



# Balestra, Harr & Scherer, CPAs, Inc.

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Accounting, Auditing and Consulting Services for Federal, State and Local Governments

[www.bhscpas.com](http://www.bhscpas.com)

Athens City School District  
Athens County

Single Audit

For the Year Ended June 30, 2013  
Fiscal Year Audited Under GAGAS: 2013





# Dave Yost • Auditor of State

Board of Education  
Athens City School District  
25 South Plains Road  
The Plains, Ohio 45780

We have reviewed the *Independent Auditor's Report* of the Athens City School District, Athens County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period July 1, 2012 through June 30, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Athens City School District is responsible for compliance with these laws and regulations.

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

Dave Yost  
Auditor of State

March 3, 2014

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**Athens City School District**  
Table of Contents  
For the Fiscal Year Ended June 30, 2013

<u>TITLE</u>	<u>PAGE</u>
Schedule of Federal Awards Receipts and Expenditures .....	1
Notes to the Schedule of Federal Awards Receipts and Expenditures .....	2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government</i> <i>Auditing Standards</i> .....	3
Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133 and the Schedule of Federal Awards Receipts and Expenditures.....	5
Schedule of Findings– OMB Circular A-133 Section .505 .....	8
Independent Auditor’s Report on Applying Agreed Upon Procedure.....	9

**Athens City School District**  
**Athens County**  
Schedule of Federal Awards Receipts and Expenditures  
For the Fiscal Year Ended June 30, 2013

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>United States Department of Agriculture</b>						
<i>Passed through Ohio Department of Education</i>						
<i>Child Nutrition Cluster:</i>						
National School Lunch Program	3L60	10.555	\$ 394,168	\$ 48,666	\$ 364,403	\$ 48,666
School Breakfast Program	3L70	10.553	149,611	-	137,669	-
Total Child Nutrition Cluster			543,779	48,666	502,072	48,666
<b>Total United States Department of Agriculture</b>			543,779	48,666	502,072	48,666
<b>United States Department of Education</b>						
<i>Passed through Ohio Department of Education</i>						
<i>Title I, Part A Cluster:</i>						
Title I Grants to Local Educational Agencies	3M00	84.010	690,932	-	708,381	-
Total Title I, Part A Cluster			690,932	-	708,381	-
<i>Special Education Cluster (IDEA):</i>						
Special Education - Grants to States (IDEA, Part B)	3M20	84.027	507,591	-	422,412	-
Special Education - Preschool Grants (IDEA Preschool)	3C50	84.173	13,444	-	13,444	-
Total Special Education Cluster			521,035	-	435,856	-
<i>Educational Technology State Grants Cluster:</i>						
Educational Technology State Grants	3S20	84.318	250	-	1,066	-
Total Educational Technology State Grants Cluster			250	-	1,066	-
Twenty-First Century Community Learning Centers	3Y20	84.287	6,690	-	27,029	-
Rural Education	3Y80	84.358	60,900	-	45,035	-
English Language Acquisition Grants	3Y70	84.365	16,320	-	18,034	-
Improving Teacher Quality State Grants	3Y60	84.367	165,040	-	160,421	-
Education Jobs Fund	3ET0	84.410	174,613	-	71,691	-
<b>Total United States Department of Education</b>			1,635,780	-	1,467,513	-
<b>Total Federal Financial Assistance</b>			<b>\$ 2,179,559</b>	<b>\$ 48,666</b>	<b>\$ 1,969,585</b>	<b>\$ 48,666</b>

See accompanying notes to the schedule of federal awards receipts and expenditures.

**Athens City School District**

*Notes to the Schedule of Federal Awards Receipts and Expenditures  
For the Fiscal Year Ended June 30, 2013*

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B – NATIONAL SCHOOL LUNCH AND BREAKFAST PROGRAMS**

Federal funds received from the National School Lunch and Breakfast Programs were commingled with state subsidy and local revenue from the sale of meals. It was assumed that federal dollars were expended first.



# Balestra, Harr & Scherer, CPAs, Inc.

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

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## Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

Members of the Board of Education  
Athens City School District  
25 South Plains Road  
The Plains, Ohio 45780

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Athens City School District, Athens County, Ohio (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 13, 2013, wherein we noted the District adopted the provisions of Governmental Accounting Standards Board Statements (GASB) No. 63., *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65., *Items Previously Reported as Assets and Liabilities*.

### Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.



### **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, opining 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*.

### **Purpose of this Report**

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Balestra, Harr & Scherer, CPAs*

Balestra, Harr & Scherer, CPAs, Inc.  
Piketon, Ohio  
December 13, 2013



# Balestra, Harr & Scherer, CPAs, Inc.

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

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## **Report on Compliance With Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133 and the Schedule of Federal Awards Receipts And Expenditures**

Members of the Board of Education  
Athens City School District  
25 South Plains Road  
The Plains, Ohio 45780

### **Report on Compliance for Each Major Federal Program**

We have audited the Athens City School District's (the District) compliance with the applicable 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 Athens City School District's major federal programs for the year ended June 30, 2013. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal programs.

#### **Management's Responsibility**

The District's management is responsible for complying with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

#### **Auditor's Responsibility**

Our responsibility is to opine on the District's compliance for each of the District's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for 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 us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the District's major programs. However, our audit does not provide a legal determination of the District's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the Athens City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2013.

### **Report on Internal Control Over Compliance**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Members of the Board of Education  
Athens City Local School District  
Report on Compliance With Requirements Applicable to Each Major Federal Program  
and on Internal Control Over Compliance Required by OMB Circular A-133  
and the Schedule of Federal Awards Receipts and Expenditures  
Page 3

**Report on Schedule of Federal Awards Receipts and Expenditures Required by OMB Circular A-133**

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Athens City School District, Athens County, Ohio (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 13, 2013. Our opinion also explained that the District adopted Governmental Accounting Standard No. 63 and No. 65 during the year. We conducted our audit to opine on the District's basic financial statements. The accompanying Schedule of Federal Awards Receipts and Expenditures presents additional analysis 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 management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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 schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Balestra, Harr & Scherer, CPAs*

Balestra, Harr & Scherer, CPAs, Inc.  
Piketon, Ohio  
December 13, 2013

Athens City School District  
 Schedule of Findings  
 OMB CIRCULAR A-133 SECTION .505  
 June 30, 2013

**SUMMARY OF AUDITOR'S RESULTS**

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under Section .510?	No
(d)(1)(vii)	Major Program(s) (list):	Child Nutrition Cluster: School Breakfast Program CFDA# 10.553 National School Lunch Program CFDA# 10.555
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.



## Balestra, Harr & Scherer, CPAs, Inc.

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### Independent Auditor's Report on Applying Agreed-Upon Procedure

Athens City School District  
Athens County  
25 South Plains Road  
The Plains, Ohio 45780

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 Athens City School District (the School) 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 October 25, 2012 to include prohibiting harassment, intimidation, or bullying of any student "on a school bus" or by an "electronic act."

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.

*Balestra, Harr & Scherer, CPAs*

Balestra, Harr & Scherer, CPAs, Inc.  
Piketon, Ohio  
December 13, 2013

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ending June 30, 2013



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## ATHENS CITY SCHOOL DISTRICT

25 South Plains Road – The Plains, Ohio 45780

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**Comprehensive Annual Financial Report**  
of the  
**Athens City School District**  
The Plains, Ohio

For the fiscal year ended  
June 30, 2013

**Board of Education**

Jeffrey Dill, PhD .....President  
Scott Nisley ..... Vice-President  
Roger Brown..... Member  
Chris Gerig..... Member  
Bruce Nottke ..... Member

**Superintendent of Schools**

Carl D. Martin

**Issued by the Treasurer's Office**

Bryan M. Bunting, CGFM  
Treasurer/CFO



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**ATHENS CITY SCHOOL DISTRICT**

*Table of Contents*

*For the Fiscal Year Ended June 30, 2013*

**I. INTRODUCTORY SECTION:**

Transmittal Letter..... i  
List of Principal Officer's ..... xiii  
Organizational Chart ..... xv  
GFOA Certificate of Achievement ..... xvi

**II. FINANCIAL SECTION:**

Independent Auditor's Report ..... 1  
Management's Discussion and Analysis..... 4

**Basic Financial Statements:**

*Government-Wide Financial Statements:*

Statement of Net Position..... 16  
Statement of Activities ..... 17

*Fund Financial Statements:*

Balance Sheet - Governmental Funds ..... 18  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities..... 19  
Statement of Revenues, Expenditures and Changes in  
Fund Balances - Governmental Funds ..... 20  
Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the Statement of Activities ..... 21  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual (Budget Basis)  
General Fund..... 22  
Statement of Net Position - Proprietary Fund ..... 23  
Statement of Revenues, Expenses and Change in  
Net Position - Proprietary Fund ..... 24  
Statement of Cash Flows - Proprietary Fund ..... 25  
Statement of Fiduciary Assets and Liabilities - Fiduciary Fund ..... 26

*Notes to the Basic Financial Statements* ..... 27

**ATHENS CITY SCHOOL DISTRICT**

*Table of Contents*

*For the Fiscal Year Ended June 30, 2013*

**Combining and Individual Fund Statements and Schedules:**

*Combining Statements - Nonmajor Funds:*

Description of Governmental Funds .....	59
Combining Balance Sheet - Nonmajor Governmental Funds.....	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds .....	62
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds .....	65
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis):	
General Fund .....	67
Bond Retirement Fund .....	70
Permanent Improvement Fund .....	71
Food Service Fund.....	73
Other Local Support Fund .....	74
District Managed Student Activities Fund .....	75
Other State Support Fund .....	76
Title VI-B Fund .....	77
Title I Fund.....	78
Other Federal Support Fund .....	79
Storm Damage Replacement Fund.....	80
Uniform School Supplies Fund .....	81
Principals Fund.....	82
Termination Benefits Fund.....	83
Unclaimed Monies Fund .....	84
Description of Proprietary Fund .....	85
Schedule of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis):	
Employee Benefits Self-Insurance Fund .....	86
Description of Fiduciary Fund .....	87
Statement of Changes in Assets and Liabilities - Agency Fund .....	88

**ATHENS CITY SCHOOL DISTRICT**

*Table of Contents*

*For the Fiscal Year Ended June 30, 2013*

**III. STATISTICAL SECTION**

Table of Contents ..... 90

Net Position by Component - Last Ten Fiscal Years ..... 92

Changes in Net Position of Governmental Activities -  
Last Ten Fiscal Years..... 93

Fund Balances, Governmental Funds - Last Ten Fiscal Years..... 96

Changes in Fund Balances, Governmental Funds -  
Last Ten Fiscal Years..... 97

Assessed and Estimated Actual Value of Taxable Property -  
Last Ten Years ..... 99

Property Tax Rates (per \$1,000 of assessed value) -  
Last Ten Years

- Athens Township (A01) ..... 100
- Athens Township - City of Athens (A02) ..... 101
- Athens Township - The Plains Fire District (A04)..... 102
- Canaan Township (E02) ..... 103
- Canaan Township - City of Athens (E03) ..... 104
- Dover Township (G01)..... 105
- Dover Township - Village of Chauncey (G02) ..... 106
- Waterloo Township (N02)..... 107

Property Tax Levies and Collections - Last Ten Years ..... 108

Principal Taxpayers

- Real Estate Tax ..... 109
- Public Utilities Tax ..... 110

Ratio of Debt to Assessed Value and Debt Per Capita -  
Last Ten Fiscal Years..... 111

Ratio of Annual Debt Service Expenditures for General  
Obligation Bonded Debt to Total General Fund Expenditures -  
Last Ten Fiscal Years ..... 112

Computation of Direct and Overlapping Debt  
Attributable to Governmental Activities..... 113

Computation of Legal Debt Margin - Last Ten Fiscal Years ..... 114

Demographic and Economic Statistics ..... 115

Principal Employers - Current Year and Nine Years Ago..... 116

Personal Income - Last Ten Years ..... 117

***ATHENS CITY SCHOOL DISTRICT***

*Table of Contents*

*For the Fiscal Year Ended June 30, 2013*

School District Employees by Function/Program - Last Ten Fiscal Years.....	118
Operating Statistics and Cost to Educate a Graduate - Last Thirteen Fiscal Years .....	119
Miscellaneous Statistics.....	120
Standardized Test Results.....	121

# **ATHENS CITY SCHOOL DISTRICT**



## **INTRODUCTORY SECTION**

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# ATHENS CITY SCHOOL DISTRICT

www.athenscity.k12.oh.us

Carl D. Martin  
*Superintendent*

Bryan M. Bunting CGFM  
*Treasurer*



25 South Plains Road  
The Plains, Ohio 45780

Voice: (740) 797-4506  
Fax: (740) 797-9146

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December 13, 2013

## **To the Board of Education and the Citizens of the Athens City School District:**

The Athens City School District (the District) is pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2013. This CAFR is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

The District is responsible for the accuracy of the data presented and the completeness and fairness of this presentation. We believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the District's financial activity are included herein.

Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Chamber of Commerce, the Athens County Public Library, financial institutions, other governmental agencies, and posted to the District web site. Electronic versions will be available to all other interested parties.

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***THE DISTRICT AND ITS FACILITIES***

The District was established in the mid 1800's and was consolidated in 1964 with the Plains Local School District and the Chauncey Local School District. It is located in Athens County, and includes the City of Athens, the Village of Chauncey and portions of the Townships of Athens, Canaan, Dover, and Waterloo. Athens is the county seat of Athens County with a population of approximately 35,026 residents. The District is the 170th largest in the State of Ohio (among 612 school districts) in terms of enrollment.

Located 75 miles southeast of Columbus, Athens is home to Ohio University, the first university in the Northwest Territory founded in 1804. The University's main campus College Green is on the National Register of Historic Places and includes Cutler Hall, a National Historic Landmark, built in 1816. Each quarter, the University adds over 19,000 students to the City's population.

The Athens City School District is one of five K-12 public school districts in Athens County. With 2,794 pupils (including open enrollment), it has the largest enrollment in the county but is geographically one of the smallest school districts in the county encompassing only 89 square miles. The District operates 7 educational facilities, a Maintenance facility, a Transportation/Bus Garage, and a central administration building that also houses the District's Technology department and Talented and Gifted program director.

School	Grade	Enrollment
Chauncey Elementary (1)	Preschool	65
East Elementary	K-6	352
Morrison-Gordon Elementary	K-6	453
The Plains Elementary	K-6	417
West Elementary	K-6	284
Athens Middle School	7-8	416
Athens High School	9-12	807

(1) Chauncey Elementary converted to a Preschool Only Facility for FY2013

The District provides preschool programs and all-day kindergarten classes. The District serves lunches to 38% of the student population daily. Approximately 38% of the District's student body qualify for free or reduced priced lunches. The Plains Elementary school is identified as a school wide Title I building and provides free and reduced lunches to 75% of their student population. This facility plus West Elementary, Morrison-Gordon Elementary, Middle School, and the High School also offer breakfast programs. In these five buildings, 70% are eligible for Free and Reduced, and 20% of the total student population participates in this program.

***ORGANIZATION OF THE DISTRICT***

The Board of Education of the Athens City School District (the Board) is a five-member body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars, and approves the annual appropriation resolution and tax budget. A list of the current Board members as of June 30, 2013 is included on page xiii.

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Carl D. Martin was initially employed as Superintendent effective February 1995. Mr. Martin retired effective December 31, 1998 but returned to the position in July 2000. Mr. Martin's contract extends through July 31, 2016.

The Treasurer is the chief financial officer of the District and is responsible directly to the Board for all financial operations, investments, custody of all District funds and assets and serves as secretary to the Board. Mr. Bryan M. Bunting was appointed Treasurer effective August 1, 1998. Mr. Bunting's contract extends through July 31, 2015.

### ***ECONOMIC CONDITION AND OUTLOOK***

The District's largest employer is Ohio University, which employs more than 3,700 total employees with more than 1,000 full-time and 700 part-time faculty employees who live in or around the District. In fact, three of the five largest employers in the county are government operations, Ohio University, Athens County, and the Athens City School District itself. The University has an enrollment of more than 19,000 students. The University also provides land for taxable retail operations and has become the District's largest real estate taxpayer. This has provided a foundation of stability for the District. Ohio University's total net assets were more than \$796.0 million with total operating and non-operating expenses for the 2013 fiscal year in excess of \$593 million dollars. The University has an on-going facility plan which means each year they complete a number of construction and renovation projects. Their 2013 annual report also estimates \$20.8 million in capital projects continuing after the end of their fiscal year. Their six-year capital plan totals more than \$977 million in future capital projects focusing on core academic initiatives.

Athens County's largest private employers include Wal-Mart, O'Bleness Memorial Hospital, Kroger Co., Diagnostic Hybrids, and Health Recovery Services. Even during the economic downturn from 2009 through 2011, none of the large retail stores and few, if any, of the small privately owned operations closed in the District. New commercial operations are opening in and around the District. In 2013, a new multi-city retail car dealership opened, a Texas Roadhouse restaurant has begun construction and other small chain stores are negotiating lease agreements to open in late 2013 or early 2014. The Market on State Mall has retained all of their major retail stores and has ongoing talks with additional tenants. The areas other two shopping centers include national retail stores such as Staples, Sears, Rent-2-Own, AT&T, and others with very few storefronts available. These provide additional property tax revenue and employment to area residents. US Route 33 Bypass around Nelsonville opened in September 2013. It decreases the travel time from Columbus to Athens by more than 20 minutes thus creating more business and residential opportunities for the area. The City of Athens continues infrastructure upgrades including additional traffic lanes, water, sewer, and electric service that has and will continue to entice new business to the area. Areas of the City beyond the major east corridor are now being explored for commercial development.

The District, along with many other public school systems in the state, relies heavily on local property tax as a primary source of funds. Ohio law limits the growth in real estate tax revenues by reducing millage as assessed values increase following re-appraisals. Consequently, revenues generated from each levy remain relatively constant. As a result, the District must periodically seek additional funding from its taxing constituents. While statewide, voters have proved reluctant to increase their property taxes, the Athens City School District has received positive support from its taxpayers on more than 90% of all tax levies and 100% of all bond issues since 1964. The average passage rate for those ballot issues was 58%. The District's management is very appreciative of this support but is constantly searching for ways to provide a more efficient means of doing business while at the same time continuing to provide excellent educational services.

Evidence of this is supported by the fact the District operates more than 30 grants generating approximately \$3 million in funding. These grants have provided funds to implement entry-year teacher programs, school-to-work programs, and prevention programs for drugs, alcohol and violence, as well as Professional Development Grants that have increased the competency of staff and provided research based models for instructional change.

### ***EMPLOYEE RELATIONS***

The District has 356 employees (full and part time) of which 214 are certificated (including school psychologists and counselors), 125 are classified, and 17 administrative. Certificated employees, including teachers and educational specialists, are represented for collective bargaining purposes by the Athens Education Association (AEA), an affiliate of the Ohio Education Association (OEA). Classified employees, including bus drivers, food service, custodial, maintenance, and clerical staff, are represented for collective bargaining purposes by the American Federation of State, County, and Municipal Employees (AFSCME) Local #1846. Educational Aides are also represented for collective bargaining purposes by the American Federation of State, County, and Municipal Employees (AFSCME) Local #1846, but under a separate negotiated agreement.

In July 2013, the Board successfully concluded negotiations with the AEA on a three year agreement for wages and fringe benefits. Wage agreements reached for the three year period January 1, 2014 through January 1, 2016 included modest wage increases and changes to district medical and prescription insurance.

During the summer of 2012, the Board successfully concluded negotiations with the ASFCME employees on a three-year agreement for wages and fringe benefits. Wage agreements for that bargaining unit for the three year period September 1, 2012 through August 31, 2015 and included modest wage increases and changes to district medical and prescription insurance.

During the summer of 2013, the Board successfully concluded negotiations with the ASFCME educational aide employees on a three-year agreement for wages and fringe benefits. Wage agreements for that bargaining unit for the three year period September 1, 2013 through August 31, 2016, included modest wage increases and changes to district medical and prescription insurance.

### ***SERVICES PROVIDED***

The Athens City School System is vitally concerned with its educational program. The Board views education as a lifelong process and believes that education is a key element in the realization of a successful and satisfying life. High academic expectations have been set forth for our students. The District pursues opportunities for the students to be involved in cooperative efforts with colleges and universities. We believe that the education of youth grows out of an interaction of the school, the home and the community. The educational process should provide each student with the opportunity for success, personal growth and accomplishment. The District provides equal support to students throughout the District. To address populations who have special needs, or who are academically at-risk, the District obtains supplemental funds. Two elementary schools are eligible to receive Title I services school-wide.

Children entering kindergarten are assessed to determine their developmental levels, socially, and academically. Results of assessments are used to design program offerings. All the District's elementary schools operate full-day kindergarten programs. The kindergarten program includes readiness skills in mathematics, reading, and language arts. Handwriting, science, and social studies concepts are also an integral part of daily activities.

In primary grades K-3, attention is focused upon each child mastering the basic skills necessary for sustained progress in reading, written composition, math, writing, science, social studies, health, and handwriting. Each child is also introduced to music, art, physical education, and computer technology.

Children in the intermediate grades 4-6 continue to build upon these basic skills and expand into higher order thinking skills. Written composition, problem solving, critical thinking skills and reading comprehension are stressed. Physical education, health, art, and music including band are also an integral part of the elementary curriculum. Each elementary building has a library with full-time or part-time staff. Students are scheduled weekly into the library to acquire knowledge and to practice using the library to seek information and obtain reading and reference material.

In addition to basic knowledge, life skills of the everyday world are stressed. These include developing a positive self-image, a concern for good health, safety and physical activity, and opportunities to explore some introductory activities relating to careers and the world of work. Staff members strive to help students develop the virtues of integrity, courage, discipline and the love of lifelong learning.

Athens High School is a unique four-year comprehensive high school accredited by the North Central Association of Secondary Schools and Colleges and the Ohio Department of Education. Athens High School requires 22 units of credits to graduate. The school offers an impressive list of curricular and co-curricular programs. Over 130 courses are available including 14 advanced placement courses. Students also are eligible to take courses on the Ohio University and Hocking College campus and receive both high school credit and college credit for said courses. Students who want to enter the work force directly from high school can enter Tri-County Career Center or stay at Athens High School and work with vocational instructors. Tri-County's articulation agreements with Ohio University and Hocking College allow students in the Tech Prep program to enter these institutions with a stronger academic background and earn an enhanced associate degree or continue in a baccalaureate program.

Athens High School has 26 clubs; Student Council, Key, National Honor Society, Arena, Broadcasting, Drama, Ecology, FCCLA/HERO, Interact, French, Masquers, Thespians, Matrix, Mock Trial, Model United Nations, Spanish, Art Club, Multi-cultural Club, STARS, Marching Band, Concert Band, Summer Band, Silks, Jazz Band, Pep Band, Mixed Chorus, and Symphonic Choir. Students engage in 15 sporting activities; cross-country (girls and boys), football, soccer (girls and boys), tennis (girls and boys), volleyball, golf (girls and boys), wrestling, swimming (girls and boys), baseball, basketball (girls and boys), softball, and track (girls and boys). Cheerleading squads engage in competition as well as provide school support. The Athens High School drama productions, choirs, instrumental music groups, marching band, flag corps, and competition cheerleaders have received many state and national awards.

The District's special education programs are broad and comprehensive. Approximately 17% of the student population has an Individualized Education Plan (IEP). A Talented and Gifted Program is available to qualified students. Programs and services are provided at the elementary, middle, and high school levels for gifted students. The District has developed a comprehensive gifted education plan. Special programs for the multiple disabled, cognitively disabled, emotionally disabled, orthopedically impaired, learning disabled, speech and/or hearing impaired, are provided for students who meet the requirements.

## ***TECHNOLOGY***

The mission of the technology program at Athens City Schools is to provide a standardized, reliable, efficient, and cost effective infrastructure of technology resources that supports and enhances student education and district administration. The District recognizes that technology is an integral tool in the education process and is committed to providing and maintaining quality services and programs.

The District maintains a District Technology Plan maintained by the District Technology Council, a group representing each school building and the community. The District's objective is the maintenance of existing technology services, with constant evaluation of emerging technology solutions, and a strict adherence to budgetary issues.

## ***TEACHER PROFESSIONAL DEVELOPMENT***

*Peer Teacher Mentor Program* - The District provides an opportunity for a new teacher to be paired with an experienced teacher as a critical friend. This is a very non-threatening way for teachers to exchange ideas, receive assistance, and improve teaching skills.

*New Teacher Orientation* - New employees are given a special welcoming orientation to the District and community by administrators of city, county, and district. Pairing new teachers with seasoned teachers provides a support system and promotes assimilation into the District family.

*Technology* - Both the District Continuous Improvement Plan and the District Technology Plan outline goals and action plans that call for integrating technology into teacher instruction and student learning. Professional Development for teachers is an important component in accomplishing these goals. Student access to hardware and software and lessons that incorporate technology is essential to student competence in this area. The Office of Curriculum provides professional development for training building technology facilitators and classroom teachers and will be planning a continued professional development opportunities.

This is an ongoing activity in the District. Each curricular area is revised to insure that state-of-the-art practices and programs are available for students. The District closely follows the Ohio Department of Education's model curriculums and standards to achieve this goal. Additionally, the curriculum development process model mandates a data-driven professional development plan based on student performance, the integration of technology, and establishing student assessment procedures and practices. Any revisions and adoptions will use current local performance data obtained through competency and proficiency testing of students to determine curricular needs. Content of instruction and instructional practices is carefully examined and analyzed in light of the data generated. Particular emphasis has been given to differentiating professional development on a building and program basis while still addressing the needs of the District, and on an individual basis the data collected on teachers through the Ohio Teacher Evaluation System will progressively direct professional development.

### ***COMMUNITY, STAFF, AND STUDENT INVOLVEMENT***

The Board believes that the best interests of this District are served when citizens, students and professional school people work together toward school improvement.

Community participation in the affairs of the schools is important if the District and the community are to maintain mutual confidence and respect and work together to improve the quality of education for students. The Board endeavors to identify the wishes of the community and to be responsive to those wishes. All citizens are encouraged to express ideas, concerns and judgments about the schools to the school administration, the staff, and to the Board. In the spring of 2013 an expanded Parent Involvement Policy was adopted by the Board of Education.

The District involves the efforts of many people and functions best when all personnel are informed of the District's major activities and concerns. The Board invites an exchange of ideas and pertinent information among all elements of the District and has developed a Continuous Improvement Plan utilizing this philosophy of representative involvement. Morale is enhanced when employees are assured that their voices are willingly heard by those in positions of authority.

Students share responsibility for developing a climate in the school that is conducive to learning. Through participation in the decision-making process, students are an important resource for the improvement of the school, the educational system and the community. Periodically, students are asked to review school policies, rules and regulations.

### ***OHIO DEPARTMENT OF EDUCATION DISTRICT REPORT CARDS***

Beginning with fiscal year 2013 the Ohio Department of Education, as a result of legislation, has modified district report cards changing both format and reporting measures. While some measures such as the key progress measure (formerly Value Added) ranked the District with an A, the new measure of Gap-Closing which incorporates key concepts from the federal No Child Left Behind legislation illustrate distinct ongoing challenges with Economic Disadvantaged and Students with Disability subgroups. The Report Card's reporting measures will continue to grow and evolve for the next several years.

## ***MAJOR INITIATIVES AND EVENTS - FISCAL YEAR 2013***

### ***Facility Management***

The District Board of Education adopted a Five-Year Capital Plan in fiscal year 2013 and continues to update and project capital spending. The Plan formally lays out both the routine maintenance performed annually as well as the major projects to be undertaken over the next five fiscal years and details the work to be performed at each facility. The Capital Plan also incorporates the technology replacements from the District Technology Plan and Textbook/Course of Study replacement. A \$500,000 emergency reserve is also part of the overall plan.

### ***Technology***

The Information Technology (IT) Department continued the annual replacement plan and purchase plan. Computers and wiring upgrades are done each year. The IT department continues to work on combining into one District-wide network and pilot new technologies to lower cost and become more efficient. The District upgraded to a fiber backbone which increased bandwidth and allowed for consolidation of both hardware and software. The District purchased two major software packages in fiscal year 2013. A computerized bus routing and efficiency program that helped make routes more efficient and included GPS units on each bus for safety, security, and tracking. The other was the purchase of computerized time clock system. This system will be fully implemented in fiscal year 2014 to improve employee efficiency through accurate time keeping and paperless leave tracking while also improving efficiencies and accuracy in the payroll department. This system will also make record keeping for the state retirement systems, federal healthcare, and fair labor standards compliance more accurate and efficient.

### ***Comprehensive Annual Financial Report***

The District prepared their fourteenth Comprehensive Annual Financial Report (CAFR) for fiscal year 2013. All reports prior to this year have received the Certificate of Achievement from the Government Finance Officers Association. We believe that our current report also conforms to the Certificate of Achievement program requirements.

### ***Academic and Student Group Awards***

Athens High School's class of 2013 had multiple students qualify as National Merit Scholars. There were also multiple students who were recognized as National Merit Finalists. Since 1984, more than 130 Athens High School graduates have been named National Merit Scholars and more than 160 have earned commended status. More than a dozen graduates of the Athens High School class of 2013 received recognition and scholarships from the J. Warren McClure Athens Education Foundation.



**Consolidated Local Plan**

The District Consolidated Local Plan provides the foundation for maximizing efficient use of dollars generated through state and federal funds. The following **federal grants** are managed by the Curriculum Director and Special Education Director by processing an electronic application which logically integrates the individual objectives and action plans in order to leverage use of the funds. The electronic application supports flexibility of budget and program development and revisions. As a result, purchase of materials and equipment for student instruction and professional development opportunities for teaching staff are increased.

