u>7,376,856</u>
39,040	-	94,905
-	-	1,619,243
-	-	70,516
-	83,503	125,495
155,476	-	435,104
-	67,748	1,649,977
-	-	4,279
-	-	48,691
-	-	1,874,849
-	-	153,185
-	-	358,178
<u>194,516</u>	<u>151,251</u>	<u>6,434,422</u>
<u>11,482</u>	<u>210,284</u>	<u>942,434</u>
-	-	96,538
11,482	210,284	1,038,972
(8,596)	175,336	728,766
-	-	8,542
<u>\$ 2,886</u>	<u>\$ 385,620</u>	<u>\$ 1,776,280</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Food Service				
Total revenues and other sources	\$ 1,769,500	\$ 2,058,253	\$ 2,034,474	\$ (23,779)
Total expenditures and other uses	<u>1,746,495</u>	<u>1,838,860</u>	<u>1,807,384</u>	<u>31,476</u>
Net change in fund balance	23,005	219,393	227,090	7,697
Fund balance at beginning of year.	<u>785,030</u>	<u>785,030</u>	<u>785,030</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 808,035</u></u>	<u><u>\$ 1,004,423</u></u>	<u><u>\$ 1,012,120</u></u>	<u><u>\$ 7,697</u></u>
Other Grants				
Total revenues and other sources	\$ 25,909	\$ 53,259	\$ 51,156	\$ (2,103)
Total expenditures and other uses	<u>80,831</u>	<u>96,667</u>	<u>89,882</u>	<u>6,785</u>
Net change in fund balance	(54,922)	(43,408)	(38,726)	4,682
Fund balance at beginning of year.	90,541	90,541	90,541	-
Prior year encumbrances appropriated.	<u>158</u>	<u>158</u>	<u>158</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 35,777</u></u>	<u><u>\$ 47,291</u></u>	<u><u>\$ 51,973</u></u>	<u><u>\$ 4,682</u></u>
Miscellaneous Grants				
Total revenues and other sources	\$ 10,000	\$ 23,625	\$ 23,432	\$ (193)
Total expenditures and other uses	<u>10,150</u>	<u>30,622</u>	<u>30,558</u>	<u>64</u>
Net change in fund balance	(150)	(6,997)	(7,126)	(129)
Fund balance at beginning of year.	35,496	35,496	35,496	-
Prior year encumbrances appropriated.	<u>150</u>	<u>150</u>	<u>150</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 35,496</u></u>	<u><u>\$ 28,649</u></u>	<u><u>\$ 28,520</u></u>	<u><u>\$ (129)</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Classroom Facilities Maintenance				
Total revenues and other sources	\$ -	\$ 204,575	\$ 204,575	\$ -
Total expenditures and other uses	<u>-</u>	<u>129</u>	<u>129</u>	<u>-</u>
Net change in fund balance	-	204,446	204,446	-
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 204,446</u>	<u>\$ 204,446</u>	<u>\$ -</u>
District Managed Student Activity				
Total revenues and other sources	\$ 431,544	\$ 437,748	\$ 438,649	\$ 901
Total expenditures and other uses	<u>414,815</u>	<u>444,737</u>	<u>432,681</u>	<u>12,056</u>
Net change in fund balance	16,729	(6,989)	5,968	12,957
Fund balance at beginning of year.	86,937	86,937	86,937	-
Prior year encumbrances appropriated.	<u>677</u>	<u>677</u>	<u>677</u>	<u>-</u>
Fund balance at end of year	<u>\$ 104,343</u>	<u>\$ 80,625</u>	<u>\$ 93,582</u>	<u>\$ 12,957</u>
Auxiliary Services				
Total revenues and other sources	\$ 162,530	\$ 140,171	\$ 140,217	\$ 46
Total expenditures and other uses	<u>148,773</u>	<u>148,887</u>	<u>148,887</u>	<u>-</u>
Net change in fund balance	13,757	(8,716)	(8,670)	46
Fund balance at beginning of year.	7,906	7,906	7,906	-
Prior year encumbrances appropriated.	<u>773</u>	<u>773</u>	<u>773</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 22,436</u>	<u>\$ (37)</u>	<u>\$ 9</u>	<u>\$ 46</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Education Management Information Systems				
Total revenues and other sources	\$ 84,300	\$ 57,637	\$ 57,637	\$ -
Total expenditures and other uses	<u>-</u>	<u>57,637</u>	<u>57,637</u>	<u>-</u>
Net change in fund balance	84,300	-	-	-
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 84,300</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
OneNet Subsidy				
Total revenues and other sources	\$ -	\$ 15,925	\$ 15,925	\$ -
Total expenditures and other uses	<u>-</u>	<u>15,925</u>	<u>15,925</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Alternative School Grant				
Total revenues and other sources	\$ 37,171	\$ 41,634	\$ 41,634	\$ -
Total expenditures and other uses	<u>40,280</u>	<u>44,743</u>	<u>44,743</u>	<u>-</u>
Net change in fund balance	(3,109)	(3,109)	(3,109)	-
Fund balance at beginning of year.	-	-	-	-
Prior year encumbrances appropriated.	<u>3,109</u>	<u>3,109</u>	<u>3,109</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Title VI-B				
Total revenues and other sources	\$ 1,019,905	\$ 1,211,422	\$ 1,211,422	\$ -
Total expenditures and other uses	<u>1,951,764</u>	<u>1,429,848</u>	<u>1,414,644</u>	<u>15,204</u>
Net change in fund balance	(931,859)	(218,426)	(203,222)	15,204
Fund balance at beginning of year.	150,666	150,666	150,666	-
Prior year encumbrances appropriated.	<u>70,140</u>	<u>70,140</u>	<u>70,140</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (711,053)</u>	<u>\$ 2,380</u>	<u>\$ 17,584</u>	<u>\$ 15,204</u>
Education Stabilization				
Total revenues and other sources	\$ 1,321,010	\$ 1,489,653	\$ 1,489,653	\$ -
Total expenditures and other uses	<u>1,248,551</u>	<u>1,489,653</u>	<u>1,489,653</u>	<u>-</u>
Net change in fund balance	72,459	-	-	-
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 72,459</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Title II-D Technology				
Total revenues and other sources	\$ 2,587	\$ 2,587	\$ 2,511	\$ (76)
Total expenditures and other uses	<u>2,587</u>	<u>2,511</u>	<u>2,511</u>	<u>-</u>
Net change in fund balance	-	76	-	(76)
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 76</u>	<u>\$ -</u>	<u>\$ (76)</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Title I				
Total revenues and other sources	\$ 844,035	\$ 698,825	\$ 698,825	\$ -
Total expenditures and other uses	<u>965,603</u>	<u>818,249</u>	<u>807,996</u>	<u>10,253</u>
Net change in fund balance	(121,568)	(119,424)	(109,171)	10,253
Fund balance at beginning of year.	119,673	119,673	119,673	-
Prior year encumbrances appropriated.	<u>1,895</u>	<u>1,895</u>	<u>1,895</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 2,144</u>	<u>\$ 12,397</u>	<u>\$ 10,253</u>
Drug-Free School Grant				
Total expenditures and other uses	<u>\$ 235</u>	<u>\$ 235</u>	<u>\$ 235</u>	<u>\$ -</u>
Net change in fund balance	(235)	(235)	(235)	-
Fund balance at beginning of year.	-	-	-	-
Prior year encumbrances appropriated.	<u>235</u>	<u>235</u>	<u>235</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Improving Teacher Quality				
Total revenues and other sources	\$ 217,014	\$ 190,956	\$ 190,956	\$ -
Total expenditures and other uses	<u>228,061</u>	<u>202,003</u>	<u>194,262</u>	<u>7,741</u>
Net change in fund balance	(11,047)	(11,047)	(3,306)	7,741
Fund deficit at beginning of year.	(16,703)	(16,703)	(16,703)	-
Prior year encumbrances appropriated.	<u>27,750</u>	<u>27,750</u>	<u>27,750</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,741</u>	<u>\$ 7,741</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Miscellaneous Federal Grants				
Total revenues and other sources	\$ 45,000	\$ 391,535	\$ 361,535	\$ (30,000)
Total expenditures and other uses	<u>30,922</u>	<u>305,972</u>	<u>171,629</u>	<u>134,343</u>
Net change in fund balance	14,078	85,563	189,906	104,343
Fund balance at beginning of year.	201,515	201,515	201,515	-
Prior year encumbrances appropriated.	<u>560</u>	<u>560</u>	<u>560</u>	<u>-</u>
Fund balance at end of year	<u>\$ 216,153</u>	<u>\$ 287,638</u>	<u>\$ 391,981</u>	<u>\$ 104,343</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2011

