

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

SUPPLEMENTAL REPORTS

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2014**

MARY ANN HERSCHEL, TREASURER/CFO



Dave Yost • Auditor of State

Board of Education
Austintown Local School District
700 South Raccoon Road
Austintown, Ohio 44515

We have reviewed the Independent Auditor's Report of the Austintown Local School District, Mahoning County, prepared by Julian & Grube, Inc., for the audit period July 1, 2013 through June 30, 2014. 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 Austintown Local 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

February 3, 2015

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

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AUSTINTOWN LOCAL SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(A) PASS-THROUGH GRANT NUMBER	(B) CASH FEDERAL RECEIPTS	(B) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION				
Child Nutrition Grant Cluster:				
(D) (E) School Breakfast Program	10.553	2014	\$ 173,003	\$ 173,003
(D) (E) National School Lunch Program	10.555	2014	1,000,604	1,000,604
(C) (D) National School Lunch Program - Food Donation	10.555	2014	118,342	118,342
Total National School Lunch Program			<u>1,118,946</u>	<u>1,118,946</u>
(D) (E) Summer Food Service Program for Children	10.559	2014	25,078	25,078
Total Child Nutrition Grant Cluster			<u>1,317,027</u>	<u>1,317,027</u>
State Administrative Expenses for Child Nutrition	10.560	2014	3,520	3,520
Total U.S. Department of Agriculture			<u>1,320,547</u>	<u>1,320,547</u>
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION				
Title I Grants to Local Educational Agencies	84.010	2013	100,419	108,515
Title I Grants to Local Educational Agencies	84.010	2014	709,204	708,114
Total Title I Grants to Local Educational Agencies			<u>809,623</u>	<u>816,629</u>
Special Education _Grants to States	84.027	2013	166,134	149,738
Special Education _Grants to States	84.027	2014	874,834	872,951
Total Special Education _Grants to States			<u>1,040,968</u>	<u>1,022,689</u>
Improving Teacher Quality State Grants	84.367	2013	27,869	27,967
Improving Teacher Quality State Grants	84.367	2014	109,802	131,788
Total Improving Teacher Quality State Grants			<u>137,671</u>	<u>159,755</u>
ARRA - State Fiscal Stabilization Fund (SFSF) - Race to the Top, Recovery Act - Resident Educator	84.395A	2014	8,050	8,050
Total U.S. Department of Education			<u>1,996,312</u>	<u>2,007,123</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
(F) Affordable Care Act (ACA) Grants for School-Based Health Center	93.501	C12CS21925	40,924	27,129
(G) Temporary Assistance for Needy Families	93.558	99-0000-TANF-P-14-1503	-	1,648
Total U.S. Department of Health and Human Services			<u>40,924</u>	<u>28,777</u>
Total Federal Financial Assistance			<u>\$ 3,357,783</u>	<u>\$ 3,356,447</u>

NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS

- (A) OAKS did not assign pass-through numbers for fiscal year 2014.
- (B) This schedule was prepared on the cash basis of accounting.
- (C) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are reported at the entitlement value.
- (D) Included as part of "Child Nutrition Grant Cluster" in determining major programs.
- (E) Commingled with state and local revenue from sales of breakfasts and lunches; assumed expenditures were made on a first-in, first-out basis.
- (F) Grant passed through Ohio Department of Health and Human Services.
- (G) Grant passed through Ohio Department of Mental Health and Addiction Services.



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Required by *Government Auditing Standards***

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

To the Board of Education:

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, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Austintown Local School District's basic financial statements and have issued our report thereon dated December 26, 2014.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered Austintown Local School 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 Austintown Local School 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 Austintown Local School 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.

Board of Education
Austintown Local School District

Compliance and Other Matters

As part of reasonably assuring whether Austintown Local School 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 Austintown Local School District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering Austintown Local School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
December 26, 2014



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's 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
Receipts and Expenditures of Federal Awards**

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

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Austintown Local School District's 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 Austintown Local School District's major federal programs for the fiscal year ended June 30, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies Austintown Local School District's major federal programs.

Management's Responsibility

Austintown Local School 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 Austintown Local School District's compliance for each of Austintown Local School 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 Austintown Local School 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 Austintown Local School District's major programs. However, our audit does not provide a legal determination of Austintown Local School District's compliance.

Opinion on Each Major Federal Programs

In our opinion, Austintown Local School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the fiscal year ended June 30, 2014.

Board of Education
Austintown Local School District

Report on Internal Control Over Compliance

Austintown Local School 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 Austintown Local School 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 Austintown Local School 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 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 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.

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Austintown Local School District's basic financial statements. We issued our unmodified report thereon dated December 26, 2014. We conducted our audit to opine on Austintown Local School District's basic financial statements. The accompanying schedule of receipts and expenditures of federal awards presents additional analysis 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.



Julian & Grube, Inc.
December 26, 2014

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

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 2014**

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under §.510(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Special Education Grants to States (CFDA #84.027) and Title I Grants to Local Educational Agencies (CFDA #84.010)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

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AUSTINTOWN LOCAL SCHOOL DISTRICT

MAHONING COUNTY, OHIO



Austintown Falcons

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

AUSTINTOWN LOCAL
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2014

PREPARED BY
TREASURER'S DEPARTMENT
MARY ANN HERSCHEL, TREASURER/CFO

700 S. RACCOON ROAD YOUNGSTOWN, OHIO 44515

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**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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INTRODUCTORY SECTION

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Austintown Local School District

Vincent S. Colaluca, Superintendent

Mary Ann Herschel, Treasurer



700 S. Raccoon Rd.

Austintown, Ohio 44515

Phone: (330) 797-3900

www.austintownschools.org

December 26, 2014

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

The Comprehensive Annual Financial Report (CAFR) of the Austintown Local School District (the "District") for the fiscal year ended June 30, 2014 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

State statute requires an annual audit by independent accountants. The firm of Julian & Grube, Inc. conducted the audit for fiscal year 2014. The audit has been conducted in accordance with generally accepted auditing standards, generally accepted government auditing standards, and includes a review of internal controls and test of compliance with Federal and State laws and regulations. The Independent Auditor's Report is included in this CAFR.

As a part of the District's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to Federal financial assistance programs, as well as to determine that the school district has complied with applicable laws and regulations. The results of the District's independent audit for the fiscal year ended June 30, 2014, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

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

Profile of Austintown Local School District

The District ranks as the 62th largest in the State of Ohio among 612 public school districts and is the 2nd largest of the 14 school districts located within Mahoning County in terms of total enrollment. As of the most current school year (2013-2014), 5,350 students were enrolled in the District's four schools (one elementary, one intermediate, one middle and one high school). Approximately 110 District residents attend the Mahoning County Career and Technical Center.

The District employs 249 non-certified staff members and 340 certificated staff members. The certified staff members include 20 administrators and 319 full-time and part-time teachers. Of the 319 member teaching staff, 67% have master's degrees. The District faculty has an average 11 years of teaching experience. Currently the District has 7 teachers who have attained National Board Certification. Classroom teachers at all levels are supported by specialists in reading, guidance, art, music and physical education. The District's Pupil Personnel Services include school health and psychological services, pupil appraisal, counseling and guidance services, and speech-language and hearing services at all levels.

The District's curriculum, based on the Ohio Common Core Standards, offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and alternative programs. The District has begun a Science, Technology, Engineering & Math (STEM) program at both the middle school and high school level. Our College in High School program continues to grow, giving students the opportunity to earn college credit along with their high school credit. The District has a rich history and tradition in music and the arts along with a high caliber athletic program. Students are offered a large range of extracurricular programs, beginning in the elementary grades with the after-school enrichment program. All District schools have media centers, lunch programs and multipurpose rooms or gyms for student activities. The District is very fortunate to have a supportive Parent Teacher Association (PTA) program at each building and a PTA council at the District level. The District is working on several areas to encourage parent involvement at all building levels.

Overlapping Governmental Entities

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

1. Mahoning County (14.96%)
2. Mill Creek Park District (14.96%)
3. Austintown Township (98.67%)
4. Mahoning County Career and Technical Center (16.92%)
5. City of Youngstown (0.08%)

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

Economic Conditions and Outlook

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

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

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

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

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

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

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

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

There are many cultural activities available in the County including the Butler Institute of American Art, the Arms Museum, the Youngstown Playhouse and Youth Theatre, Easy Street Productions and the Youngstown Symphony Center. Youngstown State University also provides art, music and plays. The Covelli Center is Northeast Ohio's newest event arena. It opened in 2005 and is centrally located in downtown Youngstown. The arena seats 5,700 and is home to the Youngstown Phantoms, an ice hockey team. The center also hosts various concerts and performances, including such acts as Elton John, Carrie Underwood, and Disney-on-Ice. The Mahoning Scrappers, a minor league baseball team, is located in nearby Niles, Ohio and has many family activities during their summer season. The Canfield Fair (Mahoning County's fair) is the largest county fair in Ohio and offers many activities for the youth and families in the area. Many cultural activities are within driving distance in the greater Cleveland and Pittsburgh areas. Professional basketball, baseball, football and hockey teams are also located in the cities of Cleveland and Pittsburgh.

Budgetary Controls

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by the Ohio Administrative Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

Long-Term Financial Planning

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

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

Major Initiatives for the Year

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

Goal 1 - The District will annually maintain or increase enrollment and improve daily attendance rates by facilitating an engaging, student-centered learning environment preparing students for college and career readiness.

Goal 2 - Reading achievement on state assessments will be 80% and/or make a 2% gain annually. Also, local assessments will be at or above expected growth beginning in June 2014.

Goal 3 - Math achievement on state assessments will be 80% and/or make a 2% gain annually. Also, local assessments will be at or above expected growth beginning in June 2014.

Capital Improvements - There has been a great deal of activity on campus this year. The construction of a new elementary school (K-2) and a new intermediate school (3-5) was completed during fiscal year 2014. The new buildings opened in the Fall of 2013. These buildings were built on the current campus where the high school and middle school are located. This created a campus setting with all students in one area and has enabled the sharing of resources along with streamlined transportation. The Ohio Facilities Construction Commission (OFCC) paid 47% of the costs while the District was responsible for the remaining 53%.

Community - Austintown has been chosen as the location for a new Racino (race track and casino). Penn National Gaming, Inc. is relocating Beulah Park in Columbus, Ohio, to a 186 acre property in Austintown. The Racino opened in the Fall of 2014. The YMCA has surveyed the community for potential expansion into western Mahoning County. Austintown is a possible location for this expansion. Several chain restaurants have opened, or will open soon, in Austintown. Austintown Township recently passed a levy for a community senior center.

Major Initiatives for the Future

The District is in the planning stages to purchase one-on-one devices for all students in grades 6-12. The District will spend capital projects money to accomplish this goal. The District feels this is an investment in the academic success of our students. Professional development opportunities will be available to staff to help them integrate this technology in their classroom. The District believes this is necessary for student success on state assessments.

The District has discussed building plans with the OFCC for a new high school building on the District's campus. A bond issue was defeated on its initial attempt. The District will determine an appropriate time to revisit this issue.

Use of this Report

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

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

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

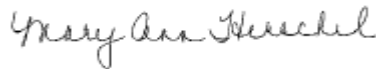
Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Austintown Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

Acknowledgments

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

Sincerely,



Mary Ann Herschel, Treasurer



Vincent S. Colaluca, Superintendent

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

**LIST OF PRINCIPAL OFFICERS
JUNE 30, 2014**

Board of Education

<u>Name</u>	Began Service As Board Member <u>January 1</u>	Present Term Expires <u>December 31</u>	Vocation in Private <u>Life</u>
Mrs. Kathy Mock*	2010	2017	Educator
Mr. Harold Porter	2012	2015	Business Owner
Dr. David Ritchie**	1968	2015	Retired Podiatrist
Mr. Lou Chine	2014	2017	Retired Plumber
Mr. Ken Jakubec	2014	2017	Restaurant Manager

* President

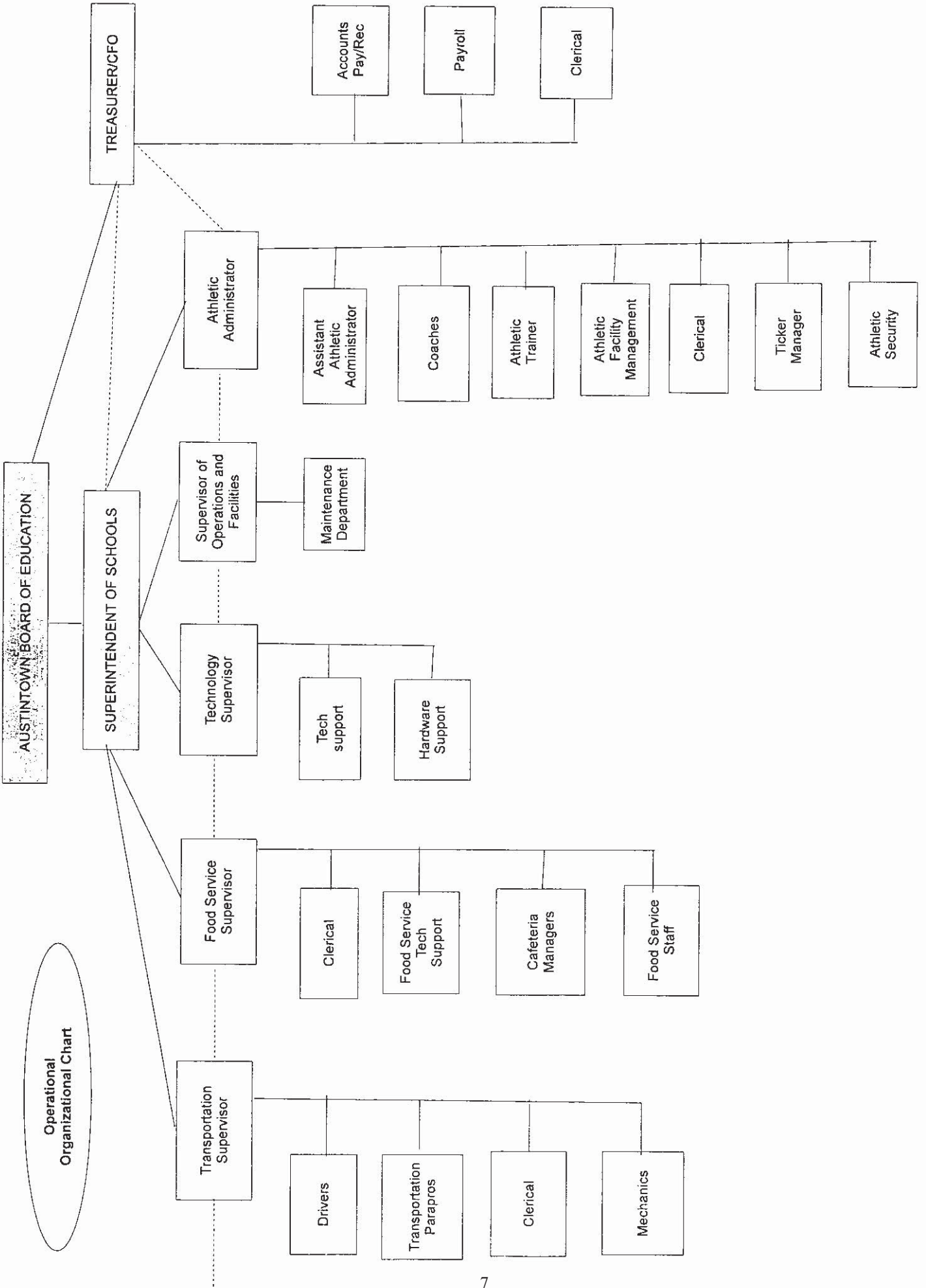
** Vice President

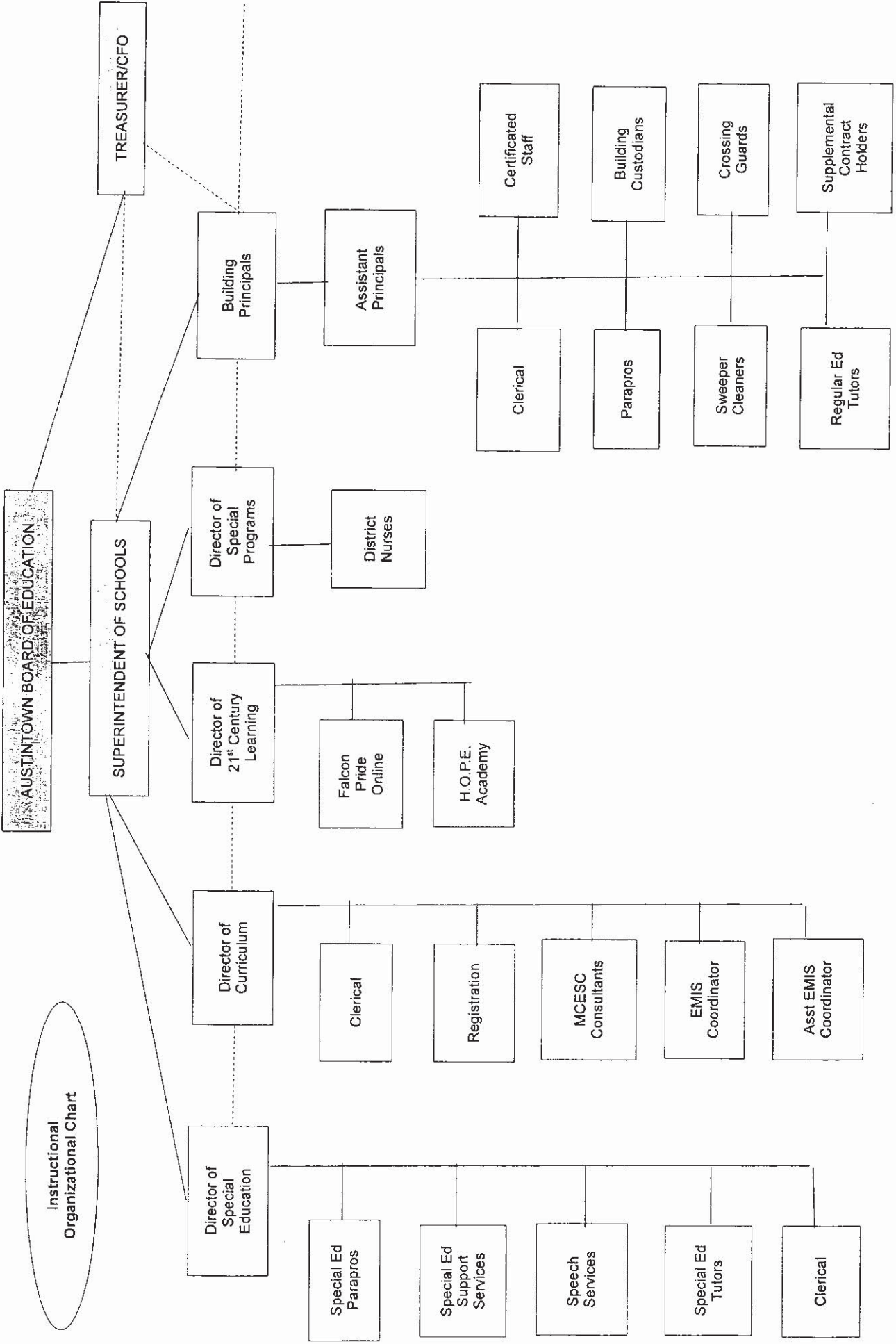
Central Office Administrative Staff

Superintendent	Mr. Vincent Colaluca
Assistant Superintendent	Mr. Jeremy Batchelor
Treasurer	Ms. Mary Ann Herschel

District Administrative Staff

Director of Special Education	Mrs. Becky Morris
Supervisor of Operations and Facilities	Mr. Mal Culp
Transportation Supervisor	Ms. Colleen Murphy
Technology Coordinator	Mr. Thomas Ventresco
Athletic Administrator	Mr. Robert Conklin
Director of 21 st Century Learning	Ms. Mariel Sallee
Director of Special Programs	Ms. Bethany Carlson
EMIS Coordinator	Ms. Cheryl Almy





Instructional Organizational Chart



Government Finance Officers Association

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

Presented to

**Austintown Local School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

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FINANCIAL SECTION

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

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

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Austintown Local School 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 Austintown Local School 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 Austintown Local School 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, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

Board of Education
Austintown Local School District

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*, 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 Austintown Local School 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 the statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2014, on our consideration of the Austintown Local School 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 Austintown Local School District's internal control over financial reporting and compliance.