<u>Grant</u>	<u>Award Amount</u>	<u>Description of Grant</u>
Title I	\$635,835	This grant targets schools who demonstrate that they are serving an economically disadvantaged student population that exceeds 20% of the school's total student population.
Title I Sub A	\$50,097	This grant is part of the Title I federal program. It is used to provide instructional support services to the highest concentration of economically disadvantaged students.
Title II-A	\$165,040	Based on research findings that smaller class size is correlated to student success, the funds from this grant are ear-marked for class size reduction, especially in the primary grades.
Title III	\$16,320	Funds are designated for Limited-English speaking students for the purpose of teaching them the English language to a level sufficient to function in English speaking classrooms.
Title VI-B	\$507,591	Funds are allocated to align systems of intervention and special education with scientifically based research curriculum, instruction and assessment and with the state's academic content standards. Provides tutoring and other focused supplemental supports for children.
Title VI-B Rural	\$60,900	These funds will be used for Professional Development of teachers in rural and low income schools.
EdJobs	\$174,613	Funding is designed to retain or add direct classroom instructional staff.
ECSE	\$13,444	Funding is designed to provide tutoring and other focused supplemental supports for children most at risk in reading and mathematics.
<b>Total</b>	<b>\$1,623,840</b>	

## ***MAJOR INITIATIVES FOR THE FUTURE***

### ***Permanent Improvements***

The District intends to continue with annual maintenance and improvement projects in accordance with the Five-Year Capital Plan. The District is completing an update to its Facility Master Plan. The Ohio School Facilities Commission will likely offer a cost sharing arrangement for new facilities in fiscal year 2014. Using the recently completed process established in Ohio Law, the District was able to obtain a credit toward a future project of more than \$12 million. This means once the total cost of the project has been determined, the District's local share will be reduced by that amount on any taxpayer funded construction project.

During the spring of 2013, the District contracted and began implementation of a new security system in all educational facilities. The new security measures include door locks with a computerized key-card system and upgraded security cameras.

### ***Curriculum Development and Meeting the Requirements of New State Standards***

The District continues a transition from the Ohio Academic Standards that have been in place for the core academic areas since 2001-2002 to the New Ohio Learning Standards which were adopted by the Ohio Board of Education in June 2010. Two of these areas, English language arts and mathematics, are the result of a multi-state initiative called the Common Core Standards, while the standards for social studies and science are an Ohio-specific revision. With the aid of teachers and administrators from Athens City School District, curricular materials to support these new standards were developed for grades K-2 and 9-12 during school year 2012. The completion of remaining grades and materials was accomplished in 2013, with the full instructional implementation of the New Ohio Learning Standards targeted for school year 2014. The Ohio Department of Education projects a new Ohio assessments system to be in place in the 2014-2015 academic year. As this transition is underway, the District continues to work toward increasing student performance outcomes and quality of District services through the highly structured continuous improvement model of the Ohio Improvement Process, the chief element in Ohio's Differentiated Accountability Model. Finally, the District is working to meet the requirements of creating and implementing a teacher and principal evaluation model that is aligned with the Ohio Teacher and Principal Evaluation System (HB 153 and SB 316) and that specifically includes evaluation measures that incorporate student academic growth factors.

### ***Technology Upgrades***

The District dedicated their annual technology budget for fiscal year 2014 toward modernization of the computer network. This includes higher speed "smart" switches and servers, reconfiguration of the network and internet delivery system, and other newer technology upgrades in both hardware and software. This will lay the groundwork for fiscal year 2015 implementation of wireless campus at each location and enable the use of more, and less expensive, devices to be delivered to both staff and students.

## **FINANCIAL INFORMATION**

### ***Internal Controls***

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the internal controls adequately meet the above objectives.

### ***Federal and State Assistance***

As a recipient of federal and state financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District.

### ***Financial Condition***

This is the twelfth year the District has prepared financial statements following *GASB Statement No. 34, "Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments."* *GASB Statement No. 34* creates basic financial statements for reporting on the District financial activities as follows:

**Government-wide financial statements** - These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by many businesses.

**Fund financial statements** - These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

**Statements of budgetary comparisons** - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As a part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is located in the financial section of this report following the audit opinion, and provides an assessment of the District finances for fiscal year 2013.

## **OTHER INFORMATION**

### ***Independent Audit***

State statutes require an annual audit by independent accountants. The Auditor of State conducted the District's audit from fiscal year 1999 to fiscal year 2003. In fiscal year 2004, the Auditor of State contracted the District's audit to a private independent public accounting firm. A new three year contract was awarded by the Auditor of State beginning fiscal year 2011. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The independent auditor's report on the basic financial statements and combining statements and individual fund schedules is included in the financial section of this report.

### ***GFOA Certificate of Achievement***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Athens City School District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012. This was the twelfth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### ***Acknowledgments***

The preparation and publication of this Comprehensive Annual Financial Report on a timely basis could not have been possible without the cooperation of the entire Central Office and Treasurer's Office staff. A special note of appreciation is extended to J. L. Uhrig & Associates for their aid in preparing this report.

Finally, this report would not have been possible without the continued support of the Board of Education who values quality financial information that helps to make quality decisions. Without their leadership and commitment to excellence this report would not be possible.

  
\_\_\_\_\_  
**Bryan M. Bunting, Treasurer/CFO**

  
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**Carl D. Martin, Superintendent**

***List of Principal Officers***

***BOARD OF EDUCATION***

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President	Jeffrey Dill, PhD	January 1, 2010 to December 31, 2013
Vice President	Scott Nisley	January 1, 2012 to December 31, 2015
Board Member	Chris Gerig	January 1, 2010 to December 31, 2013
Board Member	Roger Brown	January 1, 2012 to December 31, 2015
Board Member	Bruce Nottke	January 1, 2010 to December 31, 2013

***CENTRAL OFFICE ADMINISTRATIVE STAFF***

---

Superintendent .....	Carl D. Martin
Treasurer .....	Bryan M. Bunting, CGFM
Business Manager .....	David McAllister
Director of Curriculum .....	Tom Parsons
Director of Special Services .....	Jeremy Yehl
Director of Technology .....	Stephen Gunderson

***TREASURER'S OFFICE STAFF***

---

Assistant Treasurer – Accounts Payable .....	Lis Michael
Assistant Treasurer – Purchase Orders/Food Service .....	Marguerite Kostival
Assistant Treasurer – Budget/Grants/Receipts .....	Anita Alloway
Assistant Treasurer – Insurance/Payroll .....	Linda Sturgill
Assistant Treasurer – Payroll .....	Lisa Moss

***CENTRAL OFFICE SUPPORT STAFF***

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Superintendent Secretary .....	Judy Stanley
Business Manager Secretary .....	Denise Boal
Director of Curriculum Secretary .....	Jackie West
Director of Special Services Secretary .....	Linda Bennett

**BUILDING ADMINISTRATORS and SECRETARY**

---

High School .....	Mike Meek
	Secretary – Brenda Hamilton
Middle School.....	Paul Grippa
	Secretary – Janet Lowes
East Elementary .....	Denny Boger
	Secretary – Linda Pierce
Morrison Elementary .....	Penny McDowell
	Secretary – Tammy Kolbe
The Plains Elementary .....	Heather Skinner
	Secretary – Madelon Armstrong
West Elementary .....	Joan Linscott
	Secretary – Amy Carder

**OTHER ADMINISTRATORS**

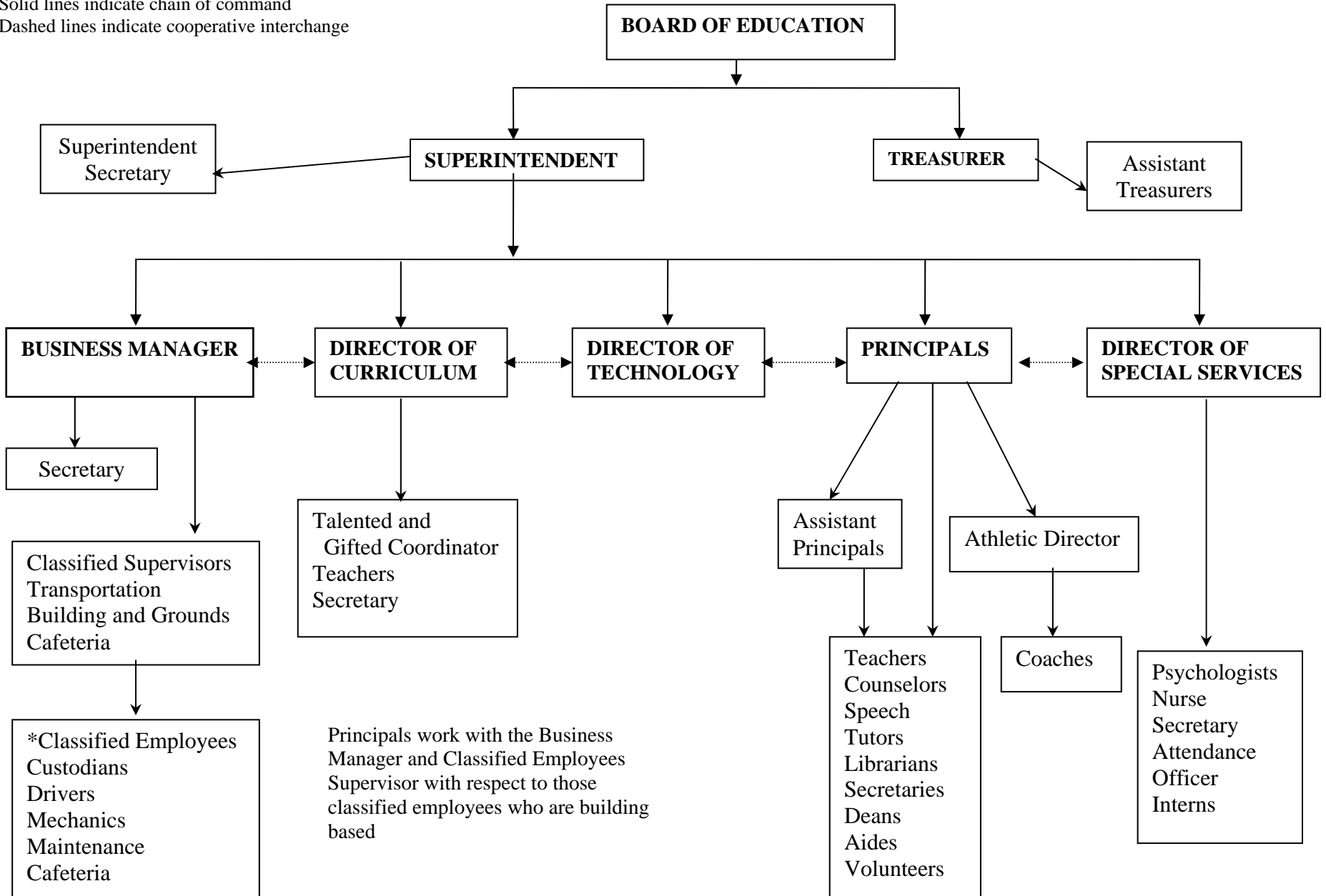
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Maintenance Supervisor .....	Larry Douglas
Transportation Supervisor .....	Sharon Ervin
Food Service Supervisor .....	Tammy Dicken

**ATHENS CITY SCHOOL DISTRICT ORGANIZATIONAL CHART**  
*For the Year Ended June 30, 2013*

Solid lines indicate chain of command  
 Dashed lines indicate cooperative interchange

AX





Government Finance Officers Association

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

Presented to

**Athens City School District  
Ohio**

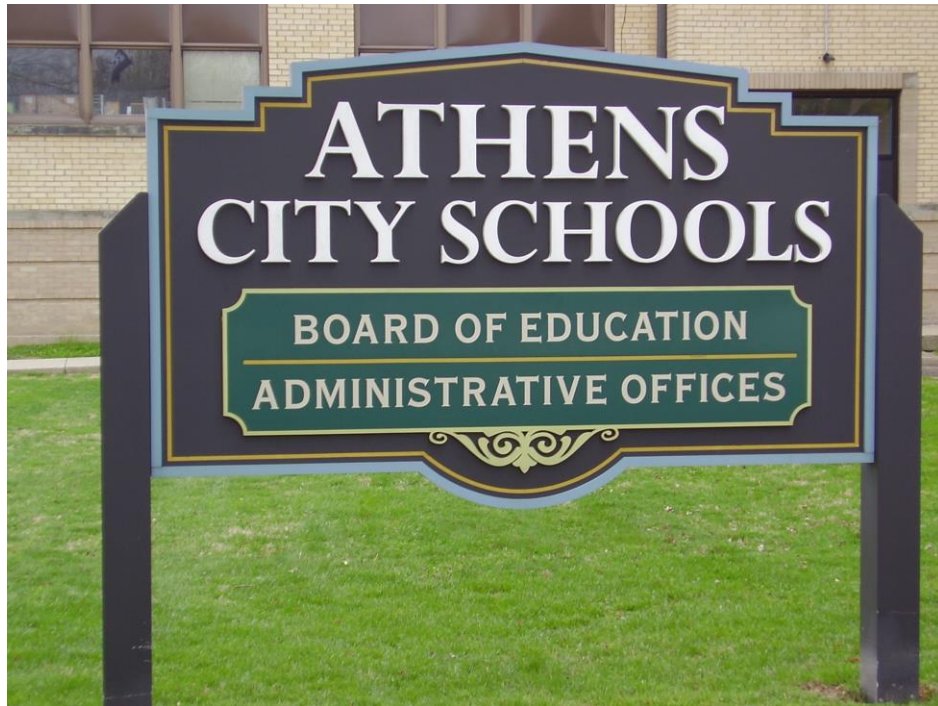
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO



# **ATHENS CITY SCHOOL DISTRICT**



## **FINANCIAL SECTION**

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# Balestra, Harr & Scherer, CPAs, Inc.

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

[www.bhscpas.com](http://www.bhscpas.com)

## Independent Auditor's Report

Members of the Board of Education  
Athens City School District  
25 South Plains Road  
The Plains, Ohio 45780

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Athens City Local School District, Athens County, Ohio, (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Athens City School District, Athens County, Ohio, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 3 to the financial statements, during the year ended June 30, 2013, the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities*. We did not modify our opinion regarding this matter.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

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

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

Members of the Board of Education  
Athens City School District  
Independent Auditor's Report  
Page 3

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2013, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Balestra, Harr & Scherer, CPAs*

Balestra, Harr & Scherer, CPAs, Inc.  
Piketon, Ohio  
December 13, 2013

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
(Unaudited)

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The discussion and analysis of the Athens City School District's financial performance provides an overview and analysis of the District's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review our letter of transmittal, notes to the basic financial statements and the financial statements themselves to enhance their understanding of the School District's financial performance.

**Financial Highlights**

- ▶ The assets and deferred outflows of resources of Athens City School District exceeded its liabilities and deferred inflows of resources at June 30, 2013 by \$22.6 million. Of this amount, \$9.5 million may be used to meet the District's ongoing financial obligations. The remaining amount represents the difference between net investment in capital assets and net position amounts restricted for specific purposes.
- ▶ In total, net position of governmental activities decreased by \$0.9 million, which represents a decrease of 4.01% from 2012.
- ▶ General revenues accounted for \$29.0 million or 83.6% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$5.7 million or 16.4% of total revenues of \$34.7 million.
- ▶ The District had \$36.0 million in expenses related to governmental activities; only \$5.7 million of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes and grants and entitlements) of \$29.0 million and net position carried over from prior year were adequate to cover the balance of governmental programs.
- ▶ The District recognizes three major governmental funds: the General Fund, the Bond Retirement Fund, and the Permanent Improvement Fund. In terms of dollars received and spent, the General Fund is significantly larger than all the other funds of the District combined. The General Fund had \$29.4 million in revenues and \$29.9 million in expenditures in fiscal year 2013.
- ▶ The District also recognizes the self-insurance fund activity as a governmental activity and a proprietary fund. The activity for fiscal year 2013 was \$5.6 million in revenue and \$5.9 million in expenses. Net position at June 30, 2013 for the self-insurance fund decreased \$231,544.

**Using this Annual Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are presented following the requirements of GASB Statement No. 34, and are organized so the reader can understand Athens City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: the government-wide financial statements, fund financial statements and notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
(Unaudited)

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## **Reporting the District as a Whole**

### **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 private-sector business. The Statement of Net Position and Statement of Activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances.

The Statement of Net Position presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases and decreases in net position are important because they serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. The cause of this change may be the result of several factors, some financial and some not. Nonfinancial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required but unfunded educational programs, and other factors. Ultimately, the District's goal is to provide services to our students, not to generate profits as commercial entities do.

The Statement of Activities presents information showing how the government's net position changed during the recent fiscal year. All changes in net position 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).

In both of the government-wide financial statements, the District activities are shown as Governmental Activities. All of the District's programs and services are reported here including instructional services, support services and operation of non-instructional services. These services are funded primarily by taxes, tuition and fees, and intergovernmental revenues including federal and state grants and other shared revenues.

## **Reporting the District's Most Significant Funds**

### **Fund Financial Statements**

Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the General, Bond Retirement, and Permanent Improvement.

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 one of three categories: governmental funds, proprietary funds and fiduciary funds.

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
*(Unaudited)*

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**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 the government-wide financial statements, governmental fund financial statements focus on current 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 requirements.

Because the focus of the 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.

**Proprietary Fund**

The District maintains only one proprietary fund, which is an internal service fund. Since the internal service fund operates on a break-even, cost-reimbursement basis, the District reports it as a proprietary fund using the full accrual basis of accounting. The internal service fund is included with governmental activities on the government-wide financial statements.

**Fiduciary Funds**

The District's only fiduciary fund is an agency fund. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

**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.





**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
*(Unaudited)*

The District's largest portion of net position is unrestricted. This accounts for 42.23% of net position. These net position represents resources that may be used to meet the District's ongoing obligations to its students and creditors.

The District's next largest portion of net position is related to net investment in capital assets. This accounts for 33.06% of net position. The District used these capital assets to provide service 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 pay these liabilities.

The District's smallest portion of net position is restricted net position. This accounts for 24.71% of net position. The restricted net position is subject to external restrictions on how they may be used.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position for its governmental activities. The same was true for the prior year.

Table 2 shows the changes in net position for fiscal year 2013 compared to changes for fiscal year 2012.

Table 2  
**Change in Net Position**

	<u>Governmental Activities</u>	
	2013	(restated) 2012
<b><u>Revenues:</u></b>		
<i>Program Revenues:</i>		
Charges for Services and Sales	\$2,897,214	\$2,820,653
Operating Grants and Contributions	2,713,844	3,698,469
Capital Grants and Contributions	103,250	0
<i>General Revenues:</i>		
Property Taxes	16,080,039	15,566,028
Income Taxes	3,534,523	3,463,108
Unrestricted Grants and Entitlements	8,886,339	9,256,584
Payments in Lieu of Taxes	256,784	215,968
Investment Earnings	59,974	81,616
Miscellaneous	179,225	96,522
<i>Total Revenues</i>	34,711,192	35,198,948

(Continued)

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
(Unaudited)

Table 2  
**Changes in Net Position**

	<u>Governmental Activities</u>	
	2013	(restated) 2012
<b><u>Expenses:</u></b>		
<i>Program Expenses:</i>		
<i>Instruction:</i>		
Regular	18,020,393	18,187,080
Special	4,028,772	3,860,753
Vocational	355,167	426,089
Student Intervention Services	136,099	140,530
<i>Support Services:</i>		
Pupil	1,396,533	1,424,781
Instructional Staff	2,139,691	2,585,026
Board of Education	105,858	124,844
Administration	1,724,782	1,893,072
Fiscal	674,254	663,653
Business	530,625	512,174
Operation and Maintenance of Plant	2,908,958	3,352,531
Pupil Transportation	2,000,573	1,751,924
Central	105,958	240,493
<i>Operation of Non-Instructional Services:</i>		
Food Services	739,455	804,940
Other	4,791	11,221
Extracurricular Activities	498,454	520,707
<i>Debt Service:</i>		
Interest and Fiscal Charges	485,943	696,149
Issuance Costs	145,225	0
<i>Total Expenses</i>	<u>36,001,531</u>	<u>37,195,967</u>
Change in Net Position Before Extraordinary Item	(1,290,339)	(1,997,019)
Extraordinary Item	<u>345,819</u>	<u>611,436</u>
<i>Change in Net Position</i>	(944,520)	(1,385,583)
Net Position-Beginning of Year	<u>23,531,102</u>	<u>24,916,685</u>
Net Position-End of Year	<u><u>\$22,586,582</u></u>	<u><u>\$23,531,102</u></u>

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
*(Unaudited)*

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The District had program revenue decreases of \$804,814 and increases in general revenues of \$317,058. The decrease in program revenue is due to a decrease in operating grants and the increase in general revenue is primarily due to an increase in property taxes.

The total expenses for governmental activities decreased \$1,194,436 or 3.21% primarily due to cost saving measures implemented by the District.

### **Governmental Activities**

Over the past several fiscal years, the District has remained in stable financial condition. This has been accomplished through strong voter support and good fiscal management. The District is heavily dependent on property taxes and, like most Ohio schools, is hampered by a lack of revenue growth. Property taxes made up 46.33% of the total revenue for governmental activities in fiscal year 2013.

The Ohio Legislature passed H.B. 920 (1976) and changed the way property taxes function in State. The overall revenue generated by a levy will not increase solely as a result of inflation. As an example, the District would receive from a home valued at \$100,000 and taxed at 1.0 mill, \$35.00 annually. If three years later the home were reappraised and the value increased to \$200,000 (and this increase in value is comparable to other property owners) the effective tax rate would become 0.5 mill and the District would still receive \$35.00 annually. This causes a district to regularly return to the voters to maintain a constant level of service. However, a district cannot drop below 20 effective mills for operating purposes. Once a district falls to the 20 mill minimum, the type of levy passed becomes more important since all levy types do not count toward the 20 mill minimum. Athens City Schools has had their operating levies reduced by a significant amount over time. The District is now at the 20 mill minimum for residential and agricultural property but slightly above the minimum for commercial and industrial property.

The District's 2.9 mill Permanent Improvement Levy is an important piece of the financial picture. It funds not only facility maintenance and upkeep issues but also provides the bulk of the District's technology needs and a large percentage of the State's set-aside requirements for both textbooks and instructional materials and capital improvements. The 5-year levy was first passed by District voters in 1991 and has been approved four times, the last time in May 2011 with a 66% approval.

The District has only one non-continuing levy for operational expenses. This is a 5-year, \$3.2 million dollar "Emergency Levy" which first passed in 2004 and was renewed in November 2008. An emergency levy differs from a traditional property tax levy in that it is passed for a specified dollar amount rather than a millage tax rate. Once the dollar amount is determined, the county auditor sets the millage tax rate each year that will generate that dollar amount in tax revenue. In 2004 the millage tax rate was 7.78 mills but has been estimated by the County Auditor to be below 7.0 mills upon renewal. An emergency levy also does not count toward the 20 mill minimum for schools.

In November 2006, the voters passed a 1% Income Tax with the District promise to allow the 5.8 levy to expire. The 1% income tax applies only to earned income of District residents and collected approximately \$3.5 million in fiscal year 2013. The 1% income tax was renewed for another four year period in May 2010 with a 55% approval. Retirement, disability, and investment income are examples of income excluded from the tax. This reduces the burden on our senior citizens and others who may be less able to pay.

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
*(Unaudited)*

Instruction accounts for 62.61% of governmental activities program expenses. Support services expenses make up 32.19% of governmental activities program expenses. The Statement of Activities shows the cost of program services and charges for services and grants offsetting those services.

Table 3 shows, for governmental activities, the total cost of services and the net cost of services for fiscal year 2013 compared with fiscal year 2012. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

**Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
<i>Program Expenses:</i>				
Instruction	\$22,540,431	\$22,614,452	\$18,025,866	\$17,500,651
Support Services	11,587,232	12,548,498	11,195,169	11,997,464
Operation of Non-Instructional Services	744,246	816,161	27,921	60,202
Extracurricular Activities	498,454	520,707	407,099	422,379
Debt Service	631,168	696,149	631,168	696,149
Total Expenses	<u>\$36,001,531</u>	<u>\$37,195,967</u>	<u>\$30,287,223</u>	<u>\$30,676,845</u>

**The District's Funds**

The District's governmental funds are accounted for using the modified accrual basis of accounting. (See Note 2 for discussion of significant accounting policies). All governmental funds had total revenues and other financing sources of \$43.1 million and expenditures and other financing uses of \$43.5 million.

Total governmental funds fund balances decreased by \$0.4 million. The decrease in fund balance for the year was most significant in the General Fund, which decreased \$476,309, as a result of an increase in expenditures. The Bond Retirement Fund had an increase of \$79,667 in fund balance due to slightly decreased revenues still being more than the slightly decreased debt service expenditures for the fiscal year. The fund balance in the Permanent Improvement Fund decreased \$131,725 due to increased revenues still being less than expenditures for the fiscal year due to continued payments for renovations due to storm damage.

The District should remain stable in fiscal years 2014 through 2015. However, projections beyond fiscal year 2015 show the District may be unable to meet inflationary cost increases in the long-term without additional tax levies or a meaningful change in state funding of public schools as directed by the Ohio Supreme Court.

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
(Unaudited)

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**Budget Highlights - General Fund**

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

During the course of fiscal year 2013, the District amended its General Fund budget several times. The District uses a modified site-based budget technique that is designed to control site budgets while providing building administrators and supervisors' flexibility for site management.

The District prepares and monitors a detailed cashflow plan for the General Fund. Actual cashflow is compared to monthly and year-to-date estimates, and a monthly report is prepared for top management and the Board of Education.

For the General Fund, the final budget basis revenue was \$29,213,947 representing a \$149,213 decrease from the original budget estimates of \$29,363,160. For the General Fund, the final budget basis expenditures were \$29,732,915 representing a decrease of \$961,865 from the original budget of \$30,694,780. The final budget reflected only a 3.13% decrease from the original budget, which is the result of the District's monitoring and cost cutting decisions which led to few adjustments being needed.

**Debt Administration and Capital Assets**

**Debt Administration**

At June 30, 2013, the District had \$10.6 million in bonds outstanding with \$1.3 million due within one year. Table 4 summarizes bonds outstanding for fiscal year 2013 compared to fiscal year 2012. More detailed information concerning the District's debt can be found in Note 15 of the notes to the basic financial statements.

Table 4  
**Outstanding Debt, Governmental Activities at Year End**

<u>Purpose</u>	<u>2013</u>	<u>2012</u>
2013 Facility Construction Bonds (Refunding)	\$7,270,000	\$0
2005 Facility Construction Bonds (Refunding)	490,000	7,860,000
Facility Renovation Bonds	<u>2,815,000</u>	<u>2,815,000</u>
Total	<u><u>\$10,575,000</u></u>	<u><u>\$10,675,000</u></u>

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2013  
(Unaudited)

**Capital Assets**

At the end of fiscal year 2013, the District had \$49.4 million invested in capital assets for its governmental activities. That total carries an accumulated depreciation of \$30.2 million. Table 5 shows fiscal year 2013 balances compared to fiscal year 2012. More detailed information concerning the District's capital assets can be found in Note 10 of the notes to the basic financial statements.

Table 5  
**Capital Assets & Accumulated Depreciation at Year End**

	<b><u>Governmental Activities</u></b>	
	<u>2013</u>	<u>2012</u>
<i>Nondepreciable Capital Assets:</i>		
Land	\$1,582,880	\$1,519,380
<i>Depreciable Capital Assets:</i>		
Land Improvements	3,809,898	3,780,009
Buildings and Improvements	37,548,033	37,420,611
Furniture, Fixtures and Equipment	2,673,925	2,666,272
Vehicles	2,378,876	2,711,597
Library and Textbooks	1,399,405	1,399,405
<i>Total Capital Assets</i>	<u>49,393,017</u>	<u>49,497,274</u>
<i>Less Accumulated Depreciation:</i>		
Land Improvements	(2,386,859)	(2,272,786)
Buildings and Improvements	(22,768,899)	(21,862,327)
Furniture, Fixtures and Equipment	(2,127,244)	(2,024,506)
Vehicles	(1,537,934)	(1,613,683)
Library and Textbooks	(1,399,405)	(1,399,405)
<i>Total Accumulated Depreciation</i>	<u>(30,220,341)</u>	<u>(29,172,707)</u>
Capital Assets, Net	<u><u>\$19,172,676</u></u>	<u><u>\$20,324,567</u></u>

**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
*(Unaudited)*

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**Current Issues**

Athens City School District is considered a mid-wealth district. It is financially stable, and has been over the past several years. As indicated in the preceding financial information, the District is heavily dependent on property taxes. Property tax revenue does not increase solely as a result of inflation. Therefore, in the long-term, the current program and staffing levels will be dependent on increased funding to meet inflation. Careful financial planning and the renewal of a 1% Income Tax in May of 2010 and renewal of a \$3.2 million emergency levy with a \$500,000 increase that was passed in November of 2012 permitted the District to provide a quality education for our students.

The Ohio Legislature biennial budget for 2012 and 2013 included what they called a “Bridge” funding method. It was called that because it was intended to be a bridge to a completely new funding formula sometime in 2013 or 2014. With the passage of a new State Budget in late-June 2013, Ohio schools have their 4<sup>th</sup> new funding method since fiscal year 2009. The new, un-named, formula completely changes the way in which Ohio public schools are funded. There are nine separate funding components, each uses a slightly different basis and enrollment in its calculation. The overriding change however is there is no longer a property valuation and millage based local share or “charge-off”. A district’s local share is determined first and then used throughout the various components. During this two-year budget, there is still a minimum guarantee amount based on a district funding in fiscal year 2013. Added is now a “cap” or maximum increase from one year to the next. In fiscal year 2014 the cap is 6.25% which increases to 10.5% in fiscal year 2015. Athens City School District is projected to be on the minimum funding guarantee in both fiscal year 2014 and fiscal year 2015.

The State Legislature accelerated the phase-out of “hold harmless” provision of the state funding for local revenue lost due to the elimination of local tax on tangible personal property in the last biennial budget. They froze districts at the fiscal year 2013 remaining (if any) amount. Athens City School District has \$66,040 remaining from a revenue source that previously had been more than \$1.2 million annually.