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Projects- H.B. 426</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 260,000	\$ 4,505	\$ 451,379	\$ 715,884
Total assets.	<u>\$ 260,000</u>	<u>\$ 4,505</u>	<u>\$ 451,379</u>	<u>\$ 715,884</u>
Liabilities:				
Deposits payable.	\$ 260,000	\$ -	\$ -	\$ 260,000
Total liabilities	<u>260,000</u>	<u>-</u>	<u>-</u>	<u>260,000</u>
Fund balances:				
Restricted:				
Capital improvements.	-	4,505	-	4,505
Committed:				
Capital improvements.	-	-	451,379	451,379
Total fund balances	<u>-</u>	<u>4,505</u>	<u>451,379</u>	<u>455,884</u>
Total liabilities and fund balances	<u>\$ 260,000</u>	<u>\$ 4,505</u>	<u>\$ 451,379</u>	<u>\$ 715,884</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Building	Capital Projects- H.B. 426	Total Nonmajor Capital Projects Funds
Expenditures:			
Facilities acquisition and construction.	\$ 840	\$ 161,000	\$ 161,840
Excess of expenditures over revenues.	(840)	(161,000)	(161,840)
Other financing sources:			
Transfers in.	-	500,000	500,000
Net change in fund balances	(840)	339,000	338,160
Fund balances			
at beginning of year.	5,345	112,379	117,724
Fund balances at end of year	\$ 4,505	\$ 451,379	\$ 455,884

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Permanent Improvement				
Fund balance at beginning of year.	\$ 260,000	\$ 260,000	\$ 260,000	\$ -
Fund balance at end of year	<u>\$ 260,000</u>	<u>\$ 260,000</u>	<u>\$ 260,000</u>	<u>\$ -</u>
Building				
Total expenditures and other uses	\$ 840	\$ 840	\$ 840	\$ -
Net change in fund balance	(840)	(840)	(840)	-
Fund balance at beginning of year.	4,505	4,505	4,505	-
Prior year encumbrances appropriated.	<u>840</u>	<u>840</u>	<u>840</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,505</u>	<u>\$ 4,505</u>	<u>\$ 4,505</u>	<u>\$ -</u>
Capital Projects H.B. 426				
Total revenues and other sources	\$ -	\$ 501,000	\$ 501,000	\$ -
Total expenditures and other uses	<u>-</u>	<u>162,000</u>	<u>162,000</u>	<u>-</u>
Net change in fund balance	-	339,000	339,000	-
Fund balance at beginning of year.	<u>112,379</u>	<u>112,379</u>	<u>112,379</u>	<u>-</u>
Fund balance at end of year	<u>\$ 112,379</u>	<u>\$ 451,379</u>	<u>\$ 451,379</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

PROPRIETARY FUND DESCRIPTIONS

Nonmajor Enterprise Fund

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and indirect costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered quickly through user charges. This fund can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Special Enterprise

Section 5705.12, Revised Code

A fund to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and direct costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered primarily through user charges. This fund can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. This fund accounts for the programs of the community center and summer school. The District maintains only one enterprise fund, therefore combining statements schedules are not required.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Special Enterprise				
Total revenues	\$ 70,000	\$ 70,373	\$ 70,915	\$ 542
Total expenses	<u>89,145</u>	<u>92,825</u>	<u>83,662</u>	<u>9,163</u>
Net change in fund balance	(19,145)	(22,452)	(12,747)	9,705
Fund balance at beginning of year.	50,120	50,120	50,120	-
Prior year encumbrances appropriated.	<u>21</u>	<u>21</u>	<u>21</u>	<u>-</u>
Fund balance at end of year	<u>\$ 30,996</u>	<u>\$ 27,689</u>	<u>\$ 37,394</u>	<u>\$ 9,705</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

FIDUCIARY FUND DESCRIPTIONS

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into two classifications: private purpose trust and agency funds. Private purpose trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results

Private Purpose Trust Fund

Scholarship Trust

Section 5705.09, Revised Code

A fund provided to account for monies set aside from endowments for scholarships for students enrolled in the District. The principal and income from such a fund may be expended.

Agency Fund

Student Managed Activity

Section 3313.062, Revised Code

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.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Beginning Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2011</u>
Student Managed Activity				
Assets:				
Equity in pooled cash and cash equivalents	\$ 41,592	\$ 193,865	\$ 179,980	\$ 55,477
Receivables				
Accounts	-	46	-	46
Total assets	<u>\$ 41,592</u>	<u>\$ 193,911</u>	<u>\$ 179,980</u>	<u>\$ 55,523</u>
Liabilities:				
Accounts payable	\$ 1,080	\$ 3,484	\$ 1,080	\$ 3,484
Due to students	40,512	190,427	178,900	52,039
Total liabilities.	<u>\$ 41,592</u>	<u>\$ 193,911</u>	<u>\$ 179,980</u>	<u>\$ 55,523</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Scholarship Trust				
Total revenues	\$ 8,813	\$ 13,324	\$ 13,339	\$ 15
Total expenses	<u>10,800</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
Net change in fund balance	(1,987)	(676)	(661)	15
Fund balance at beginning of year.	<u>59,800</u>	<u>59,800</u>	<u>59,800</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 57,813</u></u>	<u><u>\$ 59,124</u></u>	<u><u>\$ 59,139</u></u>	<u><u>\$ 15</u></u>

THIS PAGE IS INTENTIONALLY LEFT BLANK

STATISTICAL SECTION

THIS PAGE IS INTENTIONALLY LEFT BLANK

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	116-129
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	130-135
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	136-139
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	140-141
Operating Information These schedules contain service and infrastructure 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.	142-153

Sources: Sources are noted on the individual schedules. The District implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Governmental activities:				
Invested in capital assets, net of related debt	\$ 11,061,480	\$ 10,941,252	\$ 11,806,994	\$ 11,282,275
Restricted	26,787,374	2,710,737	2,557,821	3,813,377
Unrestricted (deficit)	627,175	(1,162,831)	(2,970,216)	(2,054,471)
Total governmental activities net assets	<u>38,476,029</u>	<u>12,489,158</u>	<u>11,394,599</u>	<u>13,041,181</u>
Business-type activities:				
Invested in capital assets, net of related debt	24,231	23,388	29,338	35,288
Unrestricted	24,409	43,559	67,232	44,718
Total governmental activities net assets	<u>48,640</u>	<u>66,947</u>	<u>96,570</u>	<u>80,006</u>
Primary government:				
Invested in capital assets, net of related debt	11,085,711	10,964,640	11,836,332	11,317,563
Restricted	26,787,374	2,710,737	2,557,821	3,813,377
Unrestricted (deficit)	651,584	(1,119,272)	(2,902,984)	(2,009,753)
Total net assets - primary government	<u>\$ 38,524,669</u>	<u>\$ 12,556,105</u>	<u>\$ 11,491,169</u>	<u>\$ 13,121,187</u>