Julian & Grube, Inc.
December 26, 2014

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

The management's discussion and analysis of Austintown Local School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2014 are as follows:

- In total, net position decreased \$2,310,235. Net position of governmental activities decreased \$2,325,520, which represents a 5.75% decrease from 2013. Net position of business-type activities increased \$15,285 or 15.98% from 2013.
- General revenues accounted for \$39,636,297 in revenue or 77.28% of all governmental activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$11,650,327 or 22.72% of total governmental activities revenues.
- The District had \$52,589,997 in expenses related to governmental activities; only \$11,650,327 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$39,636,297 were not adequate to provide for these programs.
- The District reported a \$1,022,147 special item loss for the write off of the remaining receivable from the Ohio Facilities Construction Commission (OFCC).
- The District's major governmental funds are the general fund, bond retirement fund and classroom facilities fund. The general fund had \$42,622,589 in revenues and other financing sources and \$43,177,187 in expenditures and other financing uses. The general fund's fund balance decreased \$554,598 from \$1,498,037 to \$943,439.
- The bond retirement fund had \$3,959,161 in revenues and \$3,993,646 in expenditures. This fund accounts for the District's accumulation of resources for and payment of long-term debt obligations. The fund balance of the bond retirement fund decreased \$34,485 from \$1,929,474 to a balance of \$1,894,989.
- The classroom facilities fund had \$5,135 in revenues and \$9,889,933 in expenditures. This fund accounts for the District's construction project. The fund balance of the classroom facilities fund decreased \$9,884,798 from \$10,973,543 to \$1,088,745.
- Net position for the business-type activities increased in 2014 by \$15,285. This increase in net position was mainly due to tuition and fees revenue exceeding operating expenses.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund, bond retirement fund and classroom facilities fund are by far the most significant funds, and the only governmental funds reported as major funds.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2014?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

The District's statement of net position and statement of activities can be found on pages 25-27 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds and the District's nonmajor enterprise fund begins on page 21. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, bond retirement fund and classroom facilities fund.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 28-32 of this report.

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole. The basic proprietary fund financial statements can be found on pages 33-35 of this report.

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages 36 and 37. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 39-75 of this report.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The District as a Whole

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

The table below provides a summary of the District's net position for 2013 and 2014.

	Net Position					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Assets</u>						
Current assets	\$ 36,733,746	\$ 49,702,035	\$ 95,161	\$ 85,800	\$ 36,828,907	\$ 49,787,835
Capital assets, net	<u>76,075,247</u>	<u>69,117,627</u>	<u>24,518</u>	<u>16,489</u>	<u>76,099,765</u>	<u>69,134,116</u>
Total assets	<u>112,808,993</u>	<u>118,819,662</u>	<u>119,679</u>	<u>102,289</u>	<u>112,928,672</u>	<u>118,921,951</u>
<u>Deferred outflows</u>	<u>2,184,291</u>	<u>2,317,344</u>	<u>-</u>	<u>-</u>	<u>2,184,291</u>	<u>2,317,344</u>
<u>Liabilities</u>						
Current liabilities	6,738,666	8,942,967	8,742	6,637	6,747,408	8,949,604
Long-term liabilities	<u>51,609,267</u>	<u>53,474,040</u>	<u>-</u>	<u>-</u>	<u>51,609,267</u>	<u>53,474,040</u>
Total liabilities	<u>58,347,933</u>	<u>62,417,007</u>	<u>8,742</u>	<u>6,637</u>	<u>58,356,675</u>	<u>62,423,644</u>
<u>Deferred inflows</u>	<u>18,526,000</u>	<u>18,275,128</u>	<u>-</u>	<u>-</u>	<u>18,526,000</u>	<u>18,275,128</u>
<u>Net position</u>						
Net investment						
in capital assets	29,743,734	31,791,028	24,518	16,489	29,768,252	31,807,517
Restricted	4,200,520	4,589,989	-	-	4,200,520	4,589,989
Unrestricted	<u>4,175,097</u>	<u>4,063,854</u>	<u>86,419</u>	<u>79,163</u>	<u>4,261,516</u>	<u>4,143,017</u>
Total net position	<u>\$ 38,119,351</u>	<u>\$ 40,444,871</u>	<u>\$ 110,937</u>	<u>\$ 95,652</u>	<u>\$ 38,230,288</u>	<u>\$ 40,540,523</u>

At year-end, capital assets represented 67.44% of total assets. Capital assets include, land, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. The District's net investment in capital assets at June 30, 2014 was \$29,743,734. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$4,200,520, represents resources that are subject to external restriction on how they may be used. \$1,547,615 of the District's net position is restricted for debt service. The remaining balance of governmental activities unrestricted net position of \$4,175,097 may be used to meet the District's ongoing obligations to the students and creditors.

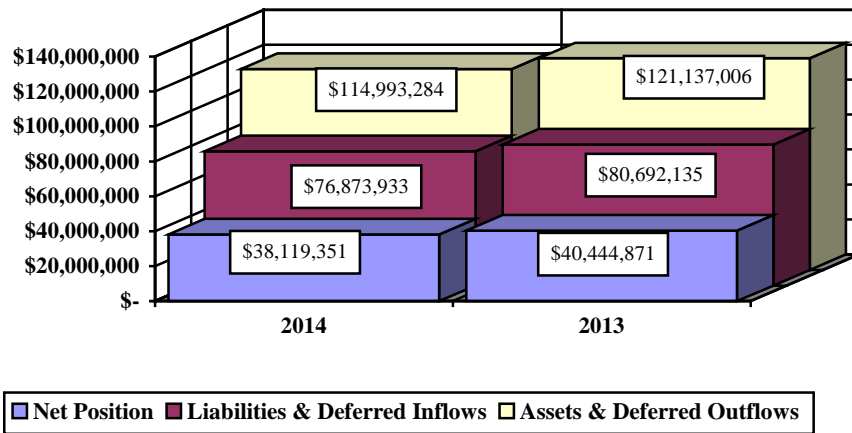
**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

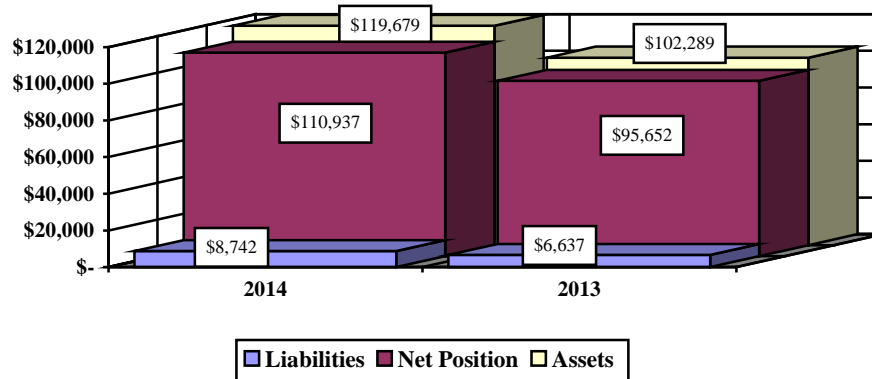
During fiscal year 2014, the decrease in current assets and the increase in capital assets is a result of the District's construction project. The completion of the construction project is also the cause of the decrease in the District's current liabilities as there are no contracts payable outstanding at year end.

The graphs below show the assets, deferred outflows, liabilities, deferred inflows and net position of the governmental activities and business-type activities at June 30, 2013 and 2014.

Governmental – Net Position



Business-Type – Net Position



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

The table below shows the changes in net position for fiscal year 2013 and 2014.

Change in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Revenues</u>						
Program revenues:						
Charges for services and sales	\$ 5,678,033	\$ 5,130,741	\$ 65,172	\$ 62,417	\$ 5,743,205	\$ 5,193,158
Operating grants and contributions	5,972,294	5,744,308	-	-	5,972,294	5,744,308
Capital grants and contributions	-	376,037	-	-	-	376,037
General revenues:						
Property taxes	18,370,885	18,539,528	-	-	18,370,885	18,539,528
Unrestricted grants and entitlements	21,208,581	20,008,694	-	-	21,208,581	20,008,694
Investment earnings	3,479	28,692	-	-	3,479	28,692
Other	53,352	281,099	-	30	53,352	281,129
Total revenues	<u>51,286,624</u>	<u>50,109,099</u>	<u>65,172</u>	<u>62,447</u>	<u>51,351,796</u>	<u>50,171,546</u>
<u>Expenses</u>						
Program expenses:						
Instruction:						
Regular	22,304,725	19,163,737	-	-	22,304,725	19,163,737
Special	6,170,417	5,922,687	-	-	6,170,417	5,922,687
Vocational	427,984	490,228	-	-	427,984	490,228
Other	2,150,753	2,064,679	-	-	2,150,753	2,064,679
Support services:						
Pupil	2,848,276	2,986,365	-	-	2,848,276	2,986,365
Instructional staff	759,210	1,512,809	-	-	759,210	1,512,809
Board of education	66,993	76,897	-	-	66,993	76,897
Administration	4,332,735	3,910,556	-	-	4,332,735	3,910,556
Fiscal	1,001,162	959,253	-	-	1,001,162	959,253
Business	2,252	2,766	-	-	2,252	2,766
Operations and maintenance	4,499,699	4,127,638	-	-	4,499,699	4,127,638
Pupil transportation	1,886,764	2,104,974	-	-	1,886,764	2,104,974
Central	7,200	34,522	-	-	7,200	34,522
Operation of non-instructional services:						
Food service operations	2,556,366	2,478,956	-	-	2,556,366	2,478,956
Other non-instructional services	107,209	153,856	-	-	107,209	153,856
Extracurricular activities	1,176,115	1,031,889	-	-	1,176,115	1,031,889
Interest and fiscal charges	2,292,137	2,349,048	-	-	2,292,137	2,349,048
Special enterprise	-	-	49,887	41,755	49,887	41,755
Total expenses	<u>52,589,997</u>	<u>49,370,860</u>	<u>49,887</u>	<u>41,755</u>	<u>52,639,884</u>	<u>49,412,615</u>
Special item	(1,022,147)	-	-	-	(1,022,147)	-
Transfers	-	(20,000)	-	20,000	-	-
Changes in net position	(2,325,520)	718,239	15,285	40,692	(2,310,235)	758,931
Net position at						
beginning of year	<u>40,444,871</u>	<u>39,726,632</u>	<u>95,652</u>	<u>54,960</u>	<u>40,540,523</u>	<u>39,781,592</u>
Net position at end of year	<u>\$ 38,119,351</u>	<u>\$ 40,444,871</u>	<u>\$ 110,937</u>	<u>\$ 95,652</u>	<u>\$ 38,230,288</u>	<u>\$ 40,540,523</u>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Governmental Activities

For fiscal year 2014, the net position of the District's governmental activities decreased \$2,325,520. Total governmental expenses of \$52,589,997 were offset by program revenues of \$11,650,327 and general revenues of \$39,636,297. Program revenues supported 22.15% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These two revenue sources represent 77.17% of total governmental revenue. Real estate property is reappraised every six years.

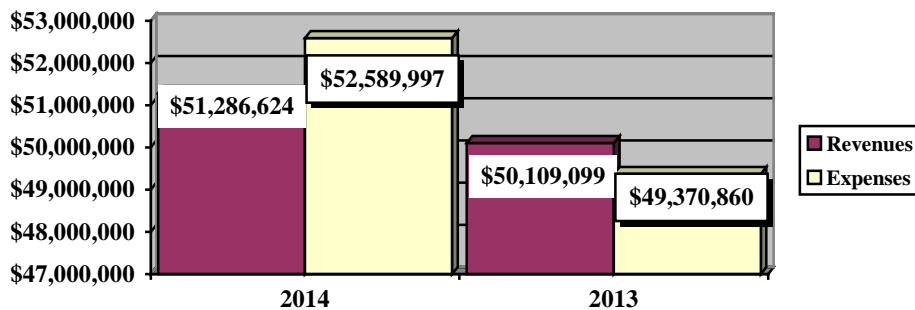
Expenses increased due to demolition costs not being capitalized and an increase in depreciation expense due to the opening of the new intermediate school and elementary school. The District also purchased significant amounts of technology from the regular instruction function. This technology was not capitalized as the individual components were less than the District's capitalization threshold of \$4,000.

The District also had a special item loss of \$1,022,147 to write off the remaining portion of the OFCC grant that will not be received since the construction project came in under budget.

Charges for services revenue increased mainly because of an increase in open enrollment revenue in the general fund. Grants and entitlements not restricted to specific programs increased due to formula changes made to the State Foundation program, which resulted in the District receiving more revenue.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2013 and 2014.

Governmental Activities - Revenues and Expenses



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2013 and 2014. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services <u>2014</u>	Net Cost of Services <u>2014</u>	Total Cost of Services <u>2013</u>	Net Cost of Services <u>2013</u>
Program expenses:				
Instruction:				
Regular	\$ 22,304,725	\$ 18,003,353	\$ 19,163,737	\$ 15,516,754
Special	6,170,417	2,511,850	5,922,687	2,506,223
Vocational	427,984	398,637	490,228	420,913
Other	2,150,753	2,150,753	2,064,679	2,064,679
Support services:				
Pupil	2,848,276	2,723,379	2,986,365	2,600,721
Instructional staff	759,210	528,562	1,512,809	1,271,219
Board of education	66,993	66,993	76,897	76,897
Administration	4,332,735	3,753,830	3,910,556	3,276,443
Fiscal	1,001,162	999,666	959,253	958,824
Business	2,252	2,252	2,766	2,766
Operations and maintenance	4,499,699	4,481,505	4,127,638	4,095,071
Pupil transportation	1,886,764	1,738,339	2,104,974	1,932,414
Central	7,200	-	34,522	34,522
Operation of non-instructional services:				
Food service operations	2,556,366	516,540	2,478,956	336,336
Other non-instructional services	107,209	(9,119)	153,856	13,450
Extracurricular activities	1,176,115	780,993	1,031,889	663,494
Interest and fiscal charges	<u>2,292,137</u>	<u>2,292,137</u>	<u>2,349,048</u>	<u>2,349,048</u>
Total expenses	<u>\$ 52,589,997</u>	<u>\$ 40,939,670</u>	<u>\$ 49,370,860</u>	<u>\$ 38,119,774</u>

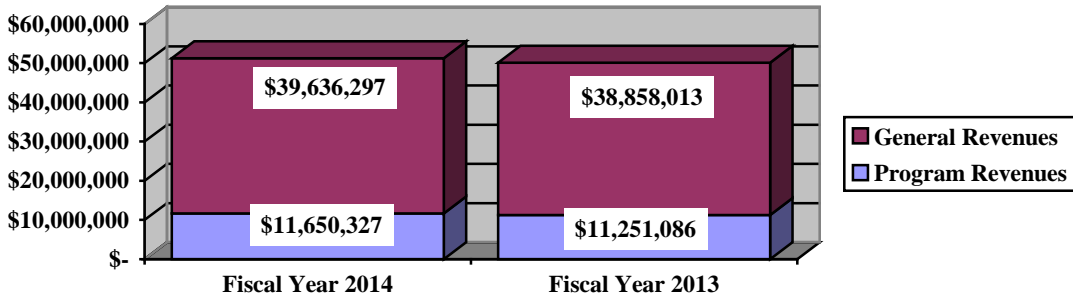
The dependence upon tax revenues during fiscal year 2014 for governmental activities is apparent, as 74.27% of 2014 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 77.85%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for District's students.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

The graph below presents the District's governmental activities revenue for fiscal years 2013 and 2014.

