

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2012**



**Dave Yost • Auditor of State**



**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

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**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2012  
(CASH BASIS)**

<b>Federal Grantor Pass Through Grantor Program Title</b>	<b>Grant Award Year</b>	<b>Federal CFDA Number</b>	<b>Receipts</b>	<b>Disbursements</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed Through Ohio Department of Education</i>				
Nutrition Cluster				
Non-Cash Assistance (Food Distribution):				
School Breakfast Program	2012	10.553	\$ 20,991	\$ 20,991
National School Lunch Program	2012	10.555	93,591	93,591
Cash Assistance:				
School Breakfast Program	2012	10.553	156,444	156,444
National School Lunch Program	2012	10.555	<u>697,631</u>	<u>697,631</u>
Total Nutrition Cluster			<u>968,657</u>	<u>968,657</u>
Total U.S. Department of Agriculture			<u>968,657</u>	<u>968,657</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<i>Passed Through Ohio Department of Education</i>				
Title I Cluster:				
Title I Grants to Local Educational Agencies	2011/2012	84.010	669,461	692,764
ARRA - Title I Grants to Local Educational Agencies	2011/2012	84.389	<u>116,539</u>	<u>113,011</u>
Total Title I Cluster			<u>786,000</u>	<u>805,775</u>
Special Education Cluster:				
Special Education Grants to States	2011/2012	84.027	1,692,290	1,706,539
ARRA - Special Education Grants to States	2011	84.391	<u>595,272</u>	<u>460,036</u>
Total Special Education Cluster			<u>2,287,562</u>	<u>2,166,575</u>
Education Jobs Funds	2012	84.410	456,927	481,732
Foreign Language Assistance	2011/2012	84.293	223,761	259,053
Education Technology State Grants	2011/2012	84.318	4,958	623
English Language Acquisition Grants - Limited English Proficient	2011/2012	84.365	28,232	31,126
Improving Teacher Quality State Grants	2011/2012	84.367	100,763	118,413
ARRA - State Fiscal Stabilization Fund - Education State Grants	2011	84.394	<u>-</u>	<u>12,783</u>
Total U.S. Department of Education			<u>3,888,203</u>	<u>3,876,080</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
<i>Passed Through the Ohio Department of Transportation</i>				
Safe Routes to School		20.205	<u>58,892</u>	<u>49,265</u>
<b>Total U.S. Department of Transportation</b>			<u>58,892</u>	<u>49,265</u>
<b>Total Federal Awards of Receipts and Expenditures</b>			<u>\$ 4,915,752</u>	<u>\$ 4,894,002</u>

The accompanying notes are an integral part of this schedule.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**NOTES TO FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2012**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards of Receipts and Expenditures Schedule (the Schedule) summarizes activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the entitlement amount of the commodities received.

**NOTE C – FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at the entitlement 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

Gahanna-Jefferson Public School District  
Franklin County  
160 South Hamilton Road  
Gahanna, Ohio 43230

To the Board of Education:

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Gahanna-Jefferson Public School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 28, 2012. 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 intend this report solely for the information and use of management, the Audit and Accountability Committee, Board of Education, federal awarding agencies and pass-through entities, and others within the District. 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 28, 2012





# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, AND ON THE FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE

Gahanna-Jefferson Public School District  
Franklin County  
160 South Hamilton Road  
Gahanna, Ohio 43230

To the Board of Education:

### Compliance

We have audited the compliance of Gahanna-Jefferson Public 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 the Gahanna-Jefferson Public School District's major federal programs for the year ended June 30, 2012. 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 opine on the District's compliance based on our audit.

Our compliance audit followed 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*. These 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 these 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 these requirements.

As described in finding 2012-01 in the accompanying schedule of findings, the District did not comply with the requirement regarding reporting applicable to its Title 1 Cluster major federal program. Compliance with this requirement is necessary, in our opinion, for the District to comply with requirements applicable to this program.

In our opinion, except for the noncompliance described in the preceding paragraph, the Gahanna-Jefferson Public School District complied, in all material respects, with the requirements referred to above that could directly and materially effect on its major federal program for the year ended June 30, 2012.

### **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 requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, we cannot assure we have identified all deficiencies, significant deficiencies, or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

*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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings 2012-01 to be a material weakness.

### **Federal Awards of Receipts and Expenditures Schedule**

We have also audited and issued our unqualified opinion on the financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Gahanna-Jefferson Public School District (the District) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 28, 2012. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying Federal Awards of Receipts and Expenditures Schedule provides additional information as 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.

The District's response to the finding we identified is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

Gahanna-Jefferson Public School District  
Franklin County  
Independent Accountants' Report On Compliance with Requirements Applicable  
to Each Major Federal Program, On Internal Control Over Compliance Required By OMB  
Circular A-133, and On The Federal Awards Of Receipts and Expenditures Schedule  
Page 2

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

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**Dave Yost**  
Auditor of State

December 28, 2012

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**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2012**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Qualified over Title I Cluster (CFDA #84.010 and 84.389) reporting compliance Unqualified over remainder of Federal compliance
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510(a)?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<ul style="list-style-type: none"> <li>• Nutrition Cluster (CFDA #10.553 and 10.555)</li> <li>• Title I Cluster (CFDA #84.010 and 84.389)</li> <li>• Special Education Cluster (CFDA #84.027 and 84.391)</li> <li>• Education Jobs (CFDA #84.410)</li> </ul>
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

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

None

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2012  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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<b>Finding Number</b>	2012-01
<b>CFDA Title and Number</b>	ARRA Title I Cluster (CFDA #84.389 and 84.010)
<b>Federal Award Number / Year</b>	2012
<b>Federal Agency</b>	U.S. Department of Education
<b>Pass-Through Agency</b>	Ohio Department of Education

**Federal Reporting on Federal Funds  
Material Non Compliance and Material Weakness**

34 CFR section 200.19(b)(1) states that graduation rate data must be reported both in the aggregate and disaggregated by each subgroup described in 34 CFR section 200.13(b)(7)(ii) using a 4-year adjusted cohort graduation rate. To remove a student from the cohort, a school or LEA must confirm in writing that the student transferred out, emigrated to another country, or is deceased. To confirm that a student transferred out, the school or LEA must have official written documentation that the student enrolled in another school or in an educational program that culminates in the award of a regular high school diploma. A student who is retained in grade, enrolls in a General Educational Development (GED) program, or leaves school for any other reason may not be counted as having transferred out for the purpose of calculating graduation rate and must remain in the adjusted cohort.

During testing of the District's graduation rate data, we determined that the District did not have support for all of its students that were excluded from the calculation. We noted that thirty-two percent of the files tested did not have the proper documentation to support the student's exclusion code.

We recommend that the District implement and monitor new procedures over the student enrollment and withdrawal process in order to assure a review of the withdrawal codes in the system prior to submission to the Ohio Department of Education.

**Official's Response and Corrective Action Plan:**

The District plans to implement the following procedures:

- The EMIS coordinator will develop fillable withdrawal form to be placed on the student's folder
- The EMIS coordinator will develop fillable Superintendent agreement form for the out of District students to be placed in the student's folder.
- The EMIS coordinator will request that all superintendent's agreements be sent to the Treasurer's office
- The EMIS will develop a template letter for the various dropout students categories (i.e., withdrawal due to truancy and last known address) to be placed on the student's file.



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURE

Gahanna-Jefferson Public School District  
Franklin County  
160 South Hamilton Road  
Gahanna, Ohio 43230

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 Gahanna-Jefferson Public 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 June 24, 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 28, 2012

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Board Of Education  
Of  
Gahanna-Jefferson  
Public School District

Comprehensive Annual

For Fiscal Year Ended  
June 30, 2012

By Julio Valladares, MBA  
Treasurer/CFO

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**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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## **I. INTRODUCTORY SECTION**

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## **GAHANNA-JEFFERSON CITY SCHOOL DISTRICT**

Gahanna-Jefferson Public School District  
Elected Officials and Administrative Staff  
as of June 30, 2012

### BOARD OF EDUCATION MEMBERS

President	Mrs. Claire Yoder
Vice President	Mrs. Jill Schuler
Member	Mrs. Heather Bishoff
Member	Mr. Scott Mounts
Member	Mrs. Windy McKenna

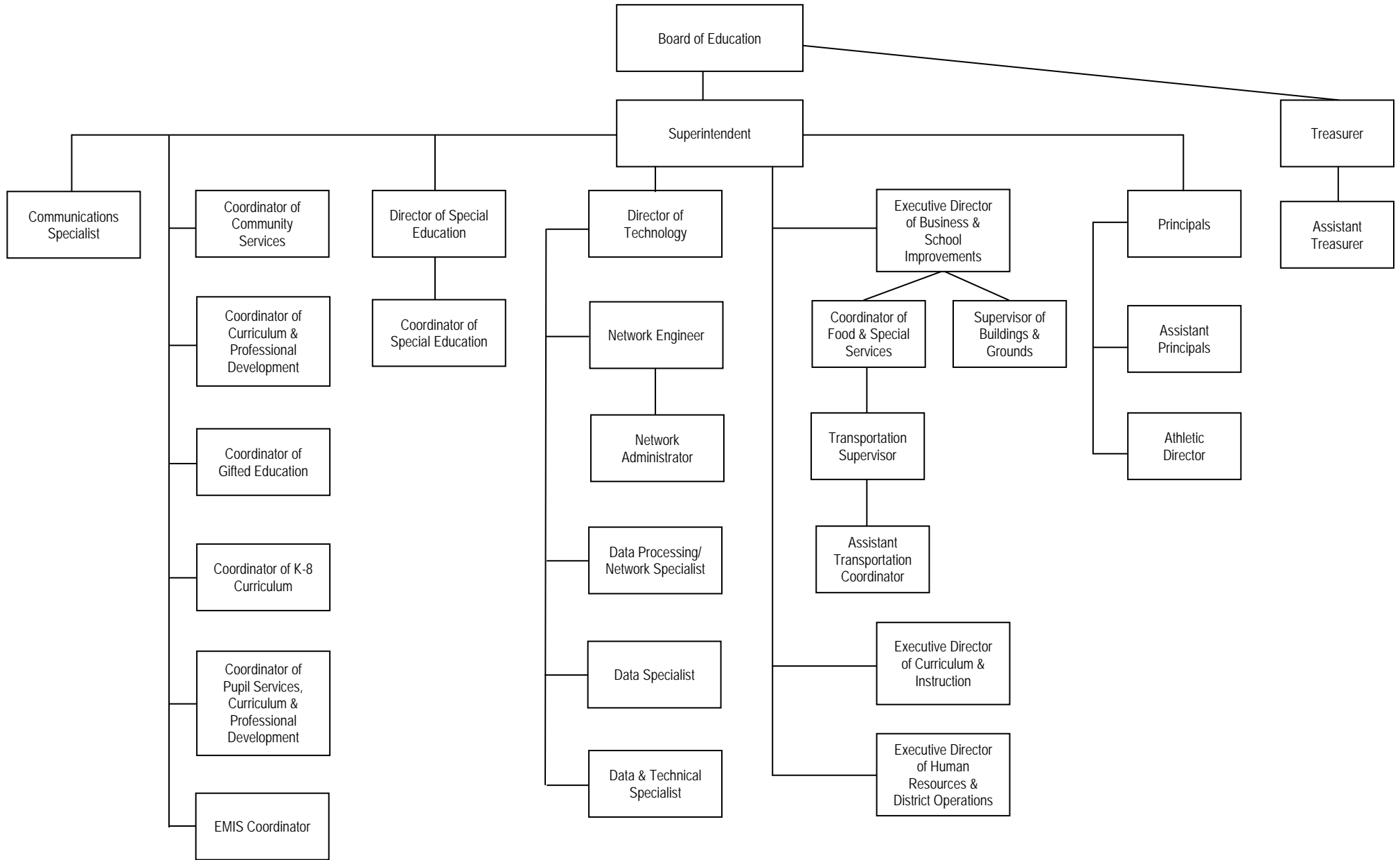
### APPOINTED OFFICIALS

Superintendent	Mr. Mark White
Treasurer	Mr. Julio Valladares

### ADMINISTRATIVE STAFF

Executive Director - Human Resources	Mr. Matt Cygnor
Executive Director of Business Affairs	Mr. Scott Schmidt
Executive Director of Curriculum	Mrs. Beth Spieth
Director of Special Education Services	Mrs. Sue Wieging
Principal, Lincoln High School	Mr. Dwight Carter
Principal, Middle School West	Mr. Brett Harmon
Principal, Middle School East	Mr. Brad Barboza
Principal, Middle School South	Mrs. Kristen Groves
Principal, Blacklick Elementary School	Mrs. Robin Schmidt
Principal, Chapelfield Elementary School	Mrs. Shea Reed
Principal, Goshen Elementary School	Mr. Scott Emery
Principal, High Point Elementary School	Mrs. Kathleen Erhard
Principal, Jefferson Elementary School	Mrs. Roben Frentzel
Principal, Lincoln Elementary School	Mr. Jim Micciulla
Principal, Royal Manor Elementary School	Mr. Rick Oxley

# Gahanna-Jefferson Public Schools Organization Chart





# Gahanna - Jefferson Public Schools

160 South Hamilton Road • Gahanna, OH 43230  
(614) 471-7065 • Fax (614) 478-5568

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December 28, 2012

TO THE BOARD OF EDUCATION AND CITIZENS OF THE GAHANNA-JEFFERSON CITY SCHOOL DISTRICT:

As Treasurer and Superintendent of the Gahanna-Jefferson City School District (the District), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) issued by the District. This CAFR for the year ended June 30, 2012 is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

This CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes management's discussion and analysis, the basic financial statements, notes to the basic financial statements, and supplemental data, as well as the Independent Accountants' Report on the financial statements. The statistical section provides pertinent financial, economic and demographic information, generally presented on a multi-year basis.

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

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

The Office of the Treasurer is responsible for the accuracy of the data presented and the completeness and fairness of this presentation. We believe the data presented are necessary to enable the reader to acquire the maximum understanding of the District's financial activity.

The District is a public school system and is a fiscally independent political subdivision of the State of Ohio. The District operates one high school, three middle schools and seven elementary schools. The District is located east of Columbus, Ohio in Franklin County and encompasses all of the City of Gahanna, a major portion of Jefferson Township, and smaller portions of the City of Columbus and Mifflin Township. The District and municipal boundaries are not coterminous.

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



facilities.

In addition to providing these general activities, the District has administrative responsibility for state funds distributed to private schools located within the District boundaries; therefore, in accordance with GASB Statement 24, this responsibility is included in the reporting entity in a special revenue fund. The private schools served are Gahanna Christian Academy, Columbus Academy, St. Matthew School and Shepherd Christian School. While these organizations share operational and services similar with the District, all are separate and distinct entities. Because of their independent nature, none of these organization's financial statements are included in this report.

### **Economic Condition and Outlook**

Approximately 85% of the District's enrolled students reside in the City of Gahanna. Gahanna is a suburban community that has experienced little residential and commercial growth during the past few years. Approximately 95% of the City is developed. Jefferson Township, which until recently had been primarily rural, is now experiencing residential developments. Tax valuation has decreased 6% from 2010 to 2011 due to the economic real estate crisis the nation is currently experiencing.

The District, along with many other public school systems in the state, still faces some difficult situations in the future since the primary funding source is property tax revenues. Ohio law, specifically House Bill 920, limits growth in real estate tax revenues by reducing millage as assessed values increase. This law keeps revenues from each levy relatively constant. Additionally, House Bill 95 and House Bill 66, included tax reductions and eliminated taxes on corporation's personal property for school districts, which ultimately lead to a pronounced shifting of tax burden to residential and agricultural property tax payers. However, House Bill 1, retained the state reimbursement of this revenue through 2013 but, the latest budget bill HB153 eliminates the state reimbursement through the end of fiscal year 2012 instead of through the end of fiscal year 2013. there still no permanent plan to replace this lost revenue stream.

Historically, the community has been supportive of education. This has been demonstrated by the passage of an \$8,250,000 bond issue in May 1994, and, a combined 6.3 mill permanent operating levy and a \$28.5 million bond issue in November 1998. The District issued those bonds during fiscal year 1999. In addition a 6.5 mill permanent operating levy was passed in November 1995 and a 7.9 mill operating levy passed in May of 2006 and most recently a 5.2 mill levy was passed in May of 2011. Management believes that by maintaining continued sound financial management practices, continued quality of program offerings, and the solid working relationship with the community, it is likely that community support will remain strong in the future.

In addition, the Gahanna-Jefferson Board of Education recently approved a resolution for a ground lease for 85 years to Wagenbrenner Development, Inc., for design and construction of 24,000 sq. ft. of new commercial space on the remaining undeveloped land adjacent to Clark Hall. Titled The Commons at Clark Hall, Wagenbrenner is investing about \$5.9 million to create two, one-story retail buildings. This ground lease will provide GJPS with an additional annual revenue stream of \$132,000 to begin as early as February 2012. Revenues from this agreement as well as revenues from Clark Hall's first floor leases will help offset the cost of building Clark Hall.

### **The District and Its Facilities**

The District serves an area of 32 square miles in and around the City of Gahanna. It is located in Franklin County, approximately 10 miles east of downtown Columbus, the state capital. The Gahanna-Jefferson City School District is a suburban district experiencing little or no growth in the last 10 years. Gahanna's population in 2000 was approximately 32,636 residents. During 2012, according the City of Gahanna,



population has increased to a little over 34,355.

Over the last ten years, the District has experienced growth in enrollment as well as decreases. However during fiscal year 2012, the District experienced an increase in enrollment of 2 students. Projections in the coming years are being similar to the previous years.

The District's facilities include seven elementary schools (Grades K-5) with 3,083 students, three middle schools (Grades 6 to 8) with 1,758 students, one high school (Grades 9-12) with 2,232 students, for a total of 7,073 students within the District. Other facilities within the District include a maintenance building, a bus garage, an alternative school, the central office and several athletic fields.

## **Major Initiatives**

While Ohio content standards and now the national Core Standards guide teaching and learning in the Gahanna-Jefferson schools, the focus is on the growth and development of the individual student. The Gahanna-Jefferson Graduate Profile, formally introduced during the 2009-10 school year, embodies the skills that are critical for every student in the changing world of the 21st century. The ability to be a responsible community member, collaborative team member, comprehensive problem solver, effective communicator and proficient technology user enhances students' capacity to learn, process and assimilate the content identified in the standards. These skills are essential for the creative, innovative thinking which will drive the changes of the future.

This poster, a symbol of the district's diversity and commitment to the daily focus on these skills, is visible in every classroom, hall and building in the district. Students are assuming more and more responsibility for their learning as they make choices about how they learn and demonstrate their level of understanding.

The practice of frequent, ongoing assessment of daily learning and student understanding is evident throughout the district. Instruction is shaped by student needs that are identified with the evidence and data derived from the daily evaluation of student work. The ultimate goal for every student is the development of thorough understanding and comprehension represented by the ability to coherently articulate or demonstrate a concept.

As technology has exponentially increased the speed of communication across long distances and all languages, making the world smaller and more accessible, so is it changing the ways of teaching and learning. The addition of Clark Hall in August of 2011 has provided additional space for students to collaborate virtually with one another inside the building walls as well as with others across the street, the state, country and world.

Flexibility in the way course credit is earned and the way students learn is evident at Clark Hall and will be replicated throughout the district. It is an exciting time for the students and community of Gahanna as





an educational transformation is taking place in response to the changing world in which we live.

Lincoln High School students (primarily juniors and seniors) attend classes on the second and third floors of Clark Hall. The first floor is leased to Eastland-Fairfield Career & Technical Schools, Columbus State Community College, and Education First Credit Union. These unique partnerships not only allow the GJPS to provide a seamless transition from high school into college; but to also finance the cost of construction.

The impact of Clark Hall goes beyond the high school. A strategic partnership with Cisco Systems, Dell and Intel has provided opportunities to upgrade the network infrastructure that has improved connectivity in all district buildings (K-8 levels too), and most importantly, supports a philosophy of broad-scale, K-12 technology usage for students.

## **Departmental Focus**

### Technology

During the 2011 – 2012 academic year, the Technology Department focused on adding student and staff services made possible by the previous year's replacement of our aged, unreliable, and limited network infrastructure. Leveraging this investment to gain the fullest possible return on our technology investment for the district students and staff will continue to be a focus in the years to come, as an increasing number of technologies shift from independent *standalone* systems to network-integrated services that can be more cost effectively added by using the existing network; you will see that most the projects listed below are network-based or are dependent upon the network for their operation. Long-range cost savings are also accrued when these additional capabilities are able to be managed *in-house* by Technology Department staff, rather than relying on ongoing support by expensive outside consultants or system providers. Examples such as student and staff security systems will be considered later in this report.

Gahanna-Jefferson is also proud to be among the leaders in using our technological capabilities to take advantage of important new educational opportunities that include Web 2.0 and cloud-based services, social networking for learning, expanded student/staff/community communication options; enhanced student and staff safety, operational efficiency, and effectiveness. Although *Bring Your Own Device (BYOD)* initiatives greatly increase complexity and technology challenges in areas ranging from access to data security, we have embraced BYOD as a way to expand student and staff access to, and use of, available educational opportunities, again in a cost-effective manner.

Below you will find some of the most significant technology projects completed in the Gahanna-Jefferson City School District during the last year.

### Network-Based Initiatives

While the driver for all technology improvement in schools is to support student learning, the widest impact projects are increasingly network-based both because a solid network core can be leveraged to cost-effectively deliver a range of services that formerly required expensive individual standalone systems in separate buildings, and because networks have become necessary for even the most simple of tasks - such as computers that require a network connection and login before they can be used.

Our 2011 CAFR focused on a complete network upgrade that was performed to replace an old (circa 2003) and under-performing network with a new, state of the art infrastructure that would support the entire range of network-based technologies; also important was the concurrent district-wide fiber update



project that exponentially improved the connectivity between our district buildings. The past year has proven the validity of those decisions, as the following projects could not have been completed without this solid core network.

### Connectivity Improvements

Last year's district/city fiber partnership resulted in an increase in campus inter-building connectivity from, in almost every case, 10 Meg to 10 Gig. This increase was necessary to effectively deliver a range of new district technology services, such as a Voice over Internet Protocol (VoIP) phone system, but as anticipated this increase also removed the internal barriers for Internet access and resulted in a bottleneck at the district-to-Internet connection level. By June of 2011, our district connection to the Internet was at its limit with traffic regularly peaking at over 98% of total capacity and cases in which Internet connectivity was impossible because we had reached 100%.

To address this issue, we have increased our bandwidth fivefold - from 100Meg to 500Meg. Logs show that daily usage is now consistently greater than could have been accommodated with the previous bandwidth capacity, and is still climbing as BYOD and the expansion of Web 2.0 technology use combine to continue to drive this use upward.

We continue to work with the City of Gahanna to get partnership fiber connection to Blacklick Elementary School, the only school that could not be included in the original district/city partnership due to its location outside the City's fiber "umbrella."

### Security

This now encompasses two areas: security for protection of student/staff data and the network itself, and using the network as a base for systems implemented for the protection of students and staff.

### High School Security Cameras

Last year, a new network-based security system, including surveillance and building access controls, was installed in our new high school building, Clark Hall. Over the last few years, the age of the security system at main high school complex has become increasingly problematic as the frequency of key critical components continued to increase – as did the time to repair due to the security vendor's difficulty in finding the necessary repair parts – so the decision was made to replace the current system with a modern network-based solution that offered high-definition interior and exterior cameras and superior management and operation with Milestone's XProtect software. This replacement was made more cost-effective as it was built on the existing data network, and utilizes existing network resources for data transfer, video storage, and other necessities that formerly required separate hardware systems. The existing network also allowed the addition of several more cameras to cover problem areas, although in some areas a network expansion was required to get connectivity to remote areas of the building. Due to the nature of network-based services, this build out will not only serve the needs of the security system also provides a growth path for the anticipated expansion of other network services.

Operational hardware from the existing high school security camera system was recovered to be used to replace failed or failing components in other buildings, and the reuse of the replaced cameras and DVRs to address necessary repairs in other buildings has allowed us to do that without hardware expenses.