Source: District financial records.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 8,932,483	\$ 5,585,792	\$ 5,710,633	\$ 6,086,260	\$ 6,071,299
5,207,218	3,190,536	2,290,794	1,650,834	1,414,949
(921,311)	(2,444,751)	(3,368,533)	(4,331,546)	(2,143,202)
<u>13,218,390</u>	<u>6,331,577</u>	<u>4,632,894</u>	<u>3,405,548</u>	<u>5,343,046</u>
41,238	45,878	21,436	14,163	16,342
45,743	73,944	96,700	90,601	95,671
<u>86,981</u>	<u>119,822</u>	<u>118,136</u>	<u>104,764</u>	<u>112,013</u>
8,973,721	5,631,670	5,732,069	6,100,423	6,087,641
5,207,218	3,190,536	2,290,794	1,650,834	1,414,949
(875,568)	(2,370,807)	(3,271,833)	(4,240,945)	(2,047,531)
<u>\$ 13,305,371</u>	<u>\$ 6,451,399</u>	<u>\$ 4,751,030</u>	<u>\$ 3,510,312</u>	<u>\$ 5,455,059</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenses:				
Governmental activities:				
Instruction:				
Regular	\$ 19,873,586	\$ 19,689,324	\$ 19,736,189	\$ 19,882,816
Special	5,880,047	5,945,781	5,370,879	5,098,781
Vocational	233,553	255,143	246,183	276,817
Adult/continuing	-	-	-	-
Other	1,788,380	1,851,855	1,589,751	1,504,870
Support services:				
Pupil	2,848,283	2,767,898	2,777,257	2,689,774
Instructional staff	1,466,491	1,963,838	1,531,181	1,729,794
Board of education	78,862	51,886	46,498	58,681
Administration	3,711,310	3,703,502	3,642,006	3,822,071
Fiscal	869,790	837,264	891,394	876,977
Business	51,035	3,772	6,214	56,189
Operations and maintenance	3,992,828	4,130,588	4,246,874	4,201,380
Pupil transportation	2,691,538	2,543,253	2,413,659	2,681,786
Central	7,278	337	557	47,782
Operation of non-instructional services:				
Food service operations	1,960,212	1,851,766	1,894,552	1,848,182
Other non-instructional services	158,420	337,536	216,103	400,251
Extracurricular activities	983,310	1,096,890	1,063,997	1,041,810
Interest and fiscal charges	2,621,249	1,218,649	1,245,703	1,234,668
Total governmental activities expenses	<u>49,216,172</u>	<u>48,249,282</u>	<u>46,918,997</u>	<u>47,452,629</u>
Business-type activities:				
Adult education	-	-	-	-
Special enterprise	89,222	98,683	55,044	67,122
Total business-type activities expenses	<u>89,222</u>	<u>98,683</u>	<u>55,044</u>	<u>67,122</u>
Total primary government expenses	<u>\$ 49,305,394</u>	<u>\$ 48,347,965</u>	<u>\$ 46,974,041</u>	<u>\$ 47,519,751</u>

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 19,786,687	\$ 20,211,422	\$ 20,398,344	\$ 20,229,285	\$ 20,013,091
5,086,712	4,677,768	4,628,169	4,280,083	3,427,735
297,227	231,132	294,317	273,806	274,729
-	31,691	-	-	-
1,772,787	1,220,107	939,960	772,412	30,668
2,727,291	2,541,249	2,551,070	2,597,157	2,507,098
1,366,564	1,123,499	1,256,735	1,231,504	1,212,462
65,160	52,807	55,047	49,234	30,302
3,417,313	3,492,015	3,254,773	3,171,693	3,086,963
856,985	846,012	876,394	867,719	829,807
54,720	4,519	2,856	5,350	5,375
4,231,309	4,044,331	3,845,458	3,758,630	4,354,610
2,277,807	2,319,760	2,429,465	2,368,397	2,118,437
-	2,282	1,599	1,335	231,582
1,464,605	1,727,412	1,452,914	1,678,327	1,609,800
386,883	300,405	326,313	299,133	299,304
1,045,737	996,301	1,013,794	1,013,635	1,027,243
1,246,393	1,258,858	1,285,299	370,444	11,640
<u>46,084,180</u>	<u>45,081,570</u>	<u>44,612,507</u>	<u>42,968,144</u>	<u>41,070,846</u>
-	-	11,463	13,543	9,589
<u>82,973</u>	<u>51,381</u>	<u>39,904</u>	<u>50,231</u>	<u>40,677</u>
<u>82,973</u>	<u>51,381</u>	<u>51,367</u>	<u>63,774</u>	<u>50,266</u>
<u>\$ 46,167,153</u>	<u>\$ 45,132,951</u>	<u>\$ 44,663,874</u>	<u>\$ 43,031,918</u>	<u>\$ 41,121,112</u>

--Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 2,124,828	\$ 1,279,150	\$ 159,310	\$ 123,064
Special	11,547	25,908	34,454	16,122
Vocational	-	-	24,322	22,030
Support services:				
Pupil	9,847	7,956	9,816	7,748
Instructional staff	-	23,668	21,135	17,587
Administration	238,817	295,431	279,776	257,842
Fiscal	-	-	-	-
Operations and maintenance	15,006	28,586	26,827	34,563
Pupil transportation	-	4,483	-	-
Operation of non-instructional services:				
Food service operations	804,368	851,382	902,214	988,824
Other non-instructional services	888	1,035	530	614
Extracurricular activities	404,993	306,552	329,550	331,723
Operating grants and contributions:				
Instruction:				
Regular	1,132,693	133,344	379,489	465,826
Special	3,389,195	3,484,424	2,834,232	2,680,428
Vocational	69,315	68,799	68,664	68,065
Adult/continuing	-	-	-	-
Other	73,374	58,040	-	80,364
Support services:				
Pupil	206,905	147,497	100,687	354,554
Instructional staff	494,611	614,738	363,313	473,835
Administration	1,781,995	1,299,518	152,470	162,611
Fiscal	4,148	15,926	-	-
Operations and maintenance	-	-	63,698	29,050
Pupil transportation	126,652	97,938	133,787	175,092
Operation of non-instructional services:				
Food service operations	1,149,164	1,162,895	936,765	812,129
Other non-instructional services	178,227	234,751	245,050	284,842
Extracurricular activities	608	873	823	1,711
Capital grants and contributions:				
Instruction:				
Regular	-	-	-	58,108
Support services:				
Pupil transportation	-	-	71,261	35,490
Extracurricular activities	-	-	36,353	-
Total governmental program revenues	<u>12,217,181</u>	<u>10,142,894</u>	<u>7,174,526</u>	<u>7,482,222</u>
Business-type activities:				
Charges for services:				
Adult education	-	-	-	-
Special enterprise	65,915	67,514	71,608	60,032
Operating grants and contributions:				
Special enterprise	-	1,546	-	-
Total business-type activities program revenues	<u>65,915</u>	<u>69,060</u>	<u>71,608</u>	<u>60,032</u>
Total primary government program revenues	<u>\$ 12,283,096</u>	<u>\$ 10,211,954</u>	<u>\$ 7,246,134</u>	<u>\$ 7,542,254</u>