Governmental Activities - General and Program Revenues



Business-type Activities

Business-type activities include special enterprise operations. These programs had revenues of \$65,172 and expenses of \$49,887 for fiscal year 2014. The District's business-type activities receive no support from tax revenues.

The District's Funds

The District's governmental funds reported a combined fund balance of \$9,211,662, which is less than last year fund's total of \$18,474,925.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2013 and 2014.

	Fund Balance <u>June 30, 2014</u>	Fund Balance <u>June 30, 2013</u>	Increase <u>(Decrease)</u>
General	\$ 943,439	\$ 1,498,037	\$ (554,598)
Bond retirement	1,894,989	1,929,474	(34,485)
Classroom facilities	1,088,745	10,973,543	(9,884,798)
Other governmental	<u>5,284,489</u>	<u>4,073,871</u>	<u>1,210,618</u>
Total	<u>\$ 9,211,662</u>	<u>\$ 18,474,925</u>	<u>\$ (9,263,263)</u>

General Fund

The District's general fund balance decreased \$554,598, which is primarily due to an increase in expenditures during the fiscal year. The table that follows assists in illustrating the revenues of the general fund.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>2014</u> <u>Amount</u>	<u>2013</u> <u>Amount</u>	<u>Increase</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Taxes	\$ 15,763,419	\$ 15,631,401	\$ 132,018	0.84 %
Intergovernmental	22,191,193	20,656,509	1,534,684	7.43 %
Other revenues	<u>4,667,862</u>	<u>3,999,173</u>	<u>668,689</u>	16.72 %
Total	<u>\$ 42,622,474</u>	<u>\$ 40,287,083</u>	<u>\$ 2,335,391</u>	5.80 %

Taxes revenue had a small increase in fiscal year 2014. Intergovernmental revenue increased mainly due to changes made to the State Foundation funding formula which benefitted the District. Other revenues increased \$668,689 or 16.72% due to an increase in tuition revenue received from the District's open enrollment policy.

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

	<u>2014</u> <u>Amount</u>	<u>2013</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<u>Expenditures</u>				
Instruction	\$ 27,944,068	\$ 25,419,734	\$ 2,524,334	9.93 %
Support services	13,644,337	13,961,553	(317,216)	(2.27) %
Operation of non-instructional services	1,676	4,059	(2,383)	(58.71) %
Extracurricular activities	556,526	543,429	13,097	2.41 %
Facilities acquisition and construction	<u>3,975</u>	<u>11,230</u>	<u>(7,255)</u>	(64.60) %
Total	<u>\$ 42,150,582</u>	<u>\$ 39,940,005</u>	<u>\$ 2,210,577</u>	5.53 %

The most significant increase in expenditures during fiscal year 2014 was for instructional services. This increase is due to several reasons. First of all, the Uniform School Accounting System (USAS) deleted several functions which were previously reported in the support services category. These functions are now being reported in instructional services. The District also purchased a significant amount of technology from the instructional services category during fiscal year 2014. Finally, instructional services reported an increase due to regular wages and benefit increases. Support services expenditures decreased due to the coding changes in USAS discussed above. Other expenditures remained consistent with the prior fiscal year.

Bond Retirement Fund

The bond retirement fund had \$3,959,161 in revenues and \$3,993,646 in expenditures. This fund accounts for the District's accumulation of resources for and payment of long-term debt obligations. During fiscal year 2014, the fund balance of the bond retirement fund decreased \$34,485, from \$1,929,474 to \$1,894,989.

Classroom Facilities Fund

The classroom facilities fund had \$5,135 in revenues and \$9,889,933 in expenditures. This fund was created during fiscal year 2011 in order to account for the District's construction project. During fiscal year 2014, the fund balance of the classroom facilities fund decreased \$9,884,798, from \$10,973,543 to \$1,088,745.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

General Fund Budgeting Highlights

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

During the course of fiscal 2014, the District amended its general fund budget numerous times, none significant. The District uses budgeting systems to tightly control local budgets but provide flexibility for management.

For the general fund, final budgeted revenues and other financing sources were \$41,429,430, which was increased from the original budgeted revenues and other financing sources estimate of \$39,701,725. Actual revenues and other financing sources for fiscal 2014 were \$42,345,949. This represents a \$916,519 increase from final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$45,247,564 were decreased to \$44,374,485 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2014 totaled \$43,696,494, which was \$677,991 less than the final budget appropriations.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2014, the District had \$76,099,765 invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. Of this total, \$76,075,247 was reported in governmental activities and \$24,518 was reported in business-type activities.

The following table shows fiscal 2014 balances compared to 2013:

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 885,690	\$ 885,690	\$ -	\$ -	\$ 885,690	\$ 885,690
Construction in progress	-	37,826,728	-	-	-	37,826,728
Land improvements	2,288,389	2,511,941	-	-	2,288,389	2,511,941
Building and improvements	71,327,071	26,238,332	-	-	71,327,071	26,238,332
Furniture and equipment	1,014,419	1,053,235	24,518	16,489	1,038,937	1,069,724
Vehicles	525,568	499,373	-	-	525,568	499,373
Textbooks	34,110	102,328	-	-	34,110	102,328
Total	<u>\$ 76,075,247</u>	<u>\$ 69,117,627</u>	<u>\$ 24,518</u>	<u>\$ 16,489</u>	<u>\$ 76,099,765</u>	<u>\$ 69,134,116</u>

Capital assets of the governmental activities increased \$6,957,620, which is due to capital outlays of \$9,052,828 being greater than depreciation expense of \$1,932,072 and disposals of \$163,136 (net of accumulated depreciation) in the current fiscal year. Capital assets of the business-type activities increased \$8,029 which is due to capital outlays of \$12,000 being greater than depreciation expense of \$3,971 in the current year.

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

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Debt Administration

At June 30, 2014 the District had \$45,944,031 in a House Bill 264 loan and general obligation bonds outstanding. Of this total, \$1,120,976 is due within one year and \$44,823,055 is due in greater than one year. The following table summarizes the bonds and loans outstanding.

	Outstanding Debt, at Year End	
	Governmental Activities <u>2014</u>	Governmental Activities <u>2013</u>
House Bill 264 loan	\$ 212,488	\$ 237,245
General obligation bonds	<u>45,731,543</u>	<u>47,315,602</u>
Total	<u>\$ 45,944,031</u>	<u>\$ 47,552,847</u>

During fiscal 2004, the District issued \$26,000,000 in current interest and capital appreciation bonds. The bonds bear an annual interest rate of 2.00% - 5.13% and mature on December 1, 2030. These bonds were refunded during fiscal year 2012.

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

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

At June 30, 2014 the District's overall legal debt margin was \$9,728,977 with an unvoted debt margin of \$592,267.

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

Current Financial Related Activities

The District passed a 2.4 mill bond issue placed on the May 2010 ballot. This allowed the District to construct two new elementary schools with the State covering nearly half the cost of the new buildings. The construction included two buildings: one houses Kindergarten through 2nd grade and the other 3rd through 5th grade. These two buildings replaced the District's five existing elementary schools which will decrease utilities and maintenance expenses. The Ohio Facilities Construction Commission (OFCC) paid 47% of the cost with the remaining 53% paid by local taxpayers. The new buildings were ready for students in the Fall of 2013.

Contacting the District's Financial Management

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

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

STATEMENT OF NET POSITION
JUNE 30, 2014

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents.	\$ 15,231,463	\$ 95,161	\$ 15,326,624
Receivables:			
Property taxes	20,948,550	-	20,948,550
Accounts	3,909	-	3,909
Intergovernmental	481,559	-	481,559
Prepayments	38,265	-	38,265
Materials and supplies inventory.	30,000	-	30,000
Capital assets:			
Nondepreciable capital assets	885,690	-	885,690
Depreciable capital assets, net.	75,189,557	24,518	75,214,075
Capital assets, net	76,075,247	24,518	76,099,765
Total assets.	<u>112,808,993</u>	<u>119,679</u>	<u>112,928,672</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	2,184,291	-	2,184,291
Liabilities:			
Accounts payable.	138,073	546	138,619
Retainage payable	579,729	-	579,729
Accrued wages and benefits	4,585,974	7,908	4,593,882
Pension obligation payable.	808,724	-	808,724
Intergovernmental payable	230,827	288	231,115
Accrued interest payable	395,339	-	395,339
Long-term liabilities:			
Due within one year.	1,529,639	-	1,529,639
Due in more than one year.	50,079,628	-	50,079,628
Total liabilities	<u>58,347,933</u>	<u>8,742</u>	<u>58,356,675</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	18,526,000	-	18,526,000
Net position:			
Net investment in capital assets	29,743,734	24,518	29,768,252
Restricted for:			
Capital projects	797,820	-	797,820
Classroom facilities maintenance	1,241,246	-	1,241,246
Debt service.	1,547,615	-	1,547,615
Locally funded programs	19,321	-	19,321
State funded programs.	15,087	-	15,087
Federally funded programs	443,966	-	443,966
Student activities	135,465	-	135,465
Unrestricted	4,175,097	86,419	4,261,516
Total net position.	<u>\$ 38,119,351</u>	<u>\$ 110,937</u>	<u>\$ 38,230,288</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>
Governmental activities:			
Instruction:			
Regular	\$ 22,304,725	\$ 4,207,608	\$ 93,764
Special	6,170,417	59,438	3,599,129
Vocational	427,984	-	29,347
Other	2,150,753	-	-
Support services:			
Pupil	2,848,276	25,901	98,996
Instructional staff	759,210	186	230,462
Board of education	66,993	-	-
Administration	4,332,735	231,750	347,155
Fiscal	1,001,162	-	1,496
Business	2,252	-	-
Operations and maintenance	4,499,699	18,194	-
Pupil transportation	1,886,764	40,967	107,458
Central	7,200	-	7,200
Operation of non-instructional services:			
Food service operations	2,556,366	695,019	1,344,807
Other non-instructional services	107,209	4,957	111,371
Extracurricular activities	1,176,115	394,013	1,109
Interest and fiscal charges	2,292,137	-	-
Total governmental activities	<u>52,589,997</u>	<u>5,678,033</u>	<u>5,972,294</u>
Business-type activities:			
Special enterprise	<u>49,887</u>	<u>65,172</u>	<u>-</u>
Totals	<u>\$ 52,639,884</u>	<u>\$ 5,743,205</u>	<u>\$ 5,972,294</u>

General revenues:

Property taxes levied for:	
General purposes	
Debt service	
Classroom facilities maintenance	
Grants and entitlements not restricted to specific programs	
Investment earnings	
Miscellaneous	
Total general revenues	
Special item	
Change in net position	
Net position at beginning of year	
Net position at end of year	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Governmental Activities	Business-Type Activities	Total
\$ (18,003,353)	\$ -	\$ (18,003,353)
(2,511,850)	-	(2,511,850)
(398,637)	-	(398,637)
(2,150,753)	-	(2,150,753)
(2,723,379)	-	(2,723,379)
(528,562)	-	(528,562)
(66,993)	-	(66,993)
(3,753,830)	-	(3,753,830)
(999,666)	-	(999,666)
(2,252)	-	(2,252)
(4,481,505)	-	(4,481,505)
(1,738,339)	-	(1,738,339)
-	-	-
(516,540)	-	(516,540)
9,119	-	9,119
(780,993)	-	(780,993)
(2,292,137)	-	(2,292,137)
(40,939,670)	-	(40,939,670)
-	15,285	15,285
(40,939,670)	15,285	(40,924,385)
15,398,511	-	15,398,511
2,725,756	-	2,725,756
246,618	-	246,618
21,208,581	-	21,208,581
3,479	-	3,479
53,352	-	53,352
39,636,297	-	39,636,297
(1,022,147)	-	(1,022,147)
(2,325,520)	15,285	(2,310,235)
40,444,871	95,652	40,540,523
\$ 38,119,351	\$ 110,937	\$ 38,230,288

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	General	Bond Retirement	Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents.	\$ 6,183,946	\$ 1,894,989	\$ 1,668,474	\$ 5,484,054	\$ 15,231,463
Receivables:					
Property taxes.	17,692,105	2,979,508	-	276,937	20,948,550
Accounts	2,952	-	-	957	3,909
Intergovernmental.	48,771	-	-	432,788	481,559
Prepayments.	38,265	-	-	-	38,265
Materials and supplies inventory.	-	-	-	30,000	30,000
Due from other funds	56,929	-	-	-	56,929
Total assets	<u>\$ 24,022,968</u>	<u>\$ 4,874,497</u>	<u>\$ 1,668,474</u>	<u>\$ 6,224,736</u>	<u>\$ 36,790,675</u>
Liabilities:					
Accounts payable	\$ 137,459	\$ -	\$ -	\$ 614	\$ 138,073
Retainage payable.	-	-	579,729	-	579,729
Accrued wages and benefits	4,195,709	-	-	390,265	4,585,974
Compensated absences payable	49,136	-	-	3,220	52,356
Intergovernmental payable	216,001	-	-	14,826	230,827
Pension obligation payable	740,348	-	-	68,376	808,724
Due to other funds	-	-	-	56,929	56,929
Total liabilities.	<u>5,338,653</u>	<u>-</u>	<u>579,729</u>	<u>534,230</u>	<u>6,452,612</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year.	15,607,000	2,670,000	-	249,000	18,526,000
Delinquent property tax revenue not available.	2,085,105	309,508	-	27,937	2,422,550
Other nonexchange transactions not available.	-	-	-	19,239	19,239
Miscellaneous revenue not available.	48,771	-	-	109,841	158,612
Total deferred inflows of resources	<u>17,740,876</u>	<u>2,979,508</u>	<u>-</u>	<u>406,017</u>	<u>21,126,401</u>
Fund balances:					
Nonspendable.	38,265	-	-	30,000	68,265
Restricted.	-	1,894,989	1,088,745	2,164,625	5,148,359
Committed.	704,564	-	-	3,152,676	3,857,240
Assigned.	200,610	-	-	-	200,610
Unassigned (deficit)	-	-	-	(62,812)	(62,812)
Total fund balances.	<u>943,439</u>	<u>1,894,989</u>	<u>1,088,745</u>	<u>5,284,489</u>	<u>9,211,662</u>
Total liabilities, deferred inflows and fund balances.	<u>\$ 24,022,968</u>	<u>\$ 4,874,497</u>	<u>\$ 1,668,474</u>	<u>\$ 6,224,736</u>	<u>\$ 36,790,675</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2014

Total governmental fund balances		\$ 9,211,662
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		76,075,247
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 2,422,550	
Intergovernmental receivable	177,851	
Total	2,600,401	2,600,401
Unamortized premiums on bonds issued are not recognized in the funds.		(2,931,974)
Unamortized amounts on refundings are not recognized in the funds.		2,184,291
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(395,339)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(45,731,543)	
Compensated absences	(2,680,906)	
House Bill 264 loan	(212,488)	
Total	(48,624,937)	(48,624,937)
Net position of governmental activities		\$ 38,119,351

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	General	Bond Retirement	Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
From local sources:					
Taxes	\$ 15,763,419	\$ 2,760,313	\$ -	\$ 249,565	\$ 18,773,297
Tuition.	4,080,360	-	-	-	4,080,360
Earnings on investments	4,141	-	4,185	49	8,375
Charges for services	830	-	-	695,019	695,849
Extracurricular.	192,267	-	-	418,645	610,912
Classroom materials and fees	183,254	-	-	186	183,440
Other local revenues	207,010	-	950	48,879	256,839
Intergovernmental - intermediate	-	-	-	18,000	18,000
Intergovernmental - state	22,191,193	444,243	-	234,761	22,870,197
Intergovernmental - federal	-	754,605	-	3,713,179	4,467,784
Total revenues.	42,622,474	3,959,161	5,135	5,378,283	51,965,053
Expenditures:					
Current:					
Instruction:					
Regular.	20,842,573	-	-	95,690	20,938,263
Special	4,496,844	-	-	1,433,630	5,930,474
Vocational	453,898	-	-	-	453,898
Other	2,150,753	-	-	-	2,150,753
Support services:					
Pupil	2,628,422	-	-	144,553	2,772,975
Instructional staff	394,926	-	-	229,279	624,205
Board of education	66,993	-	-	-	66,993
Administration	3,801,026	-	-	356,453	4,157,479
Fiscal	922,313	54,218	-	6,554	983,085
Business.	2,252	-	-	-	2,252
Operations and maintenance	4,143,086	-	143,746	33,930	4,320,762
Pupil transportation	1,685,319	-	-	44,556	1,729,875
Central	-	-	-	7,200	7,200
Operation of non-instructional services:					
Food service operations.	-	-	-	2,328,982	2,328,982
Other non-instructional services.	1,676	-	-	105,843	107,519
Extracurricular activities	556,526	-	-	407,981	964,507
Facilities acquisition and construction	3,975	-	9,746,187	995	9,751,157
Debt service:					
Principal retirement.	-	1,754,757	-	-	1,754,757
Interest and fiscal charges	-	2,184,671	-	-	2,184,671
Total expenditures	42,150,582	3,993,646	9,889,933	5,195,646	61,229,807
Excess (deficiency) of revenues over (under) expenditures.	471,892	(34,485)	(9,884,798)	182,637	(9,264,754)
Other financing sources (uses):					
Sale of capital assets	115	-	-	1,376	1,491
Transfers in	-	-	-	1,026,605	1,026,605
Transfers (out)	(1,026,605)	-	-	-	(1,026,605)
Total other financing sources (uses).	(1,026,490)	-	-	1,027,981	1,491
Net change in fund balances	(554,598)	(34,485)	(9,884,798)	1,210,618	(9,263,263)
Fund balances at beginning of year.	1,498,037	1,929,474	10,973,543	4,073,871	18,474,925
Fund balances at end of year	\$ 943,439	\$ 1,894,989	\$ 1,088,745	\$ 5,284,489	\$ 9,211,662