### Security, Intrusion Prevention, Antivirus, and Filtering

To address expanding security threats from hacking, bots, malware, and viruses, as well to address steadily increasing challenges in areas such as Internet content filtering, the district has upgraded firewall capabilities. While the improvements put in place here have significantly improved our capabilities, these problem areas are constantly evolving so this is another area that requires constant vigilance, review, and improvement to keep pace with changing threats and continuing expansion will be required in this area.

To maintain software version currency while minimizing cost, the district has moved to a new Microsoft licensing paradigm that includes access to their antivirus package at no additional cost. This package provides protection from viruses and malware, which enabled us to avoid the renewal of a specific AV package and its significant cost.

### Business Continuity, Disaster Recovery, and Backup

As mentioned above, the expanding use of technology in schools to meet both educational and operational challenges, and the pace of change with the technologies themselves, require constant reevaluation. The area covered here is a prime example of that reality, so while we have made significant improvements in these areas during the past year we fully anticipate that the next CAFR will reflect even more growth.

The implementation last year of business-class uninterruptable power supplies (UPS) and a generator in the main district data center to continue the delivery of critical services – such as telephony – in the event of an extended power issue have proven to be appropriate and have already prevented multiple instances in which these systems key technology systems would have completely failed throughout the district had these protections not been in place. With the assistance of the district’s Maintenance Department, the district’s Data Center has also been upgraded to a new “dry” fire suppression system that can extinguish a fire without water, and minimize damage to the hundreds of thousands of dollars’ worth of equipment in the data center that a water-based system would cause.

Technology expansion in the district pushed us beyond the capabilities of the existing backup systems, so we have moved from *backup to tape* to *backup to disk* for faster and more effective backups to protect all data in the district – from student work to irreplaceable student information system (SIS) information. The pace of change has already pushed us past the effective capabilities of these recent improvements, so the next CAFR will include a move to a completely different backup software and the improved strategy it allows.

Additional “on the radar” projects include the possible relocation of our disaster recovery servers and storage from their current location in the basement of an elementary school, which has no significant power backups and has a history of flooding, to a new location in a district building that already offers UPS protection and a generator. Long range plans include the colocation of disaster recovery services for both the district and the City of Gahanna to a former data center in the Upper Arlington, which could be done cost-effectively if done as a partnership and we share the fiber connectivity being negotiated by the city. We also would like to expand beyond *disaster recovery* to a *business continuity* scenario in which all educational and operational technology services would remain available even in the event of the total loss of the high school data center.



### Other Network-Based Projects

Several other smaller, but still significant, network projects, such as moving the Eastland-Fairfield classes held in our district from their own standalone network to our own network so they can fully participate in the improved technology services we can now provide (network speed, wireless, telephones, and so on), and cabling of the Maintenance and Transportation buildings to extend technology services in those areas, were also completed during the 2011-2012 academic year, as was a replacement of a storm-damaged fiber connection to the Maintenance Department. The expansion of storage capacity to address increasing student and staff file storage needs, as well as to increase backup capacity, were critical but probably not evident to anyone outside the district's technology staff.

Other critical but not obvious projects included major improvements to the district's critical Student Information Service (SIS) application, eSchool. In addition to a version upgrade, improvements and additions such as geocoding (to ensure student address accuracy for attendance), online student registration, the improvement of online fee-pay options, and more have been added. The transportation software used by the district has been upgraded with a redistricting module that can provide alternative transportation scenarios for review in order to create the most efficient bus routes based on student transportation needs.

Digital signage use as a way to communicate important building messages via large displays in each building has been challenged due to the nature of the technology and a system complexity that prevents it from being "user friendly" enough to allow building-level system control. We have made progress during the last year in bringing buildings online with a "workaround" alternative, but are still seeking a software solution that will allow a more robust, easy-to-use solution.

### Classroom / Student Based Initiatives

As mentioned earlier, all of our technology improvements are motivated by the desire to improve student learning – including the network projects above – but the projects in this section are more evident in the classroom than some of those mentioned above.

### Computers and Tablets

While the district does not have an official replacement cycle on district computers, experience in the past year has shown that a 7-year service cycle is the maximum that is acceptable for staff. Beyond that, the value of the equipment in student learning drops to the point that the equipment is perceived more as a nuisance than a tool and usage stops. To address teacher concerns, almost 500 "more than 7 year old" computers were replaced to the relief of the primarily 4<sup>th</sup> and 5<sup>th</sup> grade teachers who were attempting to use them in their classrooms. Many "thank you" notes and emails were received after this replacement was completed, and the teachers have returned to using tool in the regular classroom experience of their students.

The expansion of iPads in the district is also continuing, with the addition of approximately 150 iPads purchased for Title I projects and an additional 77 from a grant through the Gahanna-Jefferson Education Foundation, a group of Gahanna businesses and professionals that hold fundraising events to provide grant monies for special projects in our school district. Carts were also purchased to secure and allow the efficient charging and transportation of the tablets, and MacBook Pro laptop computers were purchased to help address some ongoing management issues related to these devices.



### New Technology Education Lab

Due to fiscal realities, Technology Education is addressed at the middle school level by a teacher who rotates through our school buildings, providing Tech Ed classes in a different school each year. Two of our three middle school buildings now have Tech Ed labs, but the third, where the classes are being held this year, did not have a space sufficient to meet this requirement. To address this need, we have implemented a new 40-seat technology lab in Middle School West. Due to the location of the only space available in the building, this new lab required the creation of a new wiring closet, the addition of switching equipment, and the installation of a fiber optic connection from this new location to the main network distribution point in the building. New data cabling was installed to provide connectivity to all the computers, and the Maintenance Department provided the necessary improvements and cabling for the electrical systems. While used computers and flat screen monitors were purchased instead of new equipment to minimize acquisition costs, the teacher and students are very happy to have this new lab. Next year, when the teacher moves in order to offer the Tech Ed class in another building, this lab will be the primary technology lab resource for all building teachers with whole-class technology projects.

### Bring Your Own Technology / Bring Your Own Device / Bring Your Own Computer

Although this area has developed so quickly that no one seems to be able to agree whether it is called BYOT, BYOD, or BYOC, it is certain that this is an area that is exploding across both education and private-sector environments as everyone strives to address the demand for technology access in fiscally sustainable ways. BYOD took hold in the across the district with the opening of Clark Hall and the realization that although we wanted that building to be a 1:1 environment, the district did not have sufficient funds to make that happen if we had to provide each device for each students. In the last year, the decision to allow students to use devices they already own instead of forcing them to “power down” while in the school buildings has proven to be a good one, and although it is not without its own challenges, the policy of allowing student – and staff – us of equipment they already own has proven to be a valid way to supplement district-provided technology tools.

While the limitations of the district’s network security devices and the range of devices bring brought in by students and staff prevents the delivery of the full range of services available on district-provided laptops, the users’ comfort with their own equipment is making this a negligible concern for users. For adherence with the Child Internet Protection Act (CIPA) and other Federal and State mandates, students using their own devices to access the district network must still enter their district network user ID and password to log in to the district’s firewall, which then applies the filtering and access rules applicable to their role or grade level that are in place when using district-provided equipment.

The network project reported in last year’s CAFR provided full-building wireless network coverage in every school, this BYOD policy allows staff and students at all grade levels to share in the benefit of this wireless coverage.

### Special Projects

To expand emergency communications capabilities in the event of a weather closure, natural disaster, or other event, the district has implemented a new phone caller system. *School Messenger* allows the district to efficiently and effectively communicate with staff and community members to notify them of these events, improving staff and student safety. This system improves on the capabilities of the previous emergency caller, allows calls to be made in a wider range of situations, and does so at a lower annual cost to the district.



Emergency call capabilities have been expanded at the *Point of Rescue* areas at Clark Hall. The intent of these areas is to provide safety and security for those who may be in wheelchairs or have others that may require assistance in situations in which the elevators do not work, either due to equipment failures or a fire in the building. 911 call capabilities on the new VoIP phone system have also been expanded to better identify call sources when a 911 call is placed so that emergency services are dispatched to the correct location.

Paging at Clark Hall now routes not only through the VoIP phone sets, but also is heard through ceiling speakers to better serve the needs in hallways and large meeting rooms where the phone-based paging could be difficult to hear.

Cafeteria service computers have been replaced to improve the lunch line experience for students.

To conserve energy and reduce energy costs, an automated technology *powerdown system* has been implemented that shuts down computers that have been left on by students or staff. A message appears on equipment that is powered up, warning users that the computer will be shut down in 30 minutes.

### Current and Future Projects

Projects that are currently under way or under review for the 2012-2013 school year include:

- Implementing solutions for communications needs for the solar panel project, including telephone, network, and Internet connectivity.
- The investigation of electronic documents and document management options
- Review of opportunities in the area of eReaders, eBooks and eTextbooks
- Expanding Curriculum/Technology Department projects to review
  - Online testing
    - STAR, during the 2012-2013 academic year
    - State initiatives for expanding online testing in the 2013-2014 academic year
  - Promising educational technology practices
  - National, state, and local technology standards
  - The inclusion of appropriate standards in district Course of Study revisions
- Increasing online and blended learning opportunities for Gahanna-Jefferson students
- Mobility of learning in general will continue to be a focus as students become increasingly less tethered to their desk, classroom, and school building as the source of their learning opportunities. Anywhere, anytime learning will continue to expand, as will the need to implement the technologies to support that.
- Continuation of grants, such as eRate and the Ohio K-12 Network, which result in a return to the district of approximately \$70,000 in funding annually.

### Partnership Development

To increase effectiveness and reduce costs, the district continues to develop and expand a range of business, community, vendor, and other partnerships.

One long-standing partnership for the district encompasses both the business and community sectors: the Gahanna-Jefferson Education Foundation. Comprised primarily of community business leaders, the GJEF provides funding for expanded technology purchases. In the past, the GJEF fielded grant funding requests by district teachers to obtain specialty technology such as USB microscopes, sound systems for music programs, and the equipment to create mini-TV studios to enable students to create video morning



announcements. Additionally, the "Fund-a-Need" initiative created in 2011 has been very successful over the last two years, which identifies goals shared by both the Curriculum and Technology departments - increasing access to interactive whiteboards and electronic tablets (such as iPads)- as their funding target. This initiative, for fiscal year 2012 provided six (6) iPads per building for a total of 66 iPads.

Already noted in this report is the partnership with the City of Gahanna to deliver network services through almost the entirety of our district via fiber optics. Without this partnership, it would have been fiscally impossible to deliver this extraordinarily high level of service to our buildings. With this partnership, we are able to achieve the bandwidth, quality of service level, and other technical requirements necessary to expand our network services to address both current and future needs with a recurring cost that is a fraction of what it would have been using the older leased fiber paradigm.

It should be noted that our continuing partnerships with technology vendors such as Dell and Intel offer more than just reduced purchase costs or "free" technology, but in many cases also offer us free access to educational and technology specialists valuable in helping us develop and reach district educational goals to effectively and efficiently achieve the educational experience our students deserve.

### Financial Information

The District's accounting system is organized on a "fund" basis. Each fund is a separate self-balancing accounting entity. All District funds, except Proprietary Funds and Fiduciary are reported on the modified accrual basis of accounting, whereby revenues are recognized when measurable and available, and expenditures are recognized when the related liability is incurred, except for principal and interest on long-term debt which is recorded when due. Proprietary and Fiduciary funds are accounted for on the full accrual basis of accounting. Both basis of accounting are in accordance with GAAP as applied to governmental units and consistent with GASB Code. Sec. 1600; "Basis of Accounting".

#### *Internal Controls*

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 is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. 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 their implementation; and (2) the valuation of costs and benefits requires estimates and judgments by management.

#### *Budgetary Controls*

The District maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control, the level at which expenditures cannot legally exceed the appropriated amount is established at the fund level of expenditure. Additionally, the District maintains an encumbrance system as a useful technique of accomplishing budgetary control. Under encumbrance accounting, purchase orders, contracts, and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation. In June 2012, the Board approved the fiscal year 2012 final amended appropriation measure for the District.



As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

### **Risk Management**

The District is part of a statewide plan for workers compensation insurance coverage. Additionally, the District carries all-risk property insurance, liability and excess insurance. All employees are bonded and medical coverage for employees is provided through a self-insured medical program offered by the District.

### **Independent Auditors**

The basic financial statements of the District for the year ending June 30, 2012, were audited by the State Auditor's Office, whose opinion thereon is included at the beginning of the Financial Section of this report.

### **Certificate of Achievement Program**

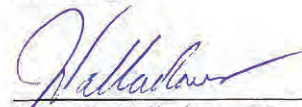
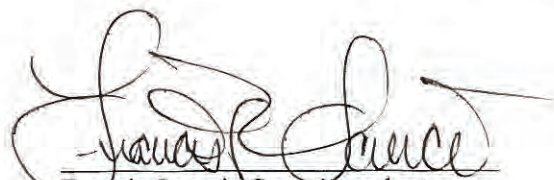
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board of Education of the Gahanna-Jefferson City School District, Ohio for its comprehensive annual financial report (CAFR) for the fiscal year ending June 30, 2011. The Certificate of Achievement is a prestigious award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

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

### **Acknowledgments**

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the conscientious efforts of the treasurer's office staff and assistance of other central office administrators and staff. The assistance of the Franklin County Auditor's office in providing information is appreciated. Without the leadership and support of the Board of Education of the District, preparation of this report would not have been possible. Most importantly, we would like to thank the Citizens of the District for the opportunity to continue to improve the professionalism in financial reporting that they expect and deserve.

Sincerely,

  
\_\_\_\_\_  
Julio C. Valladares, Treasurer/CFO  
\_\_\_\_\_  
Francis Scruci, Superintendent

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Gahanna-Jefferson  
Public School District  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2011

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.



*Christopher P. Moynell*

President

*Jeffrey R. Emswiler*

Executive Director

## **II. FINANCIAL SECTION**

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Gahanna-Jefferson Public School District  
Franklin County  
160 South Hamilton Road  
Gahanna, Ohio 43230

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Gahanna-Jefferson Public School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2012, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Gahanna-Jefferson Public School District, Franklin County, Ohio, as of June 30, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2012, 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 28, 2012

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

As management of the Gahanna-Jefferson Public School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with the additional information we have furnished in our letter of transmittal, which immediately precedes this analysis.

**Financial Highlights**

Key financial highlights for 2012 are as follows:

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$40.5 million (net assets). Of this amount, \$19.8 million (unrestricted net assets) may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net assets increased by \$7.1 million, a 21.4% increase in comparison with the prior fiscal year.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$28.5 million, an increase of \$1.7 million in comparison with the prior fiscal year. Of this amount, \$1.5 million is available for spending at the District's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned balance for the general fund was \$1.7 million, or 2.2% of total general fund expenditures.
- The District's total general obligation bonded debt decreased \$2.4 million, or 8%, in comparison with the prior fiscal year.

**Overview of the Financial Statements**

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

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

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

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

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

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

In the Statement of Net Assets and the Statement of Activities, all of the District's activities are reported as governmental including instruction, support services, community services, non-instructional services and extracurricular activities.

The government-wide financial statements include not only the District itself (known as the primary government), but also a legally separate community school for which the District is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 17-18 of this report.

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

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

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

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

The District maintains 21 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and building fund, each of which are considered major funds. Data from the other 16 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and schedules elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 19-23 of this report.

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

The basic proprietary fund financial statements can be found on pages 24-26 of this report.

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

The basic fiduciary fund financial statement can be found on page 27-28 of this report.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements begin on page 29 of this report.

**Other information.** The combining and individual fund statements and schedules referred to earlier in can be found on pages 69-91 of this report.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

**Government-Wide Financial Analysis**

The table below provides a summary of the District's net assets for 2012 and 2011:

	<b>Net Assets</b>	
	<b>Governmental Activities</b>	
	2012	As restated 2011
<b><u>Assets</u></b>		
Current and Other Assets	\$ 110,466,037	\$ 110,066,985
Capital Assets	47,111,163	46,208,274
<b>Total Assets</b>	<b>157,577,200</b>	<b>156,275,259</b>
Current Liabilities	75,066,791	77,128,101
Long-term Liabilities	42,050,341	45,806,361
<b>Total Liabilities</b>	<b>117,117,132</b>	<b>122,934,462</b>
Invested in Capital Assets net of related debt	14,550,868	12,868,487
Restricted	6,105,581	5,311,712
Unrestricted	19,803,619	15,160,598
<b>Total Net Assets</b>	<b>\$ 40,460,068</b>	<b>\$ 33,340,797</b>

A portion of net assets at June 30, 2011 related to long-term debt, totaling \$1,969,709, have been reclassified from Unrestricted to Restricted for Debt Service to correlate with the same classification at June 30, 2012.

As mentioned earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$40.5 million at the close of the most recent fiscal year.

A large portion of the District's net assets (36 percent) reflect its investment in capital assets (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net assets (15.1 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$19.8 million) may be used to meet the District's ongoing obligations to citizens and creditors.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

The table below shows the change in net assets for fiscal year 2012 and 2011:

**Change in Net Assets**

	2012	Restated 2011
<b>Program Revenues</b>		
Charges for Services	\$ 4,679,249	\$ 3,714,440
Operating Grants	6,605,247	7,526,506
<b>General Revenues</b>		
Property Taxes	54,326,655	48,542,206
Grants and Entitlements	20,943,372	21,378,403
Payments in Lieu of Taxes	3,706,243	3,960,116
Investment Earnings	37,844	75,858
Miscellaneous	406,030	1,124,388
Total Revenues	90,704,640	86,321,917
<b>Program Expenses</b>		
Instructional	52,433,318	54,297,547
Support Services	24,906,666	26,081,391
Community Services	1,109,710	1,873,104
Food Service Operations	2,358,904	2,351,236
Extra Curricular Activities	1,265,564	1,275,667
Interest and Fiscal Charges	1,511,207	1,629,368
Total Expenses	83,585,369	87,508,313
Change in Net Assets	7,119,271	(1,186,396)
Net Assets at Beginning of Year	33,340,797	34,527,193
Net Assets at End of Year	\$ 40,460,068	\$ 33,340,797

Operating grants decreased \$.9 million in comparison with the prior fiscal year. This decrease is the result of a decrease in federal funding with the phasing-out of stimulus grants.

Property taxes increased \$5.8 million due to an increase in amounts available for advance and increased collections resulting from the levy passed in May of 2011.

Total expenses decreased \$3.9 million, or 4.5 percent. Instructional expenses decreased \$1.9 while support services decreased \$1.2 million accounting for the majority of the decrease. The decreases are a result of the District monitoring costs and retirements resulting in employees entering District at lower salaries than those exiting.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

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. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

	<u>Total Cost of 2012 Services</u>	<u>Restated Total Cost of 2011 Services</u>	<u>Net Cost of 2012 Services</u>	<u>Restated Net Cost of 2011 Services</u>
Governmental Activities				
Instructional	\$ 52,433,318	\$ 54,297,547	\$ 48,315,362	\$ 49,791,542
Support Services	24,906,666	26,081,391	22,433,554	24,202,084
Community Services	1,109,710	1,873,104	(504,069)	(138,967)
Food Service Operations	2,358,904	2,351,236	(201,511)	(181,728)
Extracurricular Activities	1,265,564	1,275,667	746,330	965,068
Interest and Fiscal Charges	1,511,207	1,629,368	1,511,207	1,629,368
Total	<u>\$ 83,585,369</u>	<u>\$ 87,508,313</u>	<u>\$ 72,300,873</u>	<u>\$ 76,267,367</u>

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**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

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

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

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

The District's governmental funds reported a combined ending fund balance of \$28.5 million, an increase of \$1.7 million in comparison with the prior fiscal year. Of this amount, \$1.5 million is available for spending at the District's discretion (unassigned fund balance). The schedule below indicates the fund balances and the total change in fund balances as of June 30, 2012 for all major and nonmajor governmental funds.

Funds:	Fund Balance	(Restated) Fund Balance	Increase/ (Decrease)
	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>(Decrease)</u>
General	21,523,184	19,336,163	2,187,021
Debt Service	3,772,766	3,374,340	398,426
Building	2,261,851	4,223,780	(1,961,929)
Other Governmental	<u>936,188</u>	<u>(166,166)</u>	<u>1,102,354</u>
Total	<u><u>28,493,989</u></u>	<u><u>26,768,117</u></u>	<u><u>1,725,872</u></u>

*General Fund*

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1.7 million, while total fund balance was \$21.5 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 2.2 percent of total general fund expenditures, while total fund balance represents 28.8 percent of that same amount.

The fund balance of the District's general fund increased by \$2.2 million during the current fiscal year. For the most part, this increase represents the increase in amount of property taxes available for advance as of fiscal year end, compared with the amount available at the end of the prior fiscal year.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

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

	2012	(Restated) 2011	Change
<u>Revenues:</u>			
Taxes	\$ 51,994,742	\$ 46,143,070	12.7%
Payments in Lieu of Taxes	4,097,691	5,381,328	-23.9%
Tuition	328,310	293,756	11.8%
Interest Earnings	30,291	57,886	-47.7%
Intergovernmental	19,863,172	20,989,418	-5.4%
Other Revenue	2,533,574	1,613,131	57.1%
Total Revenues	<u>\$ 78,847,780</u>	<u>\$ 74,478,589</u>	<u>5.9%</u>

Property taxes increased \$5.9 million due to an increase in the amount available for advance at fiscal year-end and increased collections resulting from the May 2011 levy passage.

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

	2012	(Restated) 2011	Change
<u>Expenditures:</u>			
Instruction	\$ 49,940,274	\$ 51,505,776	-3.0%
Support Services	23,404,193	24,427,777	-4.2%
Community Services	3,239	-	100.0%
Extracurricular Activities	922,666	927,114	-0.5%
Capital Outlay	-	2,350,330	-100.0%
<u>Debt Service:</u>			
Principal Retirement	512,707	422,490	21.4%
Interest and Fiscal Charges	65,957	71,730	-8.0%
Total Expenditures	<u>\$ 74,849,036</u>	<u>\$ 79,705,217</u>	<u>-6.1%</u>

Total expenditures decreased \$4.9 million, or 6.1 percent. Capital Outlay decreased \$2.4 million from prior year due to a capital lease being entered into in the prior fiscal year. Instruction decreased \$1.6 million and Support Services decreased \$1.0 million. The decreases are a result of the District monitoring costs and retirements resulting in employees entering District at lower salaries than those exiting.

*Debt Service Fund*

The debt service fund has a total fund balance of \$3.8 million, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year was \$398,426. For the most part, this is the amount by which property tax related receipts and transfers in from the general fund outstripped the current year debt service requirements.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

*Building Fund*

The building fund has a total fund balance of \$2.3 million, a \$2.0 million decrease in comparison with the prior fiscal year. This decrease is the result of capital outlay for the construction of the new Learning Center addition to the high school.

**General Fund Budgetary Highlights**

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

The District's final estimated revenues and other financing sources budgeted amounts were increased by \$6.5 million, compared to the original amounts. The increase was mainly the result of property taxes from passage of levy. The District's final appropriations and other financing uses budgeted amounts were increased by \$928,000, compared to the original amounts.

The final budgeted revenues and other financing sources estimate exceeded actual revenues and other financing sources by \$2.5 million, or 3.1 %, and final appropriations were \$1.5 million, or 1.8% more than actual expenditures and other financing uses.

**Debt Administration**

At fiscal year-end, the District's general bonded debt totaled \$28 million, a decrease of \$2.4 million in comparison with the prior fiscal year. This decrease represents the amount in which current year principal reductions totaling \$2.5 million exceeded new debt issued, totaling \$115,341.

See note 10 to the basic financial statements for additional information on long-term obligations.

**Capital Assets**

At fiscal year-end, the District had \$47.1 million (net of accumulated depreciation) invested in land, buildings and improvements, improvements other than buildings, equipment, vehicles, and textbooks, an increase of \$.9 million in comparison with the prior fiscal year. For the most part, this increase represents the amount in which current year additions of \$4.0 million exceeded current year depreciation of \$3.1 million.