Athens County underwent the six-year property tax reappraisal in tax year 2008 and the triennial update for 2011. Data from the County Auditor’s Office showed a 1.0% decrease in overall property values from the 2011 update. This resulted in a slight increase in voted mills to generate the same dollar amount received from voted millage received in 2011 although inside mills do not receive a similar adjustment and will see a 1% loss in revenue. The District currently has 4.0 inside mills and 16.0 additional voted mills. A full county-wide reappraisal will be conducted in 2014. Preliminary discussion with the County Auditor and her appraisal company indicate a housing market recovery in the District. Expectations are for residential property valuations to increase approximately 5%. It is unlikely there will be any other significant changes in local tax revenue for at least the next three years.

Athens City School District revenue projections reflect these changes for fiscal year 2013 and over the next five years forecasted. The Board of Education reduced expenses leading into fiscal year 2012 approximately \$500,000. They also closed one of the District’s five elementary school facilities for fiscal year 2013 which saved an additional \$1.2 million. The Board is reviewing the budget for additional reductions for fiscal years 2014 and beyond. The Board of Education and the administration of the District will maintain careful financial planning and prudent fiscal management in order to preserve the financial stability of the District.



**ATHENS CITY SCHOOL DISTRICT**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2013*  
*(Unaudited)*

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Part of the District's financial planning includes a constant watch on the sales ratios for residential housing. Knowing the trend of home sales versus the value used by the county for tax purposes gives an ongoing picture of both new construction for current tax revenue estimates and a more precise picture of what the next property re-appraisal will be for forecasting future tax revenue. Through the months at the middle to end of calendar year 2013, the District is seeing home sales in the middle to upper price range consistently exceed the value currently on the county tax abstracts. The average home value in the Athens City School District is still above \$100,000. New construction, which had slowed from 2009 through 2012, is starting to rebound. Also, the homes being built in several subdivisions continue to be upscale in both style and price. New commercial property construction is increasing to pre-recession levels. Ohio University continues to renovate older facilities and work with private developers on student housing options off campus as an alternative to their dormitory and resident halls. These may be constructed as profit making ventures with the property remaining tax-exempt.

The City continues with improvements to streets and utilities which spawned development on the east side. Additionally, small commercial enterprises have opened during 2013 throughout the City of Athens and surrounding area.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it received. If you have any questions about this report or need additional information contact Bryan M. Bunting, Chief Financial Officer of Athens City School Board of Education, 25 South Plains Road, The Plains, Ohio 45780 or e-mail at [mbunting@athenscity.k12.oh.us](mailto:mbunting@athenscity.k12.oh.us).

**ATHENS CITY SCHOOL DISTRICT**

Statement of Net Position

June 30, 2013

	Governmental Activities
<b><u>Assets:</u></b>	
Equity in Pooled Cash, Cash Equivalents and Investments	\$15,440,294
Investments	1,498,518
Property Taxes Receivable	16,326,819
Payment in Lieu of Taxes Receivable	218,495
Income Taxes Receivable	1,137,124
Intergovernmental Receivable	293,141
Prepaid Items	70,366
Inventory Held for Resale	7,543
Materials and Supplies Inventory	4,727
Nondepreciable Capital Assets	1,582,880
Depreciable Capital Assets, Net	17,589,796
<i>Total Assets</i>	<u>54,169,703</u>
<b><u>Deferred Outflows of Resources:</u></b>	
Deferred Charges on Refunding	<u>220,201</u>
<b><u>Liabilities:</u></b>	
Accounts Payable	365,775
Accrued Wages and Benefits	2,313,489
Contracts Payable	321,988
Intergovernmental Payable	694,413
Accrued Interest Payable	29,201
Claims Payable	150,153
Early Retirement Incentive Payable	15,198
<i>Long-Term Liabilities:</i>	
Due within One Year	1,680,598
Due in More Than One Year	<u>11,694,173</u>
<i>Total Liabilities</i>	<u>17,264,988</u>
<b><u>Deferred Inflows of Resources:</u></b>	
Property Taxes	14,319,839
Payment in Lieu of Taxes	<u>218,495</u>
<i>Total Deferred Inflows of Resources</i>	<u>14,538,334</u>
<b><u>Net Position:</u></b>	
Net Investment in Capital Assets	7,467,696
<i>Restricted for:</i>	
Capital Outlay	2,151,335
Debt Service	3,332,478
Other Purposes	97,930
Unrestricted	<u>9,537,143</u>
<i>Total Net Position</i>	<u><u>\$22,586,582</u></u>

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2013

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b><u>Governmental Activities:</u></b>					
<i>Instruction:</i>					
Regular	\$18,020,393	\$2,590,938	\$218,087	\$103,250	(\$15,108,118)
Special	4,028,772	0	1,546,280	0	(2,482,492)
Vocational	355,167	0	56,010	0	(299,157)
Student Intervention Services	136,099	0	0	0	(136,099)
<i>Support Services:</i>					
Pupil	1,396,533	11,902	0	0	(1,384,631)
Instructional Staff	2,139,691	0	309,357	0	(1,830,334)
Board of Education	105,858	0	0	0	(105,858)
Administration	1,724,782	0	29,633	0	(1,695,149)
Fiscal	674,254	0	0	0	(674,254)
Business	530,625	0	0	0	(530,625)
Operation and Maintenance of Plant	2,908,958	0	0	0	(2,908,958)
Pupil Transportation	2,000,573	0	41,171	0	(1,959,402)
Central	105,958	0	0	0	(105,958)
<i>Operation of Non-Instructional Services:</i>					
Food Services	739,455	207,608	508,717	0	(23,130)
Other	4,791	0	0	0	(4,791)
Extracurricular Activities	498,454	86,766	4,589	0	(407,099)
<i>Debt Service:</i>					
Interest and Fiscal Charges	485,943	0	0	0	(485,943)
Issuance Costs	145,225	0	0	0	(145,225)
<b>Total Governmental Activities</b>	<b>\$36,001,531</b>	<b>\$2,897,214</b>	<b>\$2,713,844</b>	<b>\$103,250</b>	<b>(30,287,223)</b>
 <b><u>General Revenues:</u></b>					
<i>Property Taxes Levied for:</i>					
General Purposes					13,519,257
Debt Service					1,204,329
Capital Outlay					1,356,453
<i>Income Taxes Levied for:</i>					
General Purposes					3,534,523
Grants and Entitlements not Restricted to Specific Programs					8,886,339
Payments in Lieu of Taxes					256,784
Investment Earnings					59,974
Miscellaneous					179,225
<b>Total General Revenues</b>					<b>28,996,884</b>
Changes in Net Position Before Extraordinary Item					(1,290,339)
 <b><u>Extraordinary Item:</u></b>					
Gain on Insurance Recovery					345,819
Change in Net Position					(944,520)
<i>Net Position at Beginning of Year, As Restated (See Note 3)</i>					23,531,102
<b>Net Position at End of Year</b>					<b>\$22,586,582</b>

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**

*Balance Sheet  
Governmental Funds  
June 30, 2013*

	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b><u>Assets:</u></b>					
Equity in Pooled Cash and Cash Equivalents and Investments	\$7,834,460	\$3,202,124	\$2,350,430	\$186,567	\$13,573,581
Property Taxes Receivable	13,848,714	1,228,734	1,249,371	0	16,326,819
Payment in Lieu of Taxes Receivable	218,495	0	0	0	218,495
Income Taxes Receivable	1,137,124	0	0	0	1,137,124
Intergovernmental Receivable	14,319	0	0	278,822	293,141
Interfund Receivable	72,365	0	0	0	72,365
Prepaid Items	70,366	0	0	0	70,366
Materials and Supplies Inventory	0	0	0	4,727	4,727
Inventory Held for Resale	0	0	0	7,543	7,543
<i>Total Assets</i>	<u>\$23,195,843</u>	<u>\$4,430,858</u>	<u>\$3,599,801</u>	<u>\$477,659</u>	<u>\$31,704,161</u>
<b><u>Liabilities:</u></b>					
Accounts Payable	\$207,861	\$0	\$27,685	\$130,229	\$365,775
Accrued Wages and Benefits	2,169,358	0	0	144,131	2,313,489
Contracts Payable	0	0	321,988	0	321,988
Intergovernmental Payable	622,288	0	949	71,176	694,413
Interfund Payable	0	0	0	72,365	72,365
Early Retirement Incentive Payable	15,198	0	0	0	15,198
<i>Total Liabilities</i>	<u>3,014,705</u>	<u>0</u>	<u>350,622</u>	<u>417,901</u>	<u>3,783,228</u>
<b><u>Deferred Inflows of Resources:</u></b>					
Property Taxes	12,868,154	1,136,480	1,161,759	0	15,166,393
Payment in Lieu of Taxes	218,495	0	0	0	218,495
Unavailable Grants Revenue	0	0	0	90,993	90,993
<i>Total Deferred Inflows of Resources</i>	<u>13,086,649</u>	<u>1,136,480</u>	<u>1,161,759</u>	<u>90,993</u>	<u>15,475,881</u>
<b><u>Fund Balances:</u></b>					
Nonspendable	185,532	0	0	4,727	190,259
Restricted	0	3,294,378	2,087,420	173,531	5,555,329
Committed	38,575	0	0	0	38,575
Assigned	282,817	0	0	0	282,817
Unassigned	6,587,565	0	0	(209,493)	6,378,072
<i>Total Fund Balances</i>	<u>7,094,489</u>	<u>3,294,378</u>	<u>2,087,420</u>	<u>(31,235)</u>	<u>12,445,052</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$23,195,843</u>	<u>\$4,430,858</u>	<u>\$3,599,801</u>	<u>\$477,659</u>	<u>\$31,704,161</u>

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 June 30, 2013*

**Total Governmental Funds Balances** \$12,445,052

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

Capital assets used in governmental activities are not financial resources and  
 therefore are not reported in the funds. 19,172,676

Some of the District's receivables will be collected after fiscal year-end, but are  
 not available soon enough to pay for the current period's expenditures and  
 therefore are deferred in the funds. These receivables consist of:

Property taxes	846,554	
Intergovernmental	90,993	
Total	937,547	937,547

Unamortized deferred charges from the issuance of refunding bonds represent  
 deferred charges which do not provide current financial resources and are  
 therefore not reported in the funds. 220,201

Some liabilities are not due and payable in the current period and therefore are  
 not reported in the funds. These liabilities consist of:

General obligation bonds	(10,575,000)	
Accretion on bonds	(254,273)	
Premium on bonds issued	(1,095,908)	
Accrued interest on bonds	(29,201)	
Settlement obligation	(72,665)	
Compensated absences	(1,376,925)	
Total liabilities that are not reported in the funds	(13,403,972)	(13,403,972)

An internal service fund is used by management to charge the costs of insurance  
 activities to individual funds. The assets and liabilities of the internal service fund  
 are included in governmental activities in the statement of net position. 3,215,078

*Net Position of Governmental Activities* \$22,586,582

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
 Governmental Funds  
 For the Fiscal Year Ended June 30, 2013

	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b><u>Revenues:</u></b>					
Property Taxes	\$13,522,565	\$1,204,640	\$1,356,748	\$0	\$16,083,953
Income Taxes	3,534,523	0	0	0	3,534,523
Intergovernmental	9,282,222	165,399	184,022	1,977,955	11,609,598
Interest	40,977	0	9,878	0	50,855
Tuition and Fees	2,578,629	0	0	0	2,578,629
Extracurricular Activities	24,211	0	0	86,766	110,977
Rent	71,494	0	0	0	71,494
Charges for Services	0	0	0	207,608	207,608
Payments in Lieu of Taxes	256,784	0	0	0	256,784
Contributions and Donations	2,841	0	103,250	6,697	112,788
Miscellaneous	86,883	0	0	20,848	107,731
<b>Total Revenues</b>	<b>29,401,129</b>	<b>1,370,039</b>	<b>1,653,898</b>	<b>2,299,874</b>	<b>34,724,940</b>
<b><u>Expenditures:</u></b>					
<i>Current:</i>					
<i>Instruction:</i>					
Regular	15,325,873	0	987,630	236,749	16,550,252
Special	3,226,359	0	0	819,233	4,045,592
Vocational	349,872	0	0	0	349,872
Student Intervention Services	121,426	0	0	0	121,426
Other	13,783	0	0	0	13,783
<i>Support Services:</i>					
Pupil	1,370,197	0	0	8,203	1,378,400
Instructional Staff	1,657,458	0	34,495	453,925	2,145,878
Board of Education	105,761	0	0	0	105,761
Administration	1,695,359	0	1,228	32,022	1,728,609
Fiscal	606,365	31,177	49,059	0	686,601
Business	527,909	0	0	0	527,909
Operation and Maintenance of Plant	2,769,515	0	52,353	0	2,821,868
Pupil Transportation	1,590,331	0	206,903	0	1,797,234
Central	104,974	0	0	0	104,974
Operation of Non-Instructional Services	4,791	0	0	731,618	736,409
Extracurricular Activities	378,451	0	0	78,643	457,094
Capital Outlay	7,548	0	611,053	3,000	621,601
<i>Debt Service:</i>					
Principal Retirement	18,166	715,000	0	0	733,166
Interest and Fiscal Charges	0	544,195	0	0	544,195
Issuance Costs	0	145,225	0	0	145,225
<b>Total Expenditures</b>	<b>29,874,138</b>	<b>1,435,597</b>	<b>1,942,721</b>	<b>2,363,393</b>	<b>35,615,849</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(473,009)</b>	<b>(65,558)</b>	<b>(288,823)</b>	<b>(63,519)</b>	<b>(890,909)</b>
<b><u>Other Financing Sources (Uses):</u></b>					
Transfer In	0	0	0	3,300	3,300
Refunding Bonds Issued	0	7,270,000	0	0	7,270,000
Premium on Refunding Bonds Issued	0	791,540	0	0	791,540
Payment to Refunded Bond Escrow Agent	0	(7,916,315)	0	0	(7,916,315)
Transfer Out	(3,300)	0	0	0	(3,300)
<b>Total Other Financing Sources (Uses)</b>	<b>(3,300)</b>	<b>145,225</b>	<b>0</b>	<b>3,300</b>	<b>145,225</b>
<b>Net Change in Fund Balances Before Extraordinary Item</b>	<b>(476,309)</b>	<b>79,667</b>	<b>(288,823)</b>	<b>(60,219)</b>	<b>(745,684)</b>
<b><u>Extraordinary Item:</u></b>					
Insurance Recoveries	0	0	157,098	188,721	345,819
<b>Net Change in Fund Balances</b>	<b>(476,309)</b>	<b>79,667</b>	<b>(131,725)</b>	<b>128,502</b>	<b>(399,865)</b>
<b>Fund Balances at Beginning of Year</b>	<b>7,570,798</b>	<b>3,214,711</b>	<b>2,219,145</b>	<b>(159,737)</b>	<b>12,844,917</b>
<b>Fund Balances at End of Year</b>	<b>\$7,094,489</b>	<b>\$3,294,378</b>	<b>\$2,087,420</b>	<b>(\$31,235)</b>	<b>\$12,445,052</b>

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
June 30, 2013*

**Net Change in Fund Balances - Total Governmental Funds** (\$399,865)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions exceeded depreciation in the current period.

Capital Asset Additions	236,344	
Depreciation	<u>(1,327,442)</u>	
<b>Total</b>		<b>(1,091,098)</b>

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (60,793)

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

Property taxes	(3,914)	
Intergovernmental	<u>(18,953)</u>	
<b>Total</b>		<b>(22,867)</b>

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current fiscal year, these amounts consist of:

Bond payments	715,000	
Settlement obligation	18,166	
Payment to Refunded Bond Escrow Agent	<u>7,916,315</u>	
<b>Total</b>		<b>8,649,481</b>

In the statement of activities, interest is accrued on outstanding bonds, bond accretion bond premium, and loss on refunding amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when due and premiums and loss on refunding are reported when the bonds are issued:

Accrued interest	10,719	
Amortization of premium on bonds	60,874	
Accretion on bonds	<u>(13,341)</u>	
<b>Total</b>		<b>58,252</b>

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

Compensated absences		215,454
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Bond proceeds provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net position. In the current period proceeds were received from refunding bonds issued, including a premium of \$791,540. (8,061,540)

An internal service fund is used by management to charge the costs of insurance to individual funds. The net revenue of the internal service fund is reported as governmental activities. (231,544)

*Change in Net Position of Governmental Activities* (\$944,520)

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget and Actual (Budget Basis)*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Property Taxes	\$13,435,465	\$13,435,465	\$13,435,465	\$0
Income Taxes	3,554,322	3,554,322	3,554,322	0
Intergovernmental	9,628,062	9,267,903	9,267,903	0
Interest	43,012	40,766	40,766	0
Tuition and Fees	2,411,823	2,506,863	2,506,863	0
Rent	11,932	71,494	71,494	0
Payments in Lieu of Taxes	215,968	256,784	256,784	0
Miscellaneous	62,576	80,350	80,350	0
<i>Total Revenues</i>	<u>29,363,160</u>	<u>29,213,947</u>	<u>29,213,947</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular	15,160,194	15,010,984	15,002,615	8,369
Special	2,799,928	3,103,304	3,103,304	0
Vocational	478,932	365,709	365,709	0
Student Intervention Services	148,523	130,027	130,027	0
<i>Support Services:</i>				
Pupils	1,329,689	1,352,886	1,352,886	0
Instructional Staff	1,822,198	1,730,870	1,730,870	0
Board of Education	120,486	107,134	107,134	0
Administration	1,908,991	1,718,055	1,718,055	0
Fiscal	591,921	587,454	587,454	0
Business	528,032	541,154	541,154	0
Operation and Maintenance of Plant	3,608,695	2,932,849	2,932,849	0
Pupil Transportation	1,633,455	1,635,598	1,635,598	0
Central	112,959	110,849	110,849	0
Operation of Non-Instructional Services	5,244	3,541	3,541	0
Extracurricular Activities	420,867	376,787	376,787	0
Capital Outlay	6,500	7,548	7,548	0
<i>Debt Service:</i>				
Principal Retirement	18,166	18,166	18,166	0
<i>Total Expenditures</i>	<u>30,694,780</u>	<u>29,732,915</u>	<u>29,724,546</u>	<u>8,369</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,331,620)</u>	<u>(518,968)</u>	<u>(510,599)</u>	<u>8,369</u>
<b><u>Other Financing Sources (Uses):</u></b>				
Advances In	0	46,786	46,786	0
Advances Out	(200,000)	0	0	0
Transfers Out	(250,000)	(453,300)	(453,300)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(450,000)</u>	<u>(406,514)</u>	<u>(406,514)</u>	<u>\$0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(1,781,620)</u>	<u>(925,482)</u>	<u>(917,113)</u>	<u>8,369</u>
<i>Fund Balance at Beginning of Year</i>	7,921,617	7,921,617	7,921,617	0
Prior Year Encumbrances Appropriated	466,061	466,061	466,061	0
<i>Fund Balance at End of Year</i>	<u>\$6,606,058</u>	<u>\$7,462,196</u>	<u>\$7,470,565</u>	<u>\$8,369</u>

See accompanying notes to the basic financial statements.



**ATHENS CITY SCHOOL DISTRICT**

*Statement of Net Position*

*Proprietary Fund*

*June 30, 2013*

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	<u>Governmental Activities</u>
	<u>Internal Service</u>
<b><u>Assets:</u></b>	
<i>Current Assets:</i>	
Equity in Pooled Cash, Cash Equivalents and Investments	\$1,866,713
Investments	<u>1,498,518</u>
<i>Total Current Assets</i>	<u>3,365,231</u>
<b><u>Liabilities:</u></b>	
<i>Current Liabilities:</i>	
Claims Payable	<u>150,153</u>
<i>Total Current Liabilities</i>	<u>150,153</u>
<b><u>Net Position:</u></b>	
Unrestricted	<u><u>\$3,215,078</u></u>

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**  
*Statement of Revenues,  
Expenses and Change in Net Position  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2013*

	Governmental Activities
	Internal Service
<b><u>Operating Revenues:</u></b>	
Charges for Services	\$5,636,045
<i>Total Operating Revenues</i>	5,636,045
<b><u>Operating Expenses:</u></b>	
Salaries	80,700
Fringe Benefits	12,388
Purchased Services	3,287
Claims	5,776,426
Other	3,907
<i>Total Operating Expenses</i>	5,876,708
<i>Operating Loss</i>	(240,663)
<b><u>Nonoperating Revenue:</u></b>	
Interest	9,119
<i>Change in Net Position</i>	(231,544)
<i>Net Position at Beginning of Year</i>	3,446,622
<i>Net Position at End of Year</i>	\$3,215,078

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**

Statement of Cash Flows

Proprietary Fund

For the Fiscal Year Ended June 30, 2013

	<u>Governmental Activities</u>
	<u>Internal Service</u>
<b><u>Increase (Decrease) in Cash and Cash Equivalents:</u></b>	
<b><u>Cash Flows from Operating Activities:</u></b>	
Cash Received from Interfund Services Provided	\$5,636,045
Cash Payments for Goods and Services	(96,375)
Cash Payments to Other Sources	(3,907)
Cash Payments for Claims	<u>(5,987,484)</u>
<i>Net Cash used for Operating Activities</i>	<u>(451,721)</u>
<b><u>Cash Flows from Investing Activities:</u></b>	
Cash Received from the Sale of Investments	250,950
Cash Received from Interest on Investment Activities	<u>9,119</u>
<i>Net Cash from Investing Activities</i>	<u>260,069</u>
<i>Net Decrease in Cash and Cash Equivalents</i>	(191,652)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>2,058,365</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$1,866,713</u></u>
<b><u>Reconciliation of Operating Loss</u></b>	
<b><u>to Net Cash from Operating Activities:</u></b>	
Operating Loss	(\$240,663)
<b><u>Adjustments to Reconcile Operating Loss</u></b>	
<b><u>to Net Cash from Operating Activities:</u></b>	
<i>Increase (Decrease) in Liabilities:</i>	
Claims Payable	<u>(211,058)</u>
Total Adjustments	<u>(211,058)</u>
<i>Net Cash used for Operating Activities</i>	<u><u>(\$451,721)</u></u>

See accompanying notes to the basic financial statements.

**ATHENS CITY SCHOOL DISTRICT**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Fund*  
*June 30, 2013*

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	<u>Agency</u>
<b><u>Assets:</u></b>	
Equity in Pooled Cash, Cash Equivalents and Investments	<u>\$127,946</u>
<b><u>Liabilities:</u></b>	
Due to Students	<u><u>127,946</u></u>

See accompanying notes to the basic financial statements.

## ***ATHENS CITY SCHOOL DISTRICT***

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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### **NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

#### **Description of the School District**

Athens City School District (the District) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by state statute and/or federal guidelines.

The District was established in the mid 1800's and in 1960 the District was consolidated with the portion of the Athens Local School District located in the City of Athens. The District was consolidated in 1964 with the Plains Local School District and the Chauncey Local School District. The District serves an area of approximately 89 square miles. It is located in Athens County, and includes the City of Athens and portions of the Village of Chauncey and the Townships of Athens, Canaan, Dover, and Waterloo. The District is the 170<sup>th</sup> largest in the State of Ohio (among 614 school districts) in terms of enrollment. It is staffed by 125 non-certificated employees, 214 certificated full-time teaching personnel and 17 administrative employees who provide services to 2,794 students and other community members. The District currently operates 7 instructional buildings, 1 administrative building, 1 maintenance facility and 1 garage.

#### **Reporting Entity**

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Athens City School 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; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. The District has no component units.

The District is associated with four organizations, three of which are defined as jointly governed organizations and one as an insurance purchasing pool. These organizations are the Southeast Ohio Voluntary Education Cooperative, the Tri-County Career Center, the Coalition of Rural and Appalachian Schools and the SchoolComp Worker's Compensation Group Rating Plan. These organizations are presented in Notes 20 and 21 to the basic financial statements.

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

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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

**A. Basis of Presentation**

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

**Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. The District has no business-type activities.

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

**Fund Financial Statements**

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

**B. Fund Accounting**

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

**Governmental Funds**

Governmental funds are those through which most governmental functions of the District are financed. Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities plus deferred inflows of resources is reported as fund balance.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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

The following are the District's major governmental funds:

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

**Bond Retirement Fund**- This fund is used to account for financial resources accumulated for the payment of general long-term debt principal, interest and related costs. The primary source of funding for this fund is property taxes.

**Permanent Improvement Fund**- This fund is used to account for financial resources to be used for the acquisition, construction or improvement of capital facilities. The primary source of funding for this fund is property taxes.

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

**Proprietary Fund**

The proprietary fund focus is on the determination of the change in net position, financial position and cash flows and is classified as internal service. The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis. The only internal service fund of the District accounts for a self-insurance program which provides medical and prescription drug benefits to employees.

**Fiduciary Funds**

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

**C. Measurement Focus**

**Government-Wide Financial Statements**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the District are included on the statement of net position.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the financial statements of the fiduciary fund are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Nonexchange Transactions**

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, payment in lieu of taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes, payment in lieu of taxes and income taxes are recognized in the fiscal year for which the taxes are levied (See Notes 7 and 8). 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 year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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



**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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

**Deferred Outflows/Inflows of Resources**

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

In addition to the liabilities, the statement of net position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2013, but which were levied to finance fiscal year 2014 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**Expenses/Expenditures**

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

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

**E. Cash, Cash Equivalents 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 records. Each fund's interest in the pool is presented as "Equity in Pooled Cash, Cash Equivalents and Investments" on the financial statements.

During the fiscal year 2013, the District's investments were limited to the Federal Securities and State Treasury Asset Reserve of Ohio (STAROhio). Except for non-participating investment contracts, investments are reported at fair value which is based on quoted market prices. 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 investments the investment could be sold for on June 30, 2013.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2013 amounted to \$40,977 which includes \$13,402 assigned from other District funds.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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

For purpose of the statement of cash flows, the proprietary portion of equity in pooled cash, cash equivalents and investments is considered to be liquid because each fund's portion of the pool can be accessed without prior notice or penalty.

**F. Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of supplies held for resale. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed or used.

**G. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of one thousand dollars. The District does not possess any infrastructure. Improvements are capitalized; the normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

Description	Estimated Lives
Land Improvements	20 years
Buildings and Improvements	20 - 50 years
Furniture, Fixtures and Equipment	5 - 20 years
Vehicles	10 years
Books and Educational Media	5 years

**H. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivable" and "Interfund Payable". These amounts are eliminated in the governmental activities column of the statement of net position.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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

**I. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributed 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. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payments in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy. The District records a liability for accumulated unused sick leave for classified and certified employees and administrators who are 45 years of age or older and have at least 10 years of service with the District.

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

On the 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. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

**J. Accrued Liabilities and Long-Term Liabilities**

All payables, accrued liabilities and long-term liabilities are reported in the government-wide 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 and special termination of benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term liabilities are recognized as a liability on the fund financial statements when due.

**K. Net Position**

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

Net position restricted for other purposes are primarily from federal and state grants reported in the Special Revenue Funds. Of the District's \$5,581,743 restricted net position, none are restricted by enabling legislation.

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

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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

**L. Fund Balances**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Fund balances of the governmental funds are classified as follows:

**Nonspendable** – amounts that cannot be spent because they are either not in a spendable form or because they are 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** – amounts that can be spent only for specific purposes because either (a) constraints imposed by law through constitutional provisions, charter requirements or enabling legislation; or (b) constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

**Committed** – amounts that can only be used for specific purposes pursuant to constraints imposed by formal ordinances of the Board of Education – the District’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Education removes the specified use by taking the same type of action as when imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** – amounts constrained by the District’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Board of Education, Superintendent and Treasurer have the authority, per Board adopted ordinance, to assign amount to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

**Unassigned** – this is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

**M. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are charges for services for the self-insurance program. Operating expenses are necessary costs incurred to provide the self-insurance service that is the primary activity of that fund.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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

**N. Interfund Transactions**

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

Interfund transfers within the governmental activities are eliminated on the government-wide statements.

**O. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. For fiscal year 2013, the District reported an extraordinary item in the financial statements. See Note 23 for additional information regarding the extraordinary item.

**P. Estimates**

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

**Q. Budgetary Process**

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The District Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund and function.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2013.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

**NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES**

For fiscal year 2013, the District implemented GASB Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", GASB Statement No. 61, "The Financial Reporting Entity: Omnibus", GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements," GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities". The implementation of GASB Statement No. 60, 61, 62, and 63 had no effect on the prior period fund balances of the District. The implementation of GASB Statement No. 65 resulted in a prior period adjustment to eliminate deferred charges related to the amortization of bond issuance costs, which had the following effect on net position as previously reported.

	<u>Governmental Activities</u>
Net Position, June 30, 2012	\$23,631,194
Implementation of GASB Statement No. 65	<u>(100,092)</u>
Adjusted Net Position, June 30, 2012	<u><u>\$23,531,102</u></u>

**NOTE 4 - ACCOUNTABILITY**

The following funds had a deficit fund balance as of June 30, 2013:

<i>Nonmajor Special Revenue Funds:</i>	
Food Service	\$21,244
Other State Support	122
Title VI-B	107,741
Title I	29,709
Other Federal Support	45,950

The deficit in the Food Service and Other State Support Funds is the result of the application of generally accepted accounting principles and the requirement to accrue liabilities when incurred. The deficits in the Title VI-B, Title I and Other Federal Support Funds is the result of expenditures being made in fiscal year 2013 that exceeded the federal grants received during the year. The District has decided that the General Fund will cover these expenditures after the project is completed. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur. The deficits in the Food Service and Other State Support Funds do not exist on the cash basis. The deficits in the Title VI-B, Title I, and Other Federal Support, do exist on the cash basis.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

While the District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law and described earlier is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) is presented for the General Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING** - (Continued)

The major differences between the budget basis and modified accrual GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a restricted, committed or assigned fund balance (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Certain funds are maintained as separate funds for accounting and budgetary purposes (budget basis) but do not meet the criteria for separate reporting in the financial statements (GAAP basis) and are reported in the General Fund in accordance with GASB Statement No. 54.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

<u>Net Change in Fund Balance</u>	
GAAP Basis	(\$476,309)
<i>Adjustments:</i>	
Revenue Accruals	(81,831)
Expenditure Accruals	(534,510)
Encumbrances	183,050
Other Sources (Uses)	46,786
Perspective Difference for Activity of Funds	
Reclassified for GAAP Reporting Purposes	<u>(54,299)</u>
Budget Basis	<u><u>(\$917,113)</u></u>

**NOTE 6 - 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 has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must be either 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 moneys.