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Net change in fund balances - total governmental funds	\$	(9,263,263)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
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.		
Capital asset additions	\$ 9,052,828	
Current year depreciation	(1,932,072)	
Total		7,120,756
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(163,136)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(402,412)	
Earnings on investments	(4,815)	
Intergovernmental	(1,293,349)	
Total		(1,700,576)
Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:		
General obligation bonds	1,730,000	
House Bill 264 loan	24,757	
Total		1,754,757
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable	3,484	
Accreted interest on capital appreciation bonds	(145,941)	
Amortization of bond premiums	168,044	
Amortization of deferred charges	(133,053)	
Total		(107,466)
Some expenses reported in the statement of activities, such as compensated absences and early retirement incentives, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		33,408
Change in net position of governmental activities	\$	(2,325,520)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Taxes	\$ 15,106,048	\$ 15,763,419	\$ 15,763,419	\$ -
Tuition.	3,909,586	4,079,720	4,079,720	-
Earnings on investments	3,651	3,810	4,109	299
Charges for services	795	830	830	-
Extracurricular.	3,507	3,660	3,660	-
Classroom materials and fees	116,067	121,118	121,133	15
Other local revenues	31,995	33,387	34,127	740
Intergovernmental - state	20,115,782	20,991,163	22,191,192	1,200,029
Total revenues	<u>39,287,431</u>	<u>40,997,107</u>	<u>42,198,190</u>	<u>1,201,083</u>
Expenditures:				
Current:				
Instruction:				
Regular	20,876,080	20,473,263	20,462,866	10,397
Special.	4,570,010	4,481,829	4,481,822	7
Vocational.	462,663	453,736	453,736	-
Other.	2,193,070	2,150,753	2,150,753	-
Support services:				
Pupil.	2,842,049	2,787,210	2,706,933	80,277
Instructional staff	490,143	480,685	480,335	350
Board of education	91,958	90,184	68,863	21,321
Administration.	3,770,377	3,697,625	3,644,318	53,307
Fiscal	915,798	898,127	879,779	18,348
Business	2,348	2,303	2,252	51
Operations and maintenance.	4,435,350	4,349,767	4,292,987	56,780
Pupil transportation	2,040,709	2,001,332	1,989,946	11,386
Other non-instructional services	1,729	1,696	1,696	-
Extracurricular activities.	562,860	552,000	552,000	-
Facilities acquisition and construction	462,907	453,975	453,975	-
Total expenditures	<u>43,718,051</u>	<u>42,874,485</u>	<u>42,622,261</u>	<u>252,224</u>
Excess of expenditures over revenues	<u>(4,430,620)</u>	<u>(1,877,378)</u>	<u>(424,071)</u>	<u>1,453,307</u>
Other financing sources (uses):				
Refund of prior year's expenditures	141,247	147,394	147,394	-
Transfers in	272,697	284,564	-	(284,564)
Transfers (out).	(1,529,513)	(1,500,000)	(1,074,233)	425,767
Sale of capital assets	350	365	365	-
Total other financing sources (uses)	<u>(1,115,219)</u>	<u>(1,067,677)</u>	<u>(926,474)</u>	<u>141,203</u>
Net change in fund balance	(5,545,839)	(2,945,055)	(1,350,545)	1,594,510
Fund balance at beginning of year	5,268,188	5,268,188	5,268,188	-
Prior year encumbrances appropriated	974,932	974,932	974,932	-
Fund balance at end of year	<u>\$ 697,281</u>	<u>\$ 3,298,065</u>	<u>\$ 4,892,575</u>	<u>\$ 1,594,510</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2014

	Business-type Activities
	Nonmajor Enterprise Fund
Assets:	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 95,161
Noncurrent assets:	
Depreciable capital assets, net	24,518
Total assets.	119,679
Liabilities:	
Accounts payable.	546
Accrued wages and benefits	7,908
Intergovernmental payable	288
Total liabilities	8,742
Net position:	
Investment in capital assets	24,518
Unrestricted.	86,419
Total net position.	\$ 110,937

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Business-type Activities
	Nonmajor Enterprise Fund
Operating revenues:	
Tuition and fees.	\$ 65,172
Operating expenses:	
Personal services.	32,533
Contractual services.	2,464
Materials and supplies	10,919
Depreciation	3,971
Total operating expenses.	49,887
Change in net position	15,285
Net position at beginning of year.	95,652
Net position at end of year	\$ 110,937

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Business-type Activities
	Nonmajor Enterprise Fund
Cash flows from operating activities:	
Cash received from tuition and fees	\$ 66,632
Cash payments for personal services.	(29,223)
Cash payments for contractual services	(2,464)
Cash payments for materials and supplies	(12,124)
	22,821
Net cash provided by operating activities	22,821
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(12,000)
Net increase in cash and cash cash equivalents.	10,821
Cash and cash equivalents at beginning of year . . .	84,340
Cash and cash equivalents at end of year.	\$ 95,161
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 15,285
Adjustments:	
Depreciation.	3,971
Changes in assets and liabilities:	
Decrease in accounts receivable.	1,460
(Decrease) in accounts payable	(1,205)
Increase in accrued wages and benefits	3,403
(Decrease) in intergovernmental payable.	(93)
	22,821
Net cash provided by operating activities.	\$ 22,821

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2014

	Private Purpose Trust	
	Scholarship	Agency
Assets:		
Equity in pooled cash and cash equivalents	\$ 79,119	\$ 51,049
Total assets	79,119	\$ 51,049
Liabilities:		
Accounts payable.	-	\$ 894
Due to students.	-	43,023
Due to others.	-	7,132
Total liabilities	-	\$ 51,049
Net position:		
Held in trust for scholarships	79,119	
Total net position.	\$ 79,119	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Private Purpose Trust
	Scholarship
Additions:	
Interest.	\$ 25
Gifts and contributions.	18,453
Total additions.	18,478
Deductions:	
Scholarships awarded	13,598
Change in net position.	4,880
Net position at beginning of year	74,239
Net position at end of year.	\$ 79,119

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

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

The District is staffed by 249 non-certified and 340 certified personnel to provide services to approximately 5,350 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

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

JOINTLY GOVERNED ORGANIZATIONS

Area Cooperative Computerized Educational Service System

Area Cooperative Computerized Educational Service System (ACCESS), a not-for-profit computer service, is jointly governed by 24 districts within Mahoning and Columbiana counties. ACCESS is governed by an assembly consisting of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the assembly. Members of ACCESS are assessed annual user fees and periodic capital improvement fees based on their average daily membership. The members have an ongoing financial interest in ACCESS, however, they do not have an equity interest. Financial information can be obtained from the Treasurer for the Mahoning County Educational Service Center, who serves as fiscal agent, at 7300 North Palmyra Road, Canfield, Ohio 44406.

Mahoning County Career & Technical Center

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

PUBLIC ENTITY RISK POOLS

Stark County Schools Council of Governments

The Stark County Schools Council of Governments (Council) is a shared risk pool created pursuant to State statute for the purpose of administering health care and dental benefits. The Council is governed by an Assembly which consists of one representative from each participating school district (usually the superintendent or designee). The Assembly elects officers for one year terms to serve on the Board of Directors. The Assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. Each school district reserves the right to terminate the plan in whole or in part, at any time. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance with the terms of the contract. Financial information can be obtained from the Treasurer for the Stark County Educational Service Center, who serves as fiscal agent, at 2100 38th Street N.W., Canton, Ohio 44709-2300.

B. Fund Accounting

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

GOVERNMENTAL FUNDS

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

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

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

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

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition 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 FUNDS

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

FIDUCIARY FUNDS

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

C. Basis of Presentation and Measurement Focus

Government-wide Financial Statements - The statement of net 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 statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

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

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

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

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

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

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

D. Basis of Accounting

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

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

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

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

Deferred Inflows of Resources and Deferred Outflows of Resources - A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of June 30, 2014, but which were levied to finance fiscal year 2015 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as deferred inflows. Grants not received within the available period, grants and entitlements received before the grant's timing requirements are met, and delinquent property taxes due at June 30, 2014, are recorded as deferred inflows on the governmental fund financial statements.

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

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

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

E. Budgets

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

3. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year). Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures for the general fund. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation total.
4. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.
5. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized cash basis appropriation.
6. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal year 2014. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board of Education during the fiscal year.
7. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be re-appropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level.

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

F. Cash and Cash Equivalents

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

During fiscal year 2014, investments were limited to a repurchase agreements and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on June 30, 2014.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or by policy of the Board of Education. Interest revenue credited to the general fund during fiscal 2014 amounted to \$4,141, which includes \$2,111 assigned from other District funds.

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

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

G. Inventory

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

Inventories consist of donated food and purchased food.

H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary fund. 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. Capital assets utilized by the proprietary fund are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund.

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

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

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

I. Compensated Absences

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

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

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2014, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

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

J. Accrued Liabilities and Long-Term Obligations

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

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

K. Fund Balance

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

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Education has by resolution authorized the treasurer to assign fund balance. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments general only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

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

L. Net Position

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its 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.

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

M. Prepayments

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

N. Parochial Schools

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

O. Estimates

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

P. Unamortized Bond Premium and Deferred Charges on Refunding

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds. A reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 9.E.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources on the statement of net position.

Q. Capital Contributions

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, or from grants, or outside contributions of resources restricted to capital acquisition and construction. The enterprise fund did not receive any capital contributions from governmental funds during fiscal year 2014.

R. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. The District had no restricted assets at June 30, 2014.

S. Interfund Activity

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

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

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had one special item during fiscal year 2014. The District wrote off \$1,022,147 in intergovernmental receivable previously recognized for the Ohio Facilities Construction Commission's (OFCC) portion of the construction project. The construction project came in under budget and the District will not receive any further amounts from the OFCC. The District had no extraordinary items during fiscal year 2014.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2014, the District has implemented GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees".

GASB Statement No. 70 improves the recognition, measurement, and disclosures for state and local governments that have extended or received financial guarantees that are nonexchange transactions. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2014 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Food service	\$ 29,232
Title I	392
Improving teacher quality	3,188

The general fund is liable for deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities. The deficit fund balances in these nonmajor governmental funds, net of \$30,000 reported as nonspendable fund balance, are reported as deficit unassigned fund balance in the fund financial statements.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

A. Deposits with Financial Institutions

At June 30, 2014, the carrying amount of all District deposits was \$586,396 exclusive of the repurchase agreement reported in investments below. Based on the criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of June 30, 2014, \$649,989 of the District’s bank balance of \$899,989 was exposed to custodial risk as discussed below, while \$250,000 was covered by the FDIC.

B. Investments

As of June 30, 2014, the District had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment maturities</u> 6 months or less
STAR Ohio	\$ 101,529	\$ 101,529
Repurchase agreement	<u>14,768,867</u>	<u>14,768,867</u>
	<u>\$ 14,870,396</u>	<u>\$ 14,870,396</u>

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

Credit Risk: STAR Ohio carries a rating of AAAM by Standard & Poor’s. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District’s investments in the federal agency securities that underlie the repurchase agreement, were rated AA+ and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. The District’s investment policy does not specifically address credit risk beyond requiring the District to only invest in securities authorized by State statute.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2014:

<u>Investment type</u>	<u>Fair value</u>	<u>% of total</u>
STAR Ohio	\$ 101,529	0.68
Repurchase agreement	<u>14,768,867</u>	<u>99.32</u>
Total investments	<u>\$ 14,870,396</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2014:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 586,396
Investments	<u>14,870,396</u>
Total	<u>\$ 15,456,792</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 15,231,463
Business type activities	95,161
Private-purpose trust fund	79,119
Agency fund	<u>51,049</u>
Total	<u>\$ 15,456,792</u>

NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund balances consisted of the following due to/from other funds at June 30, 2014, as reported on the fund statements:

<u>Due to the general fund from:</u>	<u>Amount</u>
Nonmajor governmental funds	\$ 56,929

The primary purpose of the interfund loans due to the general fund is to cover negative cash balances in the Alternative School Grant fund, and Improving Teacher Quality fund, all nonmajor governmental funds. These negative cash balances are allowable under Ohio Revised Code Section 3315.20. The interfund balance will be repaid once the anticipated revenues are received. There are also amounts due to the general fund from the Race to the Top fund, a nonmajor governmental fund, for services provided on account

Amounts due to/from other funds between governmental funds are eliminated on the government-wide financial statements.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

- B.** Interfund transfers for the year ended June 30, 2014, consisted of the following, as reported on the fund financial statements:

<u>Transfers from the general fund to:</u>	<u>Amount</u>
Nonmajor governmental funds	\$ 1,026,605

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

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2014 represent the collection of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed values as of January 1, 2013, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2014 represent the collection of calendar year 2013 taxes. Public utility real and personal property taxes received in calendar year 2014 became a lien on December 31, 2012, were levied after April 1, 2013, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Mahoning County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2014, are available to finance fiscal year 2014 operations. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2014 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 6 - PROPERTY TAXES - (Continued)

The assessed values upon which the fiscal year 2014 taxes were collected are:

	2013 Second Half Collections		2014 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 568,931,040	97.70	\$ 577,611,960	97.53
Public utility personal	<u>13,376,760</u>	<u>2.30</u>	<u>14,654,570</u>	<u>2.47</u>
Total	<u>\$ 582,307,800</u>	<u>100.00</u>	<u>\$ 592,266,530</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation				
Operations	\$ 54.60		\$ 54.60	
Debt service	5.50		5.50	
Classroom facilities maintenance	0.50		0.50	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2014 consisted of taxes, accounts (billings for user charged services and student fees) and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

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

Governmental activities:

Taxes	\$ 20,948,550
Accounts	3,909
Intergovernmental	<u>481,559</u>
Total governmental activities	<u>\$ 21,434,018</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2014, was as follows:

	<u>Balance</u> <u>6/30/13</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>6/30/14</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 885,690	\$ -	\$ -	\$ 885,690
Construction in progress	37,826,728	8,822,804	(46,649,532)	-
Total capital assets, not being depreciated	<u>38,712,418</u>	<u>8,822,804</u>	<u>(46,649,532)</u>	<u>885,690</u>
Capital assets, being depreciated:				
Land improvements	3,922,805	-	(61,766)	3,861,039
Building/improvements	45,066,269	46,649,532	(3,154,857)	88,560,944
Furniture/equipment	3,593,023	117,602	(343,502)	3,367,123
Vehicles	2,973,650	112,422	(28,200)	3,057,872
Textbooks	4,547,399	-	(783,702)	3,763,697
Total capital assets, being depreciated	<u>60,103,146</u>	<u>46,879,556</u>	<u>(4,372,027)</u>	<u>102,610,675</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(1,410,864)	(199,144)	37,358	(1,572,650)
Building/improvements	(18,827,937)	(1,430,596)	3,024,660	(17,233,873)
Furniture/equipment	(2,539,788)	(150,853)	337,937	(2,352,704)
Vehicles	(2,474,277)	(83,261)	25,234	(2,532,304)
Textbooks	(4,445,071)	(68,218)	783,702	(3,729,587)
Total accumulated depreciation	<u>(29,697,937)</u>	<u>(1,932,072)</u>	<u>4,208,891</u>	<u>(27,421,118)</u>
Governmental activities capital assets, net	<u>\$ 69,117,627</u>	<u>\$ 53,770,288</u>	<u>\$ (46,812,668)</u>	<u>\$ 76,075,247</u>
Business-type activities:				
Capital assets, being depreciated:				
Furniture/equipment	\$ 67,565	\$ 12,000	\$ -	\$ 79,565
Less: accumulated depreciation	<u>(51,076)</u>	<u>(3,971)</u>	<u>-</u>	<u>(55,047)</u>
Total	<u>\$ 16,489</u>	<u>\$ 8,029</u>	<u>\$ -</u>	<u>\$ 24,518</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 8 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged as follows:

Governmental activities:	<u>Amount</u>
<u>Instruction:</u>	
Regular	\$ 951,348
Special	142,148
Vocational	3,945
<u>Support services:</u>	
Pupil	68,415
Instructional staff	126,085
Administration	86,239
Fiscal	12,754
Operations and maintenance	99,312
Pupil transportation	190,208
Food service operations	124,832
Extracurricular activities	<u>126,786</u>
Total governmental activities	<u>1,932,072</u>
 Business-type activities:	
Community center	<u>3,971</u>
Total depreciation expense	<u><u>\$ 1,936,043</u></u>

NOTE 9 - LONG-TERM OBLIGATIONS

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

This issue is comprised of both current interest bonds, par value \$25,065,000, and capital appreciation bonds, par value \$935,000. The interest rates on the current interest bonds range from 2.00% to 5.13%. The last capital appreciation bonds matured on and December 1, 2013.

On June 13, 2012, the District issued \$20,975,000 (series 2012 advance refunding general obligation bonds) to advance refund the callable portion of the bonds. The refunded portions of the series 2004 bonds included portions of the serial bonds and the entire amount of the term bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated of the remaining current interest bonds is December 1, 2014.