See note 9 to the basic financial statements for additional information on Capital Assets.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**UNAUDITED**

**Economic Conditions and Outlook**

Like most municipal entities, the City of Gahanna's financial condition was impacted by the national economic downturn of the last few years. However, calendar year 2011 signaled the beginning of economic recovery in Gahanna. While revenues have been in flux due to the economic downturn, the City has maintained a very healthy fund balance in excess of its mandatory emergency reserve. Gahanna has a mandatory emergency reserve of 25% of planned General Fund revenue. Despite the economic conditions, the City has never had to tap into these funds. The minimum amount required to be in reserve amounted to \$5,587,993 at December 31, 2011 and the unassigned fund balance of the general fund at December 31, 2011 amounted to \$16,251,643 which exceeds the reserve requirement by a healthy margin. The Administration and Council are working together to effectively manage the City's resources and plan strategically for the future. As the City enters 2012 and beyond, maintaining a conservative fiscal approach will continue to be crucial for Gahanna in order for the City to provide excellent services to businesses and residents within available resources.

The recent Gahanna extension of the new Tech Center Drive and bridge project over I-270 has improved access to the existing 295 businesses and over 5,000 employees in the immediate area while positioning new land for development with the potential to double the number of employees in the area and spur additional investments along South Hamilton Road and in the region.

The District, in January of 2012, approved a resolution for a ground lease to Wagenbrenner Development, Inc., for design and construction of 24,000 square feet of new commercial space on the remaining underdeveloped land adjacent to Clark Hall titled "The Clark Commons." The developer has invested over \$6 million to build two single stories mixed retail buildings to house 9 to 12 retailers. This public/private partnership creates a win-win situation because not only will the developer generate revenues from its tenants, but also the District creates the ability to generate additional annual revenue streams of \$132,000.

**Request for Information**

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Julio Valladares, Treasurer, Gahanna-Jefferson Public School District, 160 S. Hamilton Road, Gahanna, Ohio 43230.

## **BASIC FINANCIAL STATEMENTS**

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**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2012

	<u>Primary Government</u>	<u>Component Unit</u>
	Governmental Activities	Gahanna Community School
<b>Assets</b>		
Cash and Cash Equivalents	\$ 18,997,712	\$ 291,797
Restricted Cash and Cash Equivalents	1,021,342	-
Cash with Fiscal Agent	125,138	-
Receivables:		
Property Taxes - Current	78,245,963	-
Property Taxes - Delinquent	2,009,166	-
Accounts	147,355	-
Accrued Interest	875	-
Payments in Lieu of Taxes	7,910,401	-
Due From Other Governments	1,592,943	11,757
Prepaid Assets	75,181	-
Materials and Supplies Inventory	32,583	-
Deferred Bond Issuance Costs	307,378	-
Capital Assets:		
Non-depreciable Capital Assets	20,701,899	-
Depreciable Capital Assets	26,409,264	48,555
<b>Total Assets</b>	<u>157,577,200</u>	<u>352,109</u>
<b>Liabilities</b>		
Accounts Payable	1,154,946	87,890
Accrued Wages and Benefits Payable	7,309,893	-
Due to Other Governments	1,724,491	-
Retainage Payable	58,471	-
Accrued Interest Payable	128,386	-
Claims Payable	423,537	-
Unearned Revenue	64,267,067	-
Long-Term Liabilities		
Due Within One Year	4,373,895	-
Due in More Than One Year	37,676,446	-
<b>Total Liabilities</b>	<u>117,117,132</u>	<u>87,890</u>
<b>Net Assets</b>		
Invested in Capital Assets, Net of Related Debt	14,550,868	48,555
Restricted for:		
Debt Service	4,100,766	-
Building Fund	975,022	-
Locally Funded Programs	48,738	7,710
Extracurricular Activities	115,606	-
State Funded Programs	516,604	-
Federally Funded Programs	57,723	6,136
Food Service	291,122	-
Unrestricted	19,803,619	201,818
<b>Total Net Assets</b>	<u>\$ 40,460,068</u>	<u>\$ 264,219</u>

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Primary Government	Component Unit
				Governmental Activities	Gahanna Community School
Governmental Activities					
Instruction					
Regular Instruction	\$ 40,399,412	\$ 1,431,678	\$ 866,211	\$ (38,101,523)	\$ -
Special Instruction	11,158,887	149,748	1,623,951	(9,385,188)	-
Vocational Instruction	875,019	11,595	34,773	(828,651)	-
Support Services					
Pupils	3,642,669	-	215,357	(3,427,312)	-
Instructional Staff	3,316,790	76,776	1,146,582	(2,093,432)	-
General Administration	283,478	-	-	(283,478)	-
School Administration	6,828,574	176,962	145,975	(6,505,637)	-
Fiscal Services	1,525,658	-	-	(1,525,658)	-
Business	123,736	-	-	(123,736)	-
Maintenance	6,078,724	670,400	-	(5,408,324)	-
Pupil Transportation	2,772,503	-	21,260	(2,751,243)	-
Central	334,534	-	19,800	(314,734)	-
Community Services	1,109,710	51,799	1,561,980	504,069	-
Food Service Operations	2,358,904	1,591,057	969,358	201,511	-
Extra Curricular Activities	1,265,564	519,234	-	(746,330)	-
Interest and Fiscal Charges	1,511,207	-	-	(1,511,207)	-
Total Governmental Activities	<u>\$ 83,585,369</u>	<u>\$ 4,679,249</u>	<u>\$ 6,605,247</u>	<u>(72,300,873)</u>	<u>-</u>
Component Unit					
Gahanna Community School	<u>\$ 739,900</u>	<u>\$ 1,845</u>	<u>\$ 72,815</u>	<u>-</u>	<u>(665,240)</u>
General Revenues					
Property Taxes Levied for:					
General Purposes				51,820,326	-
Debt Service				2,506,329	-
Unrestricted Grants and Entitlements				20,943,372	624,628
Payments in Lieu of Taxes				3,706,243	-
Investment Earnings				37,844	119
Miscellaneous				406,030	-
Total General Revenues				<u>79,420,144</u>	<u>624,747</u>
Change in Net Assets				<u>7,119,271</u>	<u>(40,493)</u>
Net Assets Beginning of Year, As Restated				<u>33,340,797</u>	<u>304,712</u>
Net Assets End of Year				<u>\$ 40,460,068</u>	<u>\$ 264,219</u>

See accompanying notes to the basic financial statements.



**GAHANNA JEEFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2012**

	General Fund	Debt Service Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 7,963,310	\$ 2,729,287	\$ 2,753,758	\$ 1,667,084	\$ 15,113,439
Restricted Cash and Cash Equivalents	1,021,342	-	-	-	1,021,342
Receivables:					
Property Taxes - Current	74,496,528	3,749,435	-	-	78,245,963
Property Taxes - Delinquent	1,891,178	117,988	-	-	2,009,166
Accounts	81,092	-	40,371	22,214	143,677
Accrued Interest	875	-	-	-	875
Payments in Lieu of Taxes	7,910,401	-	-	-	7,910,401
Due From Other Governments	684,204	-	-	908,739	1,592,943
Interfund Loans Receivable	614,394	-	-	-	614,394
Prepaid Assets	75,181	-	-	-	75,181
Materials and Supplies Inventory	-	-	-	32,583	32,583
<b>Total Assets</b>	<b>\$ 94,738,505</b>	<b>\$ 6,596,710</b>	<b>\$ 2,794,129</b>	<b>\$ 2,630,620</b>	<b>\$ 106,759,964</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 431,064	\$ -	\$ 436,397	\$ 287,485	\$ 1,154,946
Accrued Wages and Benefits Payable	6,857,773	-	-	452,120	7,309,893
Interfund Loans Payable	-	-	-	614,394	614,394
Due to Other Governments	1,564,930	-	-	159,561	1,724,491
Matured Leave Benefits Payable	382,780	-	-	2,372	385,152
Retainage Payable	-	-	58,471	-	58,471
Deferred Revenue	63,978,774	2,823,944	37,410	178,500	67,018,628
<b>Total Liabilities</b>	<b>73,215,321</b>	<b>2,823,944</b>	<b>532,278</b>	<b>1,694,432</b>	<b>78,265,975</b>
<b>Fund Balances:</b>					
Non-spendable:					
Prepaid Assets	75,181	-	-	-	75,181
Restricted for:					
Debt Service	-	3,772,766	-	-	3,772,766
Building Fund	-	-	2,261,851	-	2,261,851
Locally Funded Programs	-	-	-	48,738	48,738
Extracurricular Activities	-	-	-	115,606	115,606
State Funded Programs	21,039	-	-	516,604	537,643
Federally Funded Programs	-	-	-	51,396	51,396
Food Service	-	-	-	291,122	291,122
Committed for:					
Community Recreation	-	-	-	39,098	39,098
Assigned for:					
Public School Support	119,947	-	-	-	119,947
Encumbrances	2,346,251	-	-	-	2,346,251
Future Appropriations	17,212,244	-	-	-	17,212,244
Rotary	90,592	-	-	-	90,592
Unassigned	1,657,930	-	-	(126,376)	1,531,554
<b>Total Fund Balances</b>	<b>21,523,184</b>	<b>3,772,766</b>	<b>2,261,851</b>	<b>936,188</b>	<b>28,493,989</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 94,738,505</b>	<b>\$ 6,596,710</b>	<b>\$ 2,794,129</b>	<b>\$ 2,630,620</b>	<b>\$ 106,759,964</b>

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRAKLIN COUNTY**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2012

**Total Governmental Fund Balances** \$ 28,493,989

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 47,111,163

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Property Taxes Receivable	2,009,166
Payments in Lieu of Taxes Receivable	528,498
Due From Other Governments	862,705
Interest Receivable	875
Accounts Receivable	37,410

An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. 2,902,459

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

Bonds and Notes Payable	(33,614,155)
Unamortized Deferred Bond Issuance Costs	307,378
Accrued Interest Payable	(128,386)
Capital Leases Payable	(1,661,966)
Compensated Absence Payable	(6,389,068)
	<u>(41,486,197)</u>

**Net Assets of Governmental Activities** \$ 40,460,068

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	General Fund	Debt Service Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
From Local Sources:					
Taxes	\$ 51,994,742	\$ 2,499,062	\$ -	\$ -	\$ 54,493,804
Payments in Lieu of Taxes	4,097,691	-	-	-	4,097,691
Tuition	328,310	-	-	-	328,310
Charges for Services	563,092	-	-	1,578,024	2,141,116
Other Local	1,970,482	-	117,268	490,498	2,578,248
Intergovernmental - State	19,863,172	299,818	-	1,705,421	21,868,411
Intergovernmental - Federal	-	130,950	-	5,500,933	5,631,883
Investment Income	30,291	-	6,056	1,508	37,855
<b>Total Revenues</b>	<b>78,847,780</b>	<b>2,929,830</b>	<b>123,324</b>	<b>9,276,384</b>	<b>91,177,318</b>
<b>Expenditures:</b>					
Instruction:					
Regular	39,000,838	-	-	948,898	39,949,736
Special	10,032,885	-	-	1,621,920	11,654,805
Vocational	906,551	-	-	-	906,551
Support services:					
Pupils	3,478,023	-	-	217,641	3,695,664
Instructional Staff	2,190,267	-	-	1,262,902	3,453,169
General Administration	250,484	-	-	-	250,484
School Administration	6,705,294	-	99,157	148,776	6,953,227
Fiscal Services	1,520,984	15,271	-	685	1,536,940
Business	-	-	-	8,382	8,382
Maintenance	6,171,392	-	-	-	6,171,392
Pupil Transportation	2,638,381	-	-	21,061	2,659,442
Central	449,368	-	-	19,800	469,168
Community Services	3,239	-	-	1,204,380	1,207,619
Food Service Operations	-	-	-	2,408,128	2,408,128
Extracurricular Activities	922,666	-	-	286,142	1,208,808
Capital Outlay	-	-	1,986,096	25,315	2,011,411
Debt service:					
Principal Retirement	512,707	3,018,185	-	-	3,530,892
Interest and Fiscal Charges	65,957	1,309,866	-	-	1,375,823
<b>Total Expenditures</b>	<b>74,849,036</b>	<b>4,343,322</b>	<b>2,085,253</b>	<b>8,174,030</b>	<b>89,451,641</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,998,744	(1,413,492)	(1,961,929)	1,102,354	1,725,677
<b>Other Financing Sources (Uses):</b>					
Sale of Assets	195	-	-	-	195
Transfers In	-	1,811,918	-	-	1,811,918
Transfers Out	(1,811,918)	-	-	-	(1,811,918)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,811,723)</b>	<b>1,811,918</b>	<b>-</b>	<b>-</b>	<b>195</b>
<b>Net Change in Fund Balances</b>	<b>2,187,021</b>	<b>398,426</b>	<b>(1,961,929)</b>	<b>1,102,354</b>	<b>1,725,872</b>
Fund Balances - Beginning (Restated)	19,336,163	3,374,340	4,223,780	(166,166)	26,768,117
<b>Fund Balances - Ending</b>	<b>\$ 21,523,184</b>	<b>\$ 3,772,766</b>	<b>\$ 2,261,851</b>	<b>\$ 936,188</b>	<b>\$ 28,493,989</b>

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

**Net Change in Fund Balances - Total Governmental Funds** \$ 1,725,872

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Depreciation Expense	(3,071,378)
Capital Outlay	3,977,488
Net effect of capital assets sales and disposals	(3,221)

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

Property Taxes - Delinquent	(167,149)
Payment in Lieu of Taxes	(391,448)
Due From Other Governments	48,325
Interest	(11)
Accounts	37,410

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

Bond and Note Principal Repayments	3,018,185
Capital Appreciation Bond Accretion and Amortization of Bond Issuance Costs	(141,707)
Capital Lease Principal Repayments	512,707

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

Compensated Absences	158,783
Accrued Interest	6,323

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

1,409,092

**Change in Net Assets of Governmental Activities** \$ 7,119,271

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b>Revenues:</b>				
Property Taxes	\$ 46,203,139	\$ 49,119,039	\$ 49,114,472	\$ (4,567)
Payments in Lieu of Taxes	4,900,000	4,900,000	3,904,812	(995,188)
Intergovernmental - State	19,540,826	20,796,799	19,863,172	(933,627)
Interest on Investments	100,000	100,000	30,920	(69,080)
Tuition	159,000	195,400	195,199	(201)
Charges for Services	553,000	675,700	557,452	(118,248)
Other local Sources	1,203,400	3,334,154	2,976,274	(357,880)
<b>Total Revenues</b>	<u>72,659,365</u>	<u>79,121,092</u>	<u>76,642,301</u>	<u>(2,478,791)</u>
<b>Expenditures:</b>				
<b>Instruction:</b>				
Regular	38,687,108	39,792,893	39,424,466	368,427
Special	10,706,814	10,916,312	10,768,311	148,001
Vocational	914,482	920,772	919,504	1,268
<b>Support Services:</b>				
Pupils	3,735,501	3,773,788	3,697,836	75,952
Instructional Staff	3,236,968	2,558,464	2,488,598	69,866
General Administration	542,278	520,410	517,313	3,097
School Administration	6,967,936	6,952,015	6,589,273	362,742
Fiscal Services	1,539,063	1,538,559	1,522,653	15,906
Maintenance	7,847,625	7,480,292	7,379,002	101,290
Pupil Transportation	2,490,599	2,937,673	2,922,457	15,216
Central	1,130,277	1,040,395	1,023,461	16,934
Extracurricular Activities	971,821	1,051,712	916,324	135,388
Miscellaneous	44,986	76,780	-	76,780
<b>Total Expenditures</b>	<u>78,815,458</u>	<u>79,560,065</u>	<u>78,169,198</u>	<u>1,390,867</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(6,156,093)</u>	<u>(438,973)</u>	<u>(1,526,897)</u>	<u>(1,087,924)</u>
<b>Other Financing Sources (Uses):</b>				
Sale of Assets	1,000	1,000	195	(805)
Transfers Out	(2,170,197)	(1,853,645)	(1,853,645)	-
Advances In	578,010	578,010	551,281	(26,729)
Advances Out	(200,000)	(699,945)	(584,474)	115,471
<b>Total Other Financing Sources (Uses)</b>	<u>(1,791,187)</u>	<u>(1,974,580)</u>	<u>(1,886,643)</u>	<u>87,937</u>
<b>Net Change in Fund Balance</b>	<u>(7,947,280)</u>	<u>(2,413,553)</u>	<u>(3,413,540)</u>	<u>(999,987)</u>
Fund Balances at Beginning of Year	6,057,075	6,057,075	6,057,075	-
Prior Year Encumbrances Appropriated	3,371,642	3,371,642	3,371,642	-
<b>Fund Balances at End of Year</b>	<u>\$ 1,481,437</u>	<u>\$ 7,015,164</u>	<u>\$ 6,015,177</u>	<u>\$ (999,987)</u>

See accompanying notes to the basic financial statements

**GAHANNA JEEFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF NET ASSETS  
PROPRIETARY FUND  
AS OF JUNE 30, 2012

	Governmental Activities - Internal Service Fund
<b>Current Assets:</b>	
Cash and Cash Equivalents	\$ 3,884,273
Cash with Fiscal Agent	125,138
Receivables:	
Accounts Receivable	3,678
Total Assets	4,013,089
 <b>Current Liabilities:</b>	
Claims Payable	423,537
Unearned Revenue	687,093
Total Liabilities	1,110,630
 <b>Net Assets:</b>	
Unrestricted	2,902,459
Total Net Assets	\$ 2,902,459

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN NET ASSETS - PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Governmental Activities - Internal Service Fund
<b>Operating Revenues:</b>	
Charges for Services	\$ 7,937,774
Other	680,556
Total Operating Revenues	8,618,330
 <b>Operating Expenses:</b>	
Purchased Services	838,858
Claims	6,370,380
Total Operating Expenses	7,209,238
 Change in Fund Net Assets	1,409,092
 Net Assets Beginning of Year	1,493,367
Net Assets End of Year	\$ 2,902,459

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	<u>Governmental Activities - Internal Service Fund</u>
Cash Flows from Operating Activities:	
Cash Received from Charges for Services	\$ 7,950,895
Cash Received from Other Operating Receipts	676,878
Cash Payments for Contract Services	(838,858)
Cash Payments for Claims	(6,974,861)
<b>Net Cash Provided by Operating Activities</b>	<u>814,054</u>
 <b>Net Increase in Cash and Cash Equivalents</b>	 814,054
 Cash and Cash Equivalents at Beginning of Year	 <u>3,195,357</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 4,009,411</u></u>
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 1,409,092
 Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Accounts Receivable	(3,678)
Claims Payable	(121,208)
Accounts Payable	(483,273)
Unearned Activities	13,121
<b>Net Cash Provided by Operating Activities</b>	<u><u>\$ 814,054</u></u>

See accompanying notes to the basic financial statements.



**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
AS OF JUNE 30, 2012

	Private-Purpose Trust	Agency Fund
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 104,332	\$ 385,069
Accounts Receivable	641	831
Materials and Supplies Inventory	-	5,094
Total Assets	104,973	390,994
<b>Liabilities:</b>		
Accounts Payable	2,916	4,266
Due to Others	-	386,728
Total Liabilities	2,916	\$ 390,994
<b>Net Assets:</b>		
Held for Special Trusts and Scholarships	\$ 102,057	

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR FISCAL YEAR ENDED JUNE 30, 2012**

	Private-Purpose Trust
<b>Additions:</b>	
Gifts and Contributions	\$ 20,675
Interest	18
Other Local	15,392
Total Additions	36,085
 <b>Deductions:</b>	
Scholarships Awarded	24,416
Other Expenses	16,588
Total Deductions	41,004
Chang in Net Assets	(4,919)
<b>Net Assets at Beginning of Year</b>	106,976
<b>Net Assets at End of Year</b>	\$ 102,057

See accompanying notes to the basic financial statements.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

**NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT**

The Gahanna Jefferson Public School District (the “District”) is located in Franklin County, Ohio. The District operates under a locally-elected, five member Board form of government and provides educational services as authorized or mandated by state and/or federal agencies. This Board controls the District’s thirteen instructional/support facilities staffed by 249 non-certificated employees, 507 certificated full-time teaching personnel, 33 administrators and 6 psychologists. The District provides services to 7,073 students and other community members.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes.

The Gahanna Community School (the “School”) is a nonprofit corporation established, in fiscal year 2009, pursuant to Ohio Revised Code Chapter 3314.07. Management is not aware of any course of action or series of events that have occurred that might adversely affect the School’s tax-exempt status. The School specializes in providing educational services to chosen students through unique learning methods like web-based learning, community service, independent study and internships.

The School, which is part of the state’s education program, is nonsectarian in its programs, admission policies, employment practices and all other operations. The School operates under the direction of a self-appointed five-member Board of Directors. The Board is responsible for carrying out the provisions of the contract, which include, but are not limited to, State-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards and qualification of teachers. The School contracts with its sponsor for 6 non-certified staff members and 8 certificated teaching personnel who provide services to 111 students.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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

Based on the significant services provided by the District to the School, the School's purpose of servicing the students within the District, and the relationship between the Board of Education of the District and the Board of Trustees of the School, it would be misleading to exclude the School, therefore, the School is reflected as a discretely presented component unit of the District. Separately issued financial statements can be obtained from the Treasurer of the School at 160 S. Hamilton Road, Gahanna, Ohio 43230.

Information in the following notes to the basic financial statements is applicable to the primary government. Information relative to the component unit can be found in Note 21.

*JOINTLY GOVERNED ORGANIZATIONS*

The Metropolitan Educational Council (MEC) is an association of public school districts within the boundaries of Franklin, Delaware, Union, Pickaway, Madison and Fairfield counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The governing board of MEC consists of one representative from each of the member school districts. Financial information can be obtained from Sue Ward, who serves as fiscal officer, at 2100 Citygate Drive, Columbus, Ohio 43219. Payments to MEC during the fiscal year totaled to \$515,472.

The Eastland-Fairfield Career and Technical School (School) is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating district's elected boards, which possesses its own budgeting and taxing authority. The District is a member of this organization. Financial information can be obtained from Dawn Lemley, who serves as Treasurer, at 4300 Amalgemated Place, Groveport, Ohio 43125. There were no payments to the School during the fiscal year.

*UNDIVIDED INTEREST IN JOINT OPERATIONS*

On February 21, 1996, a contract was entered into between the District and the City of Gahanna (City), a separate legal entity, to construct and operate a vehicle maintenance facility. Based on the terms of the agreement, the entities equally bore the cost related to the construction of the maintenance facility. In exchange for 4.699 acres of land that the City deeded to the District, the City received a credit of \$187,960 toward their share of the cost related to construction. The land was recorded in the District's governmental activities in fiscal year 1996. In 2000, the District's share of construction costs, totaling \$1,234,694, was recorded in the District's governmental activities as a capital asset. Each entity is responsible for managing the operations of their portion of the vehicle maintenance facility.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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

*PUBLIC ENTITY RISK POOLS*

The Ohio School Boards Association Workers' Compensation Group Rating Plan (the Plan) is a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Plan was established through the Ohio School Boards Association (OSBA) as a group purchasing pool. The intent of the plan is to achieve the benefit of a reduced premium for the District by virtue of its grouping with other participants in the plan. The workers' compensation experience of the District is still used to calculate an individual premium rate, but a discount is given to the District for being part of the group. The Sheakley Group provides administrative services to the plan.

**B. Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary governmental is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The District has no enterprise funds.

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

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. 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.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

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

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

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

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual (it must be measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for deferred revenue (deferred revenue).

Property taxes for which there is an enforceable legal claim as of fiscal year-end, but which were levied to finance the operations of the subsequent fiscal year, and grants and entitlements received before eligibility requirements have been met, have been recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

*Expenditures/Expenses* - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the Statement of Revenues, Expenditures and Changes in Fund Balance as an expenditure with a like amount reported as intergovernmental 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. Allocation of cost, such as depreciation and amortization, are not recognized in governmental funds.

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific District functions or activities. There are three categories of funds: governmental, proprietary and fiduciary. The District currently has all three types of funds.

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**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

*GOVERNMENTAL FUNDS* - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose 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 is the District's governmental funds:

*MAJOR GOVERNMENTAL FUNDS*

General Fund – The general fund is used to account for all financial resources except those required to be accounted for 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.

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

Building Fund – The building fund is used to account for financial resources related to special bond funds in the District. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs for acquiring capital facilities, including real property.

*OTHER GOVERNMENTAL FUNDS* - Other Governmental Funds of the District are used to account for grants and other resources whose use is restricted to a particular purpose.