***ATHENS CITY SCHOOL DISTRICT***

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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**NOTE 6 - DEPOSITS AND INVESTMENTS** - (Continued)

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

Public depositories must give security for all public funds on deposit. Protection of the School 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.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above, provided that the fair 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 fair value 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 division (1) or (2) of this section, 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 (STAROhio);
7. Certain banker's acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the date of purchase in an amount not to exceed twenty-five percent of interim monies available for investment at any time; and
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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.



**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

**NOTE 6 - DEPOSITS AND INVESTMENTS** - (Continued)

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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and GASB Statement No. 40, "Deposit and Investment Risk Disclosures."

At fiscal year end, the District had \$2,000 in undeposited cash on hand which is included on the balance sheet and statement of net position of District as part of "Equity in Pooled Cash, Cash Equivalents and Investments."

**Deposits:** Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities. 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.

As of June 30, 2013, all of the District's bank balance of \$5,638,708 was either covered by Federal Deposit Insurance or collateral was held by the pledging banks trust department not in the District's name.

**Investments:** As of June 30, 2013, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>One to Five Years</u>
STAROhio	\$5,809,821	\$5,809,821	\$0
Federal Home Loan Bank Bonds	998,522	0	998,522
Federal Farm Credit Bank Discount Notes	1,748,478	0	1,748,478
Federal National Mortgage Association	2,498,287	249,593	2,248,694
Federal Home Loan Mortgage Corporation Notes	<u>1,000,000</u>	<u>0</u>	<u>1,000,000</u>
Totals	<u>\$12,055,108</u>	<u>\$6,059,414</u>	<u>\$5,995,694</u>

**Interest Rate Risk:** Interest rate risk is the risk, that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years or less.

**Credit Risk:** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District limits its investments to those authorized by state statute in its investment policy. Standard and Poor's has assigned STAROhio a rating of "AAAm" and for the Federal Home Loan Bank Bonds, Federal Farm Credit Bank Discount Notes, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation Notes a rating of "AAA".

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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**NOTE 6 - DEPOSITS AND INVESTMENTS** - (Continued)

Custodial Credit Risk: For investments, custodial credit risk is the risk that, in the event of the failure of the counter party, the District will not be able to recover the value of its investments or collateral securities in the possession of an outside party. District policy provides that investments be held in the name of the District. All of the District's investments are held in the name of the District.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's policy minimizes concentration of credit risk by diversifying assets by issuer as necessary. The District's investments in STAROhio, Federal Home Loan Bank Bonds, Federal Farm Credit Bank Discount Notes, Federal National Mortgage Association and Federal Home Loan Mortgage Corporation Notes were 48%, 8%, 15%, 21% and 8%, respectively, of the District's total investments.

**NOTE 7 - 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 of 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 and public utility property located in the District. Real property tax revenue received in calendar 2013 represents collections of calendar year 2012 taxes. Real property taxes received in calendar year 2013 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 2013 represents collections of calendar year 2013 taxes. Public utility real property taxes received in calendar year 2013 became a lien December 31, 2011, were levied after April 1, 2012 and are collected in 2013 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility personal property currently is assessed at varying percentages of true value.

The District receives property taxes from Athens County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2013 are available to finance fiscal year 2013 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents the June 2013 personal property tax settlement, delinquent taxes outstanding and real property, and public utility taxes which become measurable as of June 30, 2013. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations. The total amount available as an advance at June 30, 2013 was \$1,160,426 and is recognized as revenue. Of this total amount, \$980,560 was available to the General Fund, \$92,254 was available to the Bond Retirement Fund, and \$87,612 was available to the Permanent Improvement Fund.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

**NOTE 7 - PROPERTY TAXES** - (Continued)

The assessed values upon which the fiscal year 2013 taxes were collected are:

	2012 Second - Half Collections		2013 First - Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$479,645,420	94.85%	\$485,254,549	94.79%
Public Utility Personal	26,048,300	5.15%	26,665,040	5.21%
Total Assessed Value	<u>\$505,693,720</u>	<u>100.00%</u>	<u>\$511,919,589</u>	<u>100.00%</u>

**NOTE 8 - SCHOOL INCOME TAXES**

The District currently benefits from a 1.00% income tax, which is assessed on earned income only for all residents of the District. The District apportions all the proceeds to the General Fund. During fiscal year 2013, the District received \$3,534,523 from the school income tax.

**NOTE 9 - RECEIVABLES**

Receivables at June 30, 2013 consisted of property taxes, payment in lieu of taxes, income taxes, interfund and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

	Amounts
<i>Governmental Activities :</i>	
General Fund	\$14,319
<i>Nonmajor Special Revenue Funds:</i>	
Title VI-B	103,888
Title I	137,684
Other Federal Support	37,250
Total Nonmajor Special Revenue Funds	<u>278,822</u>
Total Intergovernmental Receivables	<u>\$293,141</u>

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

**NOTE 10 - CAPITAL ASSETS**

Capital asset governmental activity for the fiscal year ended June 30, 2013 was as follows:

<u>Asset Category</u>	<u>Balance at July 1, 2012</u>	<u>Transfers/ Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance at June 30, 2013</u>
<i>Nondepreciable Capital Assets:</i>				
Land	\$1,519,380	\$63,500	\$0	\$1,582,880
Total Nondepreciable Capital Assets	1,519,380	63,500	0	1,582,880
<i>Depreciable Capital Assets:</i>				
Land Improvements	3,780,009	29,889	0	3,809,898
Buildings and Improvements	37,420,611	127,422	0	37,548,033
Furniture, Fixtures and Equipment	2,666,272	15,533	(7,880)	2,673,925
Vehicles	2,711,597	0	(332,721)	2,378,876
Library and Textbooks	1,399,405	0	0	1,399,405
Total Depreciable Capital Assets	47,977,894	172,844	(340,601)	47,810,137
Total Capital Assets	49,497,274	236,344	(340,601)	49,393,017
<i>Accumulated Depreciation:</i>				
Land Improvements	(2,272,786)	(114,073)	0	(2,386,859)
Buildings and Improvements	(21,862,327)	(906,572)	0	(22,768,899)
Furniture, Fixtures and Equipment	(2,024,506)	(110,618)	7,880	(2,127,244)
Vehicles	(1,613,683)	(196,179)	271,928	(1,537,934)
Library and Textbooks	(1,399,405)	0	0	(1,399,405)
Total Accumulated Depreciation	(29,172,707)	(1,327,442)	279,808	(30,220,341)
Total Net Capital Assets	\$20,324,567	(\$1,091,098)	(\$60,793)	\$19,172,676

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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**NOTE 10 - CAPITAL ASSETS** - (Continued)

Depreciation expense was charged to governmental functions as follows:

<i>Instruction:</i>	
Regular	\$1,044,896
Special	8,456
Vocational	823
<i>Support Services:</i>	
Instructional Staff	1,104
Administration	7,459
Fiscal	1,797
Operation and Maintenance	60,994
Pupil Transportation	198,924
Operation of Non-Instructional Services	<u>2,989</u>
Total Depreciation Expense	<u><u>\$1,327,442</u></u>

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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**NOTE 11 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2013, the District contracted with Reed and Baur Insurance Agency of Athens, Ohio for liability insurance, property insurance, fleet and inland marine insurance through the Indiana Insurance and Mathews Insurance for boiler and machinery insurance. Coverages provided are as follows:

Building and Contents - replacement cost (90% co-insurance) (\$5,000 deductible)	\$90,675,992
Boiler and Machinery (\$1,000 deductible)	10,000,000
Automobile Liability (\$500 deductible for collision and comprehensive)	1,000,000
Uninsured Motorists (\$500 deductible for collision and comprehensive) Each Accident	100,000
General Liability:	
Per Occurrence (per location)	1,000,000
Aggregate Limit (per location)	2,000,000
Umbrella Liability:	
Per Occurrence (per location)	1,000,000
Aggregate Limit (per location)	1,000,000
Self Insured Retention	10,000
Employee Benefits Liability Coverage:	
Per Employee (\$1,000 deductible)	1,000,000
Aggregate Limit	3,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage from last year other than increasing the building and contents – replacement cost.

The School District participates in the SchoolComp Workers' Compensation Group Rating Plan (the "Plan"), an insurance purchasing pool. The intent of the Plan is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the Plan. The third party administrator, CMI, reviews each participant's claims experience and determines the rating tier for that participant.

A common premium rate is applied to all participants in a given rating tier. Each participant pays its workers' compensation premium to the State based on the rate for their rating tier rather than its individual rate. CMI provides administrative, cost control and actuarial services to the Plan.

The District provides a limited health insurance program for its employees. Premiums are paid directly to a third party administrator, Anthem, out of the District's Employee Benefits Self-Insurance Internal Service Fund. Anthem services all claims submitted by employees. The Internal Service Fund presented in the financial statements reflects the premiums paid by the same funds that pay the employees' salaries. The premiums paid into the Internal Service Fund are used for claims, claim reserves and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$100,000 per employee per year.

The District also provides prescription drug insurance to its employees through a self-insured program. The third party administrator, Anthem, reviews and pays claims for both certified and classified employees.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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**NOTE 11 - RISK MANAGEMENT** - (Continued)

The claims liability of \$150,153 reported at June 30, 2013 is based on an estimate of claims existing at year end that will be paid in fiscal year 2014, provided by the third party administrators and the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claim costs, including estimates of costs related to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in claims activity for the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2012	\$486,474	\$5,927,239	\$6,052,502	\$361,211
2013	361,211	5,776,426	5,987,484	150,153

**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

**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, 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 Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

**Funding Policy** - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a 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 the fiscal year ending June 30, 2013, the allocation to pension and death benefits is 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's contributions to SERS for the fiscal years ended June 30, 2013, 2012, and 2011 were \$713,302, \$771,921, and \$667,383, respectively; 89.07 percent has been contributed for fiscal year 2013 and 100 percent for the fiscal year 2012 and 2011.

**State Teachers Retirement System**

The District participates in 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, community school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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**NOTE 12 - DEFINED BENEFIT PENSION PLANS- (Continued)**

**Plan Options** - New members have a choice of three retirement plans 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 percent of earned compensation among various investment choices. The Combined Plan offers features of both 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 the 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 transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

**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 rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money amount 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.

Eligible faculty of Ohio’s public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.



**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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**NOTE 12 - DEFINED BENEFIT PENSION PLANS- (Continued)**

A retiree of STRS Ohio or another Ohio public retirement system is eligible for re-employment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the re-employed member and employer during the re-employment. Upon termination of re-employment 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 re-employed 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 healthcare 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.

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 Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2013, were 10% of covered payroll for members and 14% for employers. The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2013, 2012 and 2011 were \$2,695,291, \$2,100,852 and \$1,905,721, respectively; 89.60 percent has been contributed for fiscal year 2013 and 100 percent for the fiscal years 2012 and 2011. Member and employer contributions actually made for DC and Combined Plan participants will be provided upon written request.

STRS Ohio issues a stand-alone financial report. Copies of STRS Ohio's 2012 Comprehensive Annual Financial Report are available.

Additional information or copies of STRS Ohio's 2012 Comprehensive Annual Financial Report can be requested by writing to the STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling toll-free 1-888-227-7787, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

**Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2013, no members of the Board of Education have elected Social Security. The board's liability is 6.2 percent of wages paid.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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**NOTE 13 - POSTEMPLOYMENT BENEFITS**

**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 postemployment benefit plans.

**Medicare Part B Plan** - The Medicare Part 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 2013 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For 2013, this actuarially required allocation is 0.74 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2013, 2012, and 2011 were \$57,932, \$44,632 and \$42,111, respectively; 100 percent for the fiscal years 2013, 2012 and 2011.

**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 Section 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14 percent contribution to the Health Care Fund. For the year ended June 30, 2013, the health care allocation is 0.16 percent. An addition health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2013, the minimum compensation level was established at \$20,525. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The District's contributions assigned to health care for the fiscal years ended June 30, 2013, 2012, and 2011 were \$115,947, \$145,945 and \$191,781, respectively.

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 on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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**NOTE 13 - POSTEMPLOYMENT BENEFITS** - (Continued)

**State Teachers Retirement System**

**Plan Description** – State Teachers Retirement System of Ohio (STRS Ohio) administers a pension plan that is comprised of: a Defined Benefits Plan, a self-directed Defined Contribution Plan, and a Combined Plan that is a hybrid of the Defined Benefits Plan and the Defined Contribution Plan.

Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to Chapter 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. The District's contributions for health care for the fiscal years ended June 30, 2013, 2012, and 2011 were \$207,330, \$150,061 and \$146,594 respectively; 100 percent for the fiscal years 2013, 2012 and 2011.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting [www.strsoh.org](http://www.strsoh.org) or by requesting a copy by calling toll-free (888) 227-7877.

**NOTE 14 - EMPLOYEE BENEFITS**

**Compensated Absences**

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-five days of vacation per year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators who work less than 260 days per year do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 320 days for aides and 320 for all other classified employees and 320 for certified employees. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit up to a maximum of 75 days for aides and 75 days for all other classified employees and 65 days for certified employees. Certified employees can earn up to an additional 10 days based on years of service with the District.

**Dental, Vision, and Life Insurance**

Dental insurance coverage is provided through Core Source, Inc. All full-time employees pay 10% of the premium and the Board pays 90%. All less than full-time employees pay a pro-rated share based on hours worked. Vision insurance is provided by the District through Vision Services Plus (VSP), Inc. The employees share the cost of the monthly premium with the Board, the Board pays the first \$12 and the employee contributes the rest of the premium.

The District provides life insurance and accidental death and dismemberment insurance to all employees through AIG, in the amount of \$25,000 for classified employees, \$25,000 for certified employees, \$75,000 for administrators, \$150,000 for the Superintendent, \$100,000 for the Business Manager, and \$150,000 for the Treasurer.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

**NOTE 14 - EMPLOYEE BENEFITS** - (Continued)

**Retirement Incentive**

On January 16, 1999, the District Board of Education approved a Retirement Incentive Program. Participation is open to members of the Athens Education Association the year in which the member first attains thirty years of service credit with the STRS. Such members must retire at the end of the first year of eligibility (June 30) in order to receive the retirement incentive. The Board has elected to make the retirement incentive a lump sum payment of \$20,000 for full-time employees and a prorated amount for part-time employees. Members who do not retire in the first year of eligibility will not receive the retirement incentive. The retirement incentive program is a part of the negotiated union contract. As of June 30, 2013, there was \$15,198 retirement incentives recorded as a fund liability by the District for the three employees who qualified.

**NOTE 15 - LONG-TERM LIABILITIES**

The changes in the District's long-term liabilities during fiscal year 2013 were as follows:

	Issue Date	Interest Rate	Principal Outstanding at July 1, 2012	Additions	Deductions	Principal Outstanding at June 30, 2013	Amount Due In One Year
<i>Governmental Activities:</i>							
Renovation Bonds	2000	6.01%	\$2,815,000	\$0	\$0	\$2,815,000	\$640,000
2005 Refunding Bonds							
Term Bonds	2005	4.24%	7,720,000	0	7,270,000	450,000	105,000
Capital Appreciation Bonds			140,000	0	100,000	40,000	0
Accretion on Capital Appreciation Bonds			855,932	13,341	615,000	254,273	0
2013 Refunding Bonds							
Term Bonds	2013	2.65%	0	6,765,000	0	6,765,000	595,000
Capital Appreciation Bonds			0	505,000	0	505,000	0
Add Deferred Amounts:							
Premium on Bonds			791,356	791,540	486,988	1,095,908	126,836
Settlement Obligation			90,831	0	18,166	72,665	18,166
Compensated Absences			1,592,379	701,971	917,425	1,376,925	195,596
Total Governmental Activities Long-Term Obligations			<u>\$14,005,498</u>	<u>\$8,776,852</u>	<u>\$9,407,579</u>	<u>\$13,374,771</u>	<u>\$1,680,598</u>

*Renovations General Obligation Bonds* - In 2000, Athens City School District issued voted general obligation bonds in the amount of \$16,400,000 for the purpose of renovating the Middle School, High School and smaller projects at several other facilities. The bonds were issued for a twenty-four year period with final maturity at December 1, 2017. The proceeds from the sale of these bonds were recorded in the Building Fund. These bonds are retired through the Bond Retirement Fund using tax revenues.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

**NOTE 15 - LONG-TERM LIABILITIES** - (Continued)

*Refunding General Obligation Bonds* - During fiscal year 2005, the District issued \$9,305,000 of general obligation bonds for the current refunding of \$9,305,000 of the 2000 series bonds. The \$1,217,474 premium on the issuance of the refunding bonds is netted against this debt and is being amortized over the life of this debt, which has the same remaining life of the refunded debt of 4 years with a final maturity of December 1, 2016. The refunding was undertaken to reduce total future debt service payments. The refunding bonds are retired through the Bond Retirement Fund using tax revenues.

The term bonds maturing on December 1, 2016 (fiscal year 2017) are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption, on December 1, in the fiscal years and respective principal amounts as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2014	\$105,000
2015	110,000
2016	115,000
2017	120,000
	<u>\$450,000</u>

Term bonds maturing on or after December 1, 2015, are subject to optional redemption, in whole or in part on any date at the option of the issuer on or after December 1, 2005, as follows:

<u>Redemption Dates (Date Inclusive)</u>	<u>Redemption Prices</u>
December 1, 2005 through November 30, 2015	101%
December 1, 2015 and thereafter	100%

The capital appreciation bonds are not subject to a mandatory sinking fund or optional redemption prior to stated maturity. The capital appreciation bonds will mature in fiscal year 2018. The maturity amount of the bonds is \$905,000. For fiscal year 2013, \$13,341 was accreted on the capital appreciation bonds.

*Refunding General Obligation Bonds* - During fiscal year 2013, the District issued \$7,270,000 of general obligation bonds for the advance refunding of \$7,270,000 of the 2005 series bonds. The bonds were issued as federally taxable bonds. The \$791,540 premium on the issuance of the refunding bonds is netted against this debt and is being amortized over the life of this debt, which has the same remaining life of the refunded debt of 12 years with a final maturity of December 1, 2024. The refunding was undertaken to reduce total future debt service payments over the next 12 years by \$805,784 and to obtain an economic gain of \$438,231. The refunding bonds are retired through the Bond Retirement Fund using tax revenues.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

**NOTE 15 - LONG-TERM LIABILITIES** - (Continued)

The term bonds maturing on December 1, 2024 (fiscal year 2025) are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption, on December 1, in the fiscal years and respective principal amounts as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2014	\$595,000
2015	625,000
2016	625,000
2017	650,000
2018	0
2019	0
2020	0
2021	805,000
2022	820,000
2023	840,000
2024	890,000
2025	<u>915,000</u>
	<u><u>\$6,765,000</u></u>

Term bonds maturing on or after December 1, 2021, are subject to optional redemption, in whole or in part on any date at the option of the issuer on or after December 1, 2013, as follows:

<u>Redemption Dates (Date Inclusive)</u>	<u>Redemption Prices</u>
December 1, 2013 and thereafter	100%

The capital appreciation bonds are not subject to a mandatory sinking fund or optional redemption prior to stated maturity. The capital appreciation bonds will mature in fiscal years 2019 and 2020. The maturity amount of the bonds is \$1,500,000. For fiscal year 2013, \$0 was accreted on the capital appreciation bonds.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

**NOTE 15 - LONG-TERM LIABILITIES** - (Continued)

Principal and interest requirements to retire the general obligation bonds outstanding at June 30, 2013, are as follows:

Year Ending June 30	2005 Refunding Bonds			2013 Refunding Bonds		
	Term Bonds		Capital Appreciation Bonds	Term Bonds		Capital Appreciation Bonds
	Principal	Interest	Principal	Principal	Interest	Principal
2014	\$105,000	\$15,494	\$0	\$595,000	\$129,904	\$0
2015	110,000	11,463	0	625,000	128,352	0
2016	115,000	7,100	0	625,000	124,508	0
2017	120,000	2,400	0	650,000	119,460	0
2018	0	0	905,000	0	116,567	0
2019-2023	0	0	0	2,465,000	496,185	1,500,000
2024-2028	0	0	0	1,805,000	56,543	0
<b>Total</b>	<b>\$450,000</b>	<b>\$36,457</b>	<b>\$905,000</b>	<b>\$6,765,000</b>	<b>\$1,171,519</b>	<b>\$1,500,000</b>

Year Ending June 30	2000 Renovation Bonds		Totals	
	Principal	Interest	Principal	Interest
2014	\$640,000	\$165,918	\$1,340,000	\$311,316
2015	680,000	122,028	1,415,000	261,843
2016	725,000	75,310	1,465,000	206,918
2017	770,000	25,602	1,540,000	147,462
2018	0	0	905,000	116,567
2019-2023	0	0	3,965,000	496,185
2024-2028	0	0	1,805,000	56,543
<b>Total</b>	<b>\$2,815,000</b>	<b>\$388,858</b>	<b>\$12,435,000</b>	<b>\$1,596,834</b>

The above amortization table excludes the amortization of the issuance premium on the bonds.

The District had the opportunity for savings by changing utility suppliers. To receive the savings the District entered into an agreement with Energy USA to cancel their contract. The District has agreed to pay Energy USA \$18,166 for five years to cancel the utility supplier contract. This settlement obligation is being paid from the General Fund.

The compensated absences are paid from the fund from which the respective employees' salaries are paid. Most of the District's employees are paid from the General Fund, with the remainder being paid from the Food Service, Title VI-B, Title I and Other Federal Support Funds.

The District's overall legal debt margin was \$38,699,887 with an unvoted debt margin of \$511,920 at June 30, 2013.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

**NOTE 16 – FUND BALANCES**

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

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<i>Nonspendable</i>					
Prepays	\$70,366	\$0	\$0	\$0	\$70,366
Inventory	0	0	0	4,727	4,727
Unclaimed Monies	115,166	0	0	0	115,166
<i>Total Nonspendable</i>	<u>185,532</u>	<u>0</u>	<u>0</u>	<u>4,727</u>	<u>190,259</u>
<i>Restricted:</i>					
<i>Special Revenues:</i>					
District Managed Activities	0	0	0	76,394	76,394
Local Grants	0	0	0	97,137	97,137
Debt Service	0	3,294,378	0	0	3,294,378
Capital Projects	0	0	2,087,420	0	2,087,420
<i>Total Restricted</i>	<u>0</u>	<u>3,294,378</u>	<u>2,087,420</u>	<u>173,531</u>	<u>5,555,329</u>
<i>Committed:</i>					
Termination Benefits	38,575	0	0	0	38,575
<i>Assigned:</i>					
<i>Encumbrances:</i>					
Regular	150,436	0	0	0	150,436
Special	17,253	0	0	0	17,253
Vocational	10,604	0	0	0	10,604
Pupils	184	0	0	0	184
Instructional Staff	1,707	0	0	0	1,707
Board of Education	8	0	0	0	8
Administration	1,632	0	0	0	1,632
Fiscal	272	0	0	0	272
Extracurricular Activities	954	0	0	0	954
Uniform School Supplies	27,975	0	0	0	27,975
Public School Support	71,792	0	0	0	71,792
<i>Total Assigned</i>	<u>282,817</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>282,817</u>
<i>Unassigned</i>	<u>6,587,565</u>	<u>0</u>	<u>0</u>	<u>(209,493)</u>	<u>6,378,072</u>
<b>Total Fund Balances</b>	<u><u>\$7,094,489</u></u>	<u><u>\$3,294,378</u></u>	<u><u>\$2,087,420</u></u>	<u><u>(\$31,235)</u></u>	<u><u>\$12,445,052</u></u>



**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

**NOTE 17 - INTERFUND ACTIVITY**

As of June 30, 2013, receivables and payables that resulted from various interfund transactions were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$72,365	\$0
<i>Nonmajor Special Revenue Funds:</i>		
Title VI-B	0	5,282
Title I	0	59,260
Other Federal Support	0	7,823
Total Nonmajor Special Revenue Funds	<u>0</u>	<u>72,365</u>
Total	<u><u>\$72,365</u></u>	<u><u>\$72,365</u></u>

All balances are scheduled to be collected in the subsequent year. All balances resulted from the time between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The balance of \$72,365 due to the General Fund from the funds listed is a result of advances made to these funds by the General Fund, that were not repaid as of June 30, 2013.

	<u>Transfers To Nonmajor Special Revenue</u>
<u>Transfers From</u>	
General	<u><u>\$3,300</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them, and (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The total of \$3,300 is the result of transfers from the General Fund to the Food Service Fund to subsidize that program.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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**NOTE 18 - STATUTORY SET-ASIDES**

The following changes occurred in the District's set-aside reserve accounts during fiscal year 2013:

	<u>Capital Improvements</u>
Set-Aside Balance as of June 30, 2012	\$0
Current Year Set-Aside Requirement	446,580
Qualifying Disbursements	<u>(990,802)</u>
Total	<u>(544,222)</u>
Set-Aside Balance	<u>\$0</u>
Total Restricted Assets	<u>\$0</u>

Although the District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital improvements set-aside, this amount may not be used to reduce the set-aside requirement for future years. The negative balance is therefore not presented as being carried forward to future years.

**NOTE 19 – ENCUMBRANCE COMMITMENTS**

At June 30, 2013, the District had encumbrance commitments in the Governmental Funds as follows:

<u>Major Funds</u>	
General	\$183,050
Permanent Improvement	418,942
 <u>Nonmajor Funds</u>	
Food Service	3,580
Other Local Support	24,880
District Managed Activities	3,997
Other State Support	88
Title VI-B Grant	78,752
Title I Grant	32,913
Other Federal Support	4,657
<i>Total Nonmajor Funds</i>	<u>148,867</u>
 Total Encumbrances	 <u><u>\$750,859</u></u>

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013*

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**NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS**

**Southeast Ohio Voluntary Education Cooperative (SEOVEC)**

Southeast Ohio Voluntary Education Cooperative, is a jointly governed organization created as a regional council of governments pursuant to State statutes. SEOVEC has 35 participants consisting of 26 school districts and 9 county boards of education. SEOVEC provides financial accounting services, educational management information, and cooperative purchasing services to member districts. Each member district pays a fee annually for services provided by SEOVEC. SEOVEC is governed by a governing board which is selected by the member districts. Each district has one vote in all matters, and each member district's control over budgeting and financing of SEOVEC is limited to its voting authority and any representation it may have on the governing board. SEOVEC operates with its own Treasurer. The continued existence of SEOVEC is not dependent on the District's continued participation and no equity interest exists. SEOVEC has no outstanding debt. Financial statements for SEOVEC can be obtained from the Southeast Ohio Voluntary Education Cooperative, 221 North Columbus Road, Athens, Ohio 45701. The District made payments of \$84,833 to SEOVEC in fiscal year 2013.

**Tri-County Career Center**

The Tri-County Career Center is a jointly governed organization providing vocational services to its eight member Districts. The Center is governed by a board of education comprised of eleven members appointed by the participating schools. The board controls the financial activity of the Center and reports to the Ohio Department of Education and the Auditor of State of Ohio. The continued existence of the Center is not dependent on the District's continued participation and no equity interest exists. During fiscal year 2013, the District made no contributions to the Center. Financial information can be obtained from the Tri-County Career Center, 15676 State Route 691, Nelsonville, Ohio 45764.

**Coalition of Rural and Appalachian Schools**

The Coalition of Rural and Appalachian Schools is a jointly governed organization including over 100 school districts in southeastern Ohio. The Coalition is operated by a Board which is composed of fourteen members. The board members are composed of one superintendent from each county elected by the school districts within that county. The Council provides various inservice for school district administrative personnel; gathers of data regarding conditions of education in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for school district personnel. The Council is not dependent on the continued participation of the District and the District does not maintain an equity interest in or financial responsibility for the Council. The District made no significant payments for membership in fiscal year 2013.

**ATHENS CITY SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2013*

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**NOTE 21 - INSURANCE PURCHASING POOL**

**SchoolComp Worker's Compensation Group Rating Plan**

The District participates in a workers' compensation program jointly sponsored by the Ohio Association of School Business Officials (OASBO) and the Ohio School Board Association (OSBA), known as SchoolComp. CompManagement, Inc. (CMI) is the program's third party administrator. SchoolComp serves to group its members' risks for the purpose of obtaining a favorable experience rating to determine its premium liability to the Ohio Bureau of Workers' Compensation (OBWC) and the Ohio Workers' Compensation Fund. This may be accomplished through participation in a group rating program or through group retrospective rating. The District has chosen to participate in the group rating program for 2013. Participation in SchoolComp is restricted to members who meet enrollment criteria and are jointly in good standing with OASBO and OSBA. OASBO and OSBA are certified sponsors recognized by OBWC.

**NOTE 22 - CONTINGENCIES**

**A. Grants**

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2013, if applicable, cannot be determined at this time.

**B. Litigation**

The District is involved in no pending litigation that would have a material effect on the financial condition of the District.

**NOTE 23 - INSURANCE RECOVERIES**

The District suffered tornado damage during a storm in September, 2010. During fiscal year 2013, the District received an additional \$345,819 for additional costs incurred related to the tornado damage. The insurance settlement is reported in the governmental funds as an extraordinary item.

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

**ATHENS CITY SCHOOL DISTRICT**  
**Description of Governmental Funds**

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**SPECIAL REVENUE FUNDS**

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than amounts related to debt service or capital projects) that are restricted or committed to expenditures for specified purposes. The term proceeds of specific sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The following are descriptions of the District's nonmajor special revenue funds:

***Nonmajor Special Revenue Funds***

**Food Service**

A fund used to account for the financial transactions related to the food service operations of the District.