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	139,332	\$ 97,459	\$ 95,995	\$ 129,647	\$ 144,423
	-	-	-	-	-
	24,504	-	-	-	-
	7,814	5,903	-	14,331	10,685
	6,879	-	53	17,163	25,345
	276,649	268,504	-	232,733	-
	-	3,333	263,988	1,800	-
	17,928	-	-	-	-
	-	-	-	523	-
	964,502	963,959	973,855	918,988	911,225
	933	11,326	10,732	11,981	-
	368,827	351,400	386,473	433,225	663,527
	525,126	522,623	630,071	542,902	451,325
	2,911,901	1,470,398	1,375,614	1,118,151	780,766
	50,065	-	-	2,343	-
	-	31,367	-	-	-
	161,527	-	30,616	30,169	-
	360,394	100,508	86,954	82,218	21,955
	214,488	211,625	215,307	177,031	146,660
	189,092	202,945	205,357	137,220	237,619
	-	-	-	-	-
	-	-	1,084	739	2,000
	141,853	29,435	6,648	997	118
	697,680	762,747	698,152	661,440	610,627
	306,630	326,661	352,749	317,357	299,050
	12,510	2,575	-	-	-
	32,800	-	40,004	-	-
	113,950	-	-	-	-
	-	-	-	-	-
	<u>7,525,384</u>	<u>5,362,768</u>	<u>5,373,652</u>	<u>4,830,958</u>	<u>4,305,325</u>
	-	-	10,271	13,679	9,525
	63,674	53,067	54,468	42,846	36,636
	-	-	-	-	-
	<u>63,674</u>	<u>53,067</u>	<u>64,739</u>	<u>56,525</u>	<u>46,161</u>
\$	<u>7,589,058</u>	<u>\$ 5,415,835</u>	<u>\$ 5,438,391</u>	<u>\$ 4,887,483</u>	<u>\$ 4,351,486</u>

--Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net (expense)/revenue				
Governmental activities	\$ (36,998,991)	\$ (38,106,388)	\$ (39,744,471)	\$ (39,970,407)
Business-type activities	(23,307)	(29,623)	16,564	(7,090)
Total primary government net expense	<u>(37,022,298)</u>	<u>(38,136,011)</u>	<u>(39,727,907)</u>	<u>(39,977,497)</u>
General revenues and other changes in net assets				
Governmental activities:				
Property taxes levied for:				
General purposes	15,860,458	15,932,210	16,417,867	17,600,028
Debt service	2,314,189	1,528,636	1,499,746	1,561,582
Classroom facilities maintenance	161,560	-	-	-
Grants and entitlements not restricted to specific programs	20,634,581	21,601,726	19,949,270	20,318,179
Grants and entitlements restricted for Ohio School Facilities Commission	23,661,484	-	-	-
Investment earnings	334,362	89,584	182,106	224,685
Decrease in fair market value of investments	-	-	-	-
Miscellaneous	24,228	48,791	48,900	88,724
Transfers	(5,000)	-	-	-
Special item	-	-	-	-
Total governmental activities	<u>62,985,862</u>	<u>39,200,947</u>	<u>38,097,889</u>	<u>39,793,198</u>
Business-type activities:				
Investment earnings	-	-	-	115
Transfers	5,000	-	-	-
Total business-type activities	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>115</u>
Change in net assets				
Governmental activities	25,986,871	1,094,559	(1,646,582)	(177,209)
Business-type activities	(18,307)	(29,623)	16,564	(6,975)
Total primary government	<u>\$ 25,968,564</u>	<u>\$ 1,064,936</u>	<u>\$ (1,630,018)</u>	<u>\$ (184,184)</u>

Source: District financial records.

Note: Operating grants and contributions offsetting special instruction and general revenues - grants and entitlements not restricted to specific programs have been restated to conform to 2011 presentation

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ (38,558,796)	\$ (39,718,802)	\$ (39,238,855)	\$ (38,137,186)	\$ (36,765,521)
(19,299)	1,686	13,372	(7,249)	(4,105)
<u>(38,578,095)</u>	<u>(39,717,116)</u>	<u>(39,225,483)</u>	<u>(38,144,435)</u>	<u>(36,769,626)</u>
18,967,834	17,364,641	17,557,079	16,022,646	15,912,856
1,648,406	1,578,146	1,490,170	890,725	285,421
-	-	-	-	-
19,750,702	21,309,943	20,259,894	18,994,521	17,703,889
-	-	-	-	-
751,807	928,050	718,729	291,886	80,384
-	-	-	(282,291)	-
52,001	236,705	440,329	282,201	657,313
1,267,612	-	-	-	-
<u>42,438,362</u>	<u>41,417,485</u>	<u>40,466,201</u>	<u>36,199,688</u>	<u>34,639,863</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
3,879,566	1,698,683	1,227,346	(1,937,498)	(2,125,658)
(19,299)	1,686	13,372	(7,249)	(4,105)
<u>\$ 3,860,267</u>	<u>\$ 1,700,369</u>	<u>\$ 1,240,718</u>	<u>\$ (1,944,747)</u>	<u>\$ (2,129,763)</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General fund:				
Nonspendable	\$ 35,538	\$ -	\$ -	\$ -
Restricted	71,058	-	-	-
Assigned	457,516	-	-	-
Unassigned	82,512	-	-	-
Reserved	-	195,350	397,580	768,693
Designated	-	128,000	224,000	-
Unreserved, undesignated (deficit)	-	252,909	(2,180,785)	(2,071,058)
Total general fund	<u>\$ 646,624</u>	<u>\$ 576,259</u>	<u>\$ (1,559,205)</u>	<u>\$ (1,302,365)</u>
All other governmental funds:				
Nonspendable	\$ 34,390	\$ -	\$ -	\$ -
Restricted	35,690,765	-	-	-
Committed	479,417	-	-	-
Unassigned (deficit)	(3,510)	-	-	-
Reserved	-	1,211,413	1,492,412	1,595,886
Unreserved, undesignated, reported in:				
Special revenue funds	-	668,015	802,325	821,460
Debt service funds	-	-	-	-
Capital projects funds	-	116,884	149,834	1,905,931
Total all other governmental funds	<u>\$ 36,201,062</u>	<u>\$ 1,996,312</u>	<u>\$ 2,444,571</u>	<u>\$ 4,323,277</u>

Source: District financial records.