*OTHER FUND TYPES*

Internal Service Fund – A fund provided to account for money received from other funds as payment for providing medical, hospitalization, life and dental insurance. Payments are made to a third party administrator for claims payments, claims administration and stop-loss coverage.

Fiduciary Funds - Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. This includes the following funds:

*Private Purpose Trust Fund* – A trust fund accounts for money which has been set aside for scholarship purposes from which the income may be expended in accordance with the related trust agreements, but the principal stays intact.

*Agency Fund* – A fund used for activities that are purely custodial in nature (asset equal liabilities) and thus do not involve measurement of results of operations. The District's has two agency funds to account for student managed activities and an employee flexible spending plan.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following private-sector guidance for their business-type activities, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. However, the activity for interfund services in the internal service fund are consolidated with the Governmental Activities on the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 District's internal service fund are charges for sales and services. Operating expenses for internal service fund includes the claims and administrative expenses. All revenues and expenses not meeting this definition are reported as non operating revenues and expenses.

**D. Cash and Investments**

To improve cash management, cash received by the District is pooled. Monies for all 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 "Cash and Cash Equivalents" on the basic financial statements. The District has a segregated bank account for the self insurance internal service fund held separate from the District's central bank account.

All investments are reported at fair value, which is based on quoted market prices.

During the fiscal year, the District has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on the last day of the fiscal year.

The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes, money market and other obligations; bank certificates of deposit; banker's acceptances; commercial paper notes rated prime and issued by United States corporations; and STAROhio. It is management's policy to invest in all of the above types of investments.

Under existing Ohio statutes, all investment earnings are assigned to the general fund except those specifically related to certain trust funds, unless the Board of Education specifically directs interest to be recorded in other funds. Interest revenue credited to the general fund during fiscal year 2012 amounted to \$30,291.



**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

For presentation on the basic financial statements, 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.

**E. Inventory and Prepaid Items**

All inventories are valued at cost using the first in, first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. At fiscal year-end, inventory consists of donated food and purchased food and supplies held for resale.

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

**F. Capital Assets**

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

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’s capitalization threshold is \$1,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an assets life are not.

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

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20 years
Buildings and improvements	20-50 years
Furniture, fixtures and equipment	5-20 years
Vehicles	8 years
Instructional Supplies	6 years

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**G. Interfund Balances**

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 non-operating revenues/expenses in proprietary funds.

On fund financial statements, receivables and payables resulting from short-term interfund loans between governmental funds are classified as “interfund loans receivable/payable.” Advances to/from other funds are long-term advances made between governmental funds that are not expected to be repaid within one year. These amounts are eliminated in the governmental activities column on the statement of net assets. The District did not have any advances in fiscal year 2012.

**H. Compensated Absences**

GASB Statement No. 16, “Accounting for Compensated Absences”, specifies the method used to accrue liabilities for leave benefits. Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that is probable that benefits will result in termination payments. The liability is an estimate based on the District’s past experience of making termination payments. The total liability for vacation and severance payments has been calculated using pay rates in effect at fiscal year-end, 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.

**I. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term debt are reported in the government-wide financial statements as well as 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 contractually required pension contributions that will be paid from governmental funds (typically the General fund) 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 are recognized as a liability on the fund financial statements when due.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**J. Fund Balance**

In accordance with Governmental Accounting Standards Board Statements No. 54, Fund Balance Reporting, the District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories were used:

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

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

Committed – Fund balance is reported as committed when there are resources constrained for specific purposes that are internally imposed by the government at the highest level of decision making authority, Board of Education.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria as restricted or committed. 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.

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

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**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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

**K. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes represent restricted grants and contributions held at fiscal year-end. The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**L. Unamortized Bond Issuance Costs and Bond Premiums**

On government-wide financial statements, bond 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. 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.

**M. Extraordinary and Special Items**

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

**N. Estimates**

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

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**O. Budgetary Calendar**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budget documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriations Resolution, all of which are prepared on the budgetary cash basis of accounting. All funds, except for agency funds, are required to be budgeted and appropriated. The legal level of budgetary control is 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 Certificate of Estimated Resources and the Appropriations Resolution are subject to amendment throughout the year with legal restriction that the appropriations cannot exceed estimated resources, as certified. The amount reported as the original budgeted revenues in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted revenues in the budgetary statement reflect the amounts in the amended certificate that was in effect at the time the final appropriations were passed by the Board of Education. The amounts reported as the original budgeted expenditures 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 expenditures represent the final appropriation amounts passed by the Board during the year.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Fund Balance Deficits**

Fund balances at fiscal year-end included the following individual deficits:

<b>Fund Name</b>	<b>Deficit Balance</b>
Alternative School	\$ (4,401)
Other State Grants	(19,773)
Education Jobs	(71,897)
IDEA-B	(29,984)
Title II-D Technology	(321)

These funds complied with Ohio state law, which does not permit a cash basis deficit at fiscal year-end. These deficits are the result of accruals resulting from the application of GAAP. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**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 moneys are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided 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) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (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,



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**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 4 - DEPOSITS AND INVESTMENTS – (Continued)**

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 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 fiscal year-end, the carrying amount of the District deposits was \$7,358,542 (excluding \$50 maintained in petty cash) and the bank balance was \$7,638,970. Of the District's bank balance, \$4,173,517 was covered by federal deposit insurance while the remaining \$3,465,453 was exposed to custodial risk, as discussed below. Of the carrying amount, \$1,021,342 represents cash restricted for unspent funds received from the State for bus purchases and monies set-aside by the District for budget stabilization.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 4 - DEPOSITS AND INVESTMENTS – (Continued)**

**B. Investments**

At fiscal year-end, the District had the following investments and maturities:

Investment Type	Fair Value	Percent of Total	Investment Maturities Within 1 Year
STAR Ohio	\$ 128,757	0.97%	\$ 128,757
Money Market	12,142,664	91.47%	12,142,664
Federal Home Loan Bank	1,003,580	7.56%	1,003,580
Total	<u>\$ 13,275,001</u>	<u>100%</u>	<u>\$ 13,275,001</u>

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

*Credit Risk:* The District does not have a formal investment policy limiting credit risk. At fiscal year-end, the District’s investments in Money Market Fund, Star Ohio, and Federal Home Loan Bank Notes are rated AAA by Standard & Poor’s.

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

**C. Reconciliation of Deposits and Investment to the Statement of Net Assets**

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

Investments (summarized above)	\$ 13,275,001
Carrying Amount of Deposits	7,358,542
Petty Cash	50
Less: Fiduciary Cash and Investments	(489,401)
Total Cash and Cash Equivalents on Statement of Net Assets	<u>\$ 20,144,192</u>

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund balances at fiscal year-end, as reported on the fund financial statements, consist of the following individual interfund loans and advances receivable and payable:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 614,394

The primary purpose of the interfund balances is to cover costs in state and federal grant funds where funds were earned, but not received by June 30. These interfund balances will be repaid once the anticipated grant funds are received. All interfund balances expected to be repaid within one year. Interfund balances between governmental funds are eliminated for reporting in the statement of activities.

Transfers that occurred during the fiscal year were as follows:

	<u>Transfers Out</u>	
	General	
<u>Transfers In</u>	Fund	<u>Total</u>
Debt Service	\$ 1,811,918	\$ 1,811,918
Total Transfers In/Out	<u>\$ 1,811,918</u>	<u>\$ 1,811,918</u>

Interfund transfers between governmental funds are eliminated for reporting 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, public utility and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar 2012 represents collections of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2012, on the assessed value listed as of January 1, 2012, the lien date. Assessed values for real property taxes are established by state law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, state statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2012 represents collections of calendar year 2011 taxes. Public utility real and tangible personal property taxes received in calendar year 2012 became a lien December 31, 2011, were levied after April 1, 2012 and are collected in 2012 with real property taxes.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**FRANKLIN COUNTY, OHIO**  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 6 - PROPERTY TAXES – (Continued)**

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phased out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property was eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the District due to the phasing out of the tax. In calendar years 2006-2010, the District was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

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

The assessed values upon which fiscal year 2012 taxes were collected are:

	<b>2011 Second Half</b>		<b>2012 First Half</b>	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 1,444,826,880	104.32%	\$ 1,358,219,930	98.06%
Public Utility Personal	29,890,240	2.15%	26,808,140	1.93%
Tangible Personal Property	1,546,340	0.11%	-	0.00%
<b>Total</b>	<b>\$ 1,476,263,460</b>	<b>106.59%</b>	<b>\$ 1,385,028,070</b>	<b>100.00%</b>
Tax rate per \$1,000 of assessed valuation	\$ 66.73		\$ 72.10	

**NOTE 7 – PAYMENTS IN LIEU OF TAXES**

The District has entered into several Compensation Agreements with other local government entities resulting in the receipt of payments in lieu of taxes. The Compensation Agreements relate to the use of property tax abatements to encourage economic development. The District receives payments in lieu of taxes for projects at Broad Street, Easton, Creekside and other locations. For these projects, the District is to receive payments equal to the amount that the District would otherwise have received as real property tax payments derived from the improvements, absent the passage of the agreement. The District receives the payments directly from the County which collects the amounts for the agreements.

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**NOTE 7 – PAYMENTS IN LIEU OF TAXES – (Continued)**

The District also receives payments in lieu of taxes from the City of Columbus, who has declared improvements to certain parcels of real property for the Stelzer-Stygler Community Reinvestment Area 100 percent exempt from property taxes. The District is to receive 46 percent of real property tax payments derived from the improvements had the exemption not been declared for improvements before March 25, 2002. For projects completed after March 25, 2002, the District will receive payments of 58 percent of real property tax payments derived from the improvements had the exemption not been declared and 50 percent of tax collected for New Employee payroll attributable to employment at each such project.

The District also receives payments in lieu of taxes from the City of Gahanna, whereas the City of Gahanna has declared improvements to certain parcels of real property within the City 100 percent exempt from property taxes. The District is to receive 50 percent of the amount of income taxes levied and collected by the City on employee payroll for that year, not to exceed 100 percent of the real property taxes foregone by the District for that year.

**NOTE 8 – LEASE AGREEMENTS**

In August 2011, the District opened Clark Hall, a state-of-the-art learning facility that serves as an extension to the nearby Lincoln High School. In addition, the District entered into the following agreements related to Clark Hall.

***Eastland-Fairfield Career and Technical School (EFCTS)*** - In May 2010, the District and EFCTS entered into a build-out, use and operations agreement granting EFCTS the right to occupy and use approximately 8,403 square feet of space in the Clark Hall Building from the District. The term of the agreement is for fifteen years, commencing on the earlier of the date of substantial completion of additional improvements and delivery of the premises in such condition to EFCTS, or the date on which EFCTS first occupies and uses the premises for its normal educational operations.

As part of the consideration for the rights granted to EFCTS under this agreement, EFCTS contributed \$1,251,472 towards the cost of completion of the base improvements. This contribution will serve as base rent for the term of the agreement. In addition, EFCTS agreed to pay the cost of additional improvements to the premises as may be necessary (beyond the base improvements) to finish, equip, furnish, and otherwise prepare the premises for EFCTS's initial occupancy and use. As of fiscal year-end, the District has received \$912,531 from EFCTS for additional improvements made.

***Columbus State Community College (CSCC)*** - In January 2011, the District and CSCC entered into a lease agreement allowing CSCC to lease approximately 10,958 square feet of space. The lease term is for three years once the building is first occupied by CSCC. The annual rent payments will be \$162,398, \$166,781 and \$171,712 for the three year period.

***Education First Credit Union (Education First)*** - In June 2011, the District and Education First entered into a lease agreement allowing Education First to lease approximately 200 square feet of space. The lease term is for five years once the building is first occupied by Education First. The annual rent payments will be \$8,118, \$8,362, \$8,613, \$8,871 and \$9,137 for the five year period.

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**NOTE 8 – LEASE AGREEMENTS**

On February 24, 2012, the District entered into a ground lease agreement with Wagenbrenner Development, Inc., for design and construction of 24,000 square feet of new commercial space on the remaining undeveloped land adjacent to Clark Hall titled “The Clark Commons”. The term of the lease is for a period of 85 lease years commencing on the date on which the tenant commenced construction. The minimum rent payable under the lease, per annum, for the first ten lease years is \$132,000. The minimum rent payable will be adjusted every 10<sup>th</sup> lease year of the term.

**NOTE 9 - CAPITAL ASSETS**

Capital asset activity for the fiscal year was as follows:

<b>Governmental Activities</b>	Restated Beginning Balance	Additions	Deductions	Ending Balance
<b>Nondepreciable Capital Assets</b>				
Land	\$ 7,718,394	\$ -	\$ -	\$ 7,718,394
Construction in Progress	11,825,242	1,158,263		12,983,505
<b>Total Nondepreciable Assets</b>	<b>19,543,636</b>	<b>1,158,263</b>	<b>-</b>	<b>20,701,899</b>
<b>Depreciable Capital Assets</b>				
Land Improvements	6,705,942	16,551	-	6,722,493
Buildings and Improvements	48,622,841	957,027	-	49,579,868
Equipment and Fixtures	10,377,791	1,710,834	(138,651)	11,949,974
Vehicles	3,641,663	103,374	-	3,745,037
Textbooks	3,933,213	31,439	(14,959)	3,949,693
<b>Total Depreciable Assets</b>	<b>73,281,450</b>	<b>2,819,225</b>	<b>(153,610)</b>	<b>75,947,065</b>
<b>Less accumulated depreciation</b>				
Land Improvements	(5,154,260)	(212,546)	-	(5,366,806)
Buildings and Improvements	(31,085,232)	(1,182,167)	-	(32,267,399)
Equipment and Fixtures	(4,734,608)	(1,157,432)	135,430	(5,756,610)
Vehicles	(2,365,918)	(308,239)	-	(2,674,157)
Textbooks	(3,276,794)	(210,994)	14,959	(3,472,829)
<b>Total accumulated depreciation</b>	<b>(46,616,812)</b>	<b>(3,071,378)</b>	<b>150,389</b>	<b>(49,537,801)</b>
<b>Depreciable Capital Assets, Net of accumulated depreciation</b>	<b>26,664,638</b>	<b>(252,153)</b>	<b>(3,221)</b>	<b>26,409,264</b>
<b>Capital Assets, Net</b>	<b>\$ 46,208,274</b>	<b>\$ 906,110</b>	<b>\$ (3,221)</b>	<b>\$ 47,111,163</b>



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**NOTE 9 - CAPITAL ASSETS – (Continued)**

Depreciation was charged to governmental functions as follows:

	<u>Amount</u>
Instruction:	
Regular	\$ 1,628,246
Special	57,124
Vocational	8,350
Support Services:	
Pupil	3,541
Instructional Staff	70,886
General Administration	32,994
School Administration	85,467
Fiscal	846
Business	115,354
Operations and Maintenance	58,679
Pupil Transportation	316,840
Central	466,193
Community Services	126,800
Non-instructional	15,933
Extracurricular Activities	84,125
Total Depreciation Expense	<u>\$ 3,071,378</u>

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**NOTE 10 - LONG-TERM OBLIGATIONS**

During the fiscal year, the following changes occurred in long-term obligations:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
<u>General Obligation Debt</u>					
1993 Refunding Bonds (CAB)	\$ 1,781,857	\$ 81,940	\$ (795,000)	\$ 1,068,797	\$ 609,584
2005 Refunding	8,540,000	-	(60,000)	8,480,000	60,000
2005 Refunding (CAB)	796,576	33,401	-	829,977	-
2007 Series Bus Purchase	900,000	-	(115,000)	785,000	125,000
2009 Refunding	4,135,000	-	(1,185,000)	2,950,000	1,430,000
2010A Learning Center Bonds	2,435,000	-	-	2,435,000	-
2010A Bond Discount	(32,958)	-	1,939	(31,019)	-
2010B Learning Center Bonds	6,500,000	-	-	6,500,000	-
2010C Learning Center Bonds	5,364,585	-	(383,185)	4,981,400	383,185
Total General Obligation Debt	<u>30,420,060</u>	<u>115,341</u>	<u>(2,536,246)</u>	<u>27,999,155</u>	<u>2,607,769</u>
2010 Certificates of Participation	6,095,000	-	(480,000)	5,615,000	495,000
Capital Lease	2,174,673	-	(512,707)	1,661,966	531,221
Compensated Absences	7,116,628	679,772	(1,022,180)	6,774,220	739,905
Total Other Long-Term Debt	<u>15,386,301</u>	<u>679,772</u>	<u>(2,014,887)</u>	<u>14,051,186</u>	<u>1,766,126</u>
Total Governmental Activities	<u>45,806,361</u>	<u>795,113</u>	<u>(4,551,133)</u>	<u>42,050,341</u>	<u>4,373,895</u>

1993 Refunding Bonds

In fiscal year 1993, the District issued \$13,790,160 in general obligation bonds with a net interest cost of 6.40% for the purpose of financing construction of Blacklick Elementary. These bonds will mature on 12/01/2013. Principal payments on the general obligation bonds were made from the debt service fund in the amount of \$795,000 during the fiscal year. The source of revenue to retire the bonds was derived from voted property tax levies recorded in the debt service fund. At fiscal year-end, the outstanding balance represents capital appreciation bonds (CAB) as the District has paid off the balance of serial bonds. The amount of interest added (accreted) to the principal value outstanding during the fiscal year was \$81,940.

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**NOTE 10 - LONG-TERM OBLIGATIONS – (Continued)**

2005 Refunding Bonds

In fiscal year 2006, the District issued \$9,119,993 in general obligation bonds with a net interest cost of 4.15% for the purpose of completing a refund of 1999 Bonds for the purpose of reducing interest payments. Principal payments on the general obligation bonds were made from the debt service fund in the amount of \$60,000 during the fiscal year. The source of revenue to retire the bonds was derived from voted property tax levies recorded in the debt service fund. The amount of defeased debt outstanding at fiscal year-end is \$0. At fiscal year-end, the outstanding balance of capital appreciation bonds (CAB) is \$829,977. The amount of interest added (accreted) to the principal value outstanding during the fiscal year was \$33,401.

During fiscal year 2006, the District issued general obligations refunding bonds to advance refund a portion of general obligation issues from 1999 series. The advance refunding reduced cash flows required for debt services by \$512,286 over the next 14 years.

2007 Bus Purchase Bonds

On December 6<sup>th</sup>, 2007, the District issued \$1,200,000 in general obligation bonds for the purpose of acquiring school buses. The maturity date for the bonds is December 01, 2017 with a net interest cost of 3.65%. The proceeds of the bonds issued were reported in the capital project/building fund (a nonmajor governmental fund). During the fiscal year, a payment of \$115,000 in principal was made.

2009 Refunding Bonds

In fiscal year 2009, the District issued \$6,380,000 in general obligation bonds with a net interest cost of 3.00% for the purpose of completing a refund of 1999 Bonds for the purpose of rolling over notes issued in September 2008 that were used for the purchase of land for a new High School learning center. Principal payments on the general obligation bonds will be made from the debt service fund during the fiscal year in the amount of \$1,185,000. The source of revenue to retire the bonds was derived from voted property tax levies recorded in the debt service fund. As a result of the advance refunding, the District reduced its total debt service requirements by \$513,093, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new (debt) of \$407,313.

During fiscal year 2009, the District issued general obligation refunding bonds (series B) to advance refund a portion of general obligation issues from 1999 series building. The amount of defeased debt outstanding at fiscal year-end is \$0.

2010 Learning Center Bonds

On February 16, 2010, the District also issued \$14,682,770 in Learning Center Bonds for the purpose of school facilities construction in the Ohio School Facilities Commission program. The Series 2010A Bonds were issued in the amount of \$2,435,000 with interest costs increasing each year from 3.65 to 4.15 percent. The bonds were issued at a discount in the amount of \$34,897. This discount will be amortized over the life of the bond, on a straight-line basis. The amount of amortized discount for 2012 was \$1,939. The bonds mature on December 1, 2028.

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**NOTE 10 - LONG-TERM OBLIGATIONS – (Continued)**

The Series 2010B Bonds were issued in the amount of \$6,500,000 with interest costs increasing each year from 5.04 to 6.10 percent. This issuance was issued as Build America Bonds with the District receiving payments from the federal government for interest payments. The bonds mature on December 1, 2028.

The Series 2010C Bonds were issued in the amount of \$5,747,770 with interest costs 1.50 percent. This issuance was issued as Qualified School Construction Bonds. During the fiscal year, an amount of \$383,185 was paid off of the principal leaving an outstanding balance of \$4,981,400 at fiscal year-end. The bonds mature on February 16, 2025.

The combined interest cost of the three Series 2010 Bonds is 3.70 percent.

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

Fiscal Year	Principal	Interest	Total
2013	\$ 2,607,769	\$ 1,011,852	\$ 3,619,621
2014	2,667,398	962,825	3,630,223
2015	1,558,185	858,017	2,416,202
2016	1,493,162	946,332	2,439,494
2017	1,608,185	786,961	2,395,146
2018-2022	8,665,923	3,118,023	11,783,946
2023-2027	6,479,552	1,664,916	8,144,468
2028-2029	2,950,000	169,951	3,119,951
Total	<u>\$ 28,030,174</u>	<u>\$ 9,518,877</u>	<u>\$ 37,549,051</u>

**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 use 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 fiscal year-end are voted debt margin of \$124,652,526 and an unvoted debt margin of \$1,385,028.

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**NOTE 10 - LONG-TERM OBLIGATIONS – (Continued)**

2010 Certificates of Participation

On February 1, 2010, the District entered into a ground lease agreement with Gahanna-Jefferson Education Foundation (Foundation) whereas the District leases a parcel of land to the Foundation, and subsequently constructs school facilities on the land, and the Foundation, in turn, subleases the land, and leases the constructed school facilities to the District.

On February 16, 2010, the District issued \$6,565,000 in certificates of participation for the purpose of school facilities construction in the Ohio School Facilities Commission program. The maturity date for the bonds is December 1, 2021 with interest costs increasing each year from 1.42 to 5.54 percent. The proceeds of the bonds issued were reported in the capital project/building fund.

The Certificates of Participation evidence a proportionate interest in the base rent to be paid by the District under the ground lease agreement. Base rent payments will be recorded as expenditures in the debt service fund.

The following is a summary of future base rent payments for the certificates of participation:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 495,000	\$ 240,514	\$ 735,514
2014	515,000	227,508	742,508
2015	540,000	210,502	750,502
2016	565,000	189,565	754,565
2017	595,000	164,888	759,888
2018-2022	<u>2,905,000</u>	<u>336,557</u>	<u>3,241,557</u>
Total	<u>\$ 5,615,000</u>	<u>\$ 1,369,534</u>	<u>\$ 6,984,534</u>

Compensated Absences

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

Compensated absences will be paid from the general fund for governmental funds, and from the fund that employee's salaries are paid for proprietary funds.

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**NOTE 11 – CAPITAL LEASE OBLIGATIONS**

The District has entered into several lease agreements as lessee for financing the acquisition of equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date. The assets acquired through these capital leases had a book value of \$2,050,240 (\$2,647,810 cost less \$597,570 accumulated depreciation) at June 30, 2012. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2012, were as follows:

Fiscal Year	Principal	Interest	Total
2013	531,221	47,442	578,663
2014	550,538	28,126	578,664
2015	496,077	10,587	506,664
2016	84,130	314	84,444
Total	<u>\$ 1,661,966</u>	<u>\$ 86,469</u>	<u>\$ 1,748,435</u>

**NOTE 12 – RISK MANAGEMENT**

**A. Comprehensive**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year, the District purchased insurance coverage from Ohio Casualty. Coverage provided by Ohio Casualty is as follows:

**General Liability Coverage**

Bodily Injury and Property Damage Limit (each offense)	\$1,000,000
General Aggregate Limit	\$2,000,000
Products-Completed Operations Aggregate Limit	\$2,000,000

**Employer’s Liability – Stop Gap Coverage**

Bodily Injury By Accident – Each Accident	\$1,000,000
Bodily Injury By Disease	\$1,000,000
Bodily Injury By Disease – Each Employee	\$1,000,000
Aggregate Limit	\$2,000,000

**School Leaders Errors and Omissions Liability Coverage**

Each Wrongful Act	\$1,000,000
Aggregate Limit	\$1,000,000

**Employee Benefits Liability Coverage**

Each Offense Limit	\$1,000,000
Aggregate Limit	\$3,000,000

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**NOTE 12 – RISK MANAGEMENT (Continued)**

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

**B. Employee Group Life, Medical, Dental and Vision Insurance**

The District maintains an internal service “self-insurance” health insurance fund in connection with formalized risk management programs in an effort to minimize risk exposure and control claims and premium costs. The District, effective July 1, 2000, contracted with United HealthCare to be the third party administrator for the District’s health insurance program. The District pays 80% of the monthly premiums for a family plan and 90% for a single plan. The District provides dental insurance to employees through Delta Dental. The Board pays 100% of the monthly premium for dental insurance.