**Other Local Support**

A fund used to account for the proceeds of specific revenue sources, except for state and federal grants, that are legally restricted to expenditures for specified purposes. These sources include Staff Accounts and Martha Jennings Holden Grant.

**District Managed Student Activities**

To account for student activity programs which have student participation in the activity, but do not have student management of the programs.

**Other State Support**

A fund used to account for various restricted monies received from State agencies which are not classified elsewhere. This state funding includes: Auxiliary Services Grant, Management Information Systems, Preschool Grant, and other miscellaneous state grants.

**Title VI-B**

A fund used to account for programs to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

**Title I**

A fund used to account for financial assistance provided to State and local educational agencies to meet the special needs of educationally deprived children.

**Other Federal Support**

A fund used to account for monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. This federal funding includes: Title III Grant, Education Jobs Grant, School Improvement Grant, Education Stabilization Grant, Title VI-R Grant, Title II-D Grant, Preschool Grants, and other miscellaneous federal grants.

**ATHENS CITY SCHOOL DISTRICT**  
**Description of Governmental Funds**

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**CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The following is a description of the District's nonmajor capital project fund.

***Nonmajor Capital Projects Fund***

**Storm Damage Replacement**

A fund used to account for the receipts and expenditures for projects that are related to the replacement of facilities and equipment damaged by a tornado during fiscal year 2011.

**FUNDS REPORTED SEPARATELY FOR BUDGETARY PURPOSES**

The following funds have been combined with the General Fund for reporting in accordance with accounting principles generally accepted in the United States of America. However, their budgets are reported separately in this section for accountability purposes.

**Uniform School Supplies**

A fund used to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the District. Profits derived from sales are used for school purposes or activities in connection with the school.

**Public School Support**

A fund used to account for resources from the principals of the various schools for the purchase of flowers and other items for staff members for various reasons.

**Termination Benefits**

A fund used to account for monies accumulated for paying termination benefits.

**Unclaimed Monies**

To account for monies which have yet to be claimed by their rightful owners. These monies include outstanding checks that are over one year old.

**ATHENS CITY SCHOOL DISTRICT**

*Combining Balance Sheet*

*Nonmajor Governmental Funds*

*June 30, 2013*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b><u>Assets:</u></b>			
Equity in Pooled Cash, Cash Equivalents and Investments	\$186,567	\$0	\$186,567
Intergovernmental Receivable	278,822	0	278,822
Materials and Supplies Inventory	4,727	0	4,727
Inventory Held for Resale	7,543	0	7,543
<i>Total Assets</i>	<u>\$477,659</u>	<u>\$0</u>	<u>\$477,659</u>
<b><u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u></b>			
<b><u>Liabilities:</u></b>			
Accounts Payable	\$130,229	\$0	\$130,229
Accrued Wages and Benefits	144,131	0	144,131
Intergovernmental Payable	71,176	0	71,176
Interfund Payable	72,365	0	72,365
<i>Total Liabilities</i>	<u>417,901</u>	<u>0</u>	<u>417,901</u>
<i>Deferred Inflows of Resources</i>	<u>90,993</u>	<u>0</u>	<u>90,993</u>
<b><u>Fund Balances:</u></b>			
Nonspendable	4,727	0	4,727
Restricted	173,531	0	173,531
Unassigned	(209,493)	0	(209,493)
<i>Total Fund Balances</i>	<u>(31,235)</u>	<u>0</u>	<u>(31,235)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$477,659</u>	<u>\$0</u>	<u>\$477,659</u>



**ATHENS CITY SCHOOL DISTRICT**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2013*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b><u>Revenues:</u></b>			
Intergovernmental	\$1,977,955	\$0	\$1,977,955
Extracurricular Activities	86,766	0	86,766
Charges for Services	207,608	0	207,608
Contributions and Donations	6,697	0	6,697
Miscellaneous	20,848	0	20,848
<i>Total Revenues</i>	<u>2,299,874</u>	<u>0</u>	<u>2,299,874</u>
<b><u>Expenditures:</u></b>			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	236,749	0	236,749
Special	819,233	0	819,233
<i>Support Services:</i>			
Pupil	8,203	0	8,203
Instructional Staff	453,925	0	453,925
Administration	32,022	0	32,022
Operation of Non-Instructional Services	731,618	0	731,618
Extracurricular Activities	78,643	0	78,643
Capital Outlay	3,000	0	3,000
<i>Total Expenditures</i>	<u>2,363,393</u>	<u>0</u>	<u>2,363,393</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(63,519)</u>	<u>0</u>	<u>(63,519)</u>
<b><u>Other Financing Sources:</u></b>			
Transfers In	3,300	0	3,300
<i>Total Other Financing Sources</i>	<u>3,300</u>	<u>0</u>	<u>3,300</u>
Net Change in Fund Balances Before Extraordinary Item	(60,219)	0	(60,219)
<b><u>Extraordinary Item:</u></b>			
Insurance Recoveries	0	188,721	188,721
<i>Net Change in Fund Balances</i>	(60,219)	188,721	128,502
<i>Fund Balances at Beginning of Year</i>	<u>28,984</u>	<u>(188,721)</u>	<u>(159,737)</u>
<i>Fund Balances at End of Year</i>	<u><u>(\$31,235)</u></u>	<u><u>\$0</u></u>	<u><u>(\$31,235)</u></u>

**ATHENS CITY SCHOOL DISTRICT**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*June 30, 2013*

	Food Service	Other Local Support	District Managed Activities	Other State Support
<b><u>Assets:</u></b>				
Equity In Pooled Cash, Cash Equivalents and Investments	\$3,660	\$99,312	\$78,860	\$87
Intergovernmental Receivable	0	0	0	0
Materials and Supplies Inventory	4,727	0	0	0
Inventory Held for Resale	7,543	0	0	0
<i>Total Assets</i>	<u>\$15,930</u>	<u>\$99,312</u>	<u>\$78,860</u>	<u>\$87</u>
<b><u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u></b>				
<b><u>Liabilities:</u></b>				
Accounts Payable	\$0	\$0	\$2,466	\$0
Accrued Wages and Benefits	26,620	1,020	0	0
Intergovernmental Payable	10,554	1,155	0	209
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>37,174</u>	<u>2,175</u>	<u>2,466</u>	<u>209</u>
<i>Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b><u>Fund Balances:</u></b>				
Nonspendable	4,727	0	0	0
Restricted	0	97,137	76,394	0
Unassigned	(25,971)	0	0	(122)
<i>Total Fund Balances</i>	<u>(21,244)</u>	<u>97,137</u>	<u>76,394</u>	<u>(122)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$15,930</u>	<u>\$99,312</u>	<u>\$78,860</u>	<u>\$87</u>

<u>Title VI-B</u>	<u>Title I</u>	<u>Other Federal Support</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$4,648	\$186,567
103,888	137,684	37,250	278,822
0	0	0	4,727
0	0	0	7,543
<u>\$103,888</u>	<u>\$137,684</u>	<u>\$41,898</u>	<u>\$477,659</u>
\$87,449	\$16,390	\$23,924	\$130,229
46,253	47,114	23,124	144,131
44,040	10,014	5,204	71,176
5,282	59,260	7,823	72,365
<u>183,024</u>	<u>132,778</u>	<u>60,075</u>	<u>417,901</u>
28,605	34,615	27,773	90,993
0	0	0	4,727
0	0	0	173,531
<u>(107,741)</u>	<u>(29,709)</u>	<u>(45,950)</u>	<u>(209,493)</u>
<u>(107,741)</u>	<u>(29,709)</u>	<u>(45,950)</u>	<u>(31,235)</u>
<u>\$103,888</u>	<u>\$137,684</u>	<u>\$41,898</u>	<u>\$477,659</u>

**ATHENS CITY SCHOOL DISTRICT**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*

*Nonmajor Special Revenue Funds*

*For the Fiscal Year Ended June 30, 2013*

	Food Service	Other Local Support	District Managed Activities	Other State Support
<b><u>Revenues:</u></b>				
Intergovernmental	\$508,717	\$38,287	\$0	\$41,945
Extracurricular Activities	0	0	86,766	0
Charges for Services	207,608	0	0	0
Contributions and Donations	0	6,597	100	0
Miscellaneous	16,094	0	4,754	0
<i>Total Revenues</i>	<u>732,419</u>	<u>44,884</u>	<u>91,620</u>	<u>41,945</u>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular	0	9,764	0	50,004
Special	0	3,654	2,320	0
<i>Support Services:</i>				
Pupil	0	0	0	0
Instructional Staff	0	9,239	0	0
Administration	0	0	0	0
Operation of Non-Instructional Services	731,618	0	0	0
Extracurricular Activities	0	0	78,643	0
Capital Outlay	0	3,000	0	0
<i>Total Expenditures</i>	<u>731,618</u>	<u>25,657</u>	<u>80,963</u>	<u>50,004</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	801	19,227	10,657	(8,059)
<b><u>Other Financing Sources:</u></b>				
Transfers In	3,300	0	0	0
<i>Total Other Financing Sources</i>	<u>3,300</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	4,101	19,227	10,657	(8,059)
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>(25,345)</u>	<u>77,910</u>	<u>65,737</u>	<u>7,937</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>(\$21,244)</u></u>	<u><u>\$97,137</u></u>	<u><u>\$76,394</u></u>	<u><u>(\$122)</u></u>

Title VI-B	Title I	Other Federal Support	Total Nonmajor Special Revenue Funds
\$461,735	\$616,699	\$310,572	\$1,977,955
0	0	0	86,766
0	0	0	207,608
0	0	0	6,697
0	0	0	20,848
<u>461,735</u>	<u>616,699</u>	<u>310,572</u>	<u>2,299,874</u>
3,845	5,363	167,773	236,749
296,641	499,168	17,450	819,233
2,784	5,419	0	8,203
229,112	66,205	149,369	453,925
0	32,022	0	32,022
0	0	0	731,618
0	0	0	78,643
0	0	0	3,000
<u>532,382</u>	<u>608,177</u>	<u>334,592</u>	<u>2,363,393</u>
(70,647)	8,522	(24,020)	(63,519)
<u>0</u>	<u>0</u>	<u>0</u>	<u>3,300</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>3,300</u>
(70,647)	8,522	(24,020)	(60,219)
<u>(37,094)</u>	<u>(38,231)</u>	<u>(21,930)</u>	<u>28,984</u>
<u>(\$107,741)</u>	<u>(\$29,709)</u>	<u>(\$45,950)</u>	<u>(\$31,235)</u>

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b><u>Revenues:</u></b>				
Property Taxes	\$13,435,465	\$13,435,465	\$13,435,465	\$0
Income Taxes	3,554,322	3,554,322	3,554,322	0
Intergovernmental	9,628,062	9,267,903	9,267,903	0
Interest	43,012	40,766	40,766	0
Tuition and Fees	2,411,823	2,506,863	2,506,863	0
Rent	11,932	71,494	71,494	0
Payment in Lieu of Taxes	215,968	256,784	256,784	0
Miscellaneous	62,576	80,350	80,350	0
<b>Total Revenues</b>	<b>29,363,160</b>	<b>29,213,947</b>	<b>29,213,947</b>	<b>0</b>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular</i>				
Salaries	10,091,861	9,580,185	9,572,948	7,237
Fringe Benefits	3,661,561	3,865,036	3,863,904	1,132
Purchased Services	1,337,266	1,489,236	1,489,236	0
Materials and Supplies	69,506	76,290	76,290	0
Other	0	237	237	0
<b>Total Regular Instruction</b>	<b>15,160,194</b>	<b>15,010,984</b>	<b>15,002,615</b>	<b>8,369</b>
<i>Special</i>				
Salaries	1,834,146	1,861,443	1,861,443	0
Fringe Benefits	598,826	651,436	651,436	0
Purchased Services	347,226	578,095	578,095	0
Materials and Supplies	19,730	11,935	11,935	0
Capital Outlay	0	395	395	0
<b>Total Special Instruction</b>	<b>2,799,928</b>	<b>3,103,304</b>	<b>3,103,304</b>	<b>0</b>
<i>Vocational</i>				
Salaries	337,089	255,260	255,260	0
Fringe Benefits	96,733	70,221	70,221	0
Purchased Services	3,902	7,205	7,205	0
Materials and Supplies	30,041	27,956	27,956	0
Capital Outlay	11,167	5,067	5,067	0
<b>Total Vocational Instruction</b>	<b>478,932</b>	<b>365,709</b>	<b>365,709</b>	<b>0</b>
<i>Student Intervention Services</i>				
Salaries	81,037	70,256	70,256	0
Fringe Benefits	25,991	25,521	25,521	0
Purchased Services	41,495	34,250	34,250	0
<b>Total Student Intervention Services</b>	<b>148,523</b>	<b>130,027</b>	<b>130,027</b>	<b>0</b>
<b>Total Instruction</b>	<b>18,587,577</b>	<b>18,610,024</b>	<b>18,601,655</b>	<b>8,369</b>
<i>Support Services:</i>				
<i>Pupils</i>				
Salaries	932,230	902,160	902,160	0
Fringe Benefits	306,250	311,518	311,518	0
Purchased Services	80,966	133,823	133,823	0
Materials and Supplies	10,243	5,385	5,385	0
<b>Total Pupils</b>	<b>1,329,689</b>	<b>1,352,886</b>	<b>1,352,886</b>	<b>0</b>

(Continued)

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Instructional Staff</b>				
Salaries	951,055	877,513	877,513	0
Fringe Benefits	807,606	772,499	772,499	0
Purchased Services	50,337	76,114	76,114	0
Materials and Supplies	8,795	3,318	3,318	0
Capital Outlay	4,405	1,426	1,426	0
<b>Total Instructional Staff</b>	<u>1,822,198</u>	<u>1,730,870</u>	<u>1,730,870</u>	<u>0</u>
<b>Board of Education</b>				
Salaries	9,353	7,625	7,625	0
Fringe Benefits	1,670	1,387	1,387	0
Purchased Services	84,154	76,082	76,082	0
Materials and Supplies	4,163	680	680	0
Other	21,146	21,360	21,360	0
<b>Total Board of Education</b>	<u>120,486</u>	<u>107,134</u>	<u>107,134</u>	<u>0</u>
<b>Administration</b>				
Salaries	1,294,796	1,163,081	1,163,081	0
Fringe Benefits	554,931	536,688	536,688	0
Purchased Services	38,474	13,752	13,752	0
Materials and Supplies	16,290	4,534	4,534	0
Other	4,500	0	0	0
<b>Total Administration</b>	<u>1,908,991</u>	<u>1,718,055</u>	<u>1,718,055</u>	<u>0</u>
<b>Fiscal</b>				
Salaries	361,312	352,053	352,053	0
Fringe Benefits	139,378	156,409	156,409	0
Purchased Services	44,427	36,123	36,123	0
Materials and Supplies	9,220	5,381	5,381	0
Other	37,584	37,488	37,488	0
<b>Total Fiscal</b>	<u>591,921</u>	<u>587,454</u>	<u>587,454</u>	<u>0</u>
<b>Business</b>				
Salaries	158,511	116,579	116,579	0
Fringe Benefits	72,327	67,039	67,039	0
Purchased Services	10,351	1,251	1,251	0
Materials and Supplies	1,843	1,046	1,046	0
Other	285,000	355,239	355,239	0
<b>Total Business</b>	<u>528,032</u>	<u>541,154</u>	<u>541,154</u>	<u>0</u>
<b>Operation and Maintenance of Plant</b>				
Salaries	1,431,076	1,232,362	1,232,362	0
Fringe Benefits	743,274	710,210	710,210	0
Purchased Services	1,138,708	768,921	768,921	0
Materials and Supplies	250,637	146,664	146,664	0
Other	45,000	74,692	74,692	0
<b>Total Operation and Maintenance of Plant</b>	<u>3,608,695</u>	<u>2,932,849</u>	<u>2,932,849</u>	<u>0</u>

(Continued)

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Pupil Transportation				
Salaries	723,737	665,974	665,974	0
Fringe Benefits	486,663	514,741	514,741	0
Purchased Services	46,055	46,582	46,582	0
Materials and Supplies	354,500	383,339	383,339	0
Other	22,500	24,862	24,862	0
Capital Outlay	0	100	100	0
Total Pupil Transportation	<u>1,633,455</u>	<u>1,635,598</u>	<u>1,635,598</u>	<u>0</u>
Central				
Salaries	82,349	77,690	77,690	0
Fringe Benefits	30,610	33,159	33,159	0
Total Central	<u>112,959</u>	<u>110,849</u>	<u>110,849</u>	<u>0</u>
Total Support Services	<u>11,656,426</u>	<u>10,716,849</u>	<u>10,716,849</u>	<u>0</u>
<i>Operation of Non-Instructional Services:</i>				
Food Service Operations				
Salaries	91	0	0	0
Fringe Benefits	5,153	3,541	3,541	0
Total Food Service Operations	<u>5,244</u>	<u>3,541</u>	<u>3,541</u>	<u>0</u>
Total Operation of Non-Instructional Services	<u>5,244</u>	<u>3,541</u>	<u>3,541</u>	<u>0</u>
<i>Extracurricular Activities:</i>				
Academic Oriented Activities				
Salaries	66,916	64,742	64,742	0
Fringe Benefits	11,533	5,150	5,150	0
Total Academic Oriented Activities	<u>78,449</u>	<u>69,892</u>	<u>69,892</u>	<u>0</u>
Sport Oriented Activities				
Salaries	268,841	243,065	243,065	0
Fringe Benefits	64,077	54,280	54,280	0
Purchased Services	9,500	9,550	9,550	0
Total Sport Oriented Activities	<u>342,418</u>	<u>306,895</u>	<u>306,895</u>	<u>0</u>
Total Extracurricular Activities	<u>420,867</u>	<u>376,787</u>	<u>376,787</u>	<u>0</u>
<i>Capital Outlay:</i>				
Building Improvement Services				
Purchased Services	6,500	7,548	7,548	0
Total Building Improvement Services	<u>6,500</u>	<u>7,548</u>	<u>7,548</u>	<u>0</u>
Total Capital Outlay	<u>6,500</u>	<u>7,548</u>	<u>7,548</u>	<u>0</u>
<i>Debt Service:</i>				
Principal Retirement	18,166	18,166	18,166	0
Total Debt Service	<u>18,166</u>	<u>18,166</u>	<u>18,166</u>	<u>0</u>
<b>Total Expenditures</b>	<u>30,694,780</u>	<u>29,732,915</u>	<u>29,724,546</u>	<u>8,369</u>
Excess of Revenues Over (Under) Expenditures	(1,331,620)	(518,968)	(510,599)	8,369
<b><i>Other Financing Sources (Uses):</i></b>				
Advances In	0	46,786	46,786	0
Transfers Out	(250,000)	(453,300)	(453,300)	0
Advances Out	(200,000)	0	0	0
Total Other Financing Sources (Uses)	<u>(450,000)</u>	<u>(406,514)</u>	<u>(406,514)</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,781,620)	(925,482)	(917,113)	8,369
Fund Balance at Beginning of Year	7,921,617	7,921,617	7,921,617	0
Prior Year Encumbrances Appropriated	<u>466,061</u>	<u>466,061</u>	<u>466,061</u>	<u>0</u>
Fund Balance at End of Year	<u>\$6,606,058</u>	<u>\$7,462,196</u>	<u>\$7,470,565</u>	<u>\$8,369</u>



**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)*  
**Bond Retirement Debt Service Fund**  
*For the Fiscal Year Ended June 30, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Property Taxes	\$1,316,024	\$1,196,446	\$1,196,446	\$0
Intergovernmental	113,426	165,399	165,399	0
<b>Total Revenues</b>	<u>1,429,450</u>	<u>1,361,845</u>	<u>1,361,845</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Support Services:</i>				
Fiscal				
Other	15,805	31,177	31,177	0
<i>Debt Service:</i>				
Principal Retirement	100,000	100,000	100,000	0
Interest and Fiscal Charges	1,159,195	1,159,194	1,159,194	0
Issuance Costs	0	145,225	145,225	0
<b>Total Expenditures</b>	<u>1,275,000</u>	<u>1,435,596</u>	<u>1,435,596</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	154,450	(73,751)	(73,751)	0
<b><u>Other Financing Sources (Uses):</u></b>				
Refunding Bonds Issued	0	7,270,000	7,270,000	0
Premium on Refunding Bonds Issued	0	791,540	791,540	
Payment to Refunded Bond Escrow Agent	0	(7,916,315)	(7,916,315)	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>145,225</u>	<u>145,225</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	154,450	71,474	71,474	0
Fund Balance at Beginning of Year	<u>3,130,651</u>	<u>3,130,651</u>	<u>3,130,651</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,285,101</u></u>	<u><u>\$3,202,125</u></u>	<u><u>\$3,202,125</u></u>	<u><u>\$0</u></u>

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*Permanent Improvement Capital Projects Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b><u>Revenues:</u></b>				
Property Taxes	\$1,250,000	\$1,348,966	\$1,348,966	\$0
Intergovernmental	0	184,022	184,022	0
Interest	0	9,878	9,878	0
Gifts and Donations	0	103,250	103,250	0
<b>Total Revenues</b>	<b>1,250,000</b>	<b>1,646,116</b>	<b>1,646,116</b>	<b>0</b>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Purchased Services	6,050	99,479	99,479	0
Materials and Supplies	980,998	936,811	936,811	0
Capital Outlay	267,575	149,839	149,839	0
<b>Total Regular</b>	<b>1,254,623</b>	<b>1,186,129</b>	<b>1,186,129</b>	<b>0</b>
<b>Total Instruction</b>	<b>1,254,623</b>	<b>1,186,129</b>	<b>1,186,129</b>	<b>0</b>
<i>Support Services:</i>				
Pupils				
Capital Outlay	9,000	0	0	0
Instructional Staff				
Purchased Services	0	19,236	19,236	0
Materials and Supplies	15,170	15,381	15,381	0
Capital Outlay	4,111	1,795	1,795	0
<b>Total Instructional Staff</b>	<b>19,281</b>	<b>36,412</b>	<b>36,412</b>	<b>0</b>
Administration				
Purchased Services	0	1,228	1,228	0
Fiscal				
Purchased Services	12,009	11,817	11,817	0
Other	40,000	35,254	35,254	0
Capital Outlay	4,000	720	720	0
<b>Total Fiscal</b>	<b>56,009</b>	<b>47,791</b>	<b>47,791</b>	<b>0</b>
Business				
Purchased Services	6,250	0	0	0
Operation and Maintenance of Plant				
Purchased Services	7,500	28,344	28,344	0
Materials and Supplies	10,000	25,116	25,116	0
Capital Outlay	2,250	0	0	0
<b>Total Operation and Maintenance of Plant</b>	<b>19,750</b>	<b>53,460</b>	<b>53,460</b>	<b>0</b>

(Continued)

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*Permanent Improvement Capital Projects Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation				
Purchased Services	14,000	14,440	14,440	0
Capital Outlay	160,000	192,216	192,216	0
Total Pupil Transportation	174,000	206,656	206,656	0
Total Support Services	284,290	345,547	345,547	0
<i>Operation of Non-Instructional Services:</i>				
Food Service Operation				
Materials and Supplies	4,500	0	0	0
Capital Outlay	2,500	0	0	0
Total Operation of Non-Instructional Services	7,000	0	0	0
<i>Capital Outlay:</i>				
Site Improvement Services				
Purchased Services	11,274	0	0	0
Capital Outlay	141,119	188,056	188,056	0
Total Site Improvement Services	152,393	188,056	188,056	0
Architecture and Engineering Services				
Purchased Services	6,310	7,838	7,838	0
Building Improvement Services				
Purchased Services	3,694	321,612	321,612	0
Capital Outlay	8,106	29,460	29,460	0
Total Building Improvement Services	11,800	351,072	351,072	0
Other Facilities Acquisition and Construction				
Purchased Services	0	141,000	141,000	0
Total Other Facilities Acquisition and Construction	0	141,000	141,000	0
Total Capital Outlay	170,503	687,966	687,966	0
Total Expenditures	1,716,416	2,219,642	2,219,642	0
Excess of Revenues Over (Under) Expenditures	(466,416)	(573,526)	(573,526)	0
<i>Other Financing Sources:</i>				
Insurance Recoveries	0	157,098	157,098	0
Total Other Financing Sources	0	157,098	157,098	0
Excess of Revenue and Other Financing Sources Over (Under) Expenditures	(466,416)	(416,428)	(416,428)	0
Fund Balance at Beginning of Year	2,347,915	2,347,915	2,347,915	0
Fund Balance at End of Year	\$1,881,499	\$1,931,487	\$1,931,487	\$0

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)*  
**Food Service Special Revenue Fund**  
For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$542,280	\$555,503	\$555,503	\$0
Customer Sales and Service	234,306	207,608	207,608	0
Miscellaneous	14,441	16,094	16,094	0
<i>Total Revenues</i>	791,027	779,205	779,205	0
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Operation of Non-Instructional Services:</i>				
Food Service				
Salaries	280,000	236,086	236,086	0
Fringe Benefits	191,045	178,409	178,409	0
Purchased Services	6,893	9,978	9,978	0
Materials and Supplies	362,714	313,831	313,831	0
Other	0	82	82	0
Total Operation of Non-Instructional Services	840,652	738,386	738,386	0
<i>Total Expenditures</i>	840,652	738,386	738,386	0
Excess of Revenues Over (Under) Expenditures	(49,625)	40,819	40,819	0
<b><u>Other Financing Sources (Uses):</u></b>				
Advances In	47,487	0	0	0
Transfers In	52,293	3,300	3,300	0
Advances Out	0	(46,786)	(46,786)	0
<i>Total Other Financing Sources (Uses)</i>	99,780	(43,486)	(43,486)	0
Excess of Revenues and Other Financing Sources Over Over (Under) Expenditures and Other Financing Uses	50,155	(2,667)	(2,667)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	2,747	2,747	2,747	0
Fund Balance at End of Year	\$52,902	\$80	\$80	\$0

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*Other Local Support Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$3,000	\$38,287	\$38,287	\$0
Contributions and Donations	0	\$6,597	6,597	0
<b>Total Revenues</b>	<b>3,000</b>	<b>44,884</b>	<b>44,884</b>	<b>0</b>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Purchased Services	40	4,880	4,880	0
Materials and Supplies	5,983	3,735	3,735	0
Other	1,994	4,426	4,426	0
Capital Outlay	23	22,428	22,428	0
<b>Total Regular</b>	<b>8,040</b>	<b>35,469</b>	<b>35,469</b>	<b>0</b>
Special				
Capital Outlay	0	3,654	3,654	0
<b>Total Instruction</b>	<b>8,040</b>	<b>39,123</b>	<b>39,123</b>	<b>0</b>
<i>Support Services:</i>				
Instructional Staff				
Salaries	7,340	8,972	8,972	0
Fringe Benefits	1,134	1,386	1,386	0
Purchased Services	0	50	50	0
<b>Total Support Services</b>	<b>8,474</b>	<b>10,408</b>	<b>10,408</b>	<b>0</b>
<i>Extracurricular Activities:</i>				
Academic Oriented Activities				
Capital Outlay	4,270	2,181	2,181	0
<b>Total Extracurricular Activities</b>	<b>4,270</b>	<b>2,181</b>	<b>2,181</b>	<b>0</b>
<i>Capital Outlay:</i>				
Site Improvement Services				
Other	3,000	3,000	3,000	0
<b>Total Capital Outlay</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>
<b>Total Expenditures</b>	<b>23,784</b>	<b>54,712</b>	<b>54,712</b>	<b>0</b>
Excess of Revenues Over (Under) Expenditures	(20,784)	(9,828)	(9,828)	0
Fund Balance at Beginning of Year	76,590	76,590	76,590	0
Prior Year Encumbrances Appropriated	6,845	6,845	6,845	0
<b>Fund Balance at End of Year</b>	<b>\$62,651</b>	<b>\$73,607</b>	<b>\$73,607</b>	<b>\$0</b>

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
District Managed Student Activities Special Revenue Fund  
For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b><u>Revenues:</u></b>				
Extracurricular Activities	\$16,450	\$86,766	\$86,766	\$0
Contributions and Donations	1,000	100	100	0
Miscellaneous	0	4,754	4,754	0
<i>Total Revenues</i>	<u>17,450</u>	<u>91,620</u>	<u>91,620</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Special</i>				
Purchased Services	<u>0</u>	<u>2,319</u>	<u>2,319</u>	<u>0</u>
<i>Extracurricular Activities:</i>				
<i>Academic Oriented Activities</i>				
Purchased Services	300	0	0	0
Materials and Supplies	3,853	2,195	2,195	0
Other	250	44	44	0
Capital Outlay	1,200	0	0	0
<i>Total Academic Oriented Extracurricular Activities</i>	<u>5,603</u>	<u>2,239</u>	<u>2,239</u>	<u>0</u>
<i>Sport Oriented Activities</i>				
Purchased Services	9,527	38,282	38,282	0
Materials and Supplies	26,267	29,148	29,148	0
Other	870	5,947	5,947	0
Capital Outlay	11,791	4,559	4,559	0
<i>Total Sport Oriented Extracurricular Activities</i>	<u>48,455</u>	<u>77,936</u>	<u>77,936</u>	<u>0</u>
<i>Total Extracurricular Activities</i>	<u>54,058</u>	<u>80,175</u>	<u>80,175</u>	<u>0</u>
<i>Total Expenditures</i>	<u>54,058</u>	<u>82,494</u>	<u>82,494</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	(36,608)	9,126	9,126	0
Fund Balance at Beginning of Year	54,729	54,729	54,729	0
Prior Year Encumbrances Appropriated	<u>11,008</u>	<u>11,008</u>	<u>11,008</u>	<u>0</u>
Fund Balance at End of Year	<u>\$29,129</u>	<u>\$74,863</u>	<u>\$74,863</u>	<u>\$0</u>