Note: 2010 amounts have been restated due to GASB Statement No. 54.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
340,417	331,372	291,366	431,086	149,164	299,185
-	-	-	-	-	-
<u>(57,517)</u>	<u>(2,307,860)</u>	<u>(4,016,826)</u>	<u>(3,832,366)</u>	<u>(2,885,685)</u>	<u>(493,541)</u>
<u>\$ 282,900</u>	<u>\$ (1,976,488)</u>	<u>\$ (3,725,460)</u>	<u>\$ (3,401,280)</u>	<u>\$ (2,736,521)</u>	<u>\$ (194,356)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,891,211	8,304,427	2,223,173	2,577,473	339,036	86,467
454,752	534,602	412,172	347,325	312,257	337,937
-	-	-	26,835,632	220,000	-
<u>1,172,347</u>	<u>5,670,148</u>	<u>23,204,489</u>	<u>23,945,041</u>	<u>761,866</u>	<u>832,208</u>
<u>\$ 5,518,310</u>	<u>\$ 14,509,177</u>	<u>\$ 25,839,834</u>	<u>\$ 53,705,471</u>	<u>\$ 1,633,159</u>	<u>\$ 1,256,612</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenues				
From local sources:				
Taxes	\$ 18,027,724	\$ 17,208,374	\$ 17,941,733	\$ 19,201,073
Tuition	2,014,999	1,181,377	85,745	87,513
Charges for services	805,256	852,417	902,744	967,438
Earnings on investments	306,037	99,280	198,218	302,440
Decrease in fair market value of investments	-	-	-	-
Extracurricular	584,360	587,519	593,200	582,953
Classroom materials and fees	121,393	122,782	131,949	69,017
Other local revenues	151,326	170,847	171,582	262,352
Intergovernmental - Intermediate	16,309	23,255	49,350	209,947
Intergovernmental - State	28,860,425	23,683,691	22,413,011	22,453,385
Intergovernmental - Federal	6,159,747	5,176,241	2,913,014	3,134,312
Total revenues	<u>57,047,576</u>	<u>49,105,783</u>	<u>45,400,546</u>	<u>47,270,430</u>
Expenditures				
Current:				
Instruction:				
Regular	19,360,689	18,935,450	19,009,083	19,268,437
Special	5,791,048	5,855,395	5,244,421	5,031,897
Vocational	236,402	251,216	243,095	271,692
Adult/continuing	-	-	-	-
Other	1,788,380	1,851,855	1,589,751	1,504,870
Support services:				
Pupil	2,835,923	2,796,078	2,755,992	2,698,174
Instructional staff	1,334,236	1,797,980	1,385,185	1,651,888
Board of education	78,862	51,886	46,498	58,681
Administration	3,697,590	3,680,843	3,546,945	3,790,223
Fiscal	873,475	881,289	844,500	871,834
Business	66,035	3,772	6,214	58,496
Operations and maintenance	3,814,778	4,091,115	4,108,072	4,246,777
Pupil transportation	2,473,669	2,291,795	2,288,762	2,490,288
Central	7,278	337	557	47,782
Operation of non-instructional services:				
Food service operations	1,874,849	1,744,407	1,770,589	1,712,849
Other non-instructional services	158,420	337,797	215,813	400,220
Extracurricular activities	879,926	989,059	956,250	1,009,395
Facilities acquisitions and construction	1,671,462	169,283	1,857,459	3,313,074
Debt service:				
Principal retirement	27,273,657	570,552	511,194	493,561
Interest and fiscal charges	2,182,301	1,117,785	1,135,753	1,148,464
Bond and note issuance expenses	399,577	-	-	-
Total expenditures	<u>76,798,557</u>	<u>47,417,894</u>	<u>47,516,133</u>	<u>50,068,602</u>
Excess of revenues over (under) expenditures	\$ (19,750,981)	\$ 1,687,889	\$ (2,115,587)	\$ (2,798,172)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	19,853,553	\$ 19,851,045	\$ 18,979,253	\$ 18,361,775	\$ 15,993,174	\$ 17,313,456
	94,391	9,027	27,129	55,658	78,800	70,991
	943,435	963,959	951,855	919,935	879,360	-
	798,469	979,907	719,689	219,403	80,384	145,786
	-	-	-	(282,291)	-	-
	639,472	616,047	649,433	642,552	644,548	606,131
	66,709	68,085	64,947	68,508	63,351	48,877
	126,158	286,504	478,061	304,051	735,743	433,153
	233,770	9,315	11,472	4,657	18,961	21,135
	22,138,528	21,934,592	20,968,734	19,783,828	18,342,029	17,213,812
	2,898,614	3,137,053	2,893,140	2,223,947	1,747,933	1,131,748
	<u>47,793,099</u>	<u>47,855,534</u>	<u>45,743,713</u>	<u>42,302,023</u>	<u>38,584,283</u>	<u>36,985,089</u>
	19,605,253	19,854,668	20,334,464	20,107,813	19,566,743	18,773,257
	5,007,673	4,698,465	4,645,599	4,235,247	3,399,942	2,585,719
	278,107	254,223	288,105	266,546	285,829	303,112
	-	31,691	-	-	-	-
	1,772,787	1,220,107	939,960	772,412	30,668	39,823
	2,699,948	2,567,320	2,524,345	2,558,943	2,464,305	2,147,254
	1,353,971	1,108,648	1,254,019	1,211,735	1,186,781	1,160,530
	65,160	52,807	55,047	49,234	30,302	38,473
	3,446,104	3,346,153	3,340,826	3,151,122	3,021,759	4,068,341
	852,861	852,175	875,032	858,479	819,137	763,580
	52,413	4,519	2,856	5,350	5,375	3,947
	4,192,060	4,002,233	3,803,221	3,697,985	4,306,601	3,849,408
	2,205,944	2,303,187	2,262,641	2,405,709	2,229,604	2,000,885
	-	2,282	1,599	1,335	231,582	194,032
	1,521,322	1,710,817	1,445,400	1,631,812	1,465,748	-
	386,806	300,345	310,853	296,393	284,812	289,463
	1,010,955	999,258	987,353	987,001	1,000,609	826,835
	10,105,357	12,538,541	2,321,274	461,280	11,043	27,104
	480,780	415,123	26,670,123	245,123	65,123	587,948
	1,150,169	1,178,030	1,485,314	15,292	13,546	28,437
	-	-	-	372,211	-	-
	<u>56,187,670</u>	<u>57,440,592</u>	<u>73,548,031</u>	<u>43,331,022</u>	<u>40,419,509</u>	<u>37,688,148</u>
\$	(8,394,571)	\$ (9,585,058)	\$ (27,804,318)	\$ (1,028,999)	\$ (1,835,226)	\$ (703,059)

--Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - (Continued)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Other financing sources (uses)				
Transfers in	\$ 644,744	\$ 251,934	\$ 213,425	\$ 1,493,005
Transfers (out)	(649,744)	(251,934)	(213,425)	(1,493,005)
Sale of assets	3,040	1,858	582	16,989
Loan issuance	-	-	-	-
Sale of bonds	26,680,000	-	-	-
Sale of notes	26,682,099	-	-	-
Premium on bonds	566,162	-	-	-
Premium on notes	91,253	-	-	-
Total other financing sources (uses)	<u>54,017,554</u>	<u>1,858</u>	<u>582</u>	<u>16,989</u>
Special item:				
Consortium refund	-	-	-	-
Net change in fund balances	<u>\$ 34,266,573</u>	<u>\$ 1,689,747</u>	<u>\$ (2,115,005)</u>	<u>\$ (2,781,183)</u>
Debt service as a percentage of noncapital expenditures	39.71%	3.57%	3.61%	3.52%

Source: District financial records.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 159,038	\$ 84,007	\$ 119,686	\$ 25,000	\$ 312,978	\$ 761,866
(159,038)	(84,007)	(119,686)	(25,000)	(312,978)	(761,866)
461	1,594	-	-	467	1,250
380,320	-	-	-	-	-
-	-	-	26,000,000	-	-
-	-	-	26,000,000	-	-
-	-	-	390,974	-	-
-	-	-	44,400	-	-
<u>380,781</u>	<u>1,594</u>	<u>-</u>	<u>52,435,374</u>	<u>467</u>	<u>1,250</u>
<u>1,267,612</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (6,746,178)</u>	<u>\$ (9,583,464)</u>	<u>\$ (27,804,318)</u>	<u>\$ 51,406,375</u>	<u>\$ (1,834,759)</u>	<u>\$ (701,809)</u>
3.55%	3.58%	39.55%	1.48%	0.20%	1.66%

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN COLLECTION YEARS

Collection Year	Real Property (a)	Tangible Personal Property (b)		
	Assessed Value	Tangible Assessed Value	Public Utility (b) Assessed Value	Total
2011	\$ 595,580,890	\$ -	\$ 11,788,190	\$ 11,788,190
2010	595,856,810	526,550	11,376,920	11,903,470
2009	598,068,280	1,058,233	10,757,860	11,816,093
2008	593,213,210	12,350,634	10,717,170	23,067,804
2007	582,798,810	24,701,268	13,835,580	38,536,848
2006	573,111,310	36,807,590	13,839,970	50,647,560
2005	503,307,470	47,559,910	14,660,530	62,220,440
2004	496,304,180	47,831,740	14,634,550	62,466,290
2003	488,821,390	54,682,960	14,689,080	69,372,040
2002	484,345,170	59,276,160	14,362,910	73,639,070

Source: Mahoning County Auditor's Office

(a) The assessed value of real property is fixed at 35% of true value.

(b) Tangible personal property and public utility tangible property are assessed at varying percentages of true value. As categories of tangible personal property have not been separated for this table, the maximum assessed rate of 25% of true value is assumed.