The following is a schedule of activity for fiscal year 2014 on the 2004 general obligation bonds:

<u>Series 2004</u>	<u>Balance</u> <u>6/30/13</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/14</u>
Current interest bonds	\$ 630,000	\$ -	\$ -	\$ 630,000
Capital appreciation bonds	300,000	-	(300,000)	-
Accreted interest	301,321	23,679	(325,000)	-
Total series 2004	\$ 1,231,321	\$ 23,679	\$ (625,000)	\$ 630,000

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

<u>Fiscal</u> <u>Year Ended</u>	<u>Current Interest Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	<u>\$ 630,000</u>	<u>\$ 13,230</u>	<u>\$ 643,230</u>

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

The following is a description of the District's House Bill 264 loan outstanding as of June 30, 2014:

	<u>Interest</u> <u>Rate</u>	<u>Issue</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Balance</u> <u>6/30/13</u>	<u>Issued</u> <u>in 2014</u>	<u>Retired</u> <u>in 2014</u>	<u>Balance</u> <u>6/30/14</u>
House Bill 264 Loan	4.75%	10/5/2006	10/1/2021	<u>\$ 237,245</u>	<u>\$ -</u>	<u>\$ (24,757)</u>	<u>\$ 212,488</u>
Total				<u>\$ 237,245</u>	<u>\$ -</u>	<u>\$ (24,757)</u>	<u>\$ 212,488</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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

<u>Fiscal Year Ending</u>	<u>Principal on Loan</u>	<u>Interest on Loan</u>	<u>Total</u>
2015	\$ 25,976	\$ 9,668	\$ 35,644
2016	27,232	8,412	35,644
2017	28,596	7,048	35,644
2018	30,004	5,640	35,644
2019	31,481	4,163	35,644
2020 - 2022	<u>69,199</u>	<u>3,614</u>	<u>72,813</u>
Total	<u>\$ 212,488</u>	<u>\$ 38,545</u>	<u>\$ 251,033</u>

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

The interest rate on the tax exempt current interest bonds is 2.00%. The tax exempt capital appreciation bonds mature on November 1, 2028 (approximate initial offering yield to maturity 4.75%), November 1, 2029 (approximate initial offering yield to maturity 4.85%), and November 1, 2030 (approximate initial offering yield to maturity 4.95%), at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$1,605,000. A total of \$83,608 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2014.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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

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

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

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

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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

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

The following is a schedule of activity for fiscal year 2014 on the 2010 general obligation bonds:

<u>Series 2010</u>	<u>Balance 6/30/13</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/14</u>
Current interest bonds	\$ 1,080,000	\$ -	\$ (865,000)	\$ 215,000
Capital appreciation bonds	140,000	-	-	140,000
Accreted interest	56,825	26,783	-	83,608
BABs	12,655,000	-	-	12,655,000
QSCBs	<u>11,260,000</u>	<u>-</u>	<u>-</u>	<u>11,260,000</u>
Total series 2010	<u>\$ 25,191,825</u>	<u>\$ 26,783</u>	<u>\$ (865,000)</u>	<u>\$ 24,353,608</u>

As of fiscal year end, \$678,387, of the bond proceeds was unspent (net of retainage payable of \$579,729, respectively).

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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

Fiscal Year Ended	Current Interest Bonds, BABs and QSCBs			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2015	\$ 215,000	\$ 1,380,749	\$ 1,595,749	\$ -	\$ -	\$ -
2016	-	1,378,600	1,378,600	-	-	-
2017	-	1,378,600	1,378,600	-	-	-
2018	-	1,378,600	1,378,600	-	-	-
2019	-	1,378,600	1,378,600	-	-	-
2020 - 2024	-	6,892,997	6,892,997	-	-	-
2025 - 2029	11,260,000	5,993,267	17,253,267	50,000	485,000	535,000
2030 - 2034	1,675,000	3,745,700	5,420,700	90,000	980,000	1,070,000
2035 - 2039	3,250,000	2,917,921	6,167,921	-	-	-
2040 - 2044	3,950,000	1,829,584	5,779,584	-	-	-
2045 - 2048	3,780,000	488,399	4,268,399	-	-	-
Total	\$ 24,130,000	\$ 28,763,017	\$ 52,893,017	\$ 140,000	\$ 1,465,000	\$ 1,605,000

- D.** On June 13, 2012, the District issued general obligation bonds (series 2012 refunding bonds) to advance refund the callable portion of the series 2004 current interest general obligation bonds. The issuance proceeds of \$23,431,421 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The principal balance outstanding of the defeased bonds was \$20,975,000 at June 30, 2014.

The 2012 refunding issue is comprised of both current interest bonds, par value \$20,290,000, and capital appreciation bonds, par value \$685,000. The interest rate on the current interest bonds ranges from 2.00-5.00%. The capital appreciation bonds mature on December 1, 2024 (approximate initial offering yield to maturity 3.5%), and December 1, 2025 (approximate initial offering yield to maturity 3.6%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$3,130,000. A total of \$177,935 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2014. The bonds will be retired through the bond retirement fund.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a schedule of activity for fiscal year 2014 on the 2012 series refunding bonds:

	Balance <u>6/30/13</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>6/30/14</u>
Refunding bonds - series 2012:				
Current interest bonds	\$ 20,125,000	\$ -	\$ (240,000)	\$ 19,885,000
Capital appreciation bonds	685,000	-	-	685,000
Accreted interest	<u>82,456</u>	<u>95,479</u>	<u>-</u>	<u>177,935</u>
Total refunding bonds - series 2012	<u>\$ 20,892,456</u>	<u>\$ 95,479</u>	<u>\$ (240,000)</u>	<u>\$ 20,747,935</u>

The reacquisition price exceeded the net carrying amount of the old debt by \$2,450,398. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

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

The following is a summary of the future debt service requirements to maturity for the 2012 series refunding bonds:

Fiscal Year Ended	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2015	\$ 250,000	\$ 748,425	\$ 998,425	\$ -	\$ -	\$ -
2016	925,000	726,175	1,651,175	-	-	-
2017	980,000	692,975	1,672,975	-	-	-
2018	1,020,000	657,875	1,677,875	-	-	-
2019	1,120,000	615,075	1,735,075	-	-	-
2020 - 2024	6,535,000	2,502,769	9,037,769	-	-	-
2025 - 2029	5,095,000	1,648,257	6,743,257	685,000	2,445,000	3,130,000
2030 - 2031	<u>3,960,000</u>	<u>181,800</u>	<u>4,141,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 19,885,000</u>	<u>\$ 7,773,351</u>	<u>\$ 27,658,351</u>	<u>\$ 685,000</u>	<u>\$ 2,445,000</u>	<u>\$ 3,130,000</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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

	Balance 6/30/13	Additions	Reductions	Balance 6/30/14	Amounts Due in One Year
Governmental activities:					
Compensated absences payable	\$ 2,781,175	\$ 371,965	\$ (419,878)	\$ 2,733,262	\$ 408,663
Early retirement incentive payable	40,000	-	(40,000)	-	-
Loans payable	237,245	-	(24,757)	212,488	25,976
G.O. bonds payable	<u>47,315,602</u>	<u>145,941</u>	<u>(1,730,000)</u>	<u>45,731,543</u>	<u>1,095,000</u>
Total governmental activities long-term liabilities	<u>\$ 50,374,022</u>	<u>\$ 517,906</u>	<u>\$ (2,214,635)</u>	48,677,293	<u>\$ 1,529,639</u>
Add: Unamortized premium on bond issues				<u>2,931,974</u>	
Total on statement of net position				<u>\$ 51,609,267</u>	

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

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

F. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2014, are a voted debt margin of \$9,728,977 (including available funds of \$1,894,989) and an unvoted debt margin of \$592,267.

NOTE 10 - EMPLOYEE BENEFITS

A. Compensated Absences

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 10 - EMPLOYEE BENEFITS - (Continued)

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

B. Early Retirement Incentive

The District offers an early retirement incentive (ERI) for certified employees. An employee, who has accrued at least twenty-four years of experience under the State Teachers Retirement System of Ohio (STRS Ohio) rules and regulations, shall be eligible to receive the incentive. An employee had to retire by January 1, 2013 in order to be eligible for this incentive. An employee's incentive shall be calculated as follows:

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

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

The District made the final payments on the ERI in fiscal year 2014. The final payments on the ERI were made from the general fund.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 11 - RISK MANAGEMENT

A. Property, Fleet, and Liability Insurance

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2014, the District contracted with Ohio Casualty for property, automobile, liability and umbrella insurance.

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

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

B. Employee Health Benefits

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

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

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 11 - RISK MANAGEMENT - (Continued)

C. Workers' Compensation

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

NOTE 12 - PENSION PLANS

A. School Employees Retirement System

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement, disability, survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under "*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 at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2014, 13.05 percent and 0.05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 14 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$742,641, \$713,511 and \$702,819, respectively; 83.18 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. The remaining pension liability is presented as a component of "pension obligation payable" on the basic financial statements.

B. State Teachers Retirement System of Ohio

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 12 - PENSION PLANS - (Continued)

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

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For fiscal year 2014, plan members were required to contribute 11 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 14 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013 and 2012 were \$2,525,619, \$2,531,507 and \$2,610,544, respectively; 82.66 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. Contributions to the DC and Combined Plans for fiscal year 2014 were \$90,981 made by the District and \$71,485 made by the plan members. The remaining pension liability is presented as a component of "pension obligation payable" on the basic financial statements.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the SERS/STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2014 certain members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 13 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Section 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2014 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income and the SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under "Employers/Audit Resources".

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2014, 0.14 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2014, the actuarially determined amount was \$20,250.

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

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2014, 2013 and 2012 were \$101,901, \$92,724 and \$115,140, respectively; 83.18 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. The remaining pension liability is presented as a component of "pension obligation payable" on the basic financial statements.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 13 - POSTEMPLOYMENT BENEFITS - (Continued)

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2014, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012 were \$43,085, \$40,305 and \$41,505, respectively; 83.18 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. The remaining pension liability is presented as a component of "pension obligation payable" on the basic financial statements.

B. State Teachers Retirement System of Ohio

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2014, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2014, 2013 and 2012 were \$194,278, \$194,731 and \$200,811, respectively; 82.66 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. The remaining pension liability is presented as a component of "pension obligation payable" on the basic financial statements.

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

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

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

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (1,350,545)
Net adjustment for revenue accruals	129,360
Net adjustment for expenditure accruals	(239,639)
Net adjustment for other sources/uses	(146,016)
Funds budgeted elsewhere	(42,144)
Adjustment for encumbrances	1,094,386
GAAP basis	\$ (554,598)

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

NOTE 15 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous Federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District at June 30, 2014.

B. Litigation

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 16 - SET ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2013	\$ -
Current year set-aside requirement	905,356
Contributions in excess of the current fiscal year set-aside requirement	-
Current year qualifying expenditures	(264,061)
Excess qualified expenditures from prior years	-
Current year offsets	(343,342)
Waiver granted by ODE	-
Prior year offset from bond proceeds	<u>(297,953)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2015	<u>\$ -</u>
Set-aside balance June 30, 2014	<u>\$ -</u>

During fiscal year 2011, the District issued \$26,680,000 in capital related school improvement bonds. These proceeds may be used to reduce the capital improvements set-aside amount to below zero for future years. The amount presented for prior year offset from bond proceeds is limited to an amount needed to reduce the capital improvements set-aside balance to \$0. The District is responsible for tracking the amount of bond proceeds that may be used as an offset in future periods, which was \$25,614,271 at June 30, 2014.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 17 - FUND BALANCE

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

Fund balance	General	Bond Retirement	Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Materials and supplies inventory	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
Prepays	<u>38,265</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,265</u>
Total nonspendable	<u>38,265</u>	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>68,265</u>
Restricted:					
Debt service	-	1,894,989	-	-	1,894,989
Capital improvements	-	-	1,088,745	387,462	1,476,207
Classroom facilities maintenance	-	-	-	1,213,309	1,213,309
Non-public schools	-	-	-	17,980	17,980
Special education	-	-	-	50,628	50,628
Extracurricular	-	-	-	135,465	135,465
Other purposes	<u>-</u>	<u>-</u>	<u>-</u>	<u>359,781</u>	<u>359,781</u>
Total restricted	<u>-</u>	<u>1,894,989</u>	<u>1,088,745</u>	<u>2,164,625</u>	<u>5,148,359</u>
Committed:					
Capital improvements	450,000	-	-	3,074,716	3,524,716
Student and staff support	254,564	-	-	-	254,564
Extracurricular	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,960</u>	<u>77,960</u>
Total committed	<u>704,564</u>	<u>-</u>	<u>-</u>	<u>3,152,676</u>	<u>3,857,240</u>
Assigned:					
Student and staff support	104,681	-	-	-	104,681
Other purposes	<u>95,929</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,929</u>
Total assigned	<u>200,610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,610</u>
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(62,812)</u>	<u>(62,812)</u>
Total fund balances	<u>\$ 943,439</u>	<u>\$ 1,894,989</u>	<u>\$ 1,088,745</u>	<u>\$ 5,284,489</u>	<u>\$ 9,211,662</u>

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 18 - OTHER COMMITMENTS

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

<u>Fund</u>	Year-End <u>Encumbrances</u>
General fund	\$ 1,062,092
Classroom facilities	1,972,387
Other governmental	<u>92,442</u>
 Total	 \$ <u>3,126,921</u>

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**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

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

MAJOR GOVERNMENTAL FUND

General Fund

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

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

Public School Support

Section 5705.12, Revised Code

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

CCIP

Section 5705.09, Revised Code

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

Miscellaneous General Fund

Section 5705.12, Revised Code

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

HRA Payment

Section 5705.09, Revised Code

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

BWC Rebate

Section 5705.13, Revised Code

A fund to account for rebates received from the Ohio Bureau of Workers' Compensation.

OTHER MAJOR GOVERNMENTAL FUNDS

Bond Retirement

Section 5705.09, Revised Code

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

Classroom Facilities

Sections 3318.080 and 3318.15, Revised Code

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

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public School Support				
Total revenues and other sources	\$ 203,034	\$ 298,011	\$ 297,106	\$ (905)
Total expenditures and other uses	<u>259,707</u>	<u>317,487</u>	<u>317,087</u>	<u>400</u>
Net change in fund balance	(56,673)	(19,476)	(19,981)	(505)
Fund balance at beginning of year.	110,981	110,981	110,981	-
Prior year encumbrances appropriated.	<u>6,374</u>	<u>6,374</u>	<u>6,374</u>	<u>-</u>
Fund balance at end of year	<u>\$ 60,682</u>	<u>\$ 97,879</u>	<u>\$ 97,374</u>	<u>\$ (505)</u>
CCIP				
Total revenues and other sources	\$ 45,000	\$ 45,000	\$ 45,000	\$ -
Total expenditures and other uses	<u>53,501</u>	<u>53,501</u>	<u>53,501</u>	<u>-</u>
Net change in fund balance	(8,501)	(8,501)	(8,501)	-
Fund balance at beginning of year.	<u>33,545</u>	<u>33,545</u>	<u>33,545</u>	<u>-</u>
Fund balance at end of year	<u>\$ 25,044</u>	<u>\$ 25,044</u>	<u>\$ 25,044</u>	<u>\$ -</u>
Miscellaneous General Fund				
Total revenues and other sources	\$ 66,684	\$ 66,684	\$ 66,599	\$ (85)
Total expenditures and other uses	<u>76,264</u>	<u>76,264</u>	<u>76,264</u>	<u>-</u>
Net change in fund balance	(9,580)	(9,580)	(9,665)	(85)
Fund balance at beginning of year.	<u>14,821</u>	<u>14,821</u>	<u>14,821</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,241</u>	<u>\$ 5,241</u>	<u>\$ 5,156</u>	<u>\$ (85)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
HRA Payment				
Total expenditures and other uses	\$ 32,000	\$ 40,000	\$ 40,000	\$ -
Net change in fund balance	(32,000)	(40,000)	(40,000)	-
Fund balance at beginning of year.	40,000	40,000	40,000	-
Fund balance at end of year	<u>\$ 8,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
BWC Rebate				
Total revenues and other sources	\$ 111,081	\$ 111,081	\$ 111,081	\$ -
Net change in fund balance	111,081	111,081	111,081	-
Fund balance at beginning of year.	-	-	-	-
Fund balance at end of year	<u>\$ 111,081</u>	<u>\$ 111,081</u>	<u>\$ 111,081</u>	<u>\$ -</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Bond Retirement				
Total revenues and other sources	\$ 3,085,000	\$ 2,981,141	\$ 3,204,556	\$ 223,415
Total expenditures and other uses	<u>3,126,589</u>	<u>3,237,899</u>	<u>3,239,041</u>	<u>(1,142)</u>
Net change in fund balance	(41,589)	(256,758)	(34,485)	222,273
Fund balance at beginning of year.	<u>1,929,474</u>	<u>1,929,474</u>	<u>1,929,474</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 1,887,885</u></u>	<u><u>\$ 1,672,716</u></u>	<u><u>\$ 1,894,989</u></u>	<u><u>\$ 222,273</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Classroom Facilities				
Total revenues and other sources	\$ -	\$ 448,477	\$ 2,710	\$ (445,767)
Total expenditures and other uses	<u>11,937,090</u>	<u>14,271,519</u>	<u>14,275,426</u>	<u>(3,907)</u>
Net change in fund balance	(11,937,090)	(13,823,042)	(14,272,716)	(449,674)
Fund balance at beginning of year.	6,715,611	6,715,611	6,715,611	-
Prior year encumbrances appropriated.	<u>7,253,192</u>	<u>7,253,192</u>	<u>7,253,192</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 2,031,713</u>	<u>\$ 145,761</u>	<u>\$ (303,913)</u>	<u>\$ (449,674)</u>

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

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

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

Food Service Section 3313.81, Revised Code

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

Other Grants Section 5705.09, Revised Code

A fund used to account for the proceeds of specific revenue sources, except for State and federal grants that are legally restricted to expenditures for specified purposes.

Miscellaneous Grants Section 5705.12, Revised Code

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

Classroom Facilities Maintenance Section 3318.06, Revised Code

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

District Managed Student Activity Section 3313.062, Revised Code

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

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

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

OneNet Subsidy Current Budget Bill appropriation line item 200-426

A fund provided to account for money appropriated for Ohio Educational Computer Network (OECN) connections.

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

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

Race to the Top Catalog of Federal Domestic Assistance #84.395A

To account for federal monies related to the Race to the Top program.