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual (Budget Basis)  
 Other State Support Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$15,742	\$37,374	\$37,374	0
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular</i>				
Salaries	4,231	34,994	34,994	0
Fringe Benefits	1,964	10,661	10,661	0
Materials and Supplies	0	505	505	0
Other	0	9,492	9,492	0
<i>Total Expenditures</i>	6,195	55,652	55,652	0
Excess of Revenues Over (Under) Expenditures	9,547	(18,278)	(18,278)	0
Fund Balance at Beginning of Year	17,912	17,912	17,912	0
Prior Year Encumbrances Appropriated	366	366	366	0
Fund Balance at End of Year	\$27,825	\$0	\$0	\$0

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)*  
**Title VI-B Special Revenue Fund**  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b><u>Revenues:</u></b>				
Intergovernmental	\$620,381	\$611,478	\$507,591	(\$103,887)
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular</i>				
Fringe Benefits	7,269	8,334	8,334	0
<i>Special</i>				
Salaries	14,772	245,421	245,421	0
Fringe Benefits	0	59,506	59,506	0
Total Special Instruction	<u>14,772</u>	<u>304,927</u>	<u>304,927</u>	<u>0</u>
Total Instruction	<u>22,041</u>	<u>313,261</u>	<u>313,261</u>	<u>0</u>
<i>Support Services:</i>				
<i>Pupils</i>				
Salaries	9,783	7,361	7,361	0
Fringe Benefits	0	1,143	1,143	0
Total Pupils	<u>9,783</u>	<u>8,504</u>	<u>8,504</u>	<u>0</u>
<i>Instructional Staff</i>				
Salaries	0	48,223	48,223	0
Fringe Benefits	0	55,780	55,780	0
Purchased Services	0	60,000	60,000	0
Materials and Supplies	0	15,395	15,395	0
Total Instructional Staff	<u>0</u>	<u>179,398</u>	<u>179,398</u>	<u>0</u>
Total Support Services	<u>9,783</u>	<u>187,902</u>	<u>187,902</u>	<u>0</u>
<i>Total Expenditures</i>	<u>31,824</u>	<u>501,163</u>	<u>501,163</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	588,557	110,315	6,428	(103,887)
Fund Balance (Deficit) at Beginning of Year	(94,307)	(94,307)	(94,307)	0
Prior Year Encumbrances Appropriated	<u>3,845</u>	<u>3,845</u>	<u>3,845</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$498,095</u>	<u>\$19,853</u>	<u>(\$84,034)</u>	<u>(\$103,887)</u>



**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)*  
**Title I Special Revenue Fund**  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b><u>Revenues:</u></b>				
Intergovernmental	\$979,578	\$977,073	\$635,835	(\$341,238)
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries	0	5,363	5,363	0
Special				
Salaries	74,462	267,345	270,969	(3,624)
Fringe Benefits	52,001	132,772	129,148	3,624
Purchased Services	21,861	44,012	44,012	0
Materials and Supplies	20,275	63,619	63,619	0
Capital Outlay	35,945	65,785	65,785	0
Total Special Instruction	204,544	573,533	573,533	0
Total Instruction	204,544	578,896	578,896	0
<i>Support Services:</i>				
Pupils				
Materials and Supplies	10,401	5,883	5,883	0
Instructional Staff				
Salaries	1,561	39,766	39,766	0
Fringe Benefits	1,203	9,339	9,339	0
Purchased Services	537	10,084	10,084	0
Materials and Supplies	8,081	1,791	1,791	0
Capital Outlay	883	0	0	0
Total Instructional Staff	12,265	60,980	60,980	0
Administration				
Salaries	0	22,000	22,000	0
Fringe Benefits	0	11,000	11,000	0
Total Administration	0	33,000	33,000	0
Total Support Services	22,666	99,863	99,863	0
<b>Total Expenditures</b>	<b>227,210</b>	<b>678,759</b>	<b>678,759</b>	<b>0</b>
Excess of Revenues Over (Under) Expenditures	752,368	298,314	(42,924)	(341,238)
Fund Balance (Deficit) at Beginning of Year	(113,397)	(113,397)	(113,397)	0
Prior Year Encumbrances Appropriated	64,148	64,148	64,148	0
Fund Balance (Deficit) at End of Year	<u>\$703,119</u>	<u>\$249,065</u>	<u>(\$92,173)</u>	<u>(\$341,238)</u>

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*Other Federal Support Special Revenue Fund*  
*For the Fiscal Year Ended June 30, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Intergovernmental	\$507,563	\$630,963	\$520,347	(\$110,616)
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular				
Salaries	100,835	168,862	168,862	0
Fringe Benefits	3,950	57,629	57,629	0
Purchased Services	7,928	0	0	0
Materials and Supplies	2,089	0	0	0
Total Regular Instruction	<u>114,802</u>	<u>226,491</u>	<u>226,491</u>	<u>0</u>
Special				
Salaries	5,597	10,603	10,603	0
Fringe Benefits	987	2,639	2,639	0
Purchased Services	67	2,400	2,400	0
Materials and Supplies	1,372	1,938	1,938	0
Total Special Instruction	<u>8,023</u>	<u>17,580</u>	<u>17,580</u>	<u>0</u>
Total Instruction	<u>122,825</u>	<u>244,071</u>	<u>244,071</u>	<u>0</u>
<i>Support Services:</i>				
Pupils				
Purchased Services	<u>581</u>	<u>895</u>	<u>895</u>	<u>0</u>
Instructional Staff				
Salaries	0	43,768	43,768	0
Fringe Benefits	0	8,619	8,619	0
Purchased Services	14,763	69,709	69,709	0
Materials and Supplies	3,842	2,580	2,580	0
Other	0	1,069	1,069	0
Capital Outlay	500	2,657	2,657	0
Total Instructional Staff	<u>19,105</u>	<u>128,402</u>	<u>128,402</u>	<u>0</u>
Administration				
Purchased Services	14,425	14,425	14,425	0
Pupil Transportation				
Purchased Services	<u>10,150</u>	<u>7,102</u>	<u>7,102</u>	<u>0</u>
Total Support Services	<u>44,261</u>	<u>150,824</u>	<u>150,824</u>	<u>0</u>
Total Expenditures	<u>167,086</u>	<u>394,895</u>	<u>394,895</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	340,477	236,068	125,452	(110,616)
Fund Balance (Deficit) at Beginning of Year	(166,029)	(166,029)	(166,029)	0
Prior Year Encumbrances Appropriated	<u>32,744</u>	<u>32,744</u>	<u>32,744</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$207,192</u>	<u>\$102,783</u>	<u>(\$7,833)</u>	<u>(\$110,616)</u>

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)*  
**Storm Damage Replacement Capital Projects Fund**  
For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b><u>Revenues</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures</u></b>				
<i>Capital Outlay:</i>				
Site Improvement Services				
Capital Outlay	4,455	0	0	0
Architecture and Engineering Services				
Purchased Services	9,753	0	0	0
Building Improvement Services				
Capital Outlay	120	0	0	0
Total Capital Outlay	14,328	0	0	0
Total Expenditures	14,328	0	0	0
Excess of Revenues Over (Under) Expenditures	(14,328)	0	0	0
<b><u>Other Financing Sources:</u></b>				
Insurance Recoveries	0	188,721	188,721	0
Excess of Revenue and Other Financing Sources Over (Under) Expenditures	(14,328)	188,721	188,721	0
Fund Balance (Deficit) at Beginning of Year	(203,049)	(203,049)	(203,049)	0
Prior Year Encumbrances Appropriated	14,328	14,328	14,328	0
Fund Balance (Deficit) at End of Year	(\$203,049)	\$0	\$0	\$0

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*Uniform School Supplies Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Tuition and Fees	\$56,765	\$59,510	\$59,510	\$0
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
Instruction:				
Regular	64,624	45,962	45,962	0
Materials and Supplies	0	1,394	1,394	0
Total Instruction	64,624	47,356	47,356	0
Support Services:				
Pupils				
Materials and Supplies	79	11,477	11,477	0
Total Support Service	79	11,477	11,477	0
<i>Total Expenditures</i>	64,703	58,833	58,833	0
Excess of Revenues Over (Under) Expenditures	(7,938)	677	677	0
<b><u>Other Financing Sources:</u></b>				
Transfers In	1,161	0	0	0
Excess of Revenue and Other Financing Sources Over (Under) Expenditures	(6,777)	677	677	0
Fund Balance at Beginning of Year	24,340	24,340	24,340	0
Prior Year Encumbrances Appropriated	2,958	2,958	2,958	0
Fund Balance at End of Year	\$20,521	\$27,975	\$27,975	\$0

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Tuition and Fees	\$9,713	\$12,256	\$12,256	\$0
Extracurricular Activities	32,780	24,211	24,211	0
Gifts and Donations	4,097	2,841	2,841	0
<i>Total Revenues</i>	<u>46,590</u>	<u>39,308</u>	<u>39,308</u>	<u>0</u>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular</i>				
Fringe Benefits	0	1,434	1,434	0
Purchased Services	10,310	15,165	15,165	0
Materials and Supplies	25,751	18,919	18,919	0
Other	8,322	3,273	3,273	0
Capital Outlay	8,504	3,901	3,901	0
Total Regular	<u>52,887</u>	<u>42,692</u>	<u>42,692</u>	<u>0</u>
<i>Special</i>				
Capital Outlay	0	1,000	1,000	0
Total Instruction	<u>52,887</u>	<u>43,692</u>	<u>43,692</u>	<u>0</u>
<i>Support Services:</i>				
<i>Instructional Staff</i>				
Materials and Supplies	0	499	499	0
Total Instructional Staff	<u>0</u>	<u>499</u>	<u>499</u>	<u>0</u>
<i>Administration</i>				
Materials and Supplies	22,700	390	390	0
Capital Outlay	7,153	178	178	0
Total Administration	<u>29,853</u>	<u>568</u>	<u>568</u>	<u>0</u>
Total Support Service	<u>29,853</u>	<u>1,067</u>	<u>1,067</u>	<u>0</u>
<i>Total Expenditures</i>	<u>82,740</u>	<u>44,759</u>	<u>44,759</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	(36,150)	(5,451)	(5,451)	0
<b><u>Other Financing Sources:</u></b>				
Transfers In	14,645	0	0	0
Excess of Revenue and Other Financing Sources Over (Under) Expenditures	(21,505)	(5,451)	(5,451)	0
Fund Balance at Beginning of Year	75,646	75,646	75,646	0
Prior Year Encumbrances Appropriated	2,273	2,273	2,273	0
Fund Balance at End of Year	<u>\$56,414</u>	<u>\$72,468</u>	<u>\$72,468</u>	<u>\$0</u>

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*Termination Benefits Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues</u></b>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
Instruction:				
Regular				
Salaries	0	288,910	288,910	0
Fringe Benefits	732	5,797	5,797	0
Total Regular	732	294,707	294,707	0
Special				
Salaries	0	74,684	74,684	0
Fringe Benefits	0	1,191	1,191	0
Total Special	0	75,875	75,875	0
Total Instruction	732	370,582	370,582	0
Support Services:				
Administration				
Salaries	0	1,046	1,046	0
Fringe Benefits	0	15	15	0
Total Administration	0	1,061	1,061	0
Fiscal				
Salaries	0	26,754	26,754	0
Fringe Benefits	0	8	8	0
Total Fiscal	0	26,762	26,762	0
Operation and Maintenance of Plant				
Salaries	0	2,957	2,957	0
Fringe Benefits	0	43	43	0
Total Operation and Maintenance of Plant	0	3,000	3,000	0
Total Support Service	0	30,823	30,823	0
Total Expenditures	732	401,405	401,405	0
Excess of Revenues Over (Under) Expenditures	(732)	(401,405)	(401,405)	0
<b><u>Other Financing Sources:</u></b>				
Transfers In	0	450,000	450,000	0
Excess of Revenue and Other Financing Sources Over (Under) Expenditures	(732)	48,595	48,595	0
Fund Balance (Deficit) at Beginning of Year	(10,752)	(10,752)	(10,752)	0
Prior Year Encumbrances Appropriated	732	732	732	0
Fund Balance (Deficit) at End of Year	(\$10,752)	\$38,575	\$38,575	\$0

**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual (Budget Basis)*  
*Unclaimed Monies Fund*  
*For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Miscellaneous	\$0	\$7,088	\$6,532	(\$556)
<b><u>Expenditures</u></b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	0	7,088	6,532	(556)
Fund Balance at Beginning of Year	<u>108,634</u>	<u>108,634</u>	<u>108,634</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$108,634</u></u>	<u><u>\$115,722</u></u>	<u><u>\$115,166</u></u>	<u><u>(\$556)</u></u>

***ATHENS CITY SCHOOL DISTRICT***  
***Description of Proprietary Fund***

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***INTERNAL SERVICE FUND***

The Internal Service Fund is used to account for the financing of services provided by one department to other departments of the District on a cost-reimbursement basis. The following is a description of the District's nonmajor internal service fund.

***Employee Benefits Self-Insurance***

A fund used to account for health and prescription drug self-insurance revenues and expenses. Since this is the only internal service fund, no combining statements for the internal service fund are presented.



**ATHENS CITY SCHOOL DISTRICT**  
*Schedule of Revenues, Expenses and  
Changes in Fund Equity - Budget and Actual (Budget Basis)  
Employee Benefits Self-Insurance Internal Service Fund  
For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Charges for Services	\$5,145,562	\$5,636,045	\$5,636,045	\$0
<i>Total Revenues</i>	5,145,562	5,636,045	5,636,045	0
<b><u>Expenses:</u></b>				
Salaries	80,700	80,700	80,700	0
Fringe Benefits	12,594	12,388	12,388	0
Purchased Services	4,898	5,555	5,555	0
Claims	6,357,498	5,987,484	5,987,484	0
Other	6,020	3,907	3,907	0
<i>Total Expenses</i>	6,461,710	6,090,034	6,090,034	0
Operating Income (Loss)	(1,316,148)	(453,989)	(453,989)	0
<b><u>Nonoperating Revenues:</u></b>				
Interest	16,413	9,119	9,119	0
<i>Total Nonoperating Revenues</i>	16,413	9,119	9,119	0
Excess of Revenues Over (Under) Expenses	(1,299,735)	(444,870)	(444,870)	0
Fund Equity at Beginning of Year	3,698,417	3,698,417	3,698,417	0
Prior Year Encumbrances Appropriated	109,416	109,416	109,416	0
Fund Equity at End of Year	\$2,508,098	\$3,362,963	\$3,362,963	\$0

**ATHENS CITY SCHOOL DISTRICT**  
**Description of Fiduciary Fund**

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**FIDUCIARY FUND**

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. These include private purpose trust and agency funds.

***Agency Fund***

Agency Funds are used to account for assets held by the District in a purely custodial capacity.

**Student Managed Activities**

A fund used to account for those student activity programs which have student participation in the activity and have student involvement in the management of the program.

**ATHENS CITY SCHOOL DISTRICT**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2013*

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	<u>July 1, 2012</u> <u>Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2013</u> <u>Balance</u>
<b><u>Student Activity Fund</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash, Cash Equivalents and Investments	<u>\$110,764</u>	<u>\$114,941</u>	<u>\$97,759</u>	<u>\$127,946</u>
<b><u>Liabilities:</u></b>				
Due to Students	<u>\$110,764</u>	<u>\$114,941</u>	<u>\$97,759</u>	<u>\$127,946</u>

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# ATHENS CITY SCHOOL DISTRICT



## STATISTICAL SECTION

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# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	92 - 98
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax (and the income tax).	99 - 110
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	108 - 114
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	115 - 118
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	119 - 121

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

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**ATHENS CITY SCHOOL DISTRICT**

*Net Position by Component*

*Last Ten Fiscal Years*

*June 30, 2013*

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	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Net Investment in Capital Assets	\$6,553,026	\$5,156,884	\$7,101,713	\$6,458,995	\$6,958,111	\$6,735,851	\$7,315,598	\$8,786,488	\$8,857,380	\$7,467,696
Restricted for:										
Capital Projects	3,640,336	3,634,799	3,439,769	2,887,943	2,958,786	3,322,849	3,015,336	3,065,004	2,283,355	2,151,335
Debt Service	3,749,539	3,049,491	2,076,548	2,464,074	2,783,778	3,071,120	3,007,989	3,081,065	3,242,403	3,332,478
Other Purposes	571,302	723,608	663,460	592,779	586,240	620,310	979,006	215,322	139,963	97,930
Unrestricted	<u>4,569,634</u>	<u>4,906,623</u>	<u>4,888,125</u>	<u>5,089,174</u>	<u>7,952,675</u>	<u>9,867,464</u>	<u>9,446,253</u>	<u>9,868,898</u>	<u>9,008,001</u>	<u>9,537,143</u>
<b>Total Net Position</b>	<u><u>\$19,083,837</u></u>	<u><u>\$17,471,405</u></u>	<u><u>\$18,169,615</u></u>	<u><u>\$17,492,965</u></u>	<u><u>\$21,239,590</u></u>	<u><u>\$23,617,594</u></u>	<u><u>\$23,764,182</u></u>	<u><u>\$25,016,777</u></u>	<u><u>\$23,531,102</u></u>	<u><u>\$22,586,582</u></u>

**ATHENS CITY SCHOOL DISTRICT**  
*Changes in Net Position of Governmental Activities*  
*Last Ten Fiscal Years*  
*June 30, 2013*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
Regular Instruction	\$13,564,316	\$13,662,796	\$14,178,578	\$15,026,568	\$14,593,578	\$15,652,902	\$16,382,027	\$16,821,330	\$18,187,080	\$18,020,393
Special Instruction	3,344,419	3,540,251	3,393,969	3,498,510	3,223,201	3,653,542	3,685,796	3,563,124	3,860,753	4,028,772
Vocational Instruction	401,449	399,059	256,282	307,970	289,528	343,739	419,445	508,534	426,089	355,167
Student Intervention Services	0	7,068	10,221	18,611	295,882	362,017	148,213	133,738	140,530	136,099
Pupil Support	1,160,088	1,486,340	1,315,904	1,269,746	1,085,787	1,386,740	1,520,110	1,419,013	1,424,781	1,396,533
Board of Education	120,421	102,567	116,190	100,408	114,815	87,678	164,636	123,282	124,844	105,858
Administration	1,817,458	1,877,535	1,841,002	1,869,748	1,890,289	1,907,707	1,938,680	1,794,241	1,893,072	1,724,782
Fiscal	717,844	743,760	909,318	852,201	661,973	717,860	702,311	664,616	663,653	674,254
Business	161,459	157,231	166,720	203,064	603,907	610,723	602,219	548,213	512,174	530,625
Operation and Maintenance of Plant	3,319,257	3,062,608	3,756,393	4,090,802	3,500,974	3,725,763	3,798,711	3,427,110	3,352,531	2,908,958
Pupil Transportation	1,719,827	1,898,101	1,722,528	2,158,755	1,654,666	1,919,536	1,923,397	1,887,563	1,751,924	2,000,573
Central	137,756	160,082	195,915	200,975	167,721	200,597	203,103	124,258	240,493	105,958
Operation of Food Services	786,109	794,515	834,670	929,162	843,310	869,551	849,165	823,199	804,940	739,455
Other Non-Instructional Services	2,284	1,834	13,077	4,810	22,370	300	5,398	33,650	11,221	4,791
Extracurricular Activities	459,851	455,234	500,172	455,568	461,995	526,387	475,833	617,610	520,707	498,454
Interest and Fiscal Charges	1,417,716	2,282,367	625,872	769,066	625,504	683,439	678,788	819,837	696,149	485,943
Issuance Costs	0	0	0	0	0	0	0	0	0	145,225
<b>Total Expenses</b>	<b>30,567,936</b>	<b>32,169,309</b>	<b>31,471,894</b>	<b>33,497,902</b>	<b>31,780,064</b>	<b>34,577,909</b>	<b>35,977,568</b>	<b>35,892,832</b>	<b>37,195,967</b>	<b>36,001,531</b>
<b>Program Revenues</b>										
Charges for Services										
Regular Instruction	66,599	96,889	2,269,227	2,287,936	2,399,190	2,815,158	2,788,133	2,570,188	2,467,045	2,590,938
Special Instruction	1,965,444	2,042,278	0	0	0	3,510	4,350	0	5,013	0
Pupil Support	0	0	57	749	7,996	8,846	6,529	0	0	11,902
Instructional Staff Support	0	6,178	8,059	499	395	902	11,264	0	0	0
Administration Support	0	2,058	4,001	5,427	0	2,120	1,725	0	11,585	0
Pupil Transportation	0	0	0	0	0	0	0	0	10,921	0
Central	0	0	0	0	1,678	1,330	1,200	0	0	0
Operation of Food Service	319,825	315,983	350,560	335,176	342,785	309,879	248,732	250,086	230,843	207,608
Extracurricular Activities	87,401	100,120	88,675	66,609	57,919	58,325	82,654	91,329	95,246	86,766
Operating Grants and Contributions										
Regular Instruction	2,308,489	960,597	215,458	1,165,862	1,438,977	1,425,892	3,061,087	3,470,501	906,437	218,087
Special Instruction	1,343,634	1,841,012	1,443,815	1,465,936	1,462,338	1,614,983	1,611,465	2,235,658	1,679,296	1,546,280
Vocational Instruction	0	38,639	38,995	50,204	59,979	55,179	55,593	56,010	56,010	56,010
Student Intervention Services	0	0	0	0	126,955	238,606	0	0	0	0
Pupil Support	119,363	575,623	53,537	158,187	108,089	119,433	203,840	71,976	50,907	0
Instructional Staff Support	8,722	405,881	57,415	668,021	538,356	508,912	485,938	315,404	312,686	309,357
Board of Education	0	0	0	0	0	0	0	0	2,300	0
Administration	190,181	67,209	50,428	15,834	31,135	84,423	267,015	279,671	39,588	29,633
Fiscal	0	2,958	0	0	0	0	4,599	4,941	0	0
Business	0	0	0	0	5,740	0	0	0	0	0
Operation and Maintenance of Plant	167,108	0	0	0	0	0	361,017	364,594	0	0
Pupil Transportation	629,950	629,863	670,745	653,958	669,750	703,910	830,122	762,255	72,456	41,171
Central	41,263	44,328	35,163	65,898	59,131	62,034	62,609	31,305	50,591	0
Operation of Food Service	381,511	426,992	446,030	441,861	513,761	491,403	496,980	487,611	525,116	508,717
Extracurricular Activities	393	12,940	16,094	3,121	1,299	925	1,471	15,307	3,082	4,589

**ATHENS CITY SCHOOL DISTRICT**  
*Changes in Net Position of Governmental Activities (continued)*  
*Last Ten Fiscal Years*  
*June 30, 2013*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Capital Grants and Contributions										
Regular Instruction	0	81,624	0	0	18,122	0	0	0	0	103,250
Vocational Instruction	0	0	0	0	0	0	0	0	0	0
Operation and Maintenance of Plant	0	21,281	0	0	0	0	0	0	0	0
Pupil Transportation	0	26,602	0	0	0	0	0	225,000	0	0
<b>Total Program Revenues</b>	<b>7,629,883</b>	<b>7,699,055</b>	<b>5,748,259</b>	<b>7,385,278</b>	<b>7,843,595</b>	<b>8,505,770</b>	<b>10,586,323</b>	<b>11,231,836</b>	<b>6,519,122</b>	<b>5,714,308</b>
Net Expense	(22,938,053)	(24,470,254)	(25,723,635)	(26,112,624)	(23,936,469)	(26,072,139)	(25,391,245)	(24,660,996)	(30,676,845)	(30,287,223)
<b>General Revenues</b>										
Property Taxes Levied for:										
General Purposes	10,490,268	12,036,724	14,127,682	13,629,210	13,084,533	13,460,513	13,028,423	12,674,696	13,064,362	13,519,257
Debt Service	2,373,389	1,778,189	1,443,662	1,484,806	1,513,731	1,413,518	1,201,213	1,191,370	1,243,495	1,204,329
Capital Outlay	952,625	909,036	963,223	1,072,450	1,190,764	1,231,561	1,155,002	1,139,281	1,258,171	1,356,453
Income Taxes	0	0	0	186,249	3,298,754	2,983,038	3,378,878	3,260,583	3,463,108	3,534,523
Grants and Entitlements not										
Restricted to Specific Programs	8,292,211	7,619,010	8,775,371	7,731,693	7,738,957	8,418,895	6,181,952	6,105,678	9,256,584	8,886,339
Payments in Lieu of Taxes	19,629	153,841	123,188	554,421	148,701	441,147	165,468	317,647	215,968	256,784
Gain on Sale of Capital Assets	0	0	0	0	14,932	0	0	0	0	0
Tuition and Fees	0	0	0	0	0	0	0	0	0	0
Unrestricted Contributions	4,491	0	0	0	0	0	0	0	0	0
Investment Earnings	195,455	237,517	423,812	698,487	712,179	429,465	217,871	177,670	81,616	59,974
Miscellaneous	106,456	123,505	63,054	78,658	49,963	72,006	85,752	198,597	96,522	179,225
<b>Total General Revenues</b>	<b>22,434,524</b>	<b>22,857,822</b>	<b>25,919,992</b>	<b>25,435,974</b>	<b>27,752,514</b>	<b>28,450,143</b>	<b>25,414,559</b>	<b>25,065,522</b>	<b>28,679,826</b>	<b>28,996,884</b>
Extraordinary Item										
Gain on Insurance Recovery	0	0	0	0	0	0	0	848,069	611,436	345,819
<b>Change in Net Position</b>	<b>(\$503,529)</b>	<b>(\$1,612,432)</b>	<b>\$196,357</b>	<b>(\$676,650)</b>	<b>\$3,816,045</b>	<b>\$2,378,004</b>	<b>\$23,314</b>	<b>\$1,252,595</b>	<b>(\$1,385,583)</b>	<b>(\$944,520)</b>

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**ATHENS CITY SCHOOL DISTRICT**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*June 30, 2013*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Fund</b>										
Reserved	\$741,014	\$723,265	\$548,472	\$564,388	\$359,471	\$1,015,225	\$1,448,279	\$0	\$0	\$0
Unreserved	2,145,784	1,414,789	1,811,035	1,971,605	4,887,743	6,068,060	6,289,341	0	0	0
<i>Total General Fund</i>	<u>2,886,798</u>	<u>2,138,054</u>	<u>2,359,507</u>	<u>2,535,993</u>	<u>5,247,214</u>	<u>7,083,285</u>	<u>7,737,620</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>All Other Governmental Funds</b>										
Reserved	639,481	310,220	202,777	444,678	361,965	338,594	247,292	0	0	0
Unreserved, Undesignated, Reported in:										
Special Revenue Funds	137,146	148,680	(32,868)	424,466	767,962	670,826	150,995	0	0	0
Debt Service Funds	3,561,264	3,268,766	1,869,720	2,224,541	2,617,761	2,821,755	2,899,907	0	0	0
Capital Projects Funds	3,172,261	3,519,659	3,335,944	2,470,164	2,683,703	3,064,166	2,863,699	0	0	0
<i>Total All Other Governmental Funds</i>	<u>7,510,152</u>	<u>7,247,325</u>	<u>5,375,573</u>	<u>5,563,849</u>	<u>6,431,391</u>	<u>6,895,341</u>	<u>6,161,893</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>General Fund</b>										
Nonspendable	0	0	0	0	0	0	0	0	108,633	185,532
Committed	0	0	0	0	0	0	0	0	0	38,575
Assigned	0	0	0	0	0	0	0	262,310	566,558	282,817
Unassigned	0	0	0	0	0	0	0	7,856,897	6,895,607	6,587,565
<i>Total General Fund</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,119,207</u>	<u>7,570,798</u>	<u>7,094,489</u>
<b>All Other Governmental Funds</b>										
Nonspendable	0	0	0	0	0	0	0	5,842	6,414	4,727
Restricted	0	0	0	0	0	0	0	6,333,627	5,585,440	5,555,329
Unassigned	0	0	0	0	0	0	0	(876,412)	(317,735)	(209,493)
<i>Total All Other Governmental Funds</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,463,057</u>	<u>5,274,119</u>	<u>5,350,563</u>
<i>Total Governmental Funds</i>	<u>\$10,396,950</u>	<u>\$9,385,379</u>	<u>\$7,735,080</u>	<u>\$8,099,842</u>	<u>\$11,678,605</u>	<u>\$13,978,626</u>	<u>\$13,899,513</u>	<u>\$13,582,264</u>	<u>\$12,844,917</u>	<u>\$12,445,052</u>

Note: The School District implemented GASB 54 in 2011.