Total			
Assessed Value	Estimated Actual Value	%	Total Direct Tax Rate
\$ 607,369,080	\$ 1,748,812,446	34.73%	\$ 60.40
607,760,280	1,750,061,909	34.73%	57.50
609,884,373	1,756,030,886	34.73%	57.50
616,281,014	1,787,166,102	34.48%	57.50
621,335,658	1,819,286,849	34.15%	57.50
623,758,870	1,840,051,126	33.90%	57.50
565,527,910	1,686,903,103	33.52%	57.50
558,770,470	1,667,877,103	33.50%	54.60
558,193,430	1,674,120,703	33.34%	54.60
557,984,240	1,678,399,623	33.25%	54.60

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS**

Tax Year/ Collection Year	Overlapping Rates				Direct Rates				
	County	Township	Park District	Career Center	Voted			Unvoted	Total
					General	Bond	Capital		
2010/2011	\$ 13.70	\$ 18.10	\$ 1.75	\$ 2.10	\$ 48.20	\$ 5.30	\$ 0.50	\$ 6.40	\$ 60.40
2009/2010	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2008/2009	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2007/2008	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2006/2007	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2005/2006	11.50	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2004/2005	11.65	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2003/2004	11.70	18.10	1.75	2.10	48.20	-	-	6.40	54.60
2002/2003	11.70	18.10	1.75	2.10	48.20	-	-	6.40	54.60
2001/2002	11.70	18.10	1.75	2.10	48.20	-	-	6.40	54.60

Source: Mahoning County Auditor's Office

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

PRINCIPAL REAL ESTATE PROPERTY TAX PAYERS
DECEMBER 31, 2010 AND DECEMBER 31, 2001

December 31, 2010			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
P&S Equities	\$ 3,966,450	1	0.67%
Wal-Mart Real Estate	3,369,380	2	0.57%
Hillbrook Apartments	2,504,530	3	0.42%
Westminster Associates	2,372,480	4	0.40%
35th Strouss Associates	2,351,960	5	0.39%
West View Village Co.	2,139,380	6	0.36%
Austintown Realty Co.	2,094,720	7	0.35%
Austintown Properties Ltd.	1,813,770	8	0.30%
Austintown Associates	1,715,740	9	0.29%
55 West LLC	1,708,150	10	0.29%
Total	\$ 24,036,560		4.04%

December 31, 2001			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
P&S Equities	\$ 6,169,770	1	1.27%
West View Village Co.	2,862,170	2	0.59%
35th Strouss Associates	2,642,720	3	0.55%
Hillbrook Apartments	2,553,250	4	0.53%
Westminster Associates	2,310,010	5	0.48%
Austintown Realty Co.	2,199,520	6	0.45%
Retail Trust Co.	1,876,000	7	0.39%
Franklin LLC	1,685,600	8	0.35%
Prasad Karipineni	1,610,770	9	0.33%
Speedwaay Superamerica LLC	1,368,640	10	0.28%
Total	\$ 25,278,450		5.22%

Source: Mahoning County Auditor's Office

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS**

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2010	\$ 19,948,776	\$ 2,630,491	\$ 22,579,267	\$ 19,159,546	96.04%
2009	19,780,329	2,571,092	22,351,421	18,997,922	96.04%
2008	20,570,272	2,474,778	23,045,050	19,564,836	95.11%
2007	21,285,244	2,472,362	23,757,606	20,302,467	95.38%
2006	21,398,775	2,206,308	23,605,083	20,896,817	97.65%
2005	21,278,874	2,394,420	23,673,294	20,522,828	96.45%
2004	20,221,343	N/A	N/A	N/A	N/A
2003	19,069,227	2,771,773	21,841,000	16,549,680	86.79%
2002	19,184,967	3,974,447	23,159,414	16,820,249	87.67%
2001	19,333,864	4,385,780	23,719,644	18,374,462	95.04%

Source: Mahoning County Auditor's Office

Note: 2004 delinquent levy information is unavailable

Delinquent Collection	Total Collection	Total Collection As a Percent of Total Levy
\$ 712,018	\$ 19,871,564	88.01%
767,602	19,765,524	88.43%
837,096	20,401,932	88.53%
969,511	21,271,978	89.54%
669,922	21,566,739	91.36%
597,190	21,120,018	89.21%
N/A	N/A	N/A
1,168,977	17,718,657	81.13%
849,905	17,670,154	76.30%
1,493,695	19,868,157	83.76%

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities					(a) Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita	(b) Per ADM
	General Obligation Bonds	Asbestos Abatement Loan	H.B. 264 Loan	Bond Anticipation Notes	Energy Conservation Notes				
2011	\$49,907,750	\$ 12,562	\$ 283,293	\$ -	\$ -	\$50,203,605	6.60%	\$ 1,461	\$ 9,735
2010	23,639,958	37,686	304,727	-	-	23,982,371	3.01%	687	4,672
2009	24,062,305	62,810	325,155	-	-	24,450,270	3.14%	689	4,935
2008	24,415,507	87,934	346,225	-	-	24,849,666	3.60%	688	5,019
2007	24,777,884	113,057	364,663	-	-	25,255,604	3.66%	699	5,260
2006	25,122,060	138,180	-	-	-	25,260,240	3.63%	693	5,231
2005	25,430,483	163,303	-	-	-	25,593,786	3.65%	696	5,287
2004	26,000,000	188,426	-	26,000,000	-	52,188,426	7.39%	1,410	10,756
2003	-	213,549	-	-	220,000	433,549	0.06%	12	84
2002	-	238,672	-	-	260,000	498,672	0.07%	13	99

Sources:

(a) See notes to the financial statements regarding the District's outstanding debt information.

(b) See schedule " Demographic and Economic Statistic, Last Ten Fiscal Years" for personal income, population and enrollment information.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST EIGHT FISCAL YEARS**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
	General Obligation Bonds	Debt Service Available Balance	Net Bonded Debt		
2011	\$ 49,907,750	\$ 1,578,608	\$ 48,329,142	2.76%	\$ 1,407
2010	23,639,958	1,149,822	22,490,136	1.29%	644
2009	24,062,305	944,762	23,117,543	1.32%	652
2008	24,415,507	951,567	23,463,940	1.31%	649
2007	24,777,884	790,568	23,987,316	1.32%	664
2006	25,122,060	632,232	24,489,828	1.33%	672
2005	25,430,483	442,702	24,987,781	1.48%	680
2004	26,000,000	26,835,632	(835,632)	-0.05%	(23)

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Note: The District did not have general obligation bonds prior to fiscal year 2004.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2011**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
Austintown Local School District	\$ 49,907,750	100.00%	\$ 49,907,750
Total direct	<u>49,907,750</u>		<u>49,907,750</u>
Overlapping:			
Mahoning County	<u>38,498,458</u>	14.74%	<u>5,674,673</u>
Total overlapping	<u>38,498,458</u>		<u>5,674,673</u>
Total direct and overlapping debt	<u>\$ 88,406,208</u>		<u>\$ 55,582,423</u>

Source: Ohio Municipal Advisory Council

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Fiscal Year	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2011	\$ 54,663,217	\$ 49,220,000	\$ 1,578,608	\$ 47,641,392	\$ 7,021,825	87.15%
2010	54,651,036	23,085,000	1,149,822	21,935,178	32,715,858	40.14%
2009	54,792,918	23,610,000	944,762	22,665,238	32,127,680	41.37%
2008	54,351,455	24,075,000	951,567	23,123,433	31,228,022	42.54%
2007	53,366,610	24,525,000	790,568	23,734,432	29,632,178	44.47%
2006	56,138,298	24,965,000	632,232	24,332,768	31,805,530	43.34%
2005	50,897,512	25,355,000	442,702	24,912,298	25,985,214	48.95%
2004	50,289,342	26,000,000	26,835,632	(835,632)	51,124,974	-1.66%
2003	50,237,409	-	220,000	(220,000)	50,457,409	-0.44%
2002	50,218,582	-	13,248	(13,248)	50,231,830	-0.03%

Source: Mahoning County Auditor and District financial records

Note: Ohio bond law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

Note: Voted debt margins are determined without reference to applicable monies in the District's debt service fund.