Title VI-B Catalog of Federal Domestic Assistance #84.027

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

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

Nonmajor Special Revenue Funds - (Continued)

Title I

Catalog of Federal Domestic Assistance #84.010

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

Improving Teacher Quality

Catalog of Federal Domestic Assistance #84.367

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

Miscellaneous Federal Grants

Catalog of Federal Domestic Assistance #84 and #94

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

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or trust funds. During fiscal year 2013, the District had three nonmajor capital projects funds. A description of the District's capital projects funds follows:

Permanent Improvement

Section 5705.12, Revised Code

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

Building

Section 5705.09, Revised Code

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

Capital Projects

Section 5705.13, Revised Code

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

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

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and cash equivalents.	\$ 2,021,876	\$ 3,462,178	\$ 5,484,054
Receivables:			
Taxes	276,937	-	276,937
Accounts.	957	-	957
Intergovernmental	432,788	-	432,788
Materials and supplies inventory.	30,000	-	30,000
Total assets.	<u>\$ 2,762,558</u>	<u>\$ 3,462,178</u>	<u>\$ 6,224,736</u>
Liabilities:			
Accounts payable.	\$ 614	\$ -	\$ 614
Accrued wages and benefits	390,265	-	390,265
Compensated absences payable	3,220	-	3,220
Pension obligation payable.	68,376	-	68,376
Intergovernmental payable.	14,826	-	14,826
Due to other funds.	56,929	-	56,929
Total liabilities.	<u>534,230</u>	<u>-</u>	<u>534,230</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	249,000	-	249,000
Delinquent property tax revenue not available.	27,937	-	27,937
Other nonexchange transactions not available.	19,239	-	19,239
Miscellaneous revenue not available.	109,841	-	109,841
Total deferred inflows of resources.	<u>406,017</u>	<u>-</u>	<u>406,017</u>
Fund balances:			
Nonspendable:			
Materials and supplies inventory	30,000	-	30,000
Restricted:			
Capital improvements.	-	387,462	387,462
Classroom facilities maintenance	1,213,309	-	1,213,309
Non-public schools.	17,980	-	17,980
Special education.	50,628	-	50,628
Extracurricular	135,465	-	135,465
Other purposes	359,781	-	359,781
Committed:			
Capital improvements.	-	3,074,716	3,074,716
Extracurricular.	77,960	-	77,960
Unassigned (deficit).	<u>(62,812)</u>	<u>-</u>	<u>(62,812)</u>
Total fund balances.	<u>1,822,311</u>	<u>3,462,178</u>	<u>5,284,489</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,762,558</u>	<u>\$ 3,462,178</u>	<u>\$ 6,224,736</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
From local sources:			
Taxes	\$ 249,565	\$ -	\$ 249,565
Earnings on investments	49	-	49
Charges for services	695,019	-	695,019
Extracurricular	418,645	-	418,645
Classroom materials and fees	186	-	186
Other local revenue.	48,879	-	48,879
Intergovernmental - Intermediate	18,000	-	18,000
Intergovernmental - State	234,761	-	234,761
Intergovernmental - Federal	3,713,179	-	3,713,179
Total revenues	<u>5,378,283</u>	<u>-</u>	<u>5,378,283</u>
Expenditures:			
Current:			
Instruction:			
Regular	95,690	-	95,690
Special	1,433,630	-	1,433,630
Support services:			
Pupil	144,553	-	144,553
Instructional staff.	229,279	-	229,279
Administration	356,453	-	356,453
Fiscal	6,554	-	6,554
Operations and maintenance	33,930	-	33,930
Pupil transportation	44,556	-	44,556
Central	7,200	-	7,200
Operation of non-instructional services:			
Food service operations.	2,328,982	-	2,328,982
Other non-instructional services	105,843	-	105,843
Extracurricular activities	407,981	-	407,981
Facilities acquisition and construction.	-	995	995
Total expenditures	<u>5,194,651</u>	<u>995</u>	<u>5,195,646</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>183,632</u>	<u>(995)</u>	<u>182,637</u>
Other financing sources:			
Sale of assets.	1,376	-	1,376
Transfers in	26,605	1,000,000	1,026,605
Total other financing sources.	<u>27,981</u>	<u>1,000,000</u>	<u>1,027,981</u>
Net change in fund balances	211,613	999,005	1,210,618
Fund balances at beginning of year.	<u>1,610,698</u>	<u>2,463,173</u>	<u>4,073,871</u>
Fund balances at end of year	<u>\$ 1,822,311</u>	<u>\$ 3,462,178</u>	<u>\$ 5,284,489</u>

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2014

	<u>Food Service</u>	<u>Other Grants</u>	<u>Miscellaneous Grants</u>	<u>Classroom Facilities Maintenance</u>
Assets:				
Equity in pooled cash and cash equivalents. . . .	\$ 188,928	\$ 19,481	\$ 80,608	\$ 1,213,309
Receivables:				
Taxes.	-	-	-	276,937
Accounts.	586	-	-	-
Intergovernmental	-	-	-	-
Materials and supplies inventory	30,000	-	-	-
Total assets.	<u>\$ 219,514</u>	<u>\$ 19,481</u>	<u>\$ 80,608</u>	<u>\$ 1,490,246</u>
Liabilities:				
Accounts payable	\$ 53	\$ -	\$ -	\$ -
Accrued wages and benefits	169,307	150	2,610	-
Compensated absences payable	3,220	-	-	-
Pension obligation payable.	67,514	-	-	-
Intergovernmental payable	8,652	10	38	-
Due to other funds.	-	-	-	-
Total liabilities.	<u>248,746</u>	<u>160</u>	<u>2,648</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year. . . .	-	-	-	249,000
Delinquent property tax revenue not available. . . .	-	-	-	27,937
Other nonexchange transactions not available. . . .	-	-	-	-
Miscellaneous revenue not available.	-	-	-	-
Total deferred inflows of resources.	<u>-</u>	<u>-</u>	<u>-</u>	<u>276,937</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory.	30,000	-	-	-
Restricted:				
Classroom facilities maintenance.	-	-	-	1,213,309
Non-public schools.	-	-	-	-
Special education.	-	-	-	-
Extracurricular.	-	-	-	-
Other purposes.	-	19,321	-	-
Committed:				
Extracurricular.	-	-	77,960	-
Unassigned (deficit).	(59,232)	-	-	-
Total fund balances (deficits)	<u>(29,232)</u>	<u>19,321</u>	<u>77,960</u>	<u>1,213,309</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 219,514</u>	<u>\$ 19,481</u>	<u>\$ 80,608</u>	<u>\$ 1,490,246</u>

<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Alternative School Grant</u>	<u>Race to the Top</u>	<u>Title VI-B</u>	<u>Title I</u>
\$ 135,731	\$ 20,488	\$ -	\$ 8,050	\$ 1,882	\$ 1,090
-	-	-	-	-	-
371	-	-	-	-	-
-	-	27,056	-	164,979	84,239
-	-	-	-	-	-
<u>\$ 136,102</u>	<u>\$ 20,488</u>	<u>\$ 27,056</u>	<u>\$ 8,050</u>	<u>\$ 166,861</u>	<u>\$ 85,329</u>
\$ -	\$ -	\$ -	\$ -	\$ 561	\$ -
628	2,472	-	-	113,350	65,532
-	-	-	-	-	-
-	-	-	-	862	-
9	36	-	-	1,460	950
-	-	26,893	8,050	-	-
<u>637</u>	<u>2,508</u>	<u>26,893</u>	<u>8,050</u>	<u>116,233</u>	<u>66,482</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	19,239
-	-	-	-	-	-
-	-	-	-	-	19,239
-	-	-	-	-	-
-	-	-	-	-	-
-	17,980	-	-	-	-
-	-	-	-	-	-
135,465	-	-	-	50,628	-
-	-	163	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(392)
<u>135,465</u>	<u>17,980</u>	<u>163</u>	<u>-</u>	<u>50,628</u>	<u>(392)</u>
<u>\$ 136,102</u>	<u>\$ 20,488</u>	<u>\$ 27,056</u>	<u>\$ 8,050</u>	<u>\$ 166,861</u>	<u>\$ 85,329</u>

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2014

	<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:			
Equity in pooled cash and cash equivalents.	\$ -	\$ 352,309	\$ 2,021,876
Receivables:			
Taxes.	-	-	276,937
Accounts.	-	-	957
Intergovernmental	46,673	109,841	432,788
Materials and supplies inventory	-	-	30,000
Total assets.	<u>\$ 46,673</u>	<u>\$ 462,150</u>	<u>\$ 2,762,558</u>
Liabilities:			
Accounts payable.	\$ -	\$ -	\$ 614
Accrued wages and benefits	27,477	8,739	390,265
Compensated absences payable	-	-	3,220
Pension obligation payable.	-	-	68,376
Intergovernmental payable	398	3,273	14,826
Due to other funds.	21,986	-	56,929
Total liabilities.	<u>49,861</u>	<u>12,012</u>	<u>534,230</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	-	-	249,000
Delinquent property tax revenue not available.	-	-	27,937
Other nonexchange transactions not available.	-	-	19,239
Miscellaneous revenue not available.	-	109,841	109,841
Total deferred inflows of resources.	<u>-</u>	<u>109,841</u>	<u>406,017</u>
Fund balances:			
Nonspendable:			
Materials and supplies inventory.	-	-	30,000
Restricted:			
Classroom facilities maintenance.	-	-	1,213,309
Non-public schools.	-	-	17,980
Special education.	-	-	50,628
Extracurricular.	-	-	135,465
Other purposes.	-	340,297	359,781
Committed:			
Extracurricular.	-	-	77,960
Unassigned (deficit).	<u>(3,188)</u>	<u>-</u>	<u>(62,812)</u>
Total fund balances (deficits)	<u>(3,188)</u>	<u>340,297</u>	<u>1,822,311</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 46,673</u>	<u>\$ 462,150</u>	<u>\$ 2,762,558</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Food Service	Other Grants	Miscellaneous Grants	Classroom Facilities Maintenance
Revenues:				
From local sources:				
Taxes	\$ -	\$ -	\$ -	\$ 249,565
Earnings on investments	33	-	-	-
Charges for services	695,019	-	-	-
Extracurricular	-	-	-	-
Classroom materials and fees	-	-	-	-
Other local revenues	-	9,045	25,901	-
Intergovernmental - Intermediate	-	18,000	-	-
Intergovernmental - State	-	-	-	93,777
Intergovernmental - Federal	1,344,774	-	-	-
Total revenues	<u>2,039,826</u>	<u>27,045</u>	<u>25,901</u>	<u>343,342</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	22,049	-	-
Special	-	448	-	-
Support services:				
Pupil	-	-	46,325	-
Instructional staff	-	-	-	-
Administration	-	1,096	-	-
Fiscal	-	-	-	4,906
Operations and maintenance	33,930	-	-	-
Pupil transportation	-	1,385	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	2,328,982	-	-	-
Other non-instructional services	-	5,732	-	-
Extracurricular activities	-	-	-	-
Total expenditures	<u>2,362,912</u>	<u>30,710</u>	<u>46,325</u>	<u>4,906</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(323,086)</u>	<u>(3,665)</u>	<u>(20,424)</u>	<u>338,436</u>
Other financing sources:				
Sale of assets	1,376	-	-	-
Transfers in	-	1,605	25,000	-
Total other financing sources	<u>1,376</u>	<u>1,605</u>	<u>25,000</u>	<u>-</u>
Net change in fund balances	(321,710)	(2,060)	4,576	338,436
Fund balances (deficits) at beginning of year	<u>292,478</u>	<u>21,381</u>	<u>73,384</u>	<u>874,873</u>
Fund balances (deficits) at end of year . . .	<u>\$ (29,232)</u>	<u>\$ 19,321</u>	<u>\$ 77,960</u>	<u>\$ 1,213,309</u>

District Managed Student Activity	Auxiliary Services	OneNet Subsidy	Alternative School Grant	Race to the Top	Title VI-B
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	7	-	-	-	-
-	-	-	-	-	-
418,645	-	-	-	-	-
186	-	-	-	-	-
13,933	-	-	-	-	-
-	-	-	-	-	-
-	90,405	7,200	43,379	-	-
-	-	-	-	8,050	1,120,550
<u>432,773</u>	<u>90,412</u>	<u>7,200</u>	<u>43,379</u>	<u>8,050</u>	<u>1,120,550</u>
-	-	-	29,976	-	-
-	-	-	-	-	705,809
-	-	-	6,956	-	75,600
685	-	-	-	8,050	100,027
-	-	-	6,473	-	112,025
-	-	-	-	-	-
-	-	-	-	-	-
38,689	-	-	-	-	4,482
-	-	7,200	-	-	-
-	-	-	-	-	-
-	79,244	-	-	-	16,364
<u>407,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>447,355</u>	<u>79,244</u>	<u>7,200</u>	<u>43,405</u>	<u>8,050</u>	<u>1,014,307</u>
<u>(14,582)</u>	<u>11,168</u>	<u>-</u>	<u>(26)</u>	<u>-</u>	<u>106,243</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(14,582)</u>	<u>11,168</u>	<u>-</u>	<u>(26)</u>	<u>-</u>	<u>106,243</u>
<u>150,047</u>	<u>6,812</u>	<u>-</u>	<u>189</u>	<u>-</u>	<u>(55,615)</u>
<u>\$ 135,465</u>	<u>\$ 17,980</u>	<u>\$ -</u>	<u>\$ 163</u>	<u>\$ -</u>	<u>\$ 50,628</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Title I</u>	<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues:				
From local sources:				
Taxes	\$ -	\$ -	\$ -	\$ 249,565
Earnings on investments	-	-	-	49
Charges for services	-	-	-	695,019
Extracurricular	-	-	-	418,645
Classroom materials and fees.	-	-	-	186
Other local revenues	-	-	-	48,879
Intergovernmental - Intermediate	-	-	-	18,000
Intergovernmental - State	-	-	-	234,761
Intergovernmental - Federal	874,623	184,344	180,838	3,713,179
Total revenues	<u>874,623</u>	<u>184,344</u>	<u>180,838</u>	<u>5,378,283</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	43,665	-	95,690
Special	727,373	-	-	1,433,630
Support services:				
Pupil	3,179	-	12,493	144,553
Instructional staff.	6,696	113,821	-	229,279
Administration	50,233	-	186,626	356,453
Fiscal	-	-	1,648	6,554
Operations and maintenance.	-	-	-	33,930
Pupil transportation.	-	-	-	44,556
Central.	-	-	-	7,200
Operation of non-instructional services:				
Food service operations	-	-	-	2,328,982
Other non-instructional services	899	84	3,520	105,843
Extracurricular activities	-	-	-	407,981
Total expenditures	<u>788,380</u>	<u>157,570</u>	<u>204,287</u>	<u>5,194,651</u>
Excess (deficiency) of revenues over (under) expenditures	<u>86,243</u>	<u>26,774</u>	<u>(23,449)</u>	<u>183,632</u>
Other financing sources:				
Sale of assets.	-	-	-	1,376
Transfers in	-	-	-	26,605
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,981</u>
Net change in fund balances.	86,243	26,774	(23,449)	211,613
Fund balances (deficits) at beginning of year.	<u>(86,635)</u>	<u>(29,962)</u>	<u>363,746</u>	<u>1,610,698</u>
Fund balances (deficits) at end of year . . .	<u>\$ (392)</u>	<u>\$ (3,188)</u>	<u>\$ 340,297</u>	<u>\$ 1,822,311</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Food Service				
Total revenues and other sources	\$ 1,888,912	\$ 1,948,612	\$ 1,948,595	\$ (17)
Total expenditures and other uses	<u>2,348,008</u>	<u>2,374,322</u>	<u>2,263,735</u>	<u>110,587</u>
Net change in fund balance	(459,096)	(425,710)	(315,140)	110,570
Fund balance at beginning of year.	502,851	502,851	502,851	-
Prior year encumbrances appropriated.	<u>235</u>	<u>235</u>	<u>235</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 43,990</u></u>	<u><u>\$ 77,376</u></u>	<u><u>\$ 187,946</u></u>	<u><u>\$ 110,570</u></u>
Other Grants				
Total revenues and other sources	\$ 44,800	\$ 28,700	\$ 28,650	\$ (50)
Total expenditures and other uses	<u>41,001</u>	<u>31,652</u>	<u>31,652</u>	<u>-</u>
Net change in fund balance	3,799	(2,952)	(3,002)	(50)
Fund balance at beginning of year.	<u>22,483</u>	<u>22,483</u>	<u>22,483</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 26,282</u></u>	<u><u>\$ 19,531</u></u>	<u><u>\$ 19,481</u></u>	<u><u>\$ (50)</u></u>
Miscellaneous Grants				
Total revenues and other sources	\$ 55,901	\$ 55,901	\$ 55,901	\$ -
Total expenditures and other uses	<u>43,879</u>	<u>43,879</u>	<u>43,879</u>	<u>-</u>
Net change in fund balance	12,022	12,022	12,022	-
Fund balance at beginning of year.	<u>68,763</u>	<u>68,763</u>	<u>68,763</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 80,785</u></u>	<u><u>\$ 80,785</u></u>	<u><u>\$ 80,785</u></u>	<u><u>\$ -</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Classroom Facilities Maintenance				
Total revenues and other sources	\$ 267,000	\$ 323,032	\$ 343,342	\$ 20,310
Total expenditures and other uses	<u>5,100</u>	<u>4,802</u>	<u>4,906</u>	<u>(104)</u>
Net change in fund balance	261,900	318,230	338,436	20,206
Fund balance at beginning of year.	<u>874,873</u>	<u>874,873</u>	<u>874,873</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,136,773</u>	<u>\$ 1,193,103</u>	<u>\$ 1,213,309</u>	<u>\$ 20,206</u>
District Managed Student Activity				
Total revenues and other sources	\$ 374,785	\$ 432,123	\$ 432,502	\$ 379
Total expenditures and other uses	<u>374,015</u>	<u>374,015</u>	<u>507,267</u>	<u>(133,252)</u>
Net change in fund balance	770	58,108	(74,765)	(132,873)
Fund balance at beginning of year.	119,408	119,408	119,408	-
Prior year encumbrances appropriated.	<u>34,392</u>	<u>34,392</u>	<u>34,392</u>	<u>-</u>
Fund balance at end of year	<u>\$ 154,570</u>	<u>\$ 211,908</u>	<u>\$ 79,035</u>	<u>\$ (132,873)</u>
Auxiliary Services				
Total revenues and other sources	\$ 91,153	\$ 90,412	\$ 90,412	\$ -
Total expenditures and other uses	<u>93,181</u>	<u>97,246</u>	<u>78,541</u>	<u>18,705</u>
Net change in fund balance	(2,028)	(6,834)	11,871	18,705
Fund balance at beginning of year.	-	-	-	-
Prior year encumbrances appropriated.	<u>6,834</u>	<u>6,834</u>	<u>6,834</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,806</u>	<u>\$ -</u>	<u>\$ 18,705</u>	<u>\$ 18,705</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OneNet Subsidy				
Total revenues and other sources	\$ 7,200	\$ 7,200	\$ 7,200	\$ -
Total expenditures and other uses	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Alternative School Grant				
Total revenues and other sources	\$ -	\$ 43,379	\$ 16,323	\$ (27,056)
Total expenditures and other uses	<u>711</u>	<u>43,907</u>	<u>43,907</u>	<u>-</u>
Net change in fund balance	(711)	(528)	(27,584)	(27,056)
Fund balance at beginning of year.	<u>528</u>	<u>528</u>	<u>528</u>	<u>-</u>
Fund balance (deficit) at end of year.	<u><u>\$ (183)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (27,056)</u></u>	<u><u>\$ (27,056)</u></u>
Race to the Top				
Total revenues and other sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,050</u>	<u>\$ 8,050</u>
Net change in fund balance	-	-	8,050	8,050
Fund balance at beginning of year.	-	-	-	-
Prior year encumbrances appropriated.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,050</u></u>	<u><u>\$ 8,050</u></u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Title VI-B				
Total revenues and other sources	\$ 1,147,743	\$ 1,040,968	\$ 1,040,968	\$ -
Total expenditures and other uses	<u>1,164,409</u>	<u>1,024,288</u>	<u>1,024,288</u>	<u>-</u>
Net change in fund balance	(16,666)	16,680	16,680	-
Fund balance (deficit) at beginning of year	(16,628)	(16,628)	(16,628)	-
Prior year encumbrances appropriated.	<u>231</u>	<u>231</u>	<u>231</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (33,063)</u>	<u>\$ 283</u>	<u>\$ 283</u>	<u>\$ -</u>
Title I				
Total revenues and other sources	\$ 967,269	\$ 809,623	\$ 809,623	\$ -
Total expenditures and other uses	<u>975,365</u>	<u>817,173</u>	<u>816,829</u>	<u>344</u>
Net change in fund balance	(8,096)	(7,550)	(7,206)	344
Fund balance at beginning of year.	<u>8,096</u>	<u>8,096</u>	<u>8,096</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 546</u>	<u>\$ 890</u>	<u>\$ 344</u>
Improving Teacher Quality				
Total revenues and other sources	\$ 184,308	\$ 174,657	\$ 137,671	\$ (36,986)
Total expenditures and other uses	<u>184,348</u>	<u>159,755</u>	<u>159,755</u>	<u>-</u>
Net change in fund balance	(40)	14,902	(22,084)	(36,986)
Fund balance at beginning of year.	<u>98</u>	<u>98</u>	<u>98</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 58</u>	<u>\$ 15,000</u>	<u>\$ (21,986)</u>	<u>\$ (36,986)</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous Federal Grants				
Total revenues and other sources	\$ 254,444	\$ 206,228	\$ 221,762	\$ 15,534
Total expenditures and other uses	<u>239,823</u>	<u>251,250</u>	<u>260,794</u>	<u>(9,544)</u>
Net change in fund balance	14,621	(45,022)	(39,032)	5,990
Fund balance at beginning of year.	332,550	332,550	332,550	-
Prior year encumbrances appropriated.	<u>27,786</u>	<u>27,786</u>	<u>27,786</u>	<u>-</u>
Fund balance at end of year	<u>\$ 374,957</u>	<u>\$ 315,314</u>	<u>\$ 321,304</u>	<u>\$ 5,990</u>