A claims liability of \$423,537 at fiscal year-end in the self-insurance internal service fund reflects an estimate of incurred but unpaid claims liability. This liability was estimated by a third party based on claims experience. The District has purchased stop loss coverage for individual employee claim amounts exceeding \$100,000. Unpaid claims at year-end are recorded as current claims payable because they would be due within 60 days from the end of the fiscal year.

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Claims Liability at July 1	\$ 544,745	\$ 576,820	\$ 459,844
Incurred Claims	5,423,014	6,190,279	5,934,361
Claims Paid	(5,544,222)	(6,222,354)	(5,817,385)
Claims Liability at June 30	<u>\$ 423,537</u>	<u>\$ 544,745</u>	<u>\$ 576,820</u>

**C. Workers’ Compensation**

The District participates in the OSBA Workers’ Compensation Group Rating Program (GRP), an insurance purchasing pool. Each year, the participating school districts pay an enrollment fee to the GRP to cover the cost of administering the program.

The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers’ compensation experience of the participating school district is calculated as one experience and a common premium rate is applied to all school districts in the GRP.



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**NOTE 13 – PENSION PLANS**

**A. School Employees Retirement System**

Plan Description - The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability, and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. The School Employees Retirement System issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employer/Audit Resources.

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending June 30, 2012, the allocation to pension and death benefits is 12.7%. The remaining 1.30% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2012, 2011, and 2010, were \$1,058,052, \$990,050 and \$1,097,476, respectively, 43 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011, and 2010. The District's unpaid contribution for fiscal year 2012 has been recorded as a liability in the appropriate funds.

**B. State Teachers Retirement System**

Plan Description - The District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. 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 toll-free 1-888-227-7877 or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

Plan Options – New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. The Combined Plan offers features of the DC Plan and the DB Plan. In the Combined Plan, member contributions are allocated to investment choices by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

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**NOTE 13 – PENSION PLANS - (Continued)**

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit”, the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31<sup>st</sup> year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits – Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. 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. Employer contributions into members’ accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

Combined Plan Benefits – Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member’s defined benefit is determined by multiplying 1% of the member’s final average salary by the member’s years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians’ fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

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**NOTE 13 – 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 members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2012, were 10% of covered payroll for members and 14% for employers.

The District's required contributions for pension obligation to STRS Ohio for the fiscal year ended June 30, 2012, 2011 and 2010 were \$5,443,314, \$5,858,804, and \$5,800,403, respectively; 87 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010. The District's unpaid contribution for fiscal year 2012 has been recorded as a liability in the appropriate funds.

**C. Social Security System**

Effective July 1, 1991, all employees not otherwise covered by SERS or STRS have an option to choose Social Security. At fiscal year-end, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

**NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS**

**A. School Employees Retirement System**

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

Medicare Part B Plan – The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. 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 monthly premium for calendar year 2012 was \$99.90 for most participants, but could be as high as \$319.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2012, the actuarially required allocation is .75%. The District's contributions for the years ended June 30, 2012, 2011 and 2010 were \$62,483, \$63,712, and \$65,265, respectively, 43 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

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**NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS - (Continued)**

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

The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. For the year ended June 30, 2012, the health care allocation is .55%. 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. State law provides that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2012, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contributions assigned to health care, including the surcharge, for the years ended June 30, 2012, 2011, and 2010 were \$166,103, \$241,369, and \$169,185, respectively, 43 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status. The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

**B. State Teachers Retirement System**

Plan Description - The District contributes to the cost-sharing, multiple employer postemployment 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 writing 275 E. Broad St., Columbus, OH 43215-3371, by calling 1-888-227-7877, or by visiting the STRS Ohio web site at [www.strsoh.org](http://www.strsoh.org).

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**NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS - (Continued)**

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 2012, STRS Ohio allocated employer contributions equal to 1% of covered payroll to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$418,716, \$450,677, and \$446,185, respectively; 87 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

**NOTE 15 - CONTINGENCIES**

**A. Grants and Student Attendance Data Review** - The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. The District was not sampled however, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

**B. Litigation** - There are currently a few matters in litigation with the District as defendant. It is the opinion of management that the potential claims against the District not covered by insurance would not materially affect the financial statements.

The District is also named as a plaintiff in a claim against the Columbus City School District involving the Win-Win Agreement. During the course of negotiations leading up to renewal of the agreement, a number of issues came to light. First, it was revealed that payments from Columbus to certain suburban districts, based on territory transferred to Columbus under the agreement, had never been made. Second, a review of annual billings provided by Columbus demonstrated instances in which the amounts billed to the suburban districts for payments due under the agreement had been calculated incorrectly, resulting in some suburban districts being over-billed for several years. As a result of these errors, the District is estimated to be owed \$684,204. This amount is reported as Intergovernmental Receivable in the General Fund.

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**NOTE 16 - STATUTORY RESERVES**

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

	Capital Acquisition	Budget Stabilization
Set-aside cash balance as of July 1, 2011	\$ -	\$ 1,000,303
Current fiscal year set-aside requirement	1,217,647	-
Qualifying Disbursements	(4,602,283)	-
Total	\$ (3,384,636)	\$ 1,000,303
 Set-aside balance at June 30, 2012	 \$ -	 \$ 1,000,303

The District had qualifying disbursements during the year that reduced the set-aside amounts below zero for the textbook and capital acquisition reserves. This extra amount may be used to reduce the set-aside requirement in future fiscal years. Although Senate Bill 345 eliminated the required budget stabilization set-aside effective April 10, 2001, the District has opted to maintain their designation to offset any budget deficit the District may experience in future fiscal years.

**NOTE 17 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance in accordance with 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 a reservation of fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).

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**NOTE 17 - BUDGETARY BASIS OF ACCOUNTING- (Continued)**

(d) Advances-In and Advance-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP 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**

	General Fund
Budget Basis	\$ (3,413,540)
Adjustments (net):	
Public Support Fund Change	2,592
Rotary Fund Change	(6,794)
Revenue Accruals	1,886,859
Expenditure Accruals	967,068
Encumbrances	2,716,166
Interfund Transactions	34,670
GAAP Basis	\$ 2,187,021

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



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**NOTE 18 – CONTRACTUAL COMMITMENTS AND ENCUMBRANCES**

The District had the following contractual commitments outstanding at fiscal year-end:

Contractor	Contract Amount	Amount Paid	Amount Remaining
Bricker and Eckler	\$ 100,000	\$ 63,881	\$ 36,119
Affordable Choice Electric	7,370	4,512	2,858
Bird Houk	91,375	89,375	2,000
Quandel	5,000	5,000	-
Kirk Williams Service	481,569	475,882	5,687
Summit Construction	4,374,814	4,142,397	232,417
Converse Electrical	134,222	121,460	12,762
Jess Howard Electric	223,197	130,258	92,939
Fox Mechanical	97,700	96,517	1,183
Greenscapes Landscape	8,089	7,427	662
Crawford Mechanical	1,676,698	1,618,669	58,029
Total	<u>\$ 7,200,034</u>	<u>\$ 6,755,378</u>	<u>\$ 444,656</u>

Contractual Commitments are primarily a result of the District’s building of Clark Hall. The project consists of a building for modern space and innovative programming for the growing student population. The building is currently in the process of being finished.

The District encumbers funds with purchase orders to assign funds for those purchases of goods and services. Encumbrances as of fiscal year end were as follows:

	<u>Encumbrances</u>
General Fund	\$ 2,777,335
Building Fund	509,528
Other Governmental Funds	742,535
Total	<u>\$ 4,029,398</u>

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**NOTE 19 – CHANGES IN ACCOUNTING PRINCIPLES**

For fiscal year 2012, the District has implemented GASB Statement No. 57 OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans”, and GASB Statement No. 64, “Financial Statements Omnibus”.

GASB Statement No. 57 “OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans” addresses the provisions related to the frequency and timing of measurements for actuarial valuations first used to report funded status information in OPEB plan financial statements. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the District.

GASB Statement No. 64 “Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53” clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty’s credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of GASB Statement No. 64 did not have an effect on the financial statements of the District.

**NOTE 20 – FUND RECLASSIFICATION**

The District’s Special Rotary Fund was reclassified as part of the General Fund. The District also reclassified the Food service and Community Recreation Funds as part of Other Governmental Funds. The funds were classified as Non-major Enterprise Funds in the prior year.

The effect of this reclassification is presented below:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
Fund Balances, June 30, 2011	\$ 19,238,777	\$ (343,042)	\$ 26,493,865
Food Service Fund Reclassification	-	138,249	138,249
Community Recreation Fund Reclassification	-	38,617	38,617
Special Rotary Fund Reclassification	97,386	-	97,386
	<u>          </u>	<u>          </u>	<u>          </u>
Fund Balances, July 1, 2011	<u>\$ 19,336,163</u>	<u>\$ (166,176)</u>	<u>\$ 26,768,117</u>

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
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**NOTE 20 – FUND RECLASSIFICATION- (Continued)**

The differences between the reclassification on the fund statements and entity-wide statements were capital assets and compensated absences.

	Governmental Activities	Business-Type Activities	Nonmajor Enterprise Funds
Fund Balances, June 30, 2011	\$ 33,145,514	\$ 195,283	\$ 195,283
Food Service Fund Reclassification	55,182	(55,182)	(55,182)
Community Recreation Fund Reclassification	42,715	(42,715)	(42,715)
Special Rotary Fund Reclassification	97,386	(97,386)	(97,386)
Fund Balances, July 1, 2011	<u>\$ 33,340,797</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE 21 – GAHANNA COMMUNITY SCHOOL**

**A. DESCRIPTION OF THE SCHOOL**

The Gahanna Community School (the “School”) is a nonprofit corporation established in fiscal year 2009, pursuant to Ohio Revised Code Chapter 3314.07. Management is not aware of any course of action or series of events that have occurred that might adversely affect the School’s tax-exempt status. The School specializes in providing educational services to chosen students through unique learning methods like web-based learning, community service, independent study and internships. The School, which is part of the state’s education program, is nonsectarian in its programs, admission policies, employment practices and all other operations.

The School is a discretely presented component unit of the Gahanna-Jefferson Public School District (Sponsor). The School was approved under contract with the Gahanna-Jefferson Public School for a period of three years commencing August 27, 2008. The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration.

The School operates under the direction of a self-appointed five-member Board of Directors. The Board is responsible for carrying out the provisions of the contract, which include, but are not limited to, State-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards and qualification of teachers. The School contracts with its sponsor for 6 non-certified staff members and 8 certificated teaching personnel who provide services to 111 students.

The State Board of Education issued the School a certificate of commendation in recognition of exceptional effort and success in advancing to the designation of Effective on the local report card for the 2010-11 school year.

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**NOTE 21 – GAHANNA COMMUNITY SCHOOL - (Continued)**

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the School 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 School also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, provided those pronouncements do not conflict with or contradict GASB pronouncements. The School has the option to also apply FASB Statements and Interpretations issued after November 30, 1989, subject to this same limitation. The School has elected not to apply these FASB Interpretations. The School has significant accounting policies are described below.

**A. Basis of Presentation**

The School's basic financial statements consist of a Statement of Net Assets, a Statement of Revenues, Expenses, and Changes in Net Assets, and a Statement of Cash Flows.

The School uses a single enterprise presentation. Enterprise reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows.

**B. Measurement Focus and Basis of Accounting**

Enterprise activity is accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the School are included on the statement of net assets. The statement of revenues, expenses and changes in net assets presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets. The statement of cash flows reflects how the School finances meet its cash flow needs.

**C. Basis of Accounting**

Basis of accounting determines when transactions are recognized in the financial records and reported on the financial statements. The School's financial statements are prepared using the accrual basis of accounting. 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. Revenue resulting from non-exchange transactions, in which the School receives value without directly giving equal value in return, such as grants and entitlements, are recognized in the period in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the period when the resources are required to be used or the period when use is first permitted, matching requirements, in which the School must provide local resourced to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the School on a reimbursement basis. Expenses are recognized at the time they are incurred.

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**NOTE 21 – GAHANNA COMMUNITY SCHOOL - (Continued)**

**D. Budgetary Process**

Unlike other public schools located in the State of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Revised Code (ORC) Section 5705, except House Bill 364, which took effect April 8, 2003, added ORC Section 3314.03 (11)(d), which states that community schools must comply with ORC Section 5705.391. This requires each community school to submit to the Ohio Department of Education (ODE) a five year forecast no later than May 31 and October 31 of each year.

**E. Cash and Cash Equivalents**

For purposes of the statement of cash flows and for presentation on the balance sheet, investments with a maturity of three months or less at the time they are purchased are considered to be cash equivalents.

**F. Capital Assets and Depreciation**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The School has maintained a capitalization threshold of \$500. The School does not have 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 capitalized, but are expended when incurred.

All capital assets above the threshold are depreciated and depreciation is computed using the straight-line method. A half year of depreciation is taken in the fiscal year of the addition and the fiscal year of disposal. Computers are depreciated over 3 years, and furniture and equipment are depreciated over 10 years.

**G. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets consist of capital assets, net of accumulated depreciation. Net assets are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net assets are available.

**H. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the School. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the School. All revenues and expenses not meeting this definition are reported as non-operating.

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**NOTE 21 – GAHANNA COMMUNITY SCHOOL - (Continued)**

**I. Intergovernmental Revenue**

The School currently participates in the State Foundation Program through the Ohio Department of Education. Revenue from this program is recognized as operating revenue in the accounting period in which all eligibility requirements have been met, essentially the same as the period received.

Grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met. Eligibility includes 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 School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School on a reimbursement basis.

**J. Estimates**

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

**C. DEPOSITS**

At fiscal year-end, the carrying amount of the School's deposits was \$291,797 and the bank balance was \$293,396. Of the District's bank balance, \$250,000 was covered by the Federal Deposit Insurance Corporation (FDIC), while the remaining \$43,396 was exposed to custodial risk. There are no significant statutory restrictions regarding the deposit and investments of funds by the School.

Custodial credit risk is the risk that, in the event of bank failure, the School's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District.

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**NOTE 21 – GAHANNA COMMUNITY SCHOOL - (Continued)**

**D. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Cost:				
Equipment	\$ 155,392	\$ 919	\$ -	\$ 156,311
Total	<u>155,392</u>	<u>919</u>	<u>-</u>	<u>156,311</u>
Accumulated Depreciation:				
Equipment	(63,506)	(44,250)	-	(107,756)
Total	<u>(63,506)</u>	<u>(44,250)</u>	<u>-</u>	<u>(107,756)</u>
Capital Assets, net	<u>\$ 91,886</u>	<u>\$ (43,331)</u>	<u>\$ -</u>	<u>\$ 48,555</u>

**E. RISK MANAGEMENT**

**Property and Liability**

The School 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 2012, the School was covered under the Sponsors policy.

**F. PURCHASED SERVICES**

For the fiscal year ended June 30, 2012, purchased services expenses were as follows:

Instructional Services	589,473
Rentals	6,930
Fiscal	14,968
Utilities	31,812
Other Purchased Services	564
Total Purchased Services	<u>643,747</u>

**G. CONTINGENCIES**

**A. Grants**

The School received financial assistance from federal and state 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 general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall position of the School at fiscal year-end.



**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
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**NOTE 21 – GAHANNA COMMUNITY SCHOOL - (Continued)**

**B. State Funding**

The Ohio Department of Education conducts reviews of enrollment data and FTE calculations made by the schools. These reviews are conducted to ensure the schools are reporting accurate student enrollment data to the State, upon which state funding is calculated. The conclusions of this review could result in state funding being adjusted. The School does not anticipate any material adjustment for fiscal year 2012 as a result of such review.

**C. Student Attendance Data Review**

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The School received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School at June 30, 2012, if applicable, cannot be determined at this time.

**H. SPONSORSHIP**

The School is a discretely presented component unit of the Gahanna-Jefferson Public School District. As described in Note 1, the Gahanna-Jefferson Public School District (Sponsor) is the School Sponsor. The Sponsor and School entered into a five-year sponsorship agreement commencing July 1, 2008 whereby terms of the sponsorship were established.

In fiscal year 2012, payments made by the School to the Sponsor totaled \$595,242, which are reported in purchased services. This represents contract service payments for teaching, utilities, materials and supplies, and other related services provided by the Sponsor.

**I. OPERATING LEASE**

At the end of fiscal year 2011, the school moved its location back to the main high school building and returned the leased modular units. The school paid the final lease payment of \$1,050 and return expenses of \$5,880 in fiscal year 2012. There are no future obligations related to the lease.

**COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES**

# GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT

## COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

### **Debt Service Fund**

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

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

### **Non-major Governmental Funds**

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

**Public School Support** - A fund used to account for specific local revenue sources, other than taxes or expendable trusts (i.e., profits from vending machines) that are restricted to expenditures for specified purposes approved by the board resolution. Such expenditures may include curricular and extra-curricular related purchases. This fund is for budgetary purposes only.

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

**Community Recreation** – A rotary fund to account for monies received and expended in connection with the community Parks and Recreation summer camp program, which is intended to be self-sustaining.

**Special Rotary Fund** – A rotary fund provided to account for the transactions made in connection with supplemental education classes and the job-training program. Receipts include, but are not limited to, tuition from patrons and students and income from outside clients for production work. Expenditures include salaries and supplies. This fund is for budgetary purposes only.

**Other Local Grants** – A fund held by the District in a trustee capacity to be used as requested by the donating individual/agency.

**District Managed Activities** - A fund used 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 includes the athletic programs, the drama program, etc.

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

**Management Information Systems** - A fund used to account for research and demonstration projects and other projects as established by the State of Ohio Department of Education.

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

## GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT

### COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

**Alternative Schools** - A fund used to account for alternative educational programs existing and new at-risk and delinquent youth.

**Other State Grants** - A fund used to account for state grants received from miscellaneous state organizations.

**Education Jobs** - A fund provided to account for federal monies received to pay salaries and benefits, and rehire, retain, or hire employees. The funds are specifically targeted at providing educational and related services for early childhood, elementary, and secondary education.

**IDEA-B** - A fund used to account for federal funds used in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**Education Stabilization** - A fund used to account for federal funds used to assist states in providing an appropriate public education to all children.

**Title II-D Technology** - A fund used to account for federal funds used to assist states in providing support for technology for primary and secondary schools.

**Title III**- A fund used to account for federal funds for limited English proficiency.

**Title I** - A fund used to account for federal funds used to meet the special needs of educationally deprived children.

**Title II-A** - A fund used to account for grants for improving teacher quality.

**Other Federal Grants** - A fund used to account for various monies received through state agencies from the federal government or directly from the federal government, which are, not classified elsewhere.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	Food Service	Community Recreation	Other Local Grants	District Managed Activities
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 377,907	\$ 43,437	\$ 76,939	\$ 140,848
Receivables:				
Accounts	1,654	-	2,500	17,935
Due From Other Governments	127,451	-	-	-
Materials and Supplies Inventory	32,583	-	-	-
Total Assets	<u>\$ 539,595</u>	<u>\$ 43,437</u>	<u>\$ 79,439</u>	<u>\$ 158,783</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 6,312	\$ 4,339	\$ 30,701	\$ 6,719
Accrued Wages and Benefits Payable	146,748	-	-	-
Interfund Loans Payable	-	-	-	36,159
Due to Other Governments	93,041	-	-	299
Matured Leave Benefits Payable	2,372	-	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	<u>248,473</u>	<u>4,339</u>	<u>30,701</u>	<u>43,177</u>
<b>Fund Balances:</b>				
Restricted for:				
Locally Funded Programs	-	-	48,738	-
Extracurricular Activities	-	-	-	115,606
State Funded Programs	-	-	-	-
Federally Funded Programs	-	-	-	-
Food Service	291,122	-	-	-
Committed for:				
Community Recreation	-	39,098	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>291,122</u>	<u>39,098</u>	<u>48,738</u>	<u>115,606</u>
Total Liabilities and Fund Balances	<u>\$ 539,595</u>	<u>\$ 43,437</u>	<u>\$ 79,439</u>	<u>\$ 158,783</u>

See accompanying notes to the basic financial statements.

Auxiliary Services	Data Communication	Alternative Schools	Other State Grants	Ed Jobs	IDEA-B	Education Stabilization
\$ 635,031	\$ -	\$ 683	\$ 1,274	\$ -	\$ 218,340	\$ -
125	-	-	-	-	-	-
-	-	4,879	-	65,866	343,070	-
-	-	-	-	-	-	-
<u>\$ 635,156</u>	<u>\$ -</u>	<u>\$ 5,562</u>	<u>\$ 1,274</u>	<u>\$ 65,866</u>	<u>\$ 561,410</u>	<u>\$ -</u>
\$ 35,529	\$ -	\$ -	\$ 406	\$ -	\$ 88,605	\$ -
68,173	-	-	13,802	41,009	96,535	-
-	-	4,879	3,406	24,805	277,477	-
14,850	-	205	3,433	6,083	27,670	-
-	-	-	-	-	-	-
-	-	4,879	-	65,866	101,107	-
<u>118,552</u>	<u>-</u>	<u>9,963</u>	<u>21,047</u>	<u>137,763</u>	<u>591,394</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
516,604	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(4,401)	(19,773)	(71,897)	(29,984)	-
<u>516,604</u>	<u>-</u>	<u>(4,401)</u>	<u>(19,773)</u>	<u>(71,897)</u>	<u>(29,984)</u>	<u>-</u>
<u>\$ 635,156</u>	<u>\$ -</u>	<u>\$ 5,562</u>	<u>\$ 1,274</u>	<u>\$ 65,866</u>	<u>\$ 561,410</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012  
(CONTINUED)

	Title II-D Technology	Title III	Title I	Title II-A
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 5,836	\$ 1,804	\$ 127,238	\$ 17,975
<b>Receivables:</b>				
Accounts	-	-	-	-
Due From Other Governments	5,836	2,922	251,249	39,395
Materials and Supplies Inventory	-	-	-	-
<b>Total Assets</b>	<b>\$ 11,672</b>	<b>\$ 4,726</b>	<b>\$ 378,487</b>	<b>\$ 57,370</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 5,113	\$ -	\$ 99,613	\$ 9,558
Accrued Wages and Benefits Payable	-	-	75,033	-
Interfund Loans Payable	5,836	4,726	151,793	37,242
Due to Other Governments	-	-	12,077	102
Matured Leave Benefits Payable	-	-	-	-
Deferred Revenue	1,044	-	-	778
<b>Total Liabilities</b>	<b>11,993</b>	<b>4,726</b>	<b>338,516</b>	<b>47,680</b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Locally Funded Programs	-	-	-	-
Extracurricular Activities	-	-	-	-
State Funded Programs	-	-	-	-
Federally Funded Programs	-	-	39,971	9,690
Food Service	-	-	-	-
<b>Committed for:</b>				
Community Recreation	-	-	-	-
Unassigned	(321)	-	-	-
<b>Total Fund Balances</b>	<b>(321)</b>	<b>-</b>	<b>39,971</b>	<b>9,690</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 11,672</b>	<b>\$ 4,726</b>	<b>\$ 378,487</b>	<b>\$ 57,370</b>

See accompanying notes to the basic financial statements.

Other Federal Grants	Total Nonmajor Governmental Funds
\$ 19,772	\$ 1,667,084
-	22,214
68,071	908,739
-	32,583
<u>\$ 87,843</u>	<u>\$ 2,630,620</u>
\$ 590	\$ 287,485
10,820	452,120
68,071	614,394
1,801	159,561
-	2,372
4,826	178,500
<u>86,108</u>	<u>1,694,432</u>
-	48,738
-	115,606
-	516,604
1,735	51,396
-	291,122
-	39,098
-	(126,376)
<u>1,735</u>	<u>936,188</u>
<u>\$ 87,843</u>	<u>\$ 2,630,620</u>

See accompanying notes to the basic financial statements.