Note: Beginning in fiscal year 2007, the amount of assessed valuation for railroad and telephone personal property has been excluded from the debt margin calculation.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Personal Income (5)</u>	<u>Median Family Income (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rates (4)</u>		
						<u>Mahoning County</u>	<u>Ohio</u>	<u>United States</u>
2011	34,352	\$ 22,141	\$ 760,587,632	\$ 38,216	5,157	9.9%	8.8%	9.2%
2010	34,902	22,810	796,114,620	38,337	5,133	11.5%	10.5%	9.5%
2009	35,479	21,948	778,693,092	29,959	4,954	13.8%	11.2%	9.7%
2008	36,137	19,087	689,746,919	30,273	4,951	7.1%	6.6%	5.5%
2007	36,137	19,087	689,746,919	29,420	4,801	6.1%	6.1%	4.5%
2006	36,451	19,087	695,740,237	29,775	4,829	8.9%	5.9%	5.1%
2005	36,766	19,087	701,752,642	28,993	4,841	7.7%	5.9%	5.1%
2004	37,004	19,087	706,295,348	29,375	4,852	7.1%	6.2%	5.5%
2003	37,250	19,087	710,990,750	29,087	5,162	7.9%	6.2%	6.0%
2002	37,631	19,087	718,262,897	30,270	5,021	7.0%	5.7%	5.8%
2001	37,929	19,087	723,950,823	28,494	5,054	5.5%	4.4%	4.7%

Sources:

(1 & 2) U. S. Census Bureau

(3) District records

(4) Bureau of Labor Statistics, U.S. Department of Labor

(5) Per capita personal income multiplied by population

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**PRINCIPAL EMPLOYERS IN MAHONING COUNTY
DECEMBER 31, 2010 AND DECEMBER 31, 2003**

December 31, 2010			
Employer	Employees	Rank	Percentage of Total County Employment
Forum Health	3,616	1	3.54%
Humility of Mary Health Partners	3,420	2	3.35%
Youngstown State University	2,134	3	2.09%
Mahoning County	1,735	4	1.70%
Youngstown City Schools	1,100	5	1.08%
Infocision Management	1,040	6	1.02%
City of Youngstown	782	7	0.77%
U.S. Postal Service	740	8	0.72%
Austintown Local Schools	586	9	0.57%
Boardman Local Schools	422	10	0.41%
Total	15,575		15.24%
Total County Employment	102,200		

December 31, 2003			
Employer	Employees	Rank	Percentage of Total County Employment
HM Health Services	5,565	1	5.07%
Forum Health	5,500	2	5.01%
Diocese of Youngstown	1,501	3	1.37%
Mahoning County	1,501	4	1.37%
U.S. Postal Service	1,501	5	1.37%
Youngstown City Schools	1,501	6	1.37%
Youngstown State University	1,501	7	1.37%
Home Savings & Loan	667	8	0.61%
City of Youngstown	501	9	0.46%
Boardman Local Schools	500	10	0.46%
Total	20,238		18.46%
Total County Employment	109,800		

Source: Mahoning County Auditor's Office

Note: Information on principal employers prior to 2003 is unavailable.

Note: Information on principal employers at the City level could not be obtained; therefore, information at the County level will be disclosed.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS**

<u>Type</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Administration:	20.00	22.00	23.33	24.50	20.47
Certificated staff:					
Regular	249.00	256.00	246.42	229.87	228.00
Special	38.00	31.00	24.05	45.06	35.85
Vocational	2.00	2.00	2.00	3.00	3.00
Educational service personnel	-	22.00	23.93	22.00	22.00
Remedial specialist	-	-	-	1.00	9.00
Counseling	12.00	12.00	12.00	12.00	12.00
Library media	2.00	2.00	2.00	2.00	2.00
Audio visual	-	-	0.47	0.47	0.47
Curriculum specialist	12.00	11.00	2.00	2.00	-
Tutor	25.10	29.70	4.00	9.00	-
Professional staff:					
Nursing	3.00	4.00	4.00	4.00	4.00
Speech therapist	4.00	5.00	5.00	3.00	5.00
Technology:					
Library technician	-	-	-	1.00	1.00
Library aide	5.49	5.49	5.46	5.96	5.97
Instructional paraprofessional	-	-	-	11.12	12.49
Other technical	2.47	2.47	2.41	0.41	-
Office/clerical:					
Office clerical	33.68	37.97	28.04	36.16	36.27
Instructional paraprofessional	20.96	21.46	-	-	1.23
Other clerical	-	1.00	4.17	1.00	1.76
Other operations:					
Maintenance	5.00	5.00	11.00	10.00	9.00
Custodial/grounds	38.81	21.17	37.06	38.23	41.11
Transportation/drivers	51.69	47.75	43.75	39.00	39.00
Food service	33.90	28.52	27.88	28.19	25.43
Other	3.00	3.22	23.13	10.10	6.10
Total	562.10	570.75	532.10	539.07	521.15

Source: District records

Note: Information prior to 2007 is unavailable.

THIS PAGE IS INTENTIONALLY LEFT BLANK

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION
LAST SEVEN FISCAL YEARS**

Function	2011	2010	2009	2008
Instruction:				
Regular and special				
Enrollment (students)	5,157	5,133	4,954	4,951
Graduates	369	390	362	351
Graduation rate	98.50%	99.20%	98.90%	98.00%
Support services:				
Board of education				
Regular meetings per year	12	13	13	13
Special meetings per year	12	11	14	18
Fiscal				
Nonpayroll checks issued	3,872	4,344	3,963	4,490
Operations and maintenance				
Square footage maintained	843,247	843,247	843,247	843,247
Pupil transportation				
Avg. students transported daily	3,486	3,486	4,132	4,354

Source: District records

Note: Information prior to 2005 is unavailable.

<u>2007</u>	<u>2006</u>	<u>2005</u>
4,801	4,829	4,841
400	372	370
97.10%	97.10%	98.40%
12	12	12
10	17	13
5,300	4,508	5,304
665,047	665,047	665,047
4,620	4,778	5,306

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**CAPITAL ASSET STATISTICS
LAST NINE FISCAL YEARS**

	2011	2010	2009	2008	2007
Governmental activities:					
Land	\$ 833,477	\$ 672,477	\$ 672,477	\$ 672,477	\$ 672,477
Construction in progress	1,324,118	-	-	-	26,648,963
Land improvements	2,913,593	3,032,849	3,200,073	3,395,671	1,100,565
Buildings/improvements	28,005,809	28,936,714	29,739,145	28,906,503	3,479,073
Furniture/equipment	1,165,238	1,324,543	1,503,318	1,670,808	769,156
Vehicles	218,981	297,952	411,990	414,195	557,930
Textbooks	238,764	366,200	552,862	739,524	414,550
Total governmental activities capital assets, net	<u>\$ 34,699,980</u>	<u>\$ 34,630,735</u>	<u>\$ 36,079,865</u>	<u>\$ 35,799,178</u>	<u>\$ 33,642,714</u>
Business-type activities:					
Furniture/equipment	\$ 24,231	\$ 23,388	\$ 29,338	\$ 35,288	\$ 41,238
Total business-type activities capital assets, net	<u>\$ 24,231</u>	<u>\$ 23,388</u>	<u>\$ 29,338</u>	<u>\$ 35,288</u>	<u>\$ 41,238</u>
Primary government:					
Land	\$ 833,477	\$ 672,477	\$ 672,477	\$ 672,477	\$ 672,477
Construction in progress	1,324,118	-	-	-	26,648,963
Land improvements	2,913,593	3,032,849	3,200,073	3,395,671	1,100,565
Buildings/improvements	28,005,809	28,936,714	29,739,145	28,906,503	3,479,073
Furniture/equipment	1,189,469	1,347,931	1,532,656	1,706,096	810,394
Vehicles	218,981	297,952	411,990	414,195	557,930
Textbooks	238,764	366,200	552,862	739,524	414,550
Total primary government capital assets, net	<u>\$ 34,724,211</u>	<u>\$ 34,654,123</u>	<u>\$ 36,109,203</u>	<u>\$ 35,834,466</u>	<u>\$ 33,683,952</u>

Source: District financial records.