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

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2014

	Permanent Improvement	Building	Capital Projects	Total Nonmajor Capital Projects Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 357,182	\$ 30,280	\$ 3,074,716	\$ 3,462,178
Total assets.	\$ 357,182	\$ 30,280	\$ 3,074,716	\$ 3,462,178
Fund balances:				
Restricted:				
Capital improvements.	\$ 357,182	\$ 30,280	\$ -	\$ 387,462
Committed:				
Capital improvements.	-	-	3,074,716	3,074,716
Total fund balances	357,182	30,280	3,074,716	3,462,178
Total liabilities and fund balances	\$ 357,182	\$ 30,280	\$ 3,074,716	\$ 3,462,178

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
Expenditures:				
Facilities acquisition and construction.	\$ -	\$ -	\$ 995	\$ 995
Excess (deficiency) of revenues over (under) expenditures.	-	-	(995)	(995)
Other financing sources:				
Transfers in.	-	-	1,000,000	1,000,000
Net change in fund balances	-	-	999,005	999,005
Fund balances at beginning of year.	<u>357,182</u>	<u>30,280</u>	<u>2,075,711</u>	<u>2,463,173</u>
Fund balances at end of year	<u>\$ 357,182</u>	<u>\$ 30,280</u>	<u>\$ 3,074,716</u>	<u>\$ 3,462,178</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Permanent Improvement				
Total revenues and other sources	\$ 56,223	\$ 56,223	\$ 56,223	\$ -
Net change in fund balance	56,223	56,223	56,223	-
Fund balance at beginning of year.	300,959	300,959	300,959	-
Fund balance at end of year	<u>\$ 357,182</u>	<u>\$ 357,182</u>	<u>\$ 357,182</u>	<u>\$ -</u>
Building				
Fund balance at beginning of year.	\$ 30,280	\$ 30,280	\$ 30,280	\$ -
Fund balance at end of year	<u>\$ 30,280</u>	<u>\$ 30,280</u>	<u>\$ 30,280</u>	<u>\$ -</u>
Capital Projects				
Total revenues and other sources	\$ 500,000	\$ 1,000,000	\$ 1,000,000	\$ -
Total expenditures and other uses	1,000,995	995	995	-
Net change in fund balance	(500,995)	999,005	999,005	-
Fund balance at beginning of year.	2,074,716	2,074,716	2,074,716	-
Prior year encumbrances appropriated.	995	995	995	-
Fund balance at end of year	<u>\$ 1,574,716</u>	<u>\$ 3,074,716</u>	<u>\$ 3,074,716</u>	<u>\$ -</u>

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

PROPRIETARY FUND DESCRIPTIONS

Nonmajor Enterprise Fund

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

Special Enterprise

Section 5705.12, Revised Code

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

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

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Special Enterprise				
Total revenues	\$ 63,108	\$ 62,027	\$ 66,632	\$ 4,605
Total expenses	<u>43,643</u>	<u>56,061</u>	<u>56,061</u>	<u>-</u>
Net change in fund balance	19,465	5,966	10,571	4,605
Fund balance at beginning of year.	83,437	83,437	83,437	-
Prior year encumbrances appropriated.	<u>903</u>	<u>903</u>	<u>903</u>	<u>-</u>
Fund balance at end of year	<u>\$ 103,805</u>	<u>\$ 90,306</u>	<u>\$ 94,911</u>	<u>\$ 4,605</u>

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

FIDUCIARY FUND DESCRIPTIONS

Fiduciary Funds

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

Private Purpose Trust Fund

Scholarship Trust

Section 5705.09, Revised Code

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

Agency Funds

District Agency

Section 5705.12, Revised Code

A fund provided to account for monies for Ohio High School Athletic Association (OHSAA) tournaments.

Student Managed Activity

Section 3313.062, Revised Code

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor.

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

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Beginning Balance July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2014</u>
District Agency				
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 124,421	\$ 117,289	\$ 7,132
Total assets	<u>\$ -</u>	<u>\$ 124,421</u>	<u>\$ 117,289</u>	<u>\$ 7,132</u>
Liabilities:				
Due to others	\$ -	\$ 124,421	\$ 117,289	\$ 7,132
Total liabilities	<u>\$ -</u>	<u>\$ 124,421</u>	<u>\$ 117,289</u>	<u>\$ 7,132</u>
Student Managed Activity				
Assets:				
Equity in pooled cash and cash equivalents	\$ 37,042	\$ 148,141	\$ 141,266	\$ 43,917
Total assets	<u>\$ 37,042</u>	<u>\$ 148,141</u>	<u>\$ 141,266</u>	<u>\$ 43,917</u>
Liabilities:				
Accounts payable	\$ -	\$ 894	\$ -	\$ 894
Due to students	37,042	147,247	141,266	43,023
Total liabilities.	<u>\$ 37,042</u>	<u>\$ 148,141</u>	<u>\$ 141,266</u>	<u>\$ 43,917</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and cash equivalents	\$ 37,042	\$ 272,562	\$ 258,555	\$ 51,049
Total assets	<u>\$ 37,042</u>	<u>\$ 272,562</u>	<u>\$ 258,555</u>	<u>\$ 51,049</u>
Liabilities:				
Accounts payable	\$ -	\$ 894	\$ -	\$ 894
Due to others.	-	124,421	117,289	7,132
Due to students	37,042	147,247	141,266	43,023
Total liabilities	<u>\$ 37,042</u>	<u>\$ 272,562</u>	<u>\$ 258,555</u>	<u>\$ 51,049</u>

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

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Scholarship Trust				
Total revenues	\$ 11,838	\$ 18,694	\$ 18,678	\$ (16)
Total expenses	<u>1,500</u>	<u>13,598</u>	<u>13,598</u>	<u>-</u>
Net change in fund balance	10,338	5,096	5,080	(16)
Fund balance at beginning of year.	<u>74,039</u>	<u>74,039</u>	<u>74,039</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 84,377</u></u>	<u><u>\$ 79,135</u></u>	<u><u>\$ 79,119</u></u>	<u><u>\$ (16)</u></u>

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STATISTICAL SECTION

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

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	110-123
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	124-129
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	130-133
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	134-135
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	136-147

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

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental activities:				
Net investment in capital assets	\$ 29,743,734	\$ 31,791,028	\$ 21,302,378	\$ 11,061,480
Restricted	3,843,338	4,589,989	15,611,971	26,787,374
Unrestricted (deficit)	4,532,279	4,063,854	2,812,283	627,175
Total governmental activities net position	<u>38,119,351</u>	<u>40,444,871</u>	<u>39,726,632</u>	<u>38,476,029</u>
Business-type activities:				
Investment in capital assets	24,518	16,489	21,723	24,231
Unrestricted	86,419	79,163	33,237	24,409
Total governmental activities net position	<u>110,937</u>	<u>95,652</u>	<u>54,960</u>	<u>48,640</u>
Primary government:				
Net investment in capital assets	29,768,252	31,807,517	21,324,101	11,085,711
Restricted	3,843,338	4,589,989	15,611,971	26,787,374
Unrestricted (deficit)	4,618,698	4,143,017	2,845,520	651,584
Total net position - primary government	<u>\$ 38,230,288</u>	<u>\$ 40,540,523</u>	<u>\$ 39,781,592</u>	<u>\$ 38,524,669</u>

Source: District financial records.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 10,941,252	\$ 11,806,994	\$ 11,282,275	\$ 8,932,483	\$ 5,585,792	\$ 5,710,633
2,710,737	2,557,821	3,813,377	5,207,218	3,190,536	2,290,794
(1,162,831)	(2,970,216)	(2,054,471)	(921,311)	(2,444,751)	(3,368,533)
<u>12,489,158</u>	<u>11,394,599</u>	<u>13,041,181</u>	<u>13,218,390</u>	<u>6,331,577</u>	<u>4,632,894</u>
23,388	29,338	35,288	41,238	45,878	21,436
43,559	67,232	44,718	45,743	73,944	96,700
<u>66,947</u>	<u>96,570</u>	<u>80,006</u>	<u>86,981</u>	<u>119,822</u>	<u>118,136</u>
10,964,640	11,836,332	11,317,563	8,973,721	5,631,670	5,732,069
2,710,737	2,557,821	3,813,377	5,207,218	3,190,536	2,290,794
(1,119,272)	(2,902,984)	(2,009,753)	(875,568)	(2,370,807)	(3,271,833)
<u>\$ 12,556,105</u>	<u>\$ 11,491,169</u>	<u>\$ 13,121,187</u>	<u>\$ 13,305,371</u>	<u>\$ 6,451,399</u>	<u>\$ 4,751,030</u>

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

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Expenses:				
Governmental activities:				
Instruction:				
Regular	\$ 22,304,725	\$ 19,163,737	\$ 19,067,875	\$ 19,873,586
Special	6,170,417	5,922,687	6,170,894	5,880,047
Vocational	427,984	490,228	265,908	233,553
Adult/continuing	-	-	-	-
Other	2,150,753	2,064,679	1,735,218	1,788,380
Support services:				
Pupil	2,848,276	2,986,365	2,727,204	2,848,283
Instructional staff	759,210	1,512,809	1,276,998	1,466,491
Board of education	66,993	76,897	70,486	78,862
Administration	4,332,735	3,910,556	3,611,879	3,711,310
Fiscal	1,001,162	959,253	922,903	869,790
Business	2,252	2,766	1,579	51,035
Operations and maintenance	4,499,699	4,127,638	3,881,539	3,992,828
Pupil transportation	1,886,764	2,104,974	2,524,356	2,691,538
Central	7,200	34,522	19,025	7,278
Operation of non-instructional services:				
Food service operations	2,556,366	2,478,956	2,175,771	1,960,212
Other non-instructional services	107,209	153,856	190,475	158,420
Extracurricular activities	1,176,115	1,031,889	1,021,988	983,310
Interest and fiscal charges	2,292,137	2,349,048	2,577,479	2,621,249
Total governmental activities expenses	<u>52,589,997</u>	<u>49,370,860</u>	<u>48,241,577</u>	<u>49,216,172</u>
Business-type activities:				
Adult education	-	-	-	-
Special enterprise	49,887	41,755	84,011	89,222
Total business-type activities expenses	<u>49,887</u>	<u>41,755</u>	<u>84,011</u>	<u>89,222</u>
Total primary government expenses	<u>\$ 52,639,884</u>	<u>\$ 49,412,615</u>	<u>\$ 48,325,588</u>	<u>\$ 49,305,394</u>

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 19,689,324	\$ 19,736,189	\$ 19,882,816	\$ 19,786,687	\$ 20,211,422	\$ 20,398,344
5,945,781	5,370,879	5,098,781	5,086,712	4,677,768	4,628,169
255,143	246,183	276,817	297,227	231,132	294,317
-	-	-	-	31,691	-
1,851,855	1,589,751	1,504,870	1,772,787	1,220,107	939,960
2,767,898	2,777,257	2,689,774	2,727,291	2,541,249	2,551,070
1,963,838	1,531,181	1,729,794	1,366,564	1,123,499	1,256,735
51,886	46,498	58,681	65,160	52,807	55,047
3,703,502	3,642,006	3,822,071	3,417,313	3,492,015	3,254,773
837,264	891,394	876,977	856,985	846,012	876,394
3,772	6,214	56,189	54,720	4,519	2,856
4,130,588	4,246,874	4,201,380	4,231,309	4,044,331	3,845,458
2,543,253	2,413,659	2,681,786	2,277,807	2,319,760	2,429,465
337	557	47,782	-	2,282	1,599
1,851,766	1,894,552	1,848,182	1,464,605	1,727,412	1,452,914
337,536	216,103	400,251	386,883	300,405	326,313
1,096,890	1,063,997	1,041,810	1,045,737	996,301	1,013,794
1,218,649	1,245,703	1,234,668	1,246,393	1,258,858	1,285,299
<u>48,249,282</u>	<u>46,918,997</u>	<u>47,452,629</u>	<u>46,084,180</u>	<u>45,081,570</u>	<u>44,612,507</u>
-	-	-	-	-	11,463
<u>98,683</u>	<u>55,044</u>	<u>67,122</u>	<u>82,973</u>	<u>51,381</u>	<u>39,904</u>
<u>98,683</u>	<u>55,044</u>	<u>67,122</u>	<u>82,973</u>	<u>51,381</u>	<u>51,367</u>
<u>\$ 48,347,965</u>	<u>\$ 46,974,041</u>	<u>\$ 47,519,751</u>	<u>\$ 46,167,153</u>	<u>\$ 45,132,951</u>	<u>\$ 44,663,874</u>