**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	Food Service	Community Recreation	Other Local Grants	District Managed Activities
<b>Revenues:</b>				
From Local Sources:				
Charges for Services	\$ 1,578,024	\$ -	\$ -	\$ -
Other Local	13,033	51,799	102,368	323,298
Intergovernmental - State	18,309	-	-	-
Intergovernmental - Federal	951,049	-	-	-
Investment Income	586	-	-	-
<b>Total Revenues</b>	<b>2,561,001</b>	<b>51,799</b>	<b>102,368</b>	<b>323,298</b>
<b>Expenditures:</b>				
Instruction:				
Regular	-	-	49,690	-
Special	-	-	-	-
Support services:				
Pupils	-	-	-	-
Instructional Staff	-	-	130,602	-
School Administration	-	-	-	-
Fiscal Services	-	-	-	-
Business	-	-	-	8,382
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Community Services	-	51,318	-	-
Extracurricular Activities	-	-	-	286,142
Food Service Operations	2,408,128	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<b>2,408,128</b>	<b>51,318</b>	<b>180,292</b>	<b>294,524</b>
<b>Net Change in Fund Balances</b>	<b>152,873</b>	<b>481</b>	<b>(77,924)</b>	<b>28,774</b>
Fund Balances - Beginning (Restated)	138,249	38,617	126,662	86,832
<b>Fund Balances - Ending</b>	<b>\$ 291,122</b>	<b>\$ 39,098</b>	<b>\$ 48,738</b>	<b>\$ 115,606</b>

See accompanying notes to the basic financial statements.

<u>Auxiliary Services</u>	<u>Data Communication</u>	<u>Alternative Schools</u>	<u>Other State Grants</u>	<u>Ed Jobs</u>	<u>IDEA-B</u>	<u>Education Stabilization</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
1,479,926	19,800	34,215	153,171	-	-	-
-	-	-	-	456,927	2,529,525	-
922	-	-	-	-	-	-
<u>1,480,848</u>	<u>19,800</u>	<u>34,215</u>	<u>153,171</u>	<u>456,927</u>	<u>2,529,525</u>	<u>-</u>
-	-	19,192	88,153	528,824	13,535	-
-	-	-	-	-	738,095	11,446
-	-	14,852	53,428	-	149,361	-
-	-	-	23,719	-	971,774	-
-	-	-	-	-	103,762	-
-	-	-	-	-	-	685
-	-	-	-	-	21,061	-
-	19,800	-	-	-	-	-
1,072,737	-	500	-	-	54,581	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	25,315	-
<u>1,072,737</u>	<u>19,800</u>	<u>34,544</u>	<u>165,300</u>	<u>528,824</u>	<u>2,077,484</u>	<u>12,131</u>
408,111	-	(329)	(12,129)	(71,897)	452,041	(12,131)
108,493	-	(4,072)	(7,644)	-	(482,025)	12,131
<u>\$ 516,604</u>	<u>\$ -</u>	<u>\$ (4,401)</u>	<u>\$ (19,773)</u>	<u>\$ (71,897)</u>	<u>\$ (29,984)</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012  
(CONTINUED)

	Title II-D Technology	Title III	Title I	Title II-A
<b>Revenues:</b>				
From Local Sources:				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Other Local	-	-	-	-
Intergovernmental - State	-	-	-	-
Intergovernmental - Federal	9,750	31,155	1,037,249	139,380
Investment Income	-	-	-	-
Total Revenues	<u>9,750</u>	<u>31,155</u>	<u>1,037,249</u>	<u>139,380</u>
<b>Expenditures:</b>				
Instruction:				
Regular	-	-	-	346
Special	-	-	872,379	-
Support services:				
Pupils	-	-	-	-
Instructional Staff	4,727	31,127	-	100,953
School Administration	-	-	-	-
Fiscal Services	-	-	-	-
Business	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Community Services	492	-	7,368	17,384
Extracurricular Activities	-	-	-	-
Food Service Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>5,219</u>	<u>31,127</u>	<u>879,747</u>	<u>118,683</u>
Net Change in Fund Balances	4,531	28	157,502	20,697
Fund Balance Beginning of Year	(4,852)	(28)	(117,531)	(11,007)
Fund Balance End of Year	<u>\$ (321)</u>	<u>\$ -</u>	<u>\$ 39,971</u>	<u>\$ 9,690</u>

See accompanying notes to the basic financial statements.

<u>Other Federal Grants</u>	<u>Nonmajor Governmental Funds</u>
\$ -	\$ 1,578,024
-	490,498
-	1,705,421
345,898	5,500,933
-	1,508
<u>345,898</u>	<u>9,276,384</u>
249,158	948,898
-	1,621,920
-	217,641
-	1,262,902
45,014	148,776
-	685
-	8,382
-	21,061
-	19,800
-	1,204,380
-	286,142
-	2,408,128
-	25,315
<u>294,172</u>	<u>8,174,030</u>
51,726	1,102,354
(49,991)	(166,166)
<u>\$ 1,735</u>	<u>\$ 936,188</u>

See accompanying notes to the basic financial statements.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Debt Service Fund</b>			
Total Revenues and Other Sources	\$ 4,715,408	\$ 4,672,257	\$ (43,151)
Total Expenditures and Other Uses	4,402,472	4,343,322	59,150
Net Change in Fund Balance	312,936	328,935	15,999
Fund Balance - July 1	2,400,352	2,400,352	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance - June 30	<u>\$ 2,713,288</u>	<u>\$ 2,729,287</u>	<u>\$ 15,999</u>
<b>Building Fund</b>			
Total Revenues and Other Sources	\$ 290,237	\$ 287,163	\$ (3,074)
Total Expenditures and Other Uses	2,822,079	2,817,313	4,766
Net Change in Fund Balance	(2,531,842)	(2,530,150)	1,692
Fund Balance - July 1	2,231,594	2,231,594	-
Prior Year Encumbrances Appropriated	2,542,786	2,542,786	-
Fund Balance - June 30	<u>\$ 2,242,538</u>	<u>\$ 2,244,230</u>	<u>\$ 1,692</u>
<b>Public School Support</b>			
Total Revenues and Other Sources	\$ 195,404	\$ 192,885	\$ (2,519)
Total Expenditures and Other Uses	211,880	207,916	3,964
Net Change in Fund Balance	(16,476)	(15,031)	1,445
Fund Balance - July 1	106,248	106,248	-
Prior Year Encumbrances Appropriated	13,567	13,567	-
Fund Balance - June 30	<u>\$ 103,339</u>	<u>\$ 104,784</u>	<u>\$ 1,445</u>

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Food Service</b>			
Total Revenues and Other Sources	\$ 2,543,573	\$ 2,462,883	\$ (80,690)
Total Expenditures and Other Uses	2,460,058	2,409,085	50,973
Net Change in Fund Balance	83,515	53,798	(29,717)
Fund Balance - July 1	230,578	230,578	-
Prior Year Encumbrances Appropriated	30,203	30,203	-
Fund Balance - June 30	<u>\$ 344,296</u>	<u>\$ 314,579</u>	<u>\$ (29,717)</u>
<b>Special Rotary</b>			
Total Revenues and Other Sources	\$ 187,305	\$ 181,720	\$ (5,585)
Total Expenditures and Other Uses	182,728	181,559	1,169
Net Change in Fund Balance	4,577	161	(4,416)
Fund Balance - July 1	100,029	100,029	-
Prior Year Encumbrances Appropriated	4,978	4,978	-
Fund Balance - June 30	<u>\$ 109,584</u>	<u>\$ 105,168</u>	<u>\$ (4,416)</u>
<b>Community Recreation</b>			
Total Revenues and Other Sources	\$ 60,144	\$ 59,353	\$ (791)
Total Expenditures and Other Uses	59,983	59,007	976
Net Change in Fund Balance	161	346	185
Fund Balance - July 1	29,254	29,254	-
Prior Year Encumbrances Appropriated	5,808	5,808	-
Fund Balance - June 30	<u>\$ 35,223</u>	<u>\$ 35,408</u>	<u>\$ 185</u>

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Other Local Grants</b>			
Total Revenues and Other Sources	\$ 103,995	\$ 102,036	\$ (1,959)
Total Expenditures and Other Uses	216,045	209,726	6,319
Net Change in Fund Balance	(112,050)	(107,690)	4,360
Fund Balance - July 1	110,245	110,245	-
Prior Year Encumbrances Appropriated	34,190	34,190	-
Fund Balance - June 30	<u>\$ 32,385</u>	<u>\$ 36,745</u>	<u>\$ 4,360</u>
<b>District Managed Activities</b>			
Total Revenues and Other Sources	\$ 316,523	\$ 315,254	\$ (1,269)
Total Expenditures and Other Uses	334,498	331,465	3,033
Net Change in Fund Balance	(17,975)	(16,211)	1,764
Fund Balance - July 1	109,318	109,318	-
Prior Year Encumbrances Appropriated	24,976	24,976	-
Fund Balance - June 30	<u>\$ 116,319</u>	<u>\$ 118,083</u>	<u>\$ 1,764</u>
<b>Auxiliary Services</b>			
Total Revenues and Other Sources	\$ 1,480,724	\$ 1,480,723	\$ (1)
Total Expenditures and Other Uses	2,063,061	1,643,328	419,733
Net Change in Fund Balance	(582,337)	(162,605)	419,732
Fund Balance - July 1	112,715	112,715	-
Prior Year Encumbrances Appropriated	469,623	469,623	-
Fund Balance - June 30	<u>\$ 1</u>	<u>\$ 419,733</u>	<u>\$ 419,732</u>

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Management Information System</b>			
Total Revenues and Other Sources	\$ 5,000	\$ 5,000	\$ -
Total Expenditures and Other Uses	5,000	5,000	-
Net Change in Fund Balance	-	-	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Data Communications</b>			
Total Revenues and Other Sources	\$ 19,800	\$ 19,800	\$ -
Total Expenditures and Other Uses	19,800	19,800	-
Net Change in Fund Balance	-	-	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Alternative Schools</b>			
Total Revenues and Other Sources	\$ 40,737	\$ 39,094	\$ (1,643)
Total Expenditures and Other Uses	41,520	39,877	1,643
Net Change in Fund Balance	(783)	(783)	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	783	783	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Other State Grants</b>			
Total Revenues and Other Sources	\$ 156,577	\$ 156,577	\$ -
Total Expenditures and Other Uses	156,577	156,577	-
Net Change in Fund Balance	-	-	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Education Jobs</b>			
Total Revenues and Other Sources	\$ 481,732	\$ 481,732	\$ -
Total Expenditures and Other Uses	481,732	481,732	-
Net Change in Fund Balance	-	-	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>IDEA B</b>			
Total Revenues and Other Sources	\$ 2,565,039	\$ 2,565,039	\$ -
Total Expenditures and Other Uses	2,798,523	2,798,523	-
Net Change in Fund Balance	(233,484)	(233,484)	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	233,484	233,484	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Education Stabilization</b>			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	12,783	12,783	-
Net Change in Fund Balance	(12,783)	(12,783)	-
Fund Balance - July 1	10,290	10,290	-
Prior Year Encumbrances Appropriated	2,493	2,493	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Title II-D Technology**

Total Revenues and Other Sources	\$ 10,794	\$ 10,794	\$ -
Total Expenditures and Other Uses	11,416	11,416	-
Net Change in Fund Balance	(622)	(622)	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	622	622	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Title III**

Total Revenues and Other Sources	\$ 32,959	\$ 32,959	\$ -
Total Expenditures and Other Uses	32,959	32,959	-
Net Change in Fund Balance	-	-	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Title I</b>			
Total Revenues and Other Sources	\$ 937,793	\$ 937,793	\$ -
Total Expenditures and Other Uses	974,107	974,107	-
Net Change in Fund Balance	(36,314)	(36,314)	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	<u>36,314</u>	<u>36,314</u>	-
Fund Balance - June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Title II-A</b>			
Total Revenues and Other Sources	\$ 138,005	\$ 138,005	\$ -
Total Expenditures and Other Uses	142,347	142,347	-
Net Change in Fund Balance	(4,342)	(4,342)	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	<u>4,342</u>	<u>4,342</u>	-
Fund Balance - June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Other Federal Grants</b>			
Total Revenues and Other Sources	\$ 350,724	\$ 350,724	\$ -
Total Expenditures and Other Uses	403,004	403,004	-
Net Change in Fund Balance	(52,280)	(52,280)	-
Fund Balance - July 1	-	-	-
Prior Year Encumbrances Appropriated	<u>52,280</u>	<u>52,280</u>	-
Fund Balance - June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

# GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT

## INDIVIDUAL FUND SCHEDULES

### **Internal Service Fund**

Internal Service funds are used to account for the financing of services provided by one department or agency to another department or agency on a cost reimbursement basis. A description of the District's Internal Service Fund follows:

**Self-Insurance Fund** - A fund provided to account for money received from other funds as payment for providing medical, hospitalization, life and dental insurance. Payments are made to a third party administrator for claim payments, claims administration and stop-loss coverage.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
NET ASSET BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Self-funded Insurance</b>			
Total Revenues and Other Sources	\$ 8,890,700	\$ 8,627,773	\$ (262,927)
Total Expenses and Other Uses	8,115,050	7,744,903	370,147
Net Change in Fund Balance	775,650	882,870	107,220
Fund Balance - July 1	3,000,753	3,000,753	-
Prior Year Encumbrances Appropriated	650	650	-
Fund Balance - June 30	<u>\$ 3,777,053</u>	<u>\$ 3,884,273</u>	<u>\$ 107,220</u>

# GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT

## COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

### **Fiduciary Fund Type**

#### **Private Purpose Trust and Agency Funds**

Private Purpose Trust Funds are used to account for assets held by a government in a trustee capacity. Agency Funds are used to account for assets held by a government as an agent for individuals, private organizations, other governments and/or other funds. A description of the District's Fiduciary Funds follows:

**Private Purpose Trust Fund** - A trust fund used to account for assets held by school system in a trustee capacity for individuals, private organizations, other governmental and/or other funds.

**Student Activity Fund** – A agency 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.

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN  
NET ASSET BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b>Private Purpose Trust</b>			
Total Revenues and Other Sources	\$ 35,975	\$ 35,846	\$ (129)
Total Expenses and Other Uses	42,403	42,090	313
Net Change in Fund Balance	(6,428)	(6,244)	184
Fund Balance - July 1	97,490	97,490	-
Prior Year Encumbrances Appropriated	9,221	9,221	-
Fund Balance - June 30	<u>\$ 100,283</u>	<u>\$ 100,467</u>	<u>\$ 184</u>

**GAHANNA JEFFERSON PUBLIC SCHOOL DISTRICT**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Student-Managed Activities</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 381,554	\$ 282,064	\$ (309,459)	\$ 354,159
Accounts Receivable	1,913	831	(1,913)	831
Materials and Supplies Inventory	9,677	-	(4,583)	5,094
Total Assets	<u>\$ 393,144</u>	<u>\$ 282,895</u>	<u>\$ (315,955)</u>	<u>\$ 360,084</u>
<b>Liabilities</b>				
Accounts Payable	\$ 29,131	\$ 4,266	\$ (29,131)	\$ 4,266
Due To Students	364,013	312,026	(320,221)	355,818
Total Liabilities	<u>\$ 393,144</u>	<u>\$ 316,292</u>	<u>\$ (349,352)</u>	<u>\$ 360,084</u>
<b>Employee Flexible Spending Account</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 22,769	\$ 113,147	\$ (105,006)	\$ 30,910
Accounts Receivable	4,656	-	(4,656)	-
Total Assets	<u>\$ 27,425</u>	<u>\$ 113,147</u>	<u>\$ (109,662)</u>	<u>\$ 30,910</u>
<b>Liabilities</b>				
Due To Students	\$ 27,425	\$ 113,147	\$ (109,662)	\$ 30,910
Total Liabilities	<u>\$ 27,425</u>	<u>\$ 113,147</u>	<u>\$ (109,662)</u>	<u>\$ 30,910</u>
<b>Total</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 404,323	\$ 395,211	\$ (414,465)	\$ 385,069
Accounts Receivable	6,569	831	(6,569)	831
Materials and Supplies Inventory	9,677	-	(4,583)	5,094
Total Assets	<u>\$ 420,569</u>	<u>\$ 396,042</u>	<u>\$ (425,617)</u>	<u>\$ 390,994</u>
<b>Liabilities</b>				
Accounts Payable	\$ 29,131	\$ 4,266	\$ (29,131)	\$ 4,266
Due To Students	391,438	425,173	(429,883)	386,728
Total Liabilities	<u>\$ 420,569</u>	<u>\$ 429,439</u>	<u>\$ (459,014)</u>	<u>\$ 390,994</u>



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### **III. STATISTICAL SECTION**

## STATISTICAL SECTION

This part of the 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>
<b>Financial Trends</b>	<b>S3</b>
These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.	
<b>Revenue Cap</b>	<b>S14</b>
These schedules contain information to help the readers assess the government’s most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>S21</b>
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.	
<b>Demographic and Economic Information</b>	<b>S26</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.	
<b>Operating Information</b>	<b>S27</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.	

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

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**

**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN FISCAL YEARS**

FISCAL YEARS	INSTRUCTIONAL SERVICES	SUPPORT SERVICES	COMMUNITY SERVICES	FOOD SERVICE OPERATIONS	EXTRA-CURRICULAR	MISCELLANEOUS	CAPITAL OUTLAY	DEBT SERVICE	TOTAL
2003	33,879,633	18,093,029	1,110,985	-	1,069,679	-	1,504,941	5,156,843	60,815,110
2004	37,546,398	19,735,060	1,185,029	-	1,011,401	-	1,441,251	5,389,639	66,308,778
2005	40,208,291	20,802,773	1,483,300	-	1,171,856	-	1,403,145	5,376,883	70,446,248
2006	42,858,430	20,938,272	1,314,358	-	1,190,475	42,792	1,957,782	4,065,728	72,367,837
2007	43,944,585	24,073,115	1,632,598	-	1,304,556	28,705	2,038,409	3,159,660	76,181,628
2008	47,130,905	23,855,015	1,345,075	-	1,193,075	62,913	2,965,881	3,157,285	79,710,149
2009	49,455,770	26,310,955	1,387,400	-	1,250,732	367,821	7,350,719	3,149,176	89,272,573
2010	54,900,622	26,354,779	1,436,421	-	1,162,198	-	2,431,619	3,440,842	89,726,481
2011	54,473,936	26,001,005	1,833,816	-	1,186,176	-	12,115,050	4,821,511	100,431,494
2012	52,511,092	25,197,868	1,207,619	2,408,128	1,208,808	-	2,011,411	4,906,715	89,451,641

Notes:

(1) Includes General, Debt Service, Building and Other Governmental Funds.

Nonmajor enterprise funds were reclassified as governmental funds during fiscal year 2012

Source: Office of the Treasurer, Gahanna-Jefferson City School District

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**

**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS**

FISCAL YEARS	PROPERTY TAXES	STATE SOURCES	FEDERAL SOURCES	INVESTMENT INCOME	TUITION	OTHER	TOTAL
2003	44,475,146	14,169,688	1,329,342	721,447	212,768	2,757,489	63,665,880
2004	46,985,556	17,038,048	1,557,421	404,064	423,739	2,466,065	68,874,893
2005	41,978,299	18,218,969	1,807,255	856,315	405,098	2,428,207	65,694,143
2006	40,696,200	17,909,113	1,643,414	1,372,968	190,516	2,785,216	64,597,427
2007	55,361,476	19,125,501	2,316,518	1,570,168	352,127	4,546,260	83,272,050
2008	48,148,561	21,192,714	2,093,886	1,206,670	300,879	2,262,595	75,205,305
2009	52,829,685	22,651,012	3,237,019	471,801	223,159	2,565,756	81,978,432
2010	48,473,563	22,752,983	3,069,668	127,532	220,438	5,275,187	79,919,371
2011	48,514,070	23,188,046	4,182,227	86,447	165,944	10,691,841	86,828,575
2012	54,493,804	21,868,411	5,631,883	37,855	328,310	8,817,055	91,177,318

Notes:

(1) Includes General, Debt Service, Building and Other Governmental Funds.

Nonmajor enterprise funds were reclassified as governmental funds during fiscal year 2012

Source: Office of the Treasurer, Gahanna-Jefferson City School District

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**

**Net Assets by Component, Last Nine Fiscal Years  
Amounts in Thousands (000's)(Accrual Basis of Accounting)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities									
Invested in capital assets, net of related debt	\$ 1,668	\$ 6,714	\$ 9,197	\$ 7,376	\$ 8,250	\$ 11,649	\$ 11,472	\$ 12,815	\$ 14,551
Restricted	5,129	4,716	5,087	3,504	3,183	2,815	1,391	3,342	6,105
Unrestricted	37,866	31,219	21,830	32,893	27,770	23,649	21,627	16,989	19,804
Total government activities net assets	<u>\$ 44,663</u>	<u>\$ 42,649</u>	<u>\$ 36,114</u>	<u>\$ 43,773</u>	<u>\$ 39,203</u>	<u>\$ 38,113</u>	<u>\$ 34,490</u>	<u>\$ 33,146</u>	<u>\$ 40,460</u>
Business-type activities									
Invested in capital assets, net of related debt	\$ 222	\$ 159	\$ 133	\$ 108	\$ 93	\$ 78	\$ 68	\$ 54	\$ -
Unrestricted	20	66	54	58	(175)	(246)	(30)	141	-
Total business-type activities net assets	<u>\$ 242</u>	<u>\$ 225</u>	<u>\$ 187</u>	<u>\$ 166</u>	<u>\$ (82)</u>	<u>\$ (168)</u>	<u>\$ 38</u>	<u>\$ 195</u>	<u>\$ -</u>
Primary government									
Invested in capital assets, net of related debt	\$ 1,890	\$ 6,873	\$ 9,330	\$ 7,484	\$ 8,343	\$ 11,727	\$ 11,540	\$ 12,869	\$ 14,551
Restricted	5,129	4,716	5,087	3,504	3,183	2,815	1,391	3,342	6,105
Unrestricted	37,886	31,285	21,884	32,951	27,595	23,403	21,597	17,130	19,804
Total primary government net assets	<u>\$ 44,905</u>	<u>\$ 42,874</u>	<u>\$ 36,301</u>	<u>\$ 43,939</u>	<u>\$ 39,121</u>	<u>\$ 37,945</u>	<u>\$ 34,528</u>	<u>\$ 33,341</u>	<u>\$ 40,460</u>

Note: The District implemented GASB Statement 34 for the year ended June 30, 2003.

Schedules presenting government-wide information include information beginning that year.