**ATHENS CITY SCHOOL DISTRICT**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*June 30, 2013*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Property Taxes	\$13,743,291	\$14,575,215	\$16,407,865	\$16,390,961	\$15,864,471	\$15,914,806	\$15,311,157	\$15,048,753	\$15,372,031	\$16,083,953
Income Taxes	0	0	0	186,249	3,298,754	2,983,038	3,378,878	3,260,583	3,463,108	3,534,523
Intergovernmental	13,104,365	12,510,583	11,823,440	12,845,511	12,811,242	13,710,944	13,603,267	13,966,917	13,036,138	11,609,598
Interest	184,687	201,111	364,738	623,972	638,554	421,340	188,266	144,536	62,159	50,855
Tuition and Fees	2,032,043	2,120,912	2,252,515	2,267,998	2,386,287	2,804,408	2,787,291	2,570,188	2,455,778	2,578,629
Extracurricular Activities	116,288	126,611	117,504	93,222	80,891	85,783	101,584	91,329	134,032	110,977
Contributions and Donations	22,784	42,051	36,711	20,687	20,716	13,651	21,335	235,266	11,814	112,788
Charges for Services	319,825	315,983	350,560	335,176	342,785	309,879	248,732	250,086	230,843	207,608
Rentals	12,888	8,914	6,572	11,259	5,277	3,621	4,637	7,005	215,968	71,494
Payments in Lieu of Taxes	19,629	153,841	123,188	554,421	148,701	441,147	165,468	317,647	35,004	256,784
Miscellaneous	64,682	114,591	56,482	67,399	44,686	68,385	87,181	189,285	84,708	107,731
<b>Total Revenues</b>	<b>29,620,482</b>	<b>30,169,812</b>	<b>31,539,575</b>	<b>33,396,855</b>	<b>35,642,364</b>	<b>36,757,002</b>	<b>35,897,796</b>	<b>36,081,595</b>	<b>35,101,583</b>	<b>34,724,940</b>
<b>Expenditures</b>										
<b>Current:</b>										
<b>Instruction:</b>										
Regular	11,218,814	12,700,867	13,212,771	13,821,226	13,723,111	14,707,142	15,169,196	15,518,842	15,702,414	16,550,252
Special	3,042,025	3,536,609	3,415,176	3,451,568	3,227,160	3,576,204	3,713,100	3,557,573	3,772,027	4,045,592
Vocational	367,322	381,780	274,446	326,679	286,608	338,655	417,827	506,924	439,824	349,872
Student Intervention Services	0	7,068	10,221	18,703	294,880	360,581	148,127	133,998	138,420	121,426
Other	0	0	0	0	0	0	0	0	0	13,783
<b>Support Services:</b>										
Pupil	1,071,610	1,454,743	1,328,110	1,286,663	1,130,303	1,371,168	1,500,851	1,425,414	1,366,840	1,378,400
Instructional Staff	1,313,184	1,541,978	1,621,563	1,718,141	1,735,769	1,941,359	2,476,175	2,587,722	2,527,120	2,145,878
Board of Education	120,422	101,844	115,304	100,604	113,614	86,729	164,071	122,756	124,322	105,761
Administration	1,672,606	1,797,209	1,851,320	1,910,091	1,792,023	1,934,602	1,936,911	1,808,306	1,851,728	1,728,609
Fiscal	687,824	755,936	872,955	882,676	647,462	744,147	699,206	663,287	655,113	686,601
Business	148,554	163,604	168,877	177,577	610,659	617,299	601,228	544,321	505,633	527,909
Operation and Maintenance of Plant	2,943,676	3,209,712	3,755,493	4,086,165	3,634,522	3,754,365	4,040,823	3,549,628	3,169,448	2,821,868
Pupil Transportation	1,397,670	1,826,419	1,869,536	1,997,719	1,820,564	1,816,360	1,985,101	1,835,374	1,862,382	1,797,234
Central	130,060	163,914	196,460	205,314	166,590	198,932	202,738	124,471	238,024	104,974
Operation of Non-Instructional Services	752,722	804,615	836,516	911,829	863,253	878,266	849,821	853,286	810,905	736,409
Extracurricular Activities	407,551	425,927	463,628	432,825	414,808	487,819	438,261	578,538	475,561	457,094
Capital Outlay	1,032,287	16,873	182,330	432,596	342,858	373,663	491,599	2,410,483	1,569,423	621,601
<b>Debt Service:</b>										
Principal Retirement	2,979,118	987,448	2,285,000	565,000	595,000	620,000	650,000	685,000	685,000	733,166
Interest and Fiscal Charges	1,420,490	2,368,324	730,168	706,717	681,337	649,690	618,702	585,621	556,182	544,195
Issuance Costs	0	153,987	0	0	0	0	0	0	0	145,225
<b>Total Expenditures</b>	<b>30,705,935</b>	<b>32,398,857</b>	<b>33,189,874</b>	<b>33,032,093</b>	<b>32,080,521</b>	<b>34,456,981</b>	<b>36,103,737</b>	<b>37,491,544</b>	<b>36,450,366</b>	<b>35,615,849</b>

**ATHENS CITY SCHOOL DISTRICT**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*June 30, 2013*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<i>Excess of Revenues Over</i>										
<i>(Under) Expenditures</i>	<u>(\$1,085,453)</u>	<u>(\$2,229,045)</u>	<u>(\$1,650,299)</u>	<u>\$364,762</u>	<u>\$3,561,843</u>	<u>\$2,300,021</u>	<u>(\$205,941)</u>	<u>(\$1,409,949)</u>	<u>(\$1,348,783)</u>	<u>(\$890,909)</u>
<b>Other Financing Sources (Uses)</b>										
Sale of Capital Assets	0	0	0	0	1,875	0	0	0	0	0
Insurance Recoveries	0	0	0	0	15,045	0	3,554	0	0	0
Refunding Bonds Issued	0	9,305,000	0	0	0	0	0	0	0	7,270,000
Proceeds of Refunding Bonds	2,335,000	0	0	0	0	0	0	0	0	0
Payment to Refund Bond Escrow Agent	0	(9,305,000)	0	0	0	0	0	0	0	(7,916,315)
Premium on Debt Issuance	0	1,217,474	0	0	0	0	0	0	0	0
Premium on Bonds Issued	86,623	0	0	0	0	0	0	0	0	791,540
Transfers In	0	24,643	84,137	0	455,562	348,740	138,097	74,825	51,520	3,300
Transfers Out	0	(24,643)	(84,137)	0	(455,562)	(348,740)	(138,097)	(74,825)	(51,520)	(3,300)
<i>Total Other Financing Sources (Uses)</i>	<u>2,421,623</u>	<u>1,217,474</u>	<u>0</u>	<u>0</u>	<u>16,920</u>	<u>0</u>	<u>3,554</u>	<u>0</u>	<u>0</u>	<u>145,225</u>
<b><u>Extraordinary Item:</u></b>										
Insurance Recoveries	0	0	0	0	0	0	0	1,092,700	611,436	345,819
<i>Net Change in Fund Balances</i>	<u>\$1,336,170</u>	<u>(\$1,011,571)</u>	<u>(\$1,650,299)</u>	<u>\$364,762</u>	<u>\$3,578,763</u>	<u>\$2,300,021</u>	<u>(\$202,387)</u>	<u>(\$317,249)</u>	<u>(\$737,347)</u>	<u>(\$399,865)</u>
Ratio of Debt Service as a Percentage of Noncapital Expenditures	<u>14.83%</u>	<u>10.84%</u>	<u>9.16%</u>	<u>3.88%</u>	<u>4.11%</u>	<u>3.75%</u>	<u>3.59%</u>	<u>3.59%</u>	<u>3.56%</u>	<u>4.02%</u>

**ATHENS CITY SCHOOL DISTRICT**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property				Total		Ratio	Weighted Average Tax Rate
	Assessed Value		Estimated Actual Value	Public Utility		General Business		Assessed Value	Estimated Actual Value		
	Residential/Agricultural	Commercial/Industrial/PU		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value				
2004	\$255,866,250	\$106,636,680	\$1,035,722,657	\$23,265,910	\$26,438,534	\$24,843,744	\$93,063,640	\$410,612,584	\$1,155,224,831	35.54%	27.67
2005	258,942,540	104,487,470	1,038,371,457	24,169,380	27,465,205	25,073,212	96,677,520	412,672,602	1,162,514,182	35.50%	35.56
2006	282,989,230	116,333,170	1,140,921,143	26,766,620	30,416,614	25,034,896	107,066,480	451,123,916	1,278,404,237	35.29%	33.88
2007	287,026,650	113,156,060	1,143,379,171	25,945,580	29,483,614	17,890,464	103,782,320	444,018,754	1,276,645,105	34.78%	32.92
2008	292,080,470	116,740,030	1,168,058,571	20,940,180	23,795,659	15,874,254	83,760,720	445,634,934	1,275,614,950	34.93%	30.59
2009	332,564,370	147,529,940	1,371,698,029	21,489,860	24,420,295	8,623,220	85,959,440	510,207,390	1,482,077,764	34.43%	28.39
2010	334,939,790	147,253,660	1,377,695,571	23,228,490	26,396,011	1,940,708	92,913,960	507,362,648	1,497,005,543	33.89%	28.26
2011	335,814,280	145,448,660	1,375,036,971	24,462,666	27,798,484	970,354	97,850,664	506,695,960	1,500,686,120	33.76%	28.21
2012	334,938,150	144,707,270	1,370,415,486	26,048,300	29,600,341	0	104,193,200	505,693,720	1,504,209,027	33.62%	28.60
2013	337,408,841	147,845,708	1,386,441,570	26,665,040	30,301,182	0	106,660,160	511,919,589	1,523,402,912	33.60%	29.00

-66-

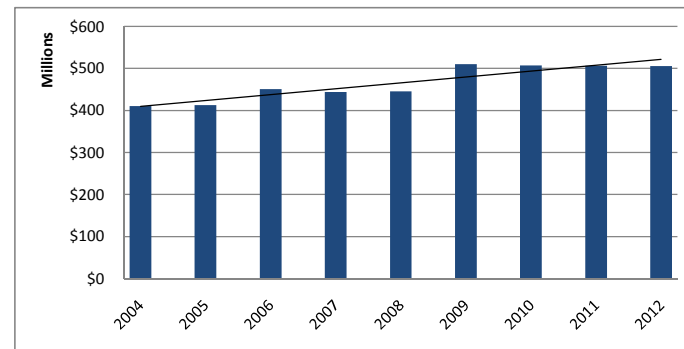
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. General Business Personal Property tax was assessed on all tangible personal property used in business in Ohio. General business tangible personal property tax began being phased out in 2006 and was fully eliminated in 2010 except for any remaining Telephone Property Value. The telephone value was reduced by 50% in 2011 and then completely eliminated in 2012. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

The Weighted Average Tax Rate represents Effective Rates for Operational Levies only. In Ohio, Tax Rates for Real Property are adjusted annually to eliminate inflationary growth but tax rates for Tangible Property are taxed at the Full Rate. This creates a Weighted Average between the Effective Rate for Real Property and the Full Rate charged to Tangible Property.

Source: Ohio Department of Taxation

Total Assessed Valuation - Last Ten Years





**ATHENS CITY SCHOOL DISTRICT**

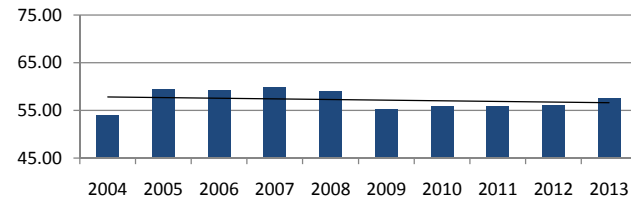
*Property Tax Rates  
(per \$1,000 of assessed value)  
Last Ten Years*

Athens Township (A01)

Collection Year	Athens City School District				Athens County	Tri-County Career Center	Athens Township	Total Full Rate	Total Residential/ Agriculture Effective Rate	Total Commercial/ Industrial Effective Rate
	Operating	Permanent Improvement	Debt	Total						
2004	55.40	2.90	6.30	64.60	18.80	3.30	8.20	94.90	53.903483	61.317746
2005	63.18	2.90	3.70	69.78	18.80	3.30	6.70	98.58	59.412205	66.927683
2006	62.89	2.90	3.70	69.49	20.30	3.30	6.70	99.79	59.300197	66.459368
2007	62.92	2.90	3.70	69.52	20.30	3.30	6.70	99.82	59.925045	68.110019
2008	57.16	2.90	3.70	63.76	20.30	3.30	6.70	94.06	59.042369	63.206268
2009	55.12	2.90	3.70	61.72	20.30	3.30	6.70	92.02	55.188860	55.458365
2010	55.10	2.90	3.70	61.70	20.55	3.30	6.70	92.25	55.881578	56.946993
2011	55.08	2.90	3.70	61.68	20.55	3.30	6.70	92.23	55.881578	56.946993
2012	56.12	2.90	2.74	61.76	19.05	3.30	6.70	90.81	56.066723	57.295416
2013	56.69	2.90	2.45	62.04	20.05	3.30	6.70	92.09	57.624814	58.947701

-100-

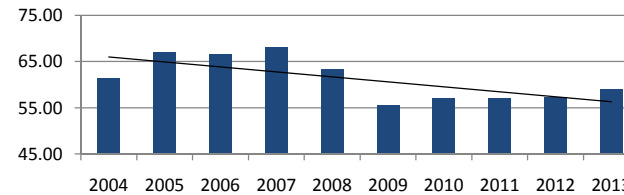
Residential Effective Rate over Time



Note: The Athens City School District consists of eight taxing districts:

- A01 Athens Township
- A02 Athens Township - City of Athens
- A04 Athens Township - The Plains Fire District
- E02 Canaan Township
- E03 Canaan Township - City of Athens
- G01 Dover Township
- G02 Dover Township - Village of Chauncey
- N02 Waterloo Township

Commercial Effective Rate over Time



**ATHENS CITY SCHOOL DISTRICT**

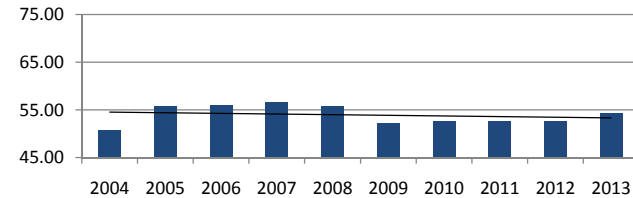
Property Tax Rates  
(per \$1,000 of assessed value)  
Last Ten Years

Athens Township - City of Athens (A02)

Collection Year	Athens City School District				Athens County	Tri-County Career Center	City of Athens	Athens Township	Total Full Rate	Total Residential/ Agriculture Effective Rate	Total Commercial/ Industrial Effective Rate
	Operating	Permanent Improvement	Debt	Total							
2004	55.40	2.90	6.30	64.60	18.80	3.30	2.60	0.30	89.60	50.728681	57.692136
2005	63.18	2.90	3.70	69.78	18.80	3.30	2.60	0.30	94.78	55.820893	63.224987
2006	62.89	2.90	3.70	69.49	20.30	3.30	2.60	0.30	95.99	55.975578	62.956533
2007	62.92	2.90	3.70	69.52	20.30	3.30	2.60	0.30	96.02	56.618703	64.566010
2008	57.16	2.90	3.70	63.76	20.30	3.30	2.60	0.03	89.99	55.737092	59.662899
2009	55.12	2.90	3.70	61.72	20.30	3.30	2.60	0.03	87.95	52.172203	52.194144
2010	55.10	2.90	3.70	61.70	20.55	3.30	2.60	0.30	88.45	52.597044	53.544739
2011	55.08	2.90	3.70	61.68	20.55	3.30	2.60	0.30	88.43	52.597044	53.544739
2012	56.12	2.90	2.74	61.76	19.05	3.30	2.60	0.30	87.01	52.744743	53.860088
2013	56.69	2.90	2.45	62.04	20.05	3.30	2.60	0.30	88.29	54.300344	55.504571

-101-

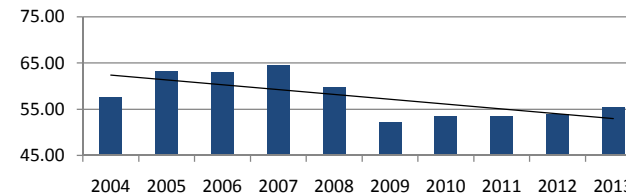
Residential Effective Rate over Time



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- E03 Canaan Township - City of Athens
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- G02 Dover Township - Village of Chauncey
- N02 Waterloo Township

Commercial Effective Rate over Time



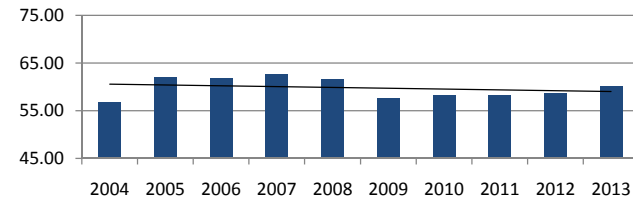
**ATHENS CITY SCHOOL DISTRICT**  
*Property Tax Rates*  
*(per \$1,000 of assessed value)*  
*Last Ten Years*

Athens Township - The Plains Fire District (A04)

Collection Year	Athens City School District				Athens County	Tri-County Career Center	The Plains Fire District	Athens Township	Total Full Rate	Total Residential/ Agriculture Effective Rate	Total Commercial/ Industrial Effective Rate
	Operating	Permanent Improvement	Debt	Total							
2004	55.40	2.90	6.30	64.60	18.80	3.30	4.00	8.20	98.90	56.924643	64.885480
2005	63.18	2.90	3.70	69.78	18.80	3.30	3.50	6.70	102.08	62.036397	70.044686
2006	62.89	2.90	3.70	69.49	20.30	3.30	3.50	6.70	103.29	61.768504	69.346896
2007	62.92	2.90	3.70	69.52	20.30	3.30	3.50	6.70	103.32	62.578241	71.384284
2008	57.16	2.90	3.70	63.76	20.30	3.30	3.50	6.70	97.56	61.696082	66.481027
2009	55.12	2.90	3.70	61.72	20.30	3.30	3.50	6.70	95.52	57.673188	58.592013
2010	55.10	2.90	3.70	61.70	20.55	3.30	3.50	6.70	95.75	58.376270	60.172712
2011	55.08	2.90	3.70	61.68	20.55	3.30	3.50	6.70	95.73	58.376270	60.172712
2012	56.12	2.90	2.74	61.76	19.05	3.30	5.50	4.70	94.31	58.611939	60.760369
2013	56.69	2.90	2.45	62.04	20.05	3.30	5.50	4.70	95.59	60.172662	62.404851

-102-

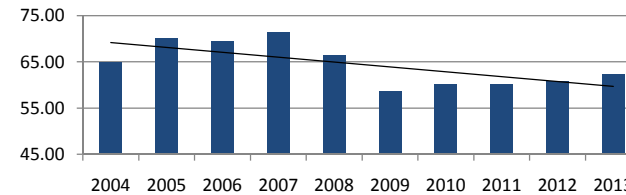
Residential Effective Rate over Time



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- N02 Waterloo Township

Commercial Effective Rate over Time



**ATHENS CITY SCHOOL DISTRICT**

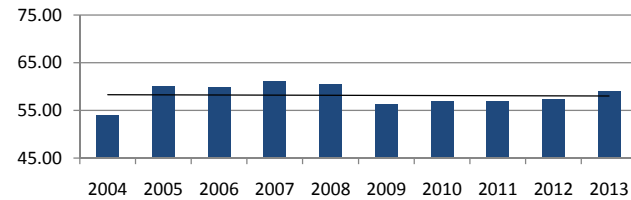
*Property Tax Rates  
(per \$1,000 of assessed value)  
Last Ten Years*

Canaan Township (E02)

Collection Year	Athens City School District				Athens County	Tri-County Career Center	Canaan Township	Total Full Rate	Total Residential/ Agriculture Effective Rate	Total Commercial/ Industrial Effective Rate
	Operating	Permanent Improvement	Debt	Total						
2004	55.40	2.90	6.30	64.60	18.80	3.30	6.60	93.30	53.923556	61.169246
2005	63.18	2.90	3.70	69.78	18.80	3.30	7.60	99.48	60.012848	67.924987
2006	62.89	2.90	3.70	69.49	20.30	3.30	7.60	100.69	59.834813	66.981209
2007	62.92	2.90	3.70	69.52	20.30	3.30	7.60	100.72	61.052371	69.266010
2008	57.16	2.90	3.70	63.76	20.30	3.30	7.60	94.96	60.359554	64.359217
2009	55.12	2.90	3.70	61.72	20.30	3.30	7.60	92.92	56.242214	55.356666
2010	55.10	2.90	3.70	61.70	20.55	3.30	7.60	93.15	56.866672	57.590742
2011	55.08	2.90	3.70	61.68	20.55	3.30	7.60	93.13	56.866672	57.590742
2012	56.12	2.90	2.74	61.76	19.05	3.30	7.60	91.71	57.312496	58.412943
2013	56.69	2.90	2.45	62.04	20.05	3.30	7.60	92.99	58.987737	60.204571

-103-

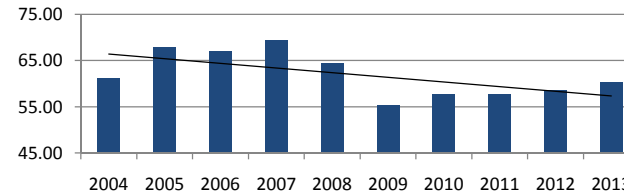
Residential Effective Rate over Time



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Commercial Effective Rate over Time



**ATHENS CITY SCHOOL DISTRICT**

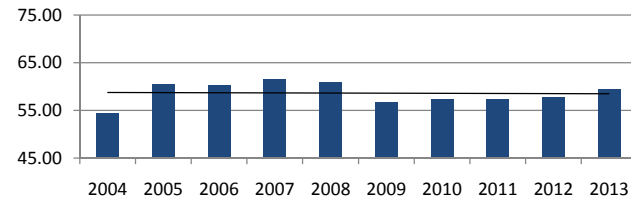
*Property Tax Rates  
(per \$1,000 of assessed value)  
Last Ten Years*

Canaan Township - City of Athens (E03)

Collection Year	Athens City School District				Athens County	Tri-County Career Center	City of Athens	Canaan Township	Total Full Rate	Total Residential/ Agriculture Effective Rate	Total Commercial/ Industrial Effective Rate
	Operating	Permanent Improvement	Debt	Total							
2004	55.40	2.90	6.30	64.60	18.80	3.30	2.40	4.70	93.80	54.423556	61.669246
2005	63.18	2.90	3.70	69.78	18.80	3.30	2.40	5.70	99.98	60.512848	68.429870
2006	62.89	2.90	3.70	69.49	20.30	3.30	2.40	5.70	101.19	60.334813	67.481209
2007	62.92	2.90	3.70	69.52	20.30	3.30	2.40	5.70	101.22	61.552371	69.766010
2008	57.16	2.90	3.70	63.76	20.30	3.30	2.40	5.70	95.46	60.859554	64.859217
2009	55.12	2.90	3.70	61.72	20.30	3.30	2.40	5.70	93.42	56.742214	55.856666
2010	55.10	2.90	3.70	61.70	20.55	3.30	2.40	5.70	93.65	57.366672	58.090742
2011	55.08	2.90	3.70	61.68	20.55	3.30	2.40	5.70	93.63	57.366672	58.090742
2012	56.12	2.90	2.74	61.76	19.05	3.30	2.40	5.70	92.21	57.812496	58.912943
2013	56.69	2.90	2.45	62.04	20.05	3.30	2.40	5.70	93.49	59.487737	60.704571

-104-

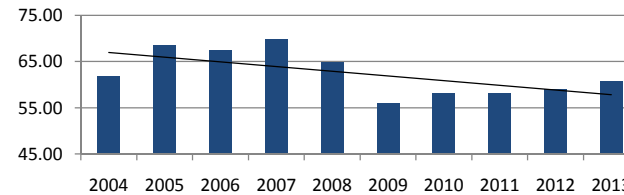
Residential Effective Rate over Time



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- N02 Waterloo Township

Commercial Effective Rate over Time



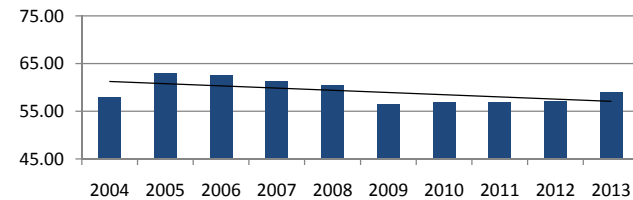
**ATHENS CITY SCHOOL DISTRICT**  
*Property Tax Rates*  
*(per \$1,000 of assessed value)*  
*Last Ten Years*

Dover Township (G01)

Collection Year	Athens City School District				Athens County	Tri-County Career Center	Dover Township	Total Full Rate	Total Residential/ Agriculture Effective Rate	Total Commercial/ Industrial Effective Rate
	Operating	Permanent Improvement	Debt	Total						
2004	55.40	2.90	6.30	64.60	18.80	3.30	11.20	97.90	57.929292	65.347525
2005	63.18	2.90	3.70	69.78	18.80	3.30	11.20	103.08	63.024514	73.114369
2006	62.89	2.90	3.70	69.49	20.30	3.30	11.20	104.29	62.618758	69.999672
2007	62.92	2.90	3.70	69.52	20.30	3.30	8.70	101.82	61.330527	69.520334
2008	57.16	2.90	3.70	63.76	20.30	3.30	8.70	96.06	60.447246	64.617237
2009	55.12	2.90	3.70	61.72	20.30	3.30	8.70	94.02	56.496130	57.005898
2010	55.10	2.90	3.70	61.70	20.55	3.30	8.70	94.25	56.927015	58.362117
2011	55.08	2.90	3.70	61.68	20.55	3.30	8.70	94.23	56.927015	58.362117
2012	56.12	2.90	2.74	61.76	19.05	3.30	8.70	92.81	57.112053	58.904408
2013	56.69	2.90	2.45	62.04	20.05	3.30	8.70	94.09	59.044634	60.772454

-105-

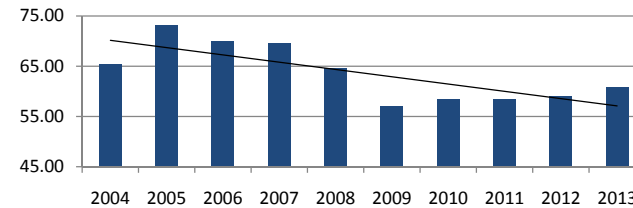
Residential Effective Rate over Time



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Commercial Effective Rate over Time



**ATHENS CITY SCHOOL DISTRICT**

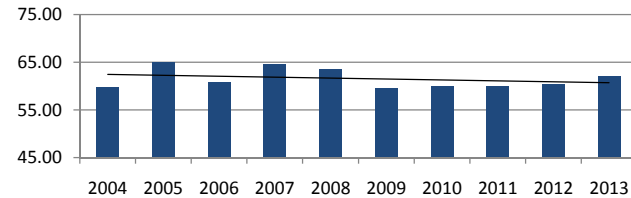
*Property Tax Rates  
(per \$1,000 of assessed value)  
Last Ten Years*

Dover Township - Village of Chauncey (G02)

Collection Year	Athens City School District				Athens County	Tri-County Career Center	Village of Chauncey	Dover Township	Total Full Rate	Total Residential/ Agriculture Effective Rate	Total Commercial/ Industrial Effective Rate
	Operating	Permanent Improvement	Debt	Total							
2004	55.40	2.90	6.30	64.60	18.80	3.30	7.90	5.80	100.40	59.817088	67.581528
2005	63.18	2.90	3.70	69.78	18.80	3.30	7.90	5.80	105.58	64.916072	73.114369
2006	62.89	2.90	3.70	69.49	20.30	3.30	2.90	5.80	101.79	60.859320	68.058353
2007	62.92	2.90	3.70	69.52	20.30	3.30	7.90	3.30	104.32	64.567213	72.579015
2008	57.16	2.90	3.70	63.76	20.30	3.30	7.90	3.30	98.56	63.684866	67.675909
2009	55.12	2.90	3.70	61.72	20.30	3.30	7.90	3.30	96.52	59.578636	60.149544
2010	55.10	2.90	3.70	61.70	20.55	3.30	7.90	3.30	96.75	60.020906	61.502556
2011	55.08	2.90	3.70	61.68	20.55	3.30	7.90	3.30	96.73	60.020906	61.502556
2012	56.12	2.90	2.74	61.76	19.05	3.30	7.90	3.30	95.31	60.543284	61.936559
2013	56.69	2.90	2.45	62.04	20.05	3.30	7.90	3.30	96.59	62.102704	63.581042

-106-

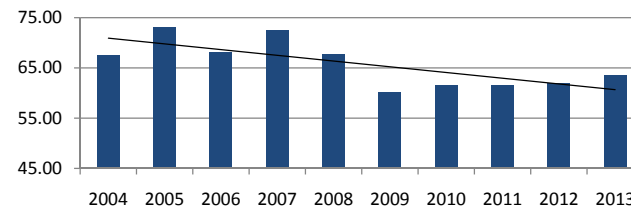
Residential Effective Rate over Time



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Commercial Effective Rate over Time



**ATHENS CITY SCHOOL DISTRICT**

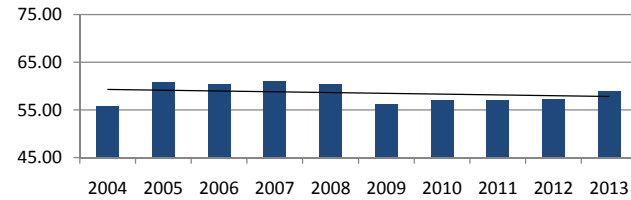
*Property Tax Rates  
(per \$1,000 of assessed value)  
Last Ten Years*

Waterloo Township (N02)

Collection Year	Athens City School District				Athens County	Tri-County Career Center	Waterloo Township	Total Full Rate	Total Residential/ Agriculture Effective Rate	Total Commercial/ Industrial Effective Rate
	Operating	Permanent Improvement	Debt	Total						
2004	55.40	2.90	6.30	64.60	18.80	3.30	9.90	96.60	55.744979	63.300369
2005	63.18	2.90	3.70	69.78	18.80	3.30	9.90	101.78	60.842498	68.854259
2006	62.89	2.90	3.70	69.49	20.30	3.30	9.90	102.99	60.408076	68.133558
2007	62.92	2.90	3.70	69.52	20.30	3.30	9.90	103.02	61.054314	69.743035
2008	57.16	2.90	3.70	63.76	20.30	3.30	9.90	97.26	60.496486	65.031093
2009	55.12	2.90	3.70	61.72	20.30	3.30	9.90	95.22	56.288589	57.027685
2010	55.10	2.90	3.70	61.70	20.55	3.30	9.90	95.45	57.151544	58.651535
2011	55.08	2.90	3.70	61.68	20.55	3.30	9.90	95.43	57.151544	58.651535
2012	56.12	2.90	2.74	61.76	19.05	3.30	9.90	94.01	57.351888	59.114189
2013	56.69	2.90	2.45	62.04	20.05	3.30	9.90	95.29	59.037458	60.827128

-107-

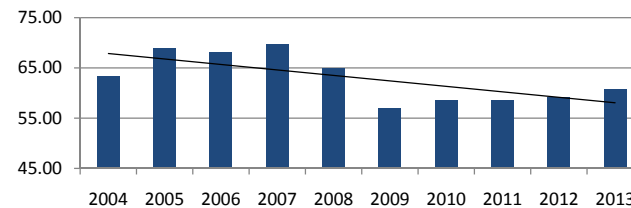
Residential Effective Rate over Time



Note: The Athens City School District consists of eight taxing districts:

- A01 Athens Township
- A02 Athens Township - City of Athens
- A04 Athens Township - The Plains Fire District
- E02 Canaan Township
- E03 Canaan Township - City of Athens
- G01 Dover Township
- G02 Dover Township - Village of Chauncey
- N02 Waterloo Township

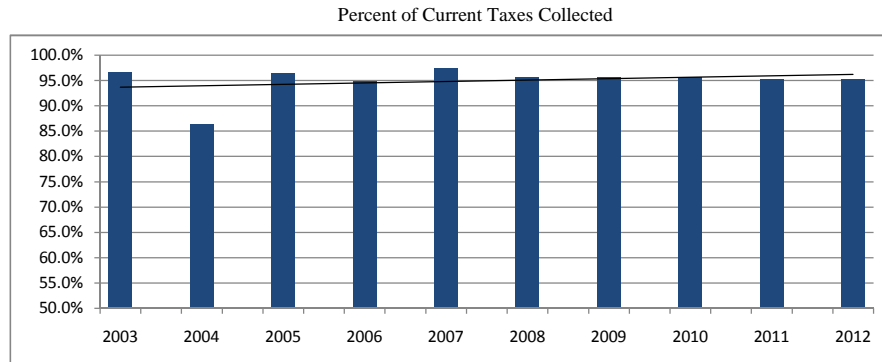
Commercial Effective Rate over Time





**ATHENS CITY SCHOOL DISTRICT**  
*Property Tax Levies and Collections (1)*  
*Last Ten Years*

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Current Tax Levy
2003	\$15,102,050	\$14,583,677	96.57%	\$522,417	\$15,106,094	100.03%	\$822,474	5.45%
2004	15,381,743	13,285,612	86.37%	205,609	13,491,221	87.71%	747,497	4.86%
2005	15,485,990	14,943,670	96.50%	367,375	15,311,045	98.87%	922,442	5.96%
2006	16,254,562	15,427,198	94.91%	478,391	15,905,589	97.85%	1,271,415	7.82%
2007	16,974,868	16,536,257	97.42%	692,636	17,228,893	101.50%	974,960	5.74%
2008	16,952,774	16,222,007	95.69%	779,906	17,001,913	100.29%	472,470	2.79%
2009	19,368,420	18,513,616	95.59%	832,405	19,346,021	99.88%	1,466,547	7.57%
2010	19,374,349	18,531,714	95.65%	802,706	19,334,420	99.79%	1,468,116	7.58%
2011	19,465,999	18,533,389	95.21%	832,362	19,365,752	99.49%	1,696,244	8.71%
2012	19,607,927	18,672,094	95.23%	838,527	19,510,621	99.50%	1,708,574	8.71%



**Source:** Office of the County Auditor, Athens County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2013 information cannot be presented because all collections have not been made by June 30, 2013
- (3) In Ohio, Delinquent taxes collected each tax year are not reported individually back to the tax year in which they became delinquent. Therefore, it is possible that Current Paid Taxes plus the total Delinquent Taxes Collected can exceed 100% of Current Tax Levied.