Notes: Amounts above are presented net of accumulated depreciation.
The District implemented GASB 34 in fiscal year 2003; therefore,
capital assets are not presented prior to 2003.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 502,026	\$ 502,026	\$ 502,026	\$ 502,026
15,268,495	2,732,638	434,000	-
103,598	89,327	103,714	104,859
4,075,607	4,378,638	4,683,650	5,020,949
204,511	151,014	116,824	107,182
726,184	667,523	835,018	769,832
-	-	-	-
<u>\$ 20,880,421</u>	<u>\$ 8,521,166</u>	<u>\$ 6,675,232</u>	<u>\$ 6,504,848</u>
\$ 45,878	\$ 21,436	\$ 14,163	\$ 16,342
<u>\$ 45,878</u>	<u>\$ 21,436</u>	<u>\$ 14,163</u>	<u>\$ 16,342</u>
\$ 502,026	\$ 502,026	\$ 502,026	\$ 502,026
15,268,495	2,732,638	434,000	-
103,598	89,327	103,714	104,859
4,075,607	4,378,638	4,683,650	5,020,949
250,389	172,450	130,987	123,524
726,184	667,523	835,018	769,832
-	-	-	-
<u>\$ 20,926,299</u>	<u>\$ 8,542,602</u>	<u>\$ 6,689,395</u>	<u>\$ 6,521,190</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION
LAST SEVEN FISCAL YEARS**

	2011	2010	2009	2008
Fitch High School (1968/'78/2000/2007)				
Square feet	262,048	262,048	262,048	262,048
Enrollment	1,576	1,615	1,615	1,584
Austintown Middle School (1914/'22/'26/'46/'54/2002) (Mahoning Avenue Building)				
Square feet	102,600	102,600	102,600	102,600
Enrollment	-	-	-	-
Austintown Middle School (2008) (Racoon Road Building)				
Square feet	174,688	174,688	174,688	174,688
Enrollment	1,205	1,220	1,135	1,175
Frank Ohl Intermediate School (1960/'61/'92/2007)				
Square feet	89,485	89,485	89,485	89,485
Enrollment	820	801	725	768
Davis Elementary (1954/'57/2002)				
Square feet	32,958	32,958	32,958	32,958
Enrollment	-	-	-	229
Lloyd Elementary (1954/'57/'92)				
Square feet	33,013	33,013	33,013	33,013
Enrollment	363	369	373	392
Lynn Kirk Elementary (1958/'60)				
Square feet	35,136	35,136	35,136	35,136
Enrollment	299	299	268	319
Watson Elementary (1961)				
Square feet	61,435	61,435	61,435	61,435
Enrollment	474	462	458	419
Woodside Elementary (1948/'57)				
Square feet	33,372	33,372	33,372	33,372
Enrollment	365	344	350	322
District Board Office (2008)				
Square feet	3,512	3,512	3,512	3,512
Community Fitness Center (1999/2001)				
Square feet	15,000	15,000	15,000	15,000

Source: District records

Notes: Year of original construction and subsequent additions are in parentheses.

The original Austintown Middle School was replaced with the new Austintown Middle School for the 07-08 school year.

Davis Elementary was permanently closed on August 1, 2008.

Information prior to 2005 is unavailable.

2007	2006	2005
262,048	262,048	262,048
1,629	1,677	1,684
102,600	102,600	102,600
866	842	850
-	-	-
-	-	-
89,485	89,485	89,485
666	687	726
32,958	32,958	32,958
295	262	253
33,013	33,013	33,013
407	422	423
35,136	35,136	35,136
371	341	342
61,435	61,435	61,435
440	453	442
33,372	33,372	33,372
312	360	332
-	-	-
15,000	15,000	15,000

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities (2)		Enrollment	Percent Change	Teaching Staff
	Expenditures (1)	Cost per pupil	Expenses (1)	Cost per pupil			
2011	\$ 46,943,022	\$ 9,103	\$ 46,594,923	\$ 9,035	5,157	0.47%	322
2010	45,729,557	8,909	47,030,633	9,162	5,133	3.61%	328
2009	45,869,186	9,259	45,673,294	9,219	4,954	0.06%	326
2008	48,426,577	9,781	46,217,961	9,335	4,951	3.12%	326
2007	54,556,721	11,364	44,837,787	9,339	4,801	-0.58%	326
2006	55,847,439	11,565	43,822,712	9,075	4,829	-0.25%	329
2005	45,392,594	9,377	43,327,208	8,950	4,841	-0.23%	333
2004	43,070,607	8,877	42,597,700	8,779	4,852	-6.01%	331
2003	40,340,840	7,815	41,059,206	7,954	5,162	2.81%	333
2002	37,071,763	7,383	N/A	N/A	5,021	0.00%	328

Source: District records

(1) Debt service totals have been excluded.

(2) The District implemented GASB 34 in fiscal year 2003.

Note: N/A indicates the information is unavailable.

Pupil/Teacher Ratio	Student Attendance Percentage
16.02	95.20%
15.65	94.70%
15.20	94.80%
15.19	94.80%
14.73	94.70%
14.68	94.30%
14.54	94.80%
14.66	94.50%
15.50	94.00%
15.31	94.20%

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**TEACHER EDUCATION AND EXPERIENCE
AS OF JUNE 30, 2011 AND JUNE 30, 2002**

<u>Degree</u>	<u>June 30, 2011</u>		<u>June 30, 2002</u>	
	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Non-Degree	0	0.00%	1	0.30%
Bachelor's Degree	41	12.73%	58	17.68%
Bachelor's Degree + 15	53	16.46%	58	17.68%
Master's Degree	89	27.64%	68	20.73%
Master's Degree + 15	31	9.63%	20	6.10%
Master's Degree + 30	107	33.23%	121	36.90%
Ph.D.	1	0.31%	2	0.61%
	<u>322</u>	<u>100.00%</u>	<u>328</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>June 30, 2011</u>		<u>June 30, 2002</u>	
	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5 Years	84	26.09%	96	29.27%
6 - 10 Years	53	16.46%	52	15.85%
11 - 15 Years	79	24.53%	38	11.58%
16 - 20 Years	28	8.70%	34	10.37%
21 - 25 Years	21	6.52%	41	12.50%
26 - 42 Years	57	17.70%	67	20.43%
	<u>322</u>	<u>100.00%</u>	<u>328</u>	<u>100.00%</u>

Source: District personnel records

Note: Information prior to 2002 is not available.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**TEACHER SALARIES
LAST TEN FISCAL YEARS**

Teacher Salaries					
Year	Austintown			State	
	BA Min.	MA Max.	Average	Average	
2011	\$ 29,737	\$ 69,009	\$ 51,784	\$ 56,715	
2010	29,443	68,336	49,632	55,958	
2009	29,443	67,276	50,763	54,656	
2008	29,443	67,276	49,798	53,410	
2007	29,151	65,619	50,555	53,534	
2006	28,440	64,018	49,811	50,771	
2005	27,883	62,765	48,823	49,436	
2004	27,883	62,765	48,612	47,658	
2003	26,940	60,642	46,240	45,645	
2002	26,029	58,591	44,903	43,755	

Sources: District records and Ohio Department of Education

This page intentionally left blank.



Dave Yost • Auditor of State

AUSTINTOWN LOCAL SCHOOL DISTRICT

MAHONING COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
MAY 15, 2012