Nonmajor enterprise funds were reclassified as governmental funds during fiscal year 2012

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**

**Change in Net Assets, Last Ten Fiscal Years  
(Accrual Basis of Accounting)**

	2003	2004	2005	2006	2007
<b>Expenses</b>					
Governmental Activities					
Instruction					
Regular	\$ 29,450,997	\$ 31,457,676	\$ 33,832,369	\$ 36,371,451	\$ 36,391,717
Special	5,777,795	6,850,693	7,871,474	8,800,208	9,324,084
Vocational	775,576	811,482	798,656	938,003	952,998
Support Services					
Pupils	2,396,788	2,650,532	3,231,648	3,364,165	3,202,037
Instructional Staff	2,753,588	2,863,314	3,062,130	3,277,989	4,318,925
General Administration	407,947	638,050	443,366	29,741	363,011
School Administration	4,785,813	5,351,523	5,133,972	5,936,160	6,437,690
Fiscal Services	1,214,960	994,712	1,614,463	938,004	1,200,155
Business	0	30,224	58,898	27,402	33,553
Maintenance	4,476,808	5,092,560	5,026,804	5,357,488	6,423,038
Pupil Transportation	1,820,203	1,998,152	1,997,835	2,274,066	2,238,298
Central	408,529	356,418	331,263	370,746	362,329
Community Services	1,066,540	1,189,183	1,403,803	1,440,164	1,748,237
Food Service Operations	-	-	-	-	-
Extra Curricular Activities	1,153,582	1,112,651	1,271,923	1,285,184	1,396,326
Construction Services	36,955	-	-	-	-
Miscellaneous	331,202	118,397	8,601	42,792	28,705
Interest and Fiscal Charges	1,736,910	1,750,191	1,422,787	1,058,443	1,496,189
Total governmental					
activities expense	<u>58,594,193</u>	<u>63,265,758</u>	<u>67,509,992</u>	<u>71,512,006</u>	<u>75,917,292</u>
Business type activities					
Food Service	1,833,720	1,712,604	1,893,506	1,949,954	1,967,248
Special Rotary	158,317	86,878	122,470	138,392	152,540
Community Recreation	74,505	72,787	84,397	51,303	86,845
Total Business-Type activities	<u>2,066,542</u>	<u>1,872,269</u>	<u>2,100,373</u>	<u>2,139,649</u>	<u>2,206,633</u>
Total primary					
government expenses	<u>\$ 60,660,735</u>	<u>\$ 65,138,027</u>	<u>\$ 69,610,365</u>	<u>\$ 73,651,655</u>	<u>\$ 78,123,925</u>
<b>Program Revenue</b>					
Governmental Activities					
Charges for services					
Instruction					
Regular	\$ 186,671	\$ 195,399	\$ 190,981	\$ 196,672	\$ 189,732
Special	212,768	423,739	405,098	190,516	352,127
Vocational	-	-	-	-	-
Support Services					
Instructional Staff	-	-	-	-	-
School Administration	142,679	158,342	137,391	162,888	-
Maintenance	108,126	241,248	245,501	217,751	2,661,408
Community Services					
Food Service Operations					
Extra Curricular Activities	429,558	395,777	470,913	461,900	-
Interest and Fiscal Charges	-	-	-	-	-
Operating Grants/Contributions	<u>3,058,675</u>	<u>3,275,844</u>	<u>3,766,308</u>	<u>3,716,244</u>	<u>4,098,242</u>
Total governmental activities					
program revenue	<u>4,138,477</u>	<u>4,690,349</u>	<u>5,216,192</u>	<u>4,945,971</u>	<u>7,301,509</u>
Business type activities					
Charges for services					
Food Service	1,312,091	1,333,088	1,430,009	1,425,505	1,406,671
Special Rotary	89,237	156,001	142,587	157,443	174,504
Community Recreation	75,395	82,884	79,386	57,152	70,912
Operating Grants/Contributions	<u>319,740</u>	<u>380,544</u>	<u>400,666</u>	<u>457,763</u>	<u>448,913</u>
Total Business-Type Activities	<u>1,796,463</u>	<u>1,952,517</u>	<u>2,052,648</u>	<u>2,097,863</u>	<u>2,101,000</u>
<b>Total primary government</b>					
<b>program revenue</b>	<u>\$ 5,934,940</u>	<u>\$ 6,642,866</u>	<u>\$ 7,268,840</u>	<u>\$ 7,043,834</u>	<u>\$ 9,402,509</u>

Note: The District implemented GASB Statement 34 for the year ended June 30, 2003. Schedules presenting government-wide information include information beginning that year. Nonmajor enterprise funds were reclassified as governmental funds during fiscal year 2012

(continued)

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 38,623,709	\$ 40,440,618	\$ 42,966,520	\$ 40,644,719	\$ 40,399,412
10,095,409	10,698,891	12,250,935	12,526,806	11,158,887
933,319	1,025,295	827,459	910,933	875,019
3,409,976	3,921,520	3,815,240	3,728,573	3,642,669
4,303,041	4,514,239	4,191,805	4,156,156	3,316,790
505,563	287,677	231,202	297,963	283,478
6,299,721	7,650,509	6,751,845	6,914,370	6,828,574
1,357,185	1,440,112	1,585,119	1,415,383	1,525,658
70,033	55,637	24,985	13,282	123,736
6,593,690	6,136,603	6,899,638	5,986,644	6,078,724
2,691,275	2,752,517	2,959,148	2,948,860	2,772,503
520,399	399,149	664,840	620,160	334,534
1,405,400	1,467,572	1,428,413	1,811,471	1,109,710
-	-	-	-	2,358,904
1,284,493	1,357,943	1,253,227	1,275,667	1,265,564
-	-	-	-	-
68,817	463,980	-	-	-
1,205,273	1,014,684	1,229,512	1,629,368	1,511,207
<u>79,367,303</u>	<u>83,626,946</u>	<u>87,079,888</u>	<u>84,880,355</u>	<u>83,585,369</u>
2,241,062	2,093,024	2,215,210	2,351,236	-
236,420	172,298	228,289	215,089	-
54,890	85,742	78,812	61,633	-
<u>2,532,372</u>	<u>2,351,064</u>	<u>2,522,311</u>	<u>2,627,958</u>	<u>-</u>
<u>\$ 81,899,675</u>	<u>\$ 85,978,010</u>	<u>\$ 89,602,199</u>	<u>\$ 87,508,313</u>	<u>\$ 83,585,369</u>
\$ 220,021	\$ 615,908	\$ 1,077,394	\$ 1,039,830	\$ 1,431,678
300,879	-	121,466	135,746	149,748
-	-	8,820	9,707	11,595
-	-	81,855	115,538	76,776
-	-	217,024	146,581	176,962
678,903	362,117	148,220	137,194	670,400
-	-	-	-	51,799
-	-	-	-	1,591,057
-	200,098	331,192	310,599	519,234
-	412,053	-	-	-
<u>4,573,343</u>	<u>4,969,118</u>	<u>4,370,505</u>	<u>6,600,056</u>	<u>6,605,247</u>
<u>5,773,146</u>	<u>6,559,294</u>	<u>6,356,476</u>	<u>8,495,251</u>	<u>11,284,496</u>
1,518,667	1,446,345	1,537,622	1,606,514	-
169,766	178,818	182,879	140,480	-
61,301	77,491	72,565	72,251	-
611,084	561,422	897,663	926,450	-
<u>2,360,818</u>	<u>2,264,076</u>	<u>2,690,729</u>	<u>2,745,695</u>	<u>0</u>
<u>\$ 8,133,964</u>	<u>\$ 8,823,370</u>	<u>\$ 9,047,205</u>	<u>\$ 11,240,946</u>	<u>\$ 11,284,496</u>



**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**

**Change in Net Assets, Last Ten Fiscal Years  
(Accrual Basis of Accounting)**

(continued)

	2003	2004	2005	2006	2007
<b>Net (Expense)/Revenue</b>					
Governmental Activities	\$ (54,455,716)	\$ (58,575,409)	\$ (62,293,800)	\$ (66,566,035)	\$ (68,615,783)
Business type activities	(270,079)	80,248	(47,725)	(41,786)	(105,633)
Total primary government net expense	<u>\$ (54,725,795)</u>	<u>\$ (58,495,161)</u>	<u>\$ (62,341,525)</u>	<u>\$ (66,607,821)</u>	<u>\$ (68,721,416)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental Activities:					
Property taxes	\$ 47,250,351	\$ 44,494,481	\$ 41,736,228	\$ 40,850,429	\$ 55,642,673
Payment in Lieu of Taxes	1,726,121	1,424,148	1,357,693	1,688,835	1,695,120
Grants & entitlements not restricted to specific programs	12,440,355	15,319,625	16,329,286	16,102,786	17,343,777
Investment Earnings	717,438	431,410	858,264	1,331,365	1,592,381
Miscellaneous	164,334	52,151	25,728	58,169	-
Transfer	-	(500)	(27,599)	-	-
Total governmental activities general revenues and other changes	<u>62,298,599</u>	<u>61,721,315</u>	<u>60,279,600</u>	<u>60,031,584</u>	<u>76,273,951</u>
Business type activities					
Investment Earnings	2,323	1,061	2,387	3,868	3,629
Transfer	-	500	27,599	-	-
Total governmental activities general revenues and other changes	<u>2,323</u>	<u>1,561</u>	<u>29,986</u>	<u>3,868</u>	<u>3,629</u>
Total primary general government revenues and other changes	<u>\$ 62,300,922</u>	<u>\$ 61,722,876</u>	<u>\$ 60,309,586</u>	<u>\$ 60,035,452</u>	<u>\$ 76,277,580</u>
<b>Change in Net Assets</b>					
Governmental Activities	\$ 7,842,883	\$ 3,145,906	\$ (2,014,200)	\$ (6,534,451)	\$ 7,658,168
Business type activities	(267,756)	81,809	(17,739)	(37,918)	(102,004)
Total primary government	<u>\$ 7,575,127</u>	<u>\$ 3,227,715</u>	<u>\$ (2,031,939)</u>	<u>\$ (6,572,369)</u>	<u>\$ 7,556,164</u>

Note: The District implemented GASB Statement 34 for the year ended June 30, 2003.  
Schedules presenting government-wide information include information beginning that year.  
Nonmajor enterprise funds were reclassified as governmental funds during fiscal year 2012

(continued)

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ (73,594,157)	\$ (77,067,652)	\$ (80,723,412)	\$ (76,385,104)	\$ (72,300,873)
(171,554)	(86,988)	168,418	117,737	-
<u>\$ (73,765,711)</u>	<u>\$ (77,154,639)</u>	<u>\$ (80,554,994)</u>	<u>\$ (76,267,367)</u>	<u>\$ (72,300,873)</u>
\$ 47,142,393	\$ 53,167,192	\$ 48,040,262	\$ 48,542,206	\$ 54,326,655
1,304,735	1,376,107	4,698,766	3,960,116	3,706,243
19,367,447	20,918,913	21,658,340	21,378,403	20,943,372
1,152,125	513,427	79,545	75,858	37,844
58,846	1,816	136,191	1,124,388	406,030
-	-	(37,000)	(40,200)	-
<u>69,025,546</u>	<u>75,977,455</u>	<u>74,576,104</u>	<u>75,040,771</u>	<u>79,420,144</u>
4,599	1,029	152	-	-
-	-	37,000	40,200	-
<u>4,599</u>	<u>1,029</u>	<u>37,152</u>	<u>40,200</u>	<u>-</u>
<u>\$ 69,030,145</u>	<u>\$ 75,978,484</u>	<u>\$ 74,613,256</u>	<u>\$ 75,080,971</u>	<u>\$ 79,420,144</u>
\$ (4,568,611)	\$ (1,090,197)	\$ (6,147,308)	\$ (1,344,333)	\$ 7,119,271
(166,955)	(85,959)	205,570	157,937	-
<u>\$ (4,735,565)</u>	<u>\$ (1,176,156)</u>	<u>\$ (5,941,738)</u>	<u>\$ (1,186,396)</u>	<u>\$ 7,119,271</u>

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**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**

**Fund Balances, Governmental Funds, Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Fund</b>										
Nonspendable	N/A	N/A	N/A	N/A	N/A	N/A	N/A	355,766	80,294	75,181
Restricted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	76,361	21,039	21,039
Assigned	N/A	N/A	N/A	N/A	N/A	N/A	N/A	21,760,223	17,321,066	19,769,034
Unassigned	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,554,210	1,816,378	1,657,930
Reserved	1,753,711	8,276,311	11,340,908	12,117,718	21,364,301	20,199,168	23,650,591	N/A	N/A	N/A
Unreserved	32,688,198	28,120,188	20,985,009	13,491,965	10,389,798	10,185,497	4,858,287	N/A	N/A	N/A
<b>Total General Fund</b>	<u>34,441,909</u>	<u>36,396,499</u>	<u>32,325,917</u>	<u>25,609,683</u>	<u>31,754,099</u>	<u>30,384,665</u>	<u>28,508,878</u>	<u>23,746,560</u>	<u>19,238,777</u>	<u>21,523,184</u>
<b>Other Governmental Funds</b>										
Restricted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	16,521,902	7,932,238	7,058,083
Committed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	39,098
Unassigned	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(131,478)	(677,150)	(126,376)
Reserved	811,807	158,600	489,351	1,064,339	2,040,747	1,436,104	1,138,999	N/A	N/A	N/A
Unreserved, reported in:										
Special Revenue Funds	287,361	564,245	239,827	118,658	(103,005)	(62,447)	52,341	N/A	N/A	N/A
Debt Service Fund	4,633,806	5,587,121	4,883,635	3,731,252	3,581,152	2,876,827	2,762,609	N/A	N/A	N/A
Capital Projects Fund	18,492	51,932	38,963	(385,650)	25,711	23,093	(5,546,366)	N/A	N/A	N/A
<b>Total Governmental Funds</b>	<u>5,751,466</u>	<u>6,361,898</u>	<u>5,651,776</u>	<u>4,528,599</u>	<u>5,544,605</u>	<u>4,273,577</u>	<u>(1,592,417)</u>	<u>16,390,424</u>	<u>7,255,088</u>	<u>6,970,805</u>

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

Note: The District implemented GASB Statement 34 for the year ended June 30, 2003.

Schedules presenting government-wide information include information beginning that year.

Nonmajor enterprise funds were reclassified as governmental funds during fiscal year 2012

**GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT**  
**Change in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	2003	2004	2005	2006	2007
<b>Revenues:</b>					
From local sources					
Taxes	\$ 44,475,146	\$ 46,985,556	\$ 41,978,299	\$ 40,696,200	\$ 55,361,476
Payment in Lieu of Taxes	-	-	-	-	-
Tuition	212,768	423,739	405,098	190,516	352,127
Charges for Services	-	-	-	-	-
Other local	2,593,155	2,421,764	2,428,204	2,728,046	4,546,260
Intergovernmental - State	14,169,688	17,038,048	18,217,969	17,909,113	19,125,501
Intergovernmental - Federal	1,329,342	1,557,421	1,807,255	1,643,414	2,316,518
Investment Income	721,447	404,064	856,315	1,372,968	1,570,168
Other revenue	164,334	44,301	3	58,169	-
<b>Total Revenues</b>	<b>\$ 63,665,880</b>	<b>\$ 68,874,893</b>	<b>\$ 65,693,143</b>	<b>\$ 64,598,426</b>	<b>\$ 83,272,050</b>
<b>Expenditures (Current):</b>					
Instruction					
Regular	\$ 27,162,685	\$ 29,735,300	\$ 31,628,929	\$ 33,447,171	\$ 33,872,461
Special	5,897,549	6,829,362	7,738,105	8,541,106	9,143,465
Vocational	749,335	863,339	832,576	870,153	928,659
Other Instruction	-	-	-	-	-
Support Services					
Pupils	2,434,057	2,796,432	3,164,865	3,280,871	3,161,377
Instructional Staff	2,703,471	2,847,403	3,007,642	3,232,645	4,277,794
General Administration	409,168	584,050	443,095	29,470	346,900
School Administration	5,002,246	5,424,111	5,341,518	5,777,700	6,343,711
Fiscal Services	1,218,549	995,464	1,621,204	932,190	1,194,468
Business	-	8,754	7,306	15,369	14,193
Maintenance	4,486,777	4,988,351	5,085,044	5,217,133	6,305,866
Pupil Transportation	1,573,010	1,835,277	1,884,823	2,122,912	2,121,376
Central	265,751	255,218	247,276	329,982	307,430
Community Services	1,110,985	1,185,029	1,483,300	1,314,358	1,632,598
Non-instructional Services	-	-	-	-	-
Extra Curricular Activities	1,069,679	1,011,401	1,171,856	1,190,475	1,304,556
Construction Services	1,475	4,500	-	-	-
Miscellaneous	68,589	118,397	8,601	42,792	28,705
Capital Outlay	1,504,941	1,436,751	1,403,145	1,957,782	2,038,409
Debt Service:					
Principal Retirement	3,969,335	4,322,705	4,386,976	3,357,290	2,364,605
Interest and Fiscal Charges	1,187,508	1,066,934	989,907	708,438	795,055
<b>Total Expenditures</b>	<b>\$ 60,815,110</b>	<b>\$ 66,308,778</b>	<b>\$ 70,446,168</b>	<b>\$ 72,367,837</b>	<b>\$ 76,181,628</b>
Excess (deficiency) of revenue over (under) expenditures	\$ 2,850,770	\$ 2,566,115	\$ 4,753,105	\$ (7,769,411)	\$ 7,090,422
<b>Other Financing (Sources) Uses</b>					
Transfers in	10,350	3,946	6,110	-	430,303
Transfers (out)	(10,350)	(3,446)	(33,709)	-	(430,303)
Sale of Assets	-	-	-	-	-
Refunding issuance cost	-	-	-	(143,470)	-
Refunding bond issued	-	-	-	9,119,993	-
Payment refund bond escrow	-	-	-	(9,437,123)	-
Premiumon refund bond escrow	-	-	-	460,600	-
Bonds proceeds	-	-	-	-	-
Premium on notes issuance	-	-	-	-	-
Discount on Bonds Issued	-	-	-	-	-
Inception of Capital Lease	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ (27,599)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund balances</b>	<b>\$ 2,850,770</b>	<b>\$ 2,566,615</b>	<b>\$ 4,725,506</b>	<b>\$ (7,769,411)</b>	<b>\$ 7,090,422</b>
Debt Service as a percentage of non capital expenditures	8.7%	8.3%	7.8%	5.8%	4.3%

Note: The District implemented GASB Statement 34 for the year ended June 30, 2003.  
Schedules presenting government-wide information include information beginning that year.  
Nonmajor enterprise funds were reclassified as governmental funds during fiscal year 2012

2008	2009	2010	2011	2012
\$ 48,149,561	\$ 52,829,685	\$ 48,473,563	\$ 48,514,070	\$ 54,493,804
-	-	3,404,999	5,381,328	4,097,691
300,879	223,159	220,438	165,944	328,310
-	-	-	-	2,141,116
2,262,595	2,565,756	1,870,188	2,874,763	2,578,248
21,192,714	22,651,012	22,752,983	23,188,046	21,868,411
2,093,886	3,237,019	3,069,668	4,182,227	5,631,883
1,206,670	471,801	127,532	86,447	37,855
-	-	-	-	-
<u>\$ 75,206,305</u>	<u>\$ 81,978,432</u>	<u>\$ 79,919,371</u>	<u>\$ 84,392,825</u>	<u>\$ 91,177,318</u>
\$ 36,265,900	\$ 37,981,359	41,836,956	40,869,401	39,949,736
9,961,266	10,461,375	12,185,807	12,702,222	11,654,805
897,834	998,076	877,859	902,313	906,551
5,904	14,960	-	-	-
3,335,452	3,897,932	3,801,545	3,828,604	3,695,664
4,270,215	4,423,349	4,205,993	4,247,651	3,453,169
505,563	256,100	217,292	264,969	250,484
6,040,972	7,523,175	6,681,522	6,908,686	6,953,227
1,323,788	1,432,424	1,571,243	1,418,034	1,536,940
13,465	5,348	26,945	13,282	8,382
5,700,882	5,980,392	6,553,193	6,040,227	6,171,392
2,330,467	2,429,630	2,654,925	2,688,397	2,659,442
334,211	362,605	642,121	591,155	469,168
1,345,075	1,387,400	1,436,421	1,833,816	1,207,619
-	-	-	-	2,408,128
1,193,075	1,250,732	1,162,198	1,186,176	1,208,808
-	-	-	-	-
62,913	367,821	-	-	-
2,965,881	7,350,719	2,431,619	12,115,050	2,011,411
2,378,986	2,113,192	2,090,647	3,380,675	3,530,892
778,299	1,062,447	1,350,195	1,440,836	1,375,823
<u>\$ 79,710,148</u>	<u>\$ 89,299,036</u>	<u>\$ 89,726,481</u>	<u>\$ 100,431,494</u>	<u>\$ 89,451,641</u>
\$ (4,503,843)	\$ (7,320,604)	\$ (9,807,110)	\$ (16,038,669)	\$ 1,725,677
-	-	6,354,489	1,751,314	1,811,918
-	-	(6,391,489)	(1,791,514)	(1,811,918)
-	-	78,100	85,420	195
-	-	-	-	-
-	6,380,000	-	-	-
-	(6,488,537)	-	-	-
-	240,654	-	-	-
1,200,000	-	21,247,770	-	-
16,840	-	-	-	-
-	-	(34,897)	-	-
-	-	297,480	2,350,330	-
<u>\$ 1,216,840</u>	<u>\$ 132,117</u>	<u>\$ 21,551,453</u>	<u>\$ 2,395,550</u>	<u>\$ 195</u>
<u>\$ (3,287,003)</u>	<u>\$ (7,188,487)</u>	<u>\$ 11,744,343</u>	<u>\$ (13,643,119)</u>	<u>\$ 1,725,872</u>
4.1%	3.9%	3.9%	5.5%	5.6%

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN CALENDAR YEARS (1)

YEAR	REAL PROPERTY		PERSONAL PROPERTY (2)		PUBLIC UTILITIES		TOTAL		Effective Tax Rate (Per \$1,000 of Assessed Value)	RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE
	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE		
2002	1,057,601	3,021,717	195,431	814,296	30,504	87,154	1,283,536	3,923,167	60.90	32.72%
2003	1,091,561	3,118,746	112,361	488,526	33,788	96,537	1,237,710	3,703,809	61.19	33.42%
2004	1,127,088	3,220,251	90,329	376,363	30,915	88,329	1,248,332	3,684,943	60.14	33.88%
2005	1,327,022	3,791,493	76,267	100,072	35,025	305,068	1,438,314	4,196,633	59.24	34.27%
2006	1,360,220	3,886,343	49,266	262,752	32,861	93,889	1,442,347	4,242,984	69.35	33.99%
2007	1,400,668	4,001,909	30,126	241,008	26,670	76,200	1,457,464	4,319,117	65.80	33.74%
2008	1,441,225	4,117,784	3,093	49,488	28,476	81,360	1,472,794	4,248,632	68.98	34.67%
2009	1,444,827	4,128,077	1,546	39,920	29,890	85,400	1,476,263	4,244,397	66.73	34.78%
2010	1,450,461	4,144,174	0	0	29,283	83,666	1,479,744	4,227,840	66.73	35.00%
2011	1,358,220	3,880,629	0	0	26,808	76,594	1,385,028	3,957,223	72.10	35.00%

Note: (1) In thousands except ratios

(2) House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phased out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the District due to the phasing out of the tax. In calendar years 2006-2010, the District will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

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

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
CITY OF GAHANNA  
LAST TEN FISCAL YEARS  
(PER \$1,000 OF ASSESSED VALUATION) (1)

FISCAL YEAR	TOTAL RATE	-----SCHOOL DISTRICT-----			GAHANNA CITY	FRANKLIN COUNTY	EASTLAND JVS	COLUMBUS LIBRARY	MIFFLIN TOWNSHIP
		GENERAL FUND	BOND RETIREMENT FUND	TOTAL SCHOOL					
2002 for 2003	94.84	57.00	3.90	60.90	2.40	17.64	2.00	2.20	9.70
2003 for 2004	95.13	57.00	4.19	61.19	2.40	17.64	2.00	2.20	9.70
2004 for 2005	95.88	57.00	3.14	60.14	2.40	18.44	2.00	2.20	10.70
2005 for 2006	94.98	57.00	2.24	59.24	2.40	18.44	2.00	2.20	10.70
2006 for 2007	102.69	66.95	2.40	69.35	2.40	18.44	2.00	2.20	10.70
2007 for 2008	101.59	63.40	2.40	65.80	2.40	18.49	2.00	2.20	10.70
2008 for 2009	92.14	66.78	2.20	68.98	2.40	18.02	2.00	2.20	10.70
2009 for 2010	102.10	64.33	2.40	66.73	2.40	18.07	2.00	2.20	10.70
2010 for 2011	102.70	64.90	1.83	66.73	2.40	18.07	2.00	2.80	10.70
2011 for 2012	111.87	70.10	2.00	72.10	2.40	18.07	2.00	2.80	14.50

(1) The Gahanna-Jefferson City School District consists of four taxing Districts:

- Table 5a - City of Gahanna - Gahanna-Jefferson City School District
- Table 5b - Jefferson Township - Gahanna-Jefferson City School District
- Table 5c - Mifflin Township - Gahanna-Jefferson City School District
- Table 5d - City of Columbus - Gahanna-Jefferson City School District

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



GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
JEFFERSON TOWNSHIP  
LAST TEN FISCAL YEARS  
(PER \$1,000 OF ASSESSED VALUATION) (1)