**ATHENS CITY SCHOOL DISTRICT**

*Principal Taxpayers*

*Real Estate Tax*

*Current Year and Nine Years Ago*

Name of Taxpayer	Type of Business	Collection Year 2013 (1)	
		Assessed Value	Percent of Real Property Assessed Value
CPP Athens I LLC	Apartments	\$8,995,820	2.03%
Ohio University	Retail Sales	8,840,960	1.99%
Hallmark Athens Student Housing	Apartments	4,841,340	1.09%
Athens Health Realty LLC	Rehabilitation	4,387,960	0.99%
Sheltering Arms Hospital	Hospital	2,806,060	0.63%
Grande Vista Village LLC	Apartments	2,444,620	0.55%
Hayes Cornwell LTD	Apartments	2,438,560	0.55%
McCoady Properties LTD	Retail Sales/Apartments	2,326,440	0.52%
Inn-Ohio of Athens Inc	Hotel/Motel	2,226,160	0.50%
LTD Properties & Investments LLC	Hotel/Motel	2,034,220	0.46%
Total Top Ten		41,342,140	8.52%
All Others		443,912,409	91.48%
Total Assessed Valuation		\$485,254,549	100.00%

Name of Taxpayer	Type of Business	Collection Year 2004 (1)	
		Assessed Value	Percent of Real Property Assessed Value
Ohio University	Retail Sales	\$7,275,020	2.01%
University Mall Associates	Retail Sales	4,634,830	1.28%
AAC Athens LLC	Apartments	3,948,770	1.09%
Inn-Ohio of Athens, Inc.	Motel	1,903,690	0.53%
McCoady Properties LTD	Various Properties	1,668,410	0.46%
Presidents and Trustees of Ohio Univ.	Apartments	1,611,440	0.44%
City of Athens	Various Properties	1,560,540	0.43%
Southeast Development Co. 2	Apartments	1,423,060	0.39%
Diversified Properties	Various Properties	1,407,430	0.39%
Hickory Creek of Athens, Inc.	Nursing Home	1,378,530	0.38%
Total Top Ten		26,811,720	7.40%
All Others		335,691,210	92.60%
Total Assessed Valuation		\$362,502,930	100.00%

(1) The amounts presented represent the assessed values upon which 2013 and 2004 collections were based.

**Source:** Office of the County Auditor, Athens County, Ohio

**ATHENS CITY SCHOOL DISTRICT**

*Principal Taxpayers*

*Public Utilities Tax*

*Current Year and Nine Years Ago*

Name of Taxpayer	Type of Business	Collection Year 2013 (1)	
		Assessed Value	Percent of Public Utility Personal Property Assessed Value
Ohio Power Co.	Electricity	\$20,456,440	76.72%
Texas Eastern Transmission	Natural Gas	2,646,420	9.92%
Columbia Gas of Ohio Inc.	Natural Gas	1,552,830	5.82%
Tennessee Gas Pipeline Co.	Natural Gas	1,324,830	4.97%
Columbia Gas Transmission	Natural Gas	529,180	1.98%
General Electric Capital Commercial Inc.	Electricity	71,440	0.27%
Buckeye Rural Electric	Electricity	33,760	0.13%
BLX 13 Inc.	Lessor	22,920	0.09%
RBS Asset Finance Corp. Tax	Lessor	22,870	0.09%
Southeastern Natural Gas Co.	Natural Gas	2,430	0.01%
Total Top Ten		26,663,120	99.99%
All Others		1,920	0.01%
Total Assessed Valuation		\$26,665,040	100.00%

Name of Taxpayer	Type of Business	Collection Year 2004 (1)	
		Assessed Value	Percent of Public Utility Personal Property Assessed Value
Columbus Southern Power	Electricity	\$12,481,210	53.65%
Verizon North, Inc.	Communications	4,350,930	18.70%
Tennessee Gas Pipeline Co.	Natural Gas	1,287,730	5.53%
Texas Eastern Transmission	Natural Gas	1,258,010	5.41%
Columbia Gas of Ohio Inc.	Natural Gas	926,330	3.98%
Norfolk Southern	Transportation	619,500	2.66%
Horizon Personal	Communications	546,560	2.35%
Ohio Telephone & Telegraph	Communications	452,620	1.95%
Columbia Gas Transmission	Natural Gas	430,240	1.85%
Orange County Cellular	Communications	292,370	1.26%
Total Top Ten		22,645,500	97.33%
All Others		620,410	2.67%
Total Public Utility		\$23,265,910	100.00%

(1) The amounts presented represent the assessed values upon which 2013 and 2004 collections were based

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

**ATHENS CITY SCHOOL DISTRICT**

*Ratio of Debt  
to Assessed Value and Debt per Capita  
Last Ten Fiscal Years*

Fiscal Year	Population (1)	Assessed Value of Taxable Property (2)	Personal Income (3)	General Bonded Debt						General Debt					
				General Bonded Debt Outstanding	Net Available General Bonded Debt	Net General Bonded Debt	Ratio of Bonded Debt to Assessed Value	Percentage of Personal Income	Net Bonded Debt per Capita	General Bonded Debt Outstanding	HB 264 Debt	Total Debt	Ratio of General Debt to Estimated Actual Value	Percentage of Personal Income	General Debt Per Capita
2004	33,790	\$410,612,584	\$400,624,424	\$17,747,449	\$3,749,539	\$13,997,910	3.41%	3.49%	\$414.26	\$17,747,449	\$215,000	\$17,962,449	4.37%	4.48%	\$531.59
2005	33,790	412,672,602	422,654,278	16,620,000	3,049,491	13,570,509	3.29%	3.21%	401.61	16,620,000	0	16,620,000	4.03%	3.93%	491.86
2006	33,790	451,123,916	441,950,195	14,335,000	2,076,548	12,258,452	2.72%	2.77%	362.78	14,335,000	0	14,335,000	3.18%	3.24%	424.24
2007	33,790	444,018,754	467,983,086	13,910,000	2,464,074	11,445,926	2.58%	2.45%	338.74	13,910,000	0	13,910,000	3.13%	2.97%	411.66
2008	33,790	445,634,934	453,172,771	13,315,000	2,783,778	10,531,222	2.36%	2.32%	311.67	13,315,000	0	13,315,000	2.99%	2.94%	394.05
2009	33,790	510,207,390	433,130,009	12,695,000	3,071,120	9,623,880	1.89%	2.22%	284.81	12,695,000	0	12,695,000	2.49%	2.93%	375.70
2010	33,790	507,362,648	483,402,647	12,045,000	3,007,989	9,037,011	1.78%	1.87%	267.45	12,045,000	0	12,045,000	2.37%	2.49%	356.47
2011	33,120	506,695,960	442,503,264	11,905,000	3,081,065	8,823,935	1.74%	1.99%	266.42	11,905,000	0	11,905,000	2.35%	2.69%	359.45
2012	35,026	505,693,720	N/A	10,535,000	3,242,453	7,292,547	1.44%	N/A	208.20	10,535,000	0	10,535,000	2.08%	N/A	300.78
2013	35,026	511,919,589	N/A	11,925,181	3,332,478	8,592,703	1.68%	N/A	245.32	11,925,181	0	11,925,181	2.33%	N/A	340.47

**Sources:** (1) U.S. Bureau of Census, 2000 Census of Population for 2004- 2010  
2010 Census for 2011 - 2013

(2) Ohio Department of Taxation - Collection Year

(3) Ohio Department of Taxation

**ATHENS CITY SCHOOL DISTRICT**  
*Ratio of Annual Debt Service Expenditures for  
 General Obligation Bonded Debt To Total General Fund Expenditures  
 Last Ten Fiscal Years*

Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio Debt Service to General Fund Expenditures (Percentage)
2004	\$409,118	\$1,363,380	\$1,772,498	\$21,451,979	8.26%
2005	1,272,552	1,019,733	2,292,285	23,740,736	9.66%
2006	2,285,000	730,168	3,015,168	24,670,213	12.22%
2007	565,000	706,717	1,271,717	25,630,290	4.96%
2008	595,000	681,337	1,276,337	25,200,403	5.06%
2009	620,000	649,690	1,269,690	27,202,891	4.67%
2010	650,000	618,702	1,268,702	29,476,320	4.30%
2011	685,000	585,471	1,270,471	28,938,170	4.39%
2012	685,000	556,182	1,241,182	29,262,568	4.24%
2013 (1)	715,000	544,195	1,259,195	29,874,138	4.22%

Source: School District Fund Financial Statements

(1) Excludes bond issuance costs of \$145,225.

**ATHENS CITY SCHOOL DISTRICT**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2013*

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding (1)</u>	<u>Percentage Applicable To School District</u>	<u>Amount Applicable To School District</u>
<u>Direct Debt:</u>			
Athens City School District	\$11,925,181	100.0%	\$11,925,181
<u>Overlapping Debt:</u>			
Athens County	106,500	54.5% (2)	58,043
City of Athens	4,370,000	97.9% (3)	<u>4,276,482</u>
Total Direct and Overlapping Debt			<u><u>\$16,259,706</u></u>

Source: Ohio Municipal Advisory Council

- (1) Includes all general obligation bonded debt, not general obligation notes.
- (2) Percentage of County's valuation within the School District compared to the total valuation of the County.
- (3) Percentage of City's valuation within the School District compared to the total valuation of the City.

**ATHENS CITY SCHOOL DISTRICT**  
*Computation of Legal Debt Margin*  
*Last Ten Fiscal Years*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Tax Valuation	\$410,612,584	\$412,672,602	\$451,123,916	\$444,018,754	\$445,634,934	\$510,207,390	\$507,362,648	\$506,695,960	\$505,693,720	\$511,919,589
Debt Limit - 9% of Taxable Valuation (1)	\$36,955,133	\$37,140,534	\$40,601,152	\$39,961,688	\$40,107,144	\$45,918,665	\$45,662,638	\$45,602,636	\$45,512,435	\$46,072,763
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	17,747,449	16,620,000	14,335,000	13,910,000	13,315,000	12,695,000	12,045,000	11,360,000	10,535,000	10,575,000
Less Amount Available in Debt Service	(3,561,263)	(3,268,767)	(1,869,721)	(2,224,541)	(2,617,762)	(2,821,755)	(2,899,907)	(2,989,213)	(3,130,652)	(3,202,124)
Amount of Debt Subject to Limit	14,186,186	13,351,233	12,465,279	11,685,459	10,697,238	9,873,245	9,145,093	8,370,787	7,404,348	7,372,876
Legal Debt Margin	\$22,768,947	\$23,789,301	\$28,135,873	\$28,276,229	\$29,409,906	\$36,045,420	\$36,517,545	\$37,231,849	\$38,108,087	\$38,699,887
Legal Debt Margin as a Percentage of the Debt Limit	61.61%	64.05%	69.30%	70.76%	73.33%	78.50%	79.97%	81.64%	83.73%	84.00%
Unvoted Debt Limit - .10% of Taxable Valuation (1)	\$410,613	\$412,673	\$451,124	\$444,019	\$445,635	\$510,207	\$507,363	\$506,696	\$505,694	\$511,920
Amount of Debt Subject to Limit	0	0	0	0	0	0	0	0	0	0
Unvoted Legal Debt Margin	\$410,613	\$412,673	\$451,124	\$444,019	\$445,635	\$510,207	\$507,363	\$506,696	\$505,694	\$511,920
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**Source:** Ohio Department of Taxation and School District Financial Records

(1) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

Note: The amount of debt presented as subject to the limit should be the balances used to compute the margin as specified by statute, i.e. the gross balances, not amounts that are net of premiums or discounts. On deep discount or capital appreciation bonds, this would be the original issue amount.

Note: The definition of tax valuation for the purpose of calculating the debt margin was modified by H.B. 530, effective 3/30/06, to exclude tangible personal property used in business, telephone or telegraph property, interchange telecommunications company property, or personal property owned or leased by a railroad company and used in railroad operations.

***ATHENS CITY SCHOOL DISTRICT***

*Demographic and Economic Statistics*

*Last Ten Years*

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<u>Year</u>	<u>Population (1)</u>	<u>Unemployment Rate (2)</u>	<u>Personal Income (3)</u>	<u>Per Capital Personal Income</u>
2004	33,790	6.30%	\$400,624,424	\$11,856
2005	33,790	6.00%	422,654,278	12,508
2006	33,790	6.40%	441,950,195	13,079
2007	33,790	6.70%	467,983,086	13,850
2008	33,790	6.80%	453,172,771	13,411
2009	33,790	8.90%	433,130,009	12,818
2010	33,790	9.50%	483,402,647	14,306
2011	35,026	9.10%	442,503,264	12,634
2012	35,026	8.60%	N/A	N/A
2013	35,026	8.80%	N/A	N/A

**Sources:**

(1) 2011 data from the 2010 US Census. Prior data from the Ohio Municipal Advisory Council

(2) U.S. Department of Labor. Data is for Athens County in June of each year. Statistic is not available by school district.

(3) Ohio Department of Taxation

**Note:**

The 2012 and 2013 Personal Income information was not available



**ATHENS CITY SCHOOL DISTRICT**

*Principal Employers*

*Current Year and Nine Years Ago*

Employer	Nature of Business	2013			2004		
		Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Ohio University	Education	3,795	1	12.77%	Data Not Available		
O'Bleness Memorial Hospital	Health Care	675	2	2.27%			
Athens County Government	Government	590	3	1.99%			
Wal-Mart	Retail	375	4	1.26%			
Athens City School District	Education	361	5	1.22%			
Athens City Government	Government	170	6	0.57%			
Athens Messenger	Newspaper	100	7	0.34%			
	Data Not Available		8	0.00%			
	Data Not Available		9	0.00%			
	Data Not Available		10	0.00%			
Total		<u>6,066</u>		<u>20.42%</u>			
Total Employment within the School District		<u>29,707</u>					

Data not readily available in rural communities.

Source: Athens Area Chamber of Commerce, Athens County Auditor's Office & Direct Contacts

***ATHENS CITY SCHOOL DISTRICT***

*Personal Income*

*Last Ten Years*

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<u>Calendar Year (1)</u>	<u>Number of Income Tax Returns</u>	<u>Number of Personal Exemptions</u>	<u>Total Federal Adjusted Gross Income</u>	<u>Average Federal Adjusted Gross Income</u>	<u>Rank Among Ohio Schools (2)</u>
2002	10,195	18,355	\$403,778,171	\$39,606	227
2003	9,987	17,924	383,046,787	38,355	283
2004	10,021	17,876	400,624,424	39,978	294
2005	9,991	17,872	422,654,278	42,304	267
2006	9,990	17,703	441,950,195	44,239	267
2007	10,214	17,931	467,983,086	45,818	273
2008	9,985	17,508	453,172,771	45,385	273
2009	9,617	17,077	433,130,009	45,038	263
2010	9,597	16,964	502,892,243	52,401	144
2011	9,457	16,679	463,164,982	48,976	247

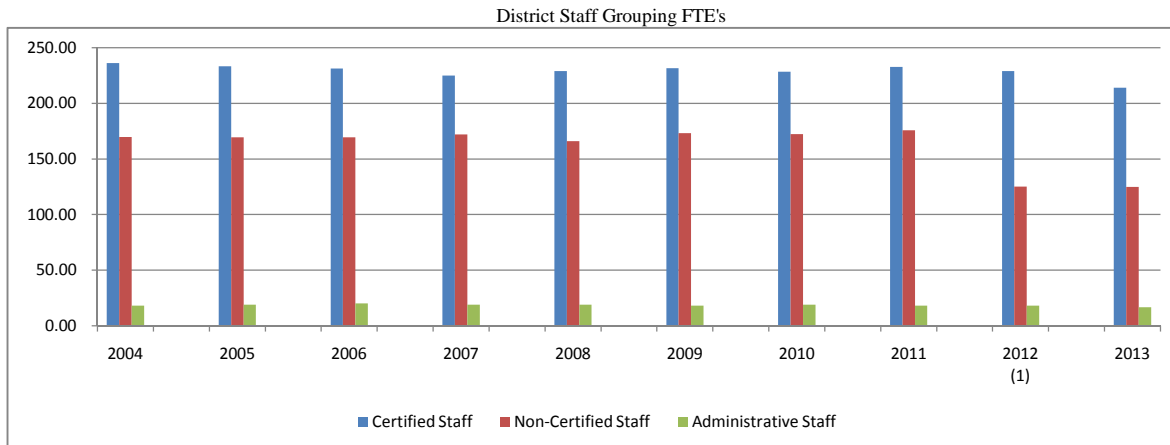
**Source:** Ohio Department of Taxation

(1) Income Tax information after 2012 is not yet available.

(2) 614 Total Ohio Public K-12 School Districts

**ATHENS CITY SCHOOL DISTRICT**  
*School District Employees by Function/Program*  
*Last Ten Fiscal Years*

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012 (1)	2013
<b>Teaching Staff:</b>										
Elementary (K-6) Classroom Teachers	107.80	85.00	84.00	83.00	83.00	84.00	84.00	85.00	85.00	76.00
Secondary (7-12) Classroom Teachers	81.50	65.50	67.50	66.00	68.50	69.50	67.25	67.75	67.33	65.25
Special Education Teachers	40.00	47.20	45.20	40.20	38.20	37.25	37.00	38.75	36.87	35.75
Vocational Education Teachers		10.00	7.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00
Specialist Teachers (Art, PE, Music, Literacy)	(2)	13.60	15.20	14.40	16.20	17.20	17.20	17.20	18.30	17.00
Talented & Gifted / LEP Teachers		1.00	1.50	1.50	2.00	2.70	3.00	3.00	3.00	3.00
Pre-School Teachers		1.00	2.00	2.00	3.00	3.00	3.00	3.00	2.50	2.00
<b>Pupil Support Services:</b>										
Secretarial/Office Support Staff	21.50	21.00	21.00	21.00	21.50	21.50	21.50	21.50	21.69	21.69
Guidance/Counselors	5.00	5.00	5.00	6.00	6.00	6.00	5.00	6.00	5.00	4.00
Librarians/Audio Visual	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Psychologists	2.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Nurses	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Educational Aides	65.60	69.00	69.00	69.00	64.00	69.00	68.00	70.70	50.44	45.75
<b>Administrators/Supervisors:</b>										
Elementary (K-6)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00
Secondary (7-12)	4.00	4.00	5.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00
Central/Districtwide	9.00	10.00	10.00	10.00	10.00	10.00	11.00	10.00	10.00	9.60
<b>Operation of Plant:</b>										
Custodians	25.50	25.00	25.00	26.00	26.50	26.50	26.50	26.48	18.00	23.00
Maintenance	5.00	4.00	4.00	4.00	4.00	5.00	5.00	4.00	4.00	5.00
<b>Pupil Transportation:</b>										
Bus Drivers	29.50	30.00	30.00	33.00	31.00	31.00	31.00	31.00	18.25	16.88
Mechanics	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Food Service Program:</b>										
Elementary (K-6)	12.20	12.00	12.00	9.50	9.50	10.80	11.05	10.00	5.33	5.33
Secondary (7-12)	6.50	6.50	6.50	7.40	7.40	7.40	7.40	10.00	5.33	5.33
<b>Total</b>	<b>424.10</b>	<b>421.80</b>	<b>420.90</b>	<b>416.00</b>	<b>413.80</b>	<b>422.85</b>	<b>419.90</b>	<b>426.38</b>	<b>372.04</b>	<b>355.58</b>



**Method:** Using 1.0 for each full-time employee (FTE) and an appropriate fraction for each part-time and seasonal employee. The count is performed on October 1 of each year.

- (1) FTE Calculation was changed in 2012. All hourly staff was calculated on an 8.0 hour per day basis rather than a classification or positional basis.
- (2) Detailed Data not Available. These Positions are included in the general categories above.

**Source:** Ohio Department of Education and Athens City School District Financial Records.

**ATHENS CITY SCHOOL DISTRICT**  
*Operating Statistics & Cost to Educate A Graduate*  
*Last Thirteen Fiscal Years*

Fiscal Year	Grade	Number Of Graduates (1)	Average Daily Membership (ADM) (2)	ADM Percentage Change	Cost per Pupil (3)		Teaching Staff	Pupil/Teacher Ratio (4)	% of Students Qualifying for Free or Reduced Lunch Program
					District Average	State Average			
2001	Kindergarten	235	2,757	-2.34%	\$7,832	\$7,591	228.8	16.9	n/a
2002	1st Grade	233	2,544	-7.73%	8,608	8,073	229.3	15.9	n/a
2003	2nd Grade	209	2,481	-2.48%	8,713	8,441	230.3	14.3	n/a
2004	3rd Grade	205	2,482	0.04%	8,999	8,768	229.3	15.3	36%
2005	4th Grade	194	2,408	-2.98%	9,617	9,048	226.4	15.8	35%
2006	5th Grade	204	2,423	0.61%	10,337	9,356	223.4	15.9	34%
2007	6th Grade	214	2,430	0.30%	10,295	9,586	223.6	16.0	33%
2008	7th Grade	220	2,423	-0.29%	10,757	9,939	216.9	16.5	33%
2009	8th Grade	198	2,582	6.56%	10,580	10,184	217.9	13.6	37%
2010	9th Grade	227	2,566	-0.62%	11,476	10,513	218.9	13.4	39%
2011	10th Grade	190	2,511	-2.14%	11,799	10,571	219.7	12.4	38%
2012	11th Grade	195	2,435	-3.03%	12,376	10,508	220.0	15.6	40%
2013	12th Grade	177	2,451	0.67%	12,278	Not Available	214.0	16.7	38%
					<u>\$133,667</u>	<u>\$112,578</u>			

(1) Athens High School Guidance Department

(2) Ohio Department of Education Final Fiscal-Year-End Funding Report. This number does not include Open Enrollment students from other districts.

(3) Ohio Department of Education "Expenditure Flow Model"

(4) Ohio Department of Education Interactive Data Web Site

**ATHENS CITY SCHOOL DISTRICT**

*Miscellaneous Statistics*

*June 30, 2013*

Year of Establishment	Established in the Mid 1800's Consolidated with The Plains and Chauncey School Districts in 1964
Form of Government	Locally-elected five member Board
Number of Employees:	
Certificated	214.0
Non-Certificated	124.9
Administrative	16.6
Area - square miles	89 Square Miles
State Funded Average Daily Membership	2,451
Cost per Pupil	\$12,278
Average Number of Years Teaching Experience	10.8 Years
Percentage of Teaching Staff Holding a Master's Degree	83.9% Master or Higher

<u>Building</u>	<u>Grades Level</u>	<u>Enrollment</u> (1)	<u>Capacity</u> (2)	<u>Percentage of Capacity</u>	<u>Number of Regular Teachers</u> (3)	<u>Pupil/ Teacher Ratio</u> (4)	<u>Year Building Completed</u>	<u>Date of Additions</u>
Athens High School	9 - 12	807	1,200	67.25%	53.0	15.2 :1	1968	2002
Athens Middle School	7 & 8	416	675	61.63%	38.0	10.9 :1	1923	1936, 1956 1973, 2002
Chauncey Elementary	PS - 6	65	500	13.00%	2.0	16.3 :1	1964	1978
East Elementary	K-6	352	600	58.67%	18.0	19.6 :1	1956	1980
Morrison Elementary	K-6	453	650	69.69%	21.0	21.6 :1	1979	-
The Plains Elementary	K-6	417	650	64.15%	23.0	18.1 :1	1990	-
West Elementary	K-6	<u>284</u>	<u>400</u>	71.00%	<u>14.0</u>	20.3 :1	1956	1978
District Totals		2,794	4,675	59.76%	169	16.5 :1		

- (1) Total Enrollment - All Students including Special Education - as of June 30th  
Chauncey Elementary was converted to a Preschool only building in FY2013. Students attend 1/2 day reducing the Teacher Ratio by 1/2.
- (2) Based on Ohio School Facility Commission standard class size of 25 students
- (3) Includes Regular Classroom Teachers, Vocational Teachers, Special Education Teachers, and Specialist Teachers
- (4) Building Average with exclusions listed above

**ATHENS CITY SCHOOL DISTRICT**

*Standardized Test Results*

June 30, 2013

	<u>Athens High School</u>	<u>State Mean</u>	<u>National Mean</u>
<b><u>S.A.T.</u></b>			
Critical Reading	576	548	496
Mathematics	565	556	514
Writing	557	531	488
<b><u>A.C.T.</u></b>			
English	23.7	21.2	20.2
Mathematics	24.4	21.5	20.9
Reading	24.2	22.2	21.1
Science	23.5	21.9	20.7
Composite	24.1	21.8	20.9

**Ohio Public School Report Card Data:**

	<u>Athens City Schools</u>	<u>Similar Districts (2)</u>	<u>State Average</u>
<b><u>3rd Grade Achievement Test</u></b>			
Reading	82.8	88.9	81.4
Mathematics	80.3	85.0	78.4
<b><u>4th Grade Achievement Test</u></b>			
Reading	82.9	92.4	87.7
Mathematics	71.4	83.2	77.7
<b><u>5th Grade Achievement Test</u></b>			
Reading	73.2	80.6	74.2
Mathematics	62.9	73.8	68.7
Science	66.0	76.3	67.7
<b><u>6th Grade Achievement Test</u></b>			
Reading	84.5	89.2	82.9
Mathematics	78.4	83.7	75.1
<b><u>7th Grade Achievement Test</u></b>			
Reading	82.3	86.7	81.0
Mathematics	73.1	81.0	72.3
<b><u>8th Grade Achievement Test</u></b>			
Reading	83.5	90.8	85.8
Mathematics	76.4	83.7	77.0
Science	75.6	78.2	68.7
<b><u>10th Grade Ohio Graduation Test</u></b>			
Reading	89.2	91.7	87.6
Writing	90.6	90.0	84.9
Mathematics	84.8	89.3	83.9
Social Studies	87.8	86.5	81.1
Science	83.6	84.5	77.3
<b><u>11th Grade Ohio Graduation Test</u></b>			
Reading	94.1	96.3	93.0
Writing	95.3	96.1	92.1
Mathematics	81.8	94.8	89.2
Social Studies	92.9	94.0	88.2
Science	92.4	93.0	85.1
<b><u>Graduation Rate (1):</u></b>			
4-Year Rate	88.8	92.7	81.3
5-Year Rate	91.3	93.3	82.4

- (1) Graduation Rate was changed to a Cohort method in FY2012 and changed again in FY2013. Graduation Rates are now based on the number of 9th Graders who completed in 4-Years and 5-Years.
- (2) Determined by the Ohio Dept. of Education based on demographic, socioeconomic, and geographic factors. Ohio Similar District Groupings can be found at: [http://webapp2.ode.state.oh.us/similar\\_districts/similar\\_districts.asp](http://webapp2.ode.state.oh.us/similar_districts/similar_districts.asp)



# Dave Yost • Auditor of State

**ATHENS CITY SCHOOL DISTRICT**

**ATHENS 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  
MARCH 13, 2014**