FISCAL YEAR	TOTAL RATE	-----SCHOOL DISTRICT-----			FRANKLIN COUNTY	EASTLAND JVS	COLUMBUS LIBRARY	JEFFERSON TOWNSHIP
		GENERAL FUND	BOND RETIREMENT FUND	TOTAL SCHOOL				
2002 for 2003	93.11	57.00	3.90	60.90	17.64	2.00	2.20	10.37
2003 for 2004	93.40	57.00	4.19	61.19	17.64	2.00	2.20	10.37
2004 for 2005	93.43	57.00	3.14	60.14	18.44	2.00	2.20	10.65
2005 for 2006	92.46	57.00	2.24	59.24	18.44	2.00	2.20	10.58
2006 for 2007	99.68	66.95	2.05	69.00	18.44	2.00	2.20	10.09
2007 for 2008	99.61	63.80	2.00	65.80	18.49	2.00	2.20	9.49
2008 for 2009	102.10	66.78	2.40	69.18	18.02	2.00	2.20	10.70
2009 for 2010	100.17	64.73	2.00	66.73	18.07	2.00	2.20	9.54
2010 for 2011	100.77	64.90	1.83	66.73	18.07	2.00	2.80	9.54
2011 for 2012	106.14	72.10	2.00	74.10	18.07	2.00	2.80	9.54

(1) The Gahanna-Jefferson City School District consists of four taxing Districts:

- Table 5a - City of Gahanna - Gahanna-Jefferson City School District
- Table 5b - Jefferson Township - Gahanna-Jefferson City School District
- Table 5c - Mifflin Township - Gahanna-Jefferson City School District
- Table 5d - City of Columbus - Gahanna-Jefferson City School District

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

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
MIFFLIN TOWNSHIP  
LAST TEN FISCAL YEARS  
(PER \$1,000 OF ASSESSED VALUATION) (1)

FISCAL YEAR	TOTAL RATE	-----SCHOOL DISTRICT-----			FRANKLIN COUNTY	EASTLAND JVS	COLUMBUS LIBRARY	MIFFLIN TOWNSHIP
		GENERAL FUND	BOND RETIREMENT FUND	TOTAL SCHOOL				
2002 for 2003	104.54	57.00	3.90	60.90	17.64	2.00	2.20	21.80
2003 for 2004	104.86	57.00	4.19	61.19	17.64	2.00	2.20	21.80
2004 for 2005	105.58	57.00	3.14	60.14	18.44	2.00	2.20	22.80
2005 for 2006	104.68	57.00	2.24	59.24	18.44	2.00	2.20	22.80
2006 for 2007	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.80
2007 for 2008	111.29	63.80	2.00	65.80	18.49	2.00	2.20	22.80
2008 for 2009	115.80	66.78	2.20	68.98	18.02	2.00	2.20	26.80
2009 for 2010	113.80	64.73	2.00	66.73	18.07	2.00	2.20	24.80
2010 for 2011	114.40	64.90	1.83	66.73	18.07	2.00	2.80	24.80
2011 for 2012	134.12	74.10	2.00	76.10	18.07	2.00	2.80	37.40

Table 5a - City of Gahanna - Gahanna-Jefferson City School District  
Table 5b - Jefferson Township - Gahanna-Jefferson City School District  
Table 5c - Mifflin Township - Gahanna-Jefferson City School District  
Table 5d - City of Columbus - Gahanna-Jefferson City School District

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

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
CITY OF COLUMBUS  
LAST TEN FISCAL YEARS  
(PER \$1,000 OF ASSESSED VALUATION) (1)

FISCAL YEAR	TOTAL RATE	-----SCHOOL DISTRICT-----			COLUMBUS CITY	FRANKLIN COUNTY	EASTLAND JVS	COLUMBUS LIBRARY
		GENERAL FUND	BOND RETIREMENT FUND	TOTAL SCHOOL				
2002 for 2003	85.88	57.00	3.90	60.90	3.14	17.64	2.00	2.20
2003 for 2004	86.17	57.00	4.19	61.19	3.14	17.64	2.00	2.20
2004 for 2005	85.92	57.00	3.14	60.14	3.14	18.44	2.00	2.20
2005 for 2006	85.02	57.00	2.24	59.24	3.14	18.44	2.00	2.20
2006 for 2007	92.73	66.95	2.05	69.00	3.14	18.44	2.00	2.20
2007 for 2008	91.63	63.80	2.00	65.80	3.14	18.49	2.00	2.20
2008 for 2009	100.17	66.78	2.00	68.78	1.63	18.02	2.00	2.20
2009 for 2010	92.14	64.73	2.00	66.73	3.14	18.07	2.00	2.20
2010 for 2011	102.85	64.90	1.83	66.73	1.63	18.07	2.00	2.80
2011 for 2012	98.11	74.10	2.00	76.10	3.14	18.07	2.00	2.80

(1) The Gahanna-Jefferson City School District consists of four taxing Districts:

- Table 5a - City of Gahanna - Gahanna-Jefferson City School District
- Table 5b - Jefferson Township - Gahanna-Jefferson City School District
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- Table 5d - City of Columbus - Gahanna-Jefferson City School District

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

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
TOP PRINCIPAL PROPERTY TAXPAYERS  
2012 COLLECTION YEAR

	ASSESSED VALUATION	% OF TOTAL ASSESSED VALUATION
<u>PUBLIC UTILITIES</u>		
1. Columbus Southern Power Co.	\$23,898,250	1.73%
<u>REAL ESTATE</u>		
1. Distribution Land Corp	32,486,670	2.35%
2. Abbot Laboratories	10,719,760	0.77%
3. Stoneridge Plaza Shops	10,418,140	0.75%
4. Vista at Rocky Fork LP	7,910,010	0.57%
5. McGraw-Hill	6,300,010	0.45%
6. IPOFA Columbus Works LLC	5,948,320	0.43%
7. AERC Christopher Wren Inc	5,330,500	0.38%
8. McCutcheon GE LLC	5,075,010	0.37%
9. Continental/Eagle IV LLC	4,200,010	0.30%
10. Casto Reynoldsburg New Albany	3,710,000	0.27%
ALL OTHERS	<u>1,269,031,390</u>	91.62%
TOTAL ASSESSED VALUATION	<u><u>\$1,385,028,070</u></u>	100.00%

TANGIBLE PERSONAL PROPERTY

1. Ohio Bell Telephone Company	-
2. New Par	-
3. Cincinnati SMSA Ltd. Partnership	-
4. Time Warner Telecom of Ohio Inc.	-
5. Sprintcom, Inc.	-
6. MCI Communications Services	-
7. Sprint Nextel Corp.	-
8. TWC Digital Phone LLC	-
9. T Mobil Central LLC	-
10. Ameritech Advanced Data Services	-

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
TOP PRINCIPAL PROPERTY TAXPAYERS  
2003 COLLECTION YEAR

	ASSESSED VALUATION	% OF TOTAL ASSESSED VALUATION
<u>PUBLIC UTILITIES</u>		
1. Columbus Southern Power Co.	\$15,969,930	0.75%
2. Ohio Bell Telephone Co.	5,544,570	0.26%
3. Columbia Gas of Ohio Inc.	1,797,430	0.08%
<u>REAL ESTATE</u>		
1. Distribution Land Corp	36,091,930	1.70%
2. NS-MPG Inc	10,242,750	0.48%
3. Morse & Hamilton LP	9,167,610	0.43%
4. Vista at Rocky Fork LP	6,930,000	0.33%
5. AERC Christopher Wren, Inc.	4,410,000	0.21%
6. Abbot Laboratories	3,869,710	0.18%
7. Casto Reynoldsburg	3,780,000	0.18%
8. Huntington National Bank	3,295,950	0.15%
9. Glimcher Properties LP	3,080,010	0.14%
10. Rosebrook Ltd.	2,975,000	0.14%
ALL OTHERS	<u>896,781,536</u>	0
TOTAL ASSESSED VALUATION	<u><u>\$1,003,936,426</u></u>	47.19%

TANGIBLE PERSONAL PROPERTY

1. Lucent Technologies, Inc	77,534,740	3.64%
2. Limited Technologies Services Inc	7,907,710	0.37%
3. I B M Credit Corporation	7,525,480	0.35%
4. Petsmart Inc	7,035,160	0.33%
5. Abbott Laboratories	6,315,640	0.30%
6. Limited Distribution Services, Inc.	3,814,160	0.18%
7. Basell USA Inc	3,199,710	0.15%
8. Kroger Company	2,588,100	0.12%
9. CIT Technologies Corporation	1,985,267	0.09%
10. Limited Stores Inc	1,811,600	0.09%
TOTAL ASSESSED VALUATION	<u><u>\$2,127,590,419</u></u>	100.00%

SOURCE: Office of the County Auditor, Franklin County,  
NOTE: Assessed Values are for the valuation year of 2011 and 2002 respectively.  
These are reference purposes only due to the phase out of the personal property tax.

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN CALENDAR YEARS

COLLECTION YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	(1) DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY	OUTSTANDING DELINQUENT TAXES	PERCENT OF DELINQUENT TAXES TO TAX LEVY
2002	48,048,726	45,588,643	94.9%	1,376,675	46,965,318	97.7%	5,569,776	11.6%
2003	45,271,640	43,916,722	97.0%	4,002,243	47,918,965	105.8%	3,078,699	6.8%
2004	45,537,966	43,215,528	94.9%	1,474,894	44,690,422	98.1%	2,856,629	6.3%
2005	46,001,432	43,224,876	94.0%	1,104,077	44,328,953	96.4%	2,990,858	6.5%
2006	45,625,340	43,746,208	95.9%	1,224,642	44,970,850	98.6%	3,272,055	7.2%
2007	56,958,309	53,759,198	94.4%	1,705,498	55,464,696	97.4%	3,384,121	5.9%
2008	55,291,689	51,583,524	93.3%	1,554,593	53,138,117	96.1%	3,783,270	6.8%
2009	56,342,165	52,027,471	92.3%	1,665,056	53,692,527	95.3%	3,390,232	6.0%
2010	57,521,107	52,285,423	90.9%	1,574,795	53,860,218	93.6%	3,215,574	5.6%
2011	58,038,504	52,407,317	90.3%	1,269,208	53,676,525	92.5%	3,409,706	5.9%

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

(1) The delinquent taxes are not provided by County as to the year in which they apply but in which the year they are collected causing percentages to be greater than 100 percent

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
 COMPUTATION OF LEGAL DEBT MARGIN  
 JUNE 30, 2012

Total Assessed Valuation	\$1,385,028,070
Overall Debt Limitation:	
9% of assessed valuation	124,652,526
Gross Indebtedness	25,722,568
Less: Debt outside limitations	0
Net debt within limitations	25,722,568
Legal debt margin within 9% limitation	98,929,958
Unvoted Debt Limitation:	
.1% of assessed valuation	1,385,028
Gross Indebtedness	0.00
Less: Debt outside limitations	0.00
Net debt within limitations	0.00
Legal debt margin within .1% limitation	\$1,385,028

Note: (1) Assessed valuation from Table 6

Source: Office of the Treasurer, Gahanna-Jefferson City School District

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
RATIO OF NET GENERAL BONDED DEBT  
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA (1)  
LAST TEN CALENDAR YEARS

CALENDAR YEAR	ESTIMATED POPULATION (1)	ASSESSED VALUE REAL & PERSONAL PROPERTY (2)	GENERAL BONDED DEBT (3)	Certificates of Participation (3)	Capital Leases (3)	RATIO BONDED DEBT TO ASSESSED VALUE	GROSS DEBT PER CAPITA
2002	33,552	1,283,536,556	31,678,867	-	321,072	0.0247	1,053.80
2003	33,194	1,237,710,627	31,565,330	-	131,213	0.0255	950.61
2004	34,469	1,248,329,774	23,003,103	-	-	0.0184	798.16
2005	34,469	1,438,314,691	24,662,018	-	-	0.0171	715.48
2006	35,000	1,442,347,097	22,603,323	-	-	0.0157	645.81
2007	34,170	1,451,510,389	19,946,041	-	-	0.0137	642.71
2008	34,355	1,427,337,730	22,986,928	-	-	0.0161	580.59
2009	35,200	1,385,028,070	30,063,639	6,565,000	246,833	0.0217	1,123.55
2010	34,355	1,476,263,460	28,417,393	6,095,000	2,174,673	0.0192	1,126.17
2011	33,248	\$1,385,028,070	25,722,568	5,615,000	1,661,966	0.0186	1,061.00

- Notes:
- (1) City of Gahanna
  - (2) Assessed value from Table 4
  - (3) Office of the Treasurer, Gahanna-Jefferson City School District

Source: Office of the Treasurer, Gahanna-Jefferson City School District

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT  
RATIO OF  
ANNUAL GENERAL OBLIGATION BONDED DEBT SERVICE EXPENDITURES  
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS

GENERAL OBLIGATION BOND DEBT SERVICE

FISCAL YEARS	PRINCIPAL	INTEREST	TOTAL	TOTAL GENERAL GOVERNMENTAL EXPENDITURES (1)	RATIO OF GENERAL OBLIGATION BOND DEBT SERVICE TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
2003	3,237,989	1,654,146	4,892,135	60,815,110	0.0804
2004	3,859,000	1,067,648	4,926,648	66,308,778	0.0743
2005	4,050,000	925,162	4,975,162	70,446,248	0.0706
2006	3,061,000	667,895	3,728,895	72,367,837	0.0515
2007	2,030,000	746,990	2,776,990	72,367,837	0.0384
2008	2,027,370	1,025,636	3,053,006	76,181,628	0.0401
2009	8,493,193	1,091,582	9,584,775	79,710,149	0.1202
2010	2,090,647	984,804	3,075,451	89,726,481	0.0343
2011	3,380,675	1,440,836	4,821,511	100,431,494	0.0480
2012	3,530,892	1,375,823	4,906,715	89,451,641	0.0549

Notes: (1) Includes General, Debt Service, and Other Governmental Funds.

(2) Includes \$7,285,000 of principal payments on bond anticipation notes.

Source: Office of the Treasurer, Gahanna-Jefferson City School District



GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 2011

	Assessed Valuation	General Bonded Debt	(1) Percent Overlapping	Applicable To Gahanna-Jefferson City School District
<b>Direct:</b>				
Gahanna-Jefferson City School District	\$1,385,028,070	\$35,276,121	100.00%	\$35,276,121
<b>Overlapping:</b>				
Franklin County	26,303,008,950	261,625,000	5.27%	13,787,638
City of Columbus	14,732,615,540	1,288,969,954	0.98%	12,631,906
City of Gahanna	904,630,390	19,525,000	99.06%	19,341,465
Jefferson Township	450,386,280	1,255,000	74.35%	933,093
Mifflin Township	941,726,460	1,510,000	96.17%	1,452,167
Eastland Joint Vocational	7,213,632,660	<u>3,650,000</u>	19.20%	<u>700,800</u>
Total overlapping		<u>1,576,534,954</u>		<u>48,847,068</u>
Total direct and overlapping debt		<u><u>1,611,811,075</u></u>		<u><u>\$84,123,189</u></u>

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

- (1) The percent overlap calculation based on the percentage of assessed property tax valuation within District compared to the total assessed valuation for the overlapping entity.

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT

PROPERTY VALUE AND CONSTRUCTION  
LAST CALENDAR TEN YEARS

CALENDAR YEAR	RESIDENTIAL		Commercial & Industrial		TOTAL # OF PERMITS	VALUE
	# OF PERMITS	VALUE	# OF PERMITS	VALUE		
2002	81	17,830,399	58	11,206,427	139	29,036,826
2003	287	15,371,775	55	27,647,819	342	43,019,594
2004	96	20,260,456	50	27,013,025	146	47,273,481
2005	45	10,155,440	48	17,386,340	93	27,541,780
2006	35	10,224,098	65	32,387,770	100	42,611,868
2007	221	12,510,073	93	42,775,873	314	55,285,946
2008	100	6,759,578	72	12,760,419	172	19,519,997
2009	70	5,128,120	49	10,585,081	119	15,713,201
2010	77	4,264,504	54	24,612,909	131	28,877,413
2011	83	5,359,137	63	14,098,208	146	19,457,345

Source: City of Gahanna.

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT

DEMOGRAPHICS AND OTHER MISCELLANEOUS STATISTICS

Enrollment - June, 2012 7,073

Staff - June, 2012

Certificated	507
Administrator	33
Classified	249
Psychologist	6
Total Staff	795

Buildings

High School	one
Middle Schools	three
Elementary Schools	seven
Central Office	one
Transportation/Maintenance	one

Classroom Teachers' Average Salary 2011-12 \$68,913

Cost per pupil - Fiscal year (all funds) 2011-12 \$10,738

Classroom Teachers Ratio 2011-12 21:1

Valuation per pupil (2012) \$200,897

Standardized Test Scores (2011-12):

	Gahanna-Jefferson	Ohio	Nation
<b>American College Test (ACT)</b>			
Reading.....	22.1	22.1	21.3
English.....	21.7	21.1	20.5
Mathematics.....	22.4	21.5	21.1
Science.....	22.0	21.8	20.9
Composite.....	22.2	21.8	21.1
<b>Scholastic Aptitude Test (SAT)</b>			
Verbal.....	525.0	543.0	496.0
Mathematics.....	545.0	552.0	514.0
Writing.....	507.0	525.0	489.0

Certificated Degree Count FY2012

<u>Degree</u>	<u>Count</u>	<u>Degree</u>	<u>Count</u>		<u>Count</u>	<u>Percent</u>
BA.....	23	MA.....	148	Total BA.....	110	22%
BA+12.....	17	MA+12.....	109			
BA+150....	70	MA+30.....	65	Total MA.....	397	78%
		MA+45.....	75			

Source: Gahanna-Jefferson City School District & ODE Emis Website

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT

FREE AND REDUCED MEALS STATISTICS  
CURRENT FISCAL YEAR

Building	# of Students	ADM	Building Percentage	District Percentage
Blacklick Elemenary	50	466	0.11	0.01
Chapelfield Elementary	133	437	0.30	0.02
Goshen Lane Elementary	226	395	0.57	0.03
High Point Elementary	27	445	0.06	0.00
Jefferson Elementary	109	509	0.21	0.02
Lincoln Elementary	114	426	0.27	0.02
Royal Manor Elementary	161	405	0.40	0.02
Middle School East	77	546	0.14	0.01
Middle School South	132	568	0.23	0.02
Middle School West	301	644	0.47	0.04
Lincoln High School	524	2,146	0.24	0.07
TOTAL	1854	6,987	0.27	0.27

Source: School District Records

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT

STAFF DATA

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Professional Staff									
<b>Teaching Staff:</b>									
Elementary	222.9	207.3	207.1	210.0	189.4	201.3	201.4	198.8	197.0
Middle	134.6	129.1	130.2	134.9	132.1	134.2	129.2	129.9	131.0
High	144.2	139.8	141.1	142.8	138.5	138.4	138.0	136.2	134.7
Administrators *	33.0	35.5	34.0	34.0	34.0	33.0	33.0	30.0	36.0
Admin. Specialists/Managers**	11.0	12.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Support Positions:</b>									
Psychologists	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Nurses	5.2	5.0	7.3	6.3	3.0	3.0	3.0	3.0	3.0
Speech*	4.5	5.6	6.0	6.8	5.0	5.2	5.6	5.6	5.4
Occupational Therapists **	3.1	3.1	3.2	0.0	0.0	4.0	2.0	2.0	0.0
Instructional Coaches	5.5	10.0	10.0	10.0	11.0	8.5	0.5	0.5	0.5
Case Managers	1.8	1.8	1.8	1.8	1.8	1.5	1.5	1.5	1.5
Counselors	12.5	13.5	14.8	14.5	13.5	13.5	13.5	13.5	13.5
Media Specialists	7.5	12.0	13.0	12.0	12.0	12.0	12.0	12.0	12.0
Mental Health Specialist *	3.8	4.0	4.0	4.0	0.0	1.0	0.0	0.0	0.0
Secretarial	43.0	44.5	45.0	45.5	44.0	44.0	43.5	43.5	44.5
Aides	23.5	26.5	26.0	25.5	24.5	22.5	21.5	21.5	21.0
Substitute Caller	0.0	0.0	0.5	0.0	1.5	1.5	1.0	1.0	1.0
Hall Monitor/Security	4.0	5.0	5.0	5.0	5.0	2.0	2.0	2.0	2.0
Technology**	3.0	3.0	11.0	3.0	3.0	4.0	4.0	4.0	4.0
Cooks/Kitchen Aides	39.0	49.0	49.0	49.0	51.0	52.0	51.0	51.0	51.0
Custodial	39.5	40.0	40.0	44.0	44.0	37.5	44.0	44.0	42.0
Maintenance	10.0	10.0	11.0	12.0	12.0	12.0	12.0	12.0	12.0
Grounds	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Bus Drivers	47.0	48.0	48.0	44.0	46.0	44.0	45.0	44.0	43.0
Mechanics	3.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
<b>Total</b>	<b>809.1</b>	<b>814.7</b>	<b>818.0</b>	<b>815.2</b>	<b>781.3</b>	<b>785.1</b>	<b>773.7</b>	<b>766.1</b>	<b>765.1</b>

Note: \*-Hired Through Franklin County Educational Services  
 \*\* 8 were reclassified to the Admin. Specialists/Manager Category

Source: School District Records

Note: The District implemented GASB Statement 34 for the year ended June 30, 2003.  
 Schedules presenting government-wide information include information beginning that year.

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT

School District Facilities Statistics

Current Fiscal Year

<u>Name of Building</u>	<u>Building Total</u> <u>Sq. Feet</u>	<u>Grades</u>	<u>Enrollment</u> <u>FY2012</u>	<u>Capacity</u>	<u>No. of Classroom</u> <u>Teachers</u>	<u>Pupil/</u> <u>Teacher</u> <u>Ratio*</u>	<u>Year Building</u> <u>Completed</u>	<u>Date of</u> <u>Additions</u>
Blacklick Elementary	53,000	K-5	466	500	20	23:1	1994	None
Chapelfield Elementary	46,940	K-5	437	500	20	21:1	1968	1991
Goshen Lane Elementary	50,115	K-5	395	500	18	20:1	1966	1990
High Point Elementary	55,000	K-5	445	500	21	24:1	1988	1992
Jefferson Elementary	60,054	K-5	509	500	24	22:1	1950	1953-99
Lincoln Elementary	45,020	K-5	426	500	19	23:1	1957	1931-68-91
Royal Manor Elementary	60,565	K-5	405	500	18	21:1	1965	1990
Middle School East	77,250	6-8	546	700	22	23:1	1975	1999
Middle School South	80,000	6-8	568	700	24	23:1	1992	None
Middle School West	88,200	6-8	644	700	27	23:1	1966	1969
Lincoln High School	432,200	9-12	2,232	2400	117	18:1	A Bldg. 1063 B Bldg. 1927 C Bldg. 1954	1968-81-95 1949-87-95 1956-68-99
<b>Total</b>			<b>7,073</b>	<b>8,000</b>	<b>330</b>			

Source: School District Records

GAHANNA-JEFFERSON PUBLIC SCHOOL DISTRICT

HISTORICAL ENROLLMENTS BY GRADE

GRADE	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
K	368	410	400	457	416	444	449	492	492	486
1	432	429	469	439	512	485	484	489	507	521
2	533	455	441	482	477	545	547	486	480	515
3	493	519	491	443	482	491	494	521	529	507
4	532	521	532	522	464	517	514	499	508	530
5	528	556	534	556	547	483	481	599	609	524
6	557	565	581	563	569	569	571	546	558	621
7	618	559	586	590	594	586	595	562	565	568
8	583	640	557	580	602	609	606	522	536	569
9	572	607	694	555	622	603	617	589	602	520
10	547	530	580	648	516	573	575	622	579	569
11	469	474	475	523	576	524	550	540	460	551
12	471	464	479	508	542	535	592	590	502	506
CAREER CENTER	104	107	74	60	78	72	72	85	148	86
TOTALS	6,807	6,836	6,893	6,926	6,997	7,036	7,147	7,142	7,075	7,073

Source: Office of the Treasurer, Gahanna-Jefferson City School District (Final June Enrollment Count, Superintendent's Office)



# Dave Yost • Auditor of State

**GAHANNA JEFFERSON City SCHOOL DISTRICT**

**FRANKLIN 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  
FEBRUARY 5, 2013**