- - continued

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

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 4,207,608	\$ 3,555,056	\$ 3,262,906	\$ 2,124,828
Special	59,438	95,363	15,753	11,547
Vocational	-	-	-	-
Support services:				
Pupil	25,901	150	-	9,847
Instructional staff	186	10,293	23,368	-
Administration	231,750	266,897	229,342	238,817
Fiscal	-	-	-	-
Operations and maintenance	18,194	32,567	18,629	15,006
Pupil transportation	40,967	50,950	4,484	-
Operation of non-instructional services:				
Food service operations	695,019	753,177	741,636	804,368
Other non-instructional services	4,957	776	769	888
Extracurricular activities	394,013	365,512	332,189	404,993
Operating grants and contributions:				
Instruction:				
Regular	93,764	91,927	143,448	1,132,693
Special	3,599,129	3,321,101	3,268,324	3,389,195
Vocational	29,347	69,315	69,315	69,315
Adult/continuing	-	-	-	-
Other	-	-	-	73,374
Support services:				
Pupil	98,996	9,457	141,255	206,905
Instructional staff	230,462	231,297	452,485	494,611
Administration	347,155	367,216	109,953	1,781,995
Fiscal	1,496	429	7,553	4,148
Operations and maintenance	-	-	-	-
Pupil transportation	107,458	121,610	242,773	126,652
Central	7,200	-	-	-
Operation of non-instructional services:				
Food service operations	1,344,807	1,389,443	1,273,355	1,149,164
Other non-instructional services	111,371	139,630	169,882	178,227
Extracurricular activities	1,109	2,883	13,501	608
Capital grants and contributions:				
Instruction:				
Regular	-	-	-	-
Support services:				
Pupil	-	376,037	92,776	-
Pupil transportation	-	-	-	-
Extracurricular activities	-	-	-	-
Total governmental program revenues	<u>11,650,327</u>	<u>11,251,086</u>	<u>10,613,696</u>	<u>12,217,181</u>
Business-type activities:				
Charges for services:				
Adult education	-	-	-	-
Special enterprise	65,172	62,417	64,885	65,915
Operating grants and contributions:				
Special enterprise	-	-	-	-
Total business-type activities program revenues	<u>65,172</u>	<u>62,417</u>	<u>64,885</u>	<u>65,915</u>
Total primary government program revenues	<u>\$ 11,715,499</u>	<u>\$ 11,313,503</u>	<u>\$ 10,678,581</u>	<u>\$ 12,283,096</u>

2010	2009	2008	2007	2006	2005
\$ 1,279,150	\$ 159,310	\$ 123,064	\$ 139,332	\$ 97,459	\$ 95,995
25,908	34,454	16,122	-	-	-
-	24,322	22,030	24,504	-	-
7,956	9,816	7,748	7,814	5,903	-
23,668	21,135	17,587	6,879	-	53
295,431	279,776	257,842	276,649	268,504	-
-	-	-	-	3,333	263,988
28,586	26,827	34,563	17,928	-	-
4,483	-	-	-	-	-
851,382	902,214	988,824	964,502	963,959	973,855
1,035	530	614	933	11,326	10,732
306,552	329,550	331,723	368,827	351,400	386,473
133,344	379,489	465,826	525,126	522,623	630,071
3,484,424	2,834,232	2,680,428	2,911,901	1,470,398	1,375,614
68,799	68,664	68,065	50,065	-	-
-	-	-	-	31,367	-
58,040	-	80,364	161,527	-	30,616
147,497	100,687	354,554	360,394	100,508	86,954
614,738	363,313	473,835	214,488	211,625	215,307
1,299,518	152,470	162,611	189,092	202,945	205,357
15,926	-	-	-	-	-
-	63,698	29,050	-	-	1,084
97,938	133,787	175,092	141,853	29,435	6,648
-	-	-	-	-	-
1,162,895	936,765	812,129	697,680	762,747	698,152
234,751	245,050	284,842	306,630	326,661	352,749
873	823	1,711	12,510	2,575	-
-	-	58,108	32,800	-	40,004
-	-	-	-	-	-
-	71,261	35,490	113,950	-	-
-	36,353	-	-	-	-
<u>10,142,894</u>	<u>7,174,526</u>	<u>7,482,222</u>	<u>7,525,384</u>	<u>5,362,768</u>	<u>5,373,652</u>
-	-	-	-	-	10,271
67,514	71,608	60,032	63,674	53,067	54,468
1,546	-	-	-	-	-
<u>69,060</u>	<u>71,608</u>	<u>60,032</u>	<u>63,674</u>	<u>53,067</u>	<u>64,739</u>
<u>\$ 10,211,954</u>	<u>\$ 7,246,134</u>	<u>\$ 7,542,254</u>	<u>\$ 7,589,058</u>	<u>\$ 5,415,835</u>	<u>\$ 5,438,391</u>

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

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Net (expense)/revenue				
Governmental activities	\$ (40,939,670)	\$ (38,119,774)	\$ (37,627,881)	\$ (36,998,991)
Business-type activities	15,285	20,662	(19,126)	(23,307)
Total primary government net expense	<u>(40,924,385)</u>	<u>(38,099,112)</u>	<u>(37,647,007)</u>	<u>(37,022,298)</u>
General revenues and other changes in net position				
Governmental activities:				
Property taxes levied for:				
General purposes	15,398,511	15,557,798	15,764,653	15,860,458
Debt service	2,725,756	2,737,581	2,780,185	2,314,189
Classroom facilities maintenance	246,618	244,149	249,048	161,560
Grants and entitlements not restricted to specific programs	21,208,581	20,008,694	20,556,806	20,634,581
Grants and entitlements restricted for Ohio School Facilities Commission	-	-	-	23,661,484
Investment earnings	3,479	28,692	124,079	334,362
Decrease in fair market value of investments	-	-	-	-
Miscellaneous	53,352	281,099	18,140	24,228
Transfers	-	(20,000)	(24,300)	(5,000)
Special item	(1,022,147)	-	-	-
Total governmental activities	<u>38,614,150</u>	<u>38,838,013</u>	<u>39,468,611</u>	<u>62,985,862</u>
Business-type activities:				
Investment earnings	-	-	-	-
Miscellaneous	-	30	1,146	-
Transfers	-	20,000	24,300	5,000
Total business-type activities	<u>-</u>	<u>20,030</u>	<u>25,446</u>	<u>5,000</u>
Change in net position				
Governmental activities	(2,325,520)	718,239	1,840,730	25,986,871
Business-type activities	15,285	40,692	6,320	(18,307)
Total primary government	<u>\$ (2,310,235)</u>	<u>\$ 758,931</u>	<u>\$ 1,847,050</u>	<u>\$ 25,968,564</u>

Source: District financial records.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ (38,106,388)	\$ (39,744,471)	\$ (39,970,407)	\$ (38,558,796)	\$ (39,718,802)	\$ (39,238,855)
(29,623)	16,564	(7,090)	(19,299)	1,686	13,372
<u>(38,136,011)</u>	<u>(39,727,907)</u>	<u>(39,977,497)</u>	<u>(38,578,095)</u>	<u>(39,717,116)</u>	<u>(39,225,483)</u>
15,932,210	16,417,867	17,600,028	18,967,834	17,364,641	17,557,079
1,528,636	1,499,746	1,561,582	1,648,406	1,578,146	1,490,170
-	-	-	-	-	-
21,601,726	19,949,270	20,318,179	19,750,702	21,309,943	20,259,894
-	-	-	-	-	-
89,584	182,106	224,685	751,807	928,050	718,729
-	-	-	-	-	-
48,791	48,900	88,724	52,001	236,705	440,329
-	-	-	1,267,612	-	-
<u>39,200,947</u>	<u>38,097,889</u>	<u>39,793,198</u>	<u>42,438,362</u>	<u>41,417,485</u>	<u>40,466,201</u>
-	-	115	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	115	-	-	-
1,094,559	(1,646,582)	(177,209)	3,879,566	1,698,683	1,227,346
(29,623)	16,564	(6,975)	(19,299)	1,686	13,372
<u>\$ 1,064,936</u>	<u>\$ (1,630,018)</u>	<u>\$ (184,184)</u>	<u>\$ 3,860,267</u>	<u>\$ 1,700,369</u>	<u>\$ 1,240,718</u>

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

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General fund:				
Nonspendable	\$ 38,265	\$ 41,579	\$ 35,745	\$ 35,538
Restricted	-	-	8,395	71,058
Committed	704,564	450,000	-	-
Assigned	200,610	1,006,458	1,858,367	457,516
Unassigned	-	-	-	82,512
Reserved	-	-	-	-
Designated	-	-	-	-
Unreserved, undesignated (deficit)	-	-	-	-
Total general fund	<u>\$ 943,439</u>	<u>\$ 1,498,037</u>	<u>\$ 1,902,507</u>	<u>\$ 646,624</u>
All other governmental funds:				
Nonspendable	\$ 30,000	\$ 30,000	\$ 122,776	\$ 34,390
Restricted	4,791,177	14,582,543	38,876,043	35,690,765
Committed	3,509,858	2,536,557	1,591,572	479,417
Unassigned (deficit)	(62,812)	(172,212)	(173,051)	(3,510)
Reserved	-	-	-	-
Unreserved, undesignated, reported in:				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>\$ 8,268,223</u>	<u>\$ 16,976,888</u>	<u>\$ 40,417,340</u>	<u>\$ 36,201,062</u>

Source: District financial records.

Note: The District implemented GASB Statement No. 54 in fiscal year 2011. Descriptions of the GASB Statement No. 54 fund balance classifications can be found in Note 2.K. of the basic financial statements. Prior to fiscal year 2011, fund balance was classified as either reserved or unreserved. Reserved fund balance indicates that portion of fund balance which is not available for current appropriation or is legally segregated for a specific use. Any fund balance not classified as reserved was classified as unreserved.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
195,350	397,580	768,693	340,417	331,372	291,366
128,000	224,000	-	-	-	-
<u>252,909</u>	<u>(2,180,785)</u>	<u>(2,071,058)</u>	<u>(57,517)</u>	<u>(2,307,860)</u>	<u>(4,016,826)</u>
<u>\$ 576,259</u>	<u>\$ (1,559,205)</u>	<u>\$ (1,302,365)</u>	<u>\$ 282,900</u>	<u>\$ (1,976,488)</u>	<u>\$ (3,725,460)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,211,413	1,492,412	1,595,886	3,891,211	8,304,427	2,223,173
668,015	802,325	821,460	454,752	534,602	412,172
-	-	-	-	-	-
<u>116,884</u>	<u>149,834</u>	<u>1,905,931</u>	<u>1,172,347</u>	<u>5,670,148</u>	<u>23,204,489</u>
<u>\$ 1,996,312</u>	<u>\$ 2,444,571</u>	<u>\$ 4,323,277</u>	<u>\$ 5,518,310</u>	<u>\$ 14,509,177</u>	<u>\$ 25,839,834</u>

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

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues				
From local sources:				
Taxes	\$ 18,773,297	\$ 18,619,192	\$ 18,701,158	\$ 18,027,724
Tuition	4,080,360	3,505,796	3,132,701	2,014,999
Charges for services	695,849	753,953	742,405	805,256
Earnings on investments	8,375	55,156	125,013	306,037
Extracurricular	610,912	610,054	546,350	584,360
Classroom materials and fees	183,440	144,666	130,993	121,393
Other local revenues	256,839	418,759	140,613	151,326
Intergovernmental - intermediate	18,000	17,810	55,704	16,309
Intergovernmental - state	22,870,197	23,595,375	35,497,924	28,860,425
Intergovernmental - federal	4,467,784	4,726,326	5,259,663	6,159,747
Total revenues	<u>51,965,053</u>	<u>52,447,087</u>	<u>64,332,524</u>	<u>57,047,576</u>
Expenditures				
Current:				
Instruction:				
Regular	20,938,263	18,729,461	18,580,788	19,360,689
Special	5,930,474	5,819,119	6,091,849	5,791,048
Vocational	453,898	504,341	245,931	236,402
Adult/continuing	-	-	-	-
Other	2,150,753	2,064,679	1,735,218	1,788,380
Support services:				
Pupil	2,772,975	3,377,312	2,721,137	2,835,923
Instructional staff	624,205	1,416,437	1,186,546	1,334,236
Board of education	66,993	76,897	70,486	78,862
Administration	4,157,479	3,823,407	3,523,827	3,697,590
Fiscal	983,085	979,010	921,691	873,475
Business	2,252	2,766	1,579	66,035
Operations and maintenance	4,320,762	3,608,713	3,563,604	3,814,778
Pupil transportation	1,729,875	1,930,052	2,408,338	2,473,669
Central	7,200	34,522	19,025	7,278
Operation of non-instructional services:				
Food service operations	2,328,982	2,481,898	2,092,702	1,874,849
Other non-instructional services	107,519	153,856	190,444	158,420
Extracurricular activities	964,507	894,706	911,501	879,926
Facilities acquisitions and construction	9,751,157	26,666,224	10,750,612	1,671,462
Debt service:				
Principal retirement	1,754,757	1,343,595	1,060,015	27,273,657
Interest and fiscal charges	2,184,671	2,482,711	2,761,800	2,182,301
Bond and note issuance expenses	-	-	260,989	399,577
Total expenditures	<u>61,229,807</u>	<u>76,389,706</u>	<u>59,098,082</u>	<u>76,798,557</u>
Excess of revenues over (under) expenditures	\$ (9,264,754)	\$ (23,942,619)	\$ 5,234,442	\$ (19,750,981)

	2010	2009	2008	2007	2006	2005
\$	17,208,374	\$ 17,941,733	\$ 19,201,073	\$ 19,853,553	\$ 19,851,045	\$ 18,979,253
	1,181,377	85,745	87,513	94,391	9,027	27,129
	852,417	902,744	967,438	943,435	963,959	951,855
	99,280	198,218	302,440	798,469	979,907	719,689
	587,519	593,200	582,953	639,472	616,047	649,433
	122,782	131,949	69,017	66,709	68,085	64,947
	170,847	171,582	262,352	126,158	286,504	478,061
	23,255	49,350	209,947	233,770	9,315	11,472
	23,683,691	22,413,011	22,453,385	22,138,528	21,934,592	20,968,734
	5,176,241	2,913,014	3,134,312	2,898,614	3,137,053	2,893,140
	<u>49,105,783</u>	<u>45,400,546</u>	<u>47,270,430</u>	<u>47,793,099</u>	<u>47,855,534</u>	<u>45,743,713</u>
	18,935,450	19,009,083	19,268,437	19,605,253	19,854,668	20,334,464
	5,855,395	5,244,421	5,031,897	5,007,673	4,698,465	4,645,599
	251,216	243,095	271,692	278,107	254,223	288,105
	-	-	-	-	31,691	-
	1,851,855	1,589,751	1,504,870	1,772,787	1,220,107	939,960
	2,796,078	2,755,992	2,698,174	2,699,948	2,567,320	2,524,345
	1,797,980	1,385,185	1,651,888	1,353,971	1,108,648	1,254,019
	51,886	46,498	58,681	65,160	52,807	55,047
	3,680,843	3,546,945	3,790,223	3,446,104	3,346,153	3,340,826
	881,289	844,500	871,834	852,861	852,175	875,032
	3,772	6,214	58,496	52,413	4,519	2,856
	4,091,115	4,108,072	4,246,777	4,192,060	4,002,233	3,803,221
	2,291,795	2,288,762	2,490,288	2,205,944	2,303,187	2,262,641
	337	557	47,782	-	2,282	1,599
	1,744,407	1,770,589	1,712,849	1,521,322	1,710,817	1,445,400
	337,797	215,813	400,220	386,806	300,345	310,853
	989,059	956,250	1,009,395	1,010,955	999,258	987,353
	169,283	1,857,459	3,313,074	10,105,357	12,538,541	2,321,274
	570,552	511,194	493,561	480,780	415,123	26,670,123
	1,117,785	1,135,753	1,148,464	1,150,169	1,178,030	1,485,314
	-	-	-	-	-	-
	<u>47,417,894</u>	<u>47,516,133</u>	<u>50,068,602</u>	<u>56,187,670</u>	<u>57,440,592</u>	<u>73,548,031</u>
\$	1,687,889	\$ (2,115,587)	\$ (2,798,172)	\$ (8,394,571)	\$ (9,585,058)	\$ (27,804,318)

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

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Other financing sources (uses)				
Transfers in	\$ 1,026,605	\$ 754,185	\$ 1,278,424	\$ 644,744
Transfers (out)	(1,026,605)	(774,185)	(1,298,424)	(649,744)
Sale of assets	1,491	117,697	1,120	3,040
Loan issuance	-	-	-	-
Sale of bonds	-	-	20,975,000	26,680,000
Sale of notes	-	-	-	26,682,099
Payment to refunded bond escrow agent	-	-	(23,431,421)	-
Premium on bonds	-	-	2,717,410	566,162
Premium on notes	-	-	-	91,253
Total other financing sources (uses)	<u>1,491</u>	<u>97,697</u>	<u>242,109</u>	<u>54,017,554</u>
Special item:				
Consortium refund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (9,263,263)</u>	<u>\$ (23,844,922)</u>	<u>\$ 5,476,551</u>	<u>\$ 34,266,573</u>
Debt service as a percentage of noncapital expenditures	7.55%	7.68%	7.88%	39.18%

Source: District financial records.

2010	2009	2008	2007	2006	2005
\$ 251,934	\$ 213,425	\$ 1,493,005	\$ 159,038	\$ 84,007	\$ 119,686
(251,934)	(213,425)	(1,493,005)	(159,038)	(84,007)	(119,686)
1,858	582	16,989	461	1,594	-
-	-	-	380,320	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,858</u>	<u>582</u>	<u>16,989</u>	<u>380,781</u>	<u>1,594</u>	<u>-</u>
-	-	-	1,267,612	-	-
<u>\$ 1,689,747</u>	<u>\$ (2,115,005)</u>	<u>\$ (2,781,183)</u>	<u>\$ (6,746,178)</u>	<u>\$ (9,583,464)</u>	<u>\$ (27,804,318)</u>
3.57%	3.61%	3.52%	3.55%	3.58%	39.55%

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

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

Collection Year	Real Property (a)	Tangible Personal Property (b)		
	Assessed Value	Tangible Assessed Value	Public Utility (b) Assessed Value	Total
2014	\$ 577,611,960	\$ -	\$ 14,654,570	\$ 14,654,570
2013	568,931,040	-	13,376,760	13,376,760
2012	566,485,580	-	12,301,240	12,301,240
2011	595,580,890	-	11,788,190	11,788,190
2010	595,856,810	526,550	11,376,920	11,903,470
2009	598,068,280	1,058,233	10,757,860	11,816,093
2008	593,213,210	12,350,634	10,717,170	23,067,804
2007	582,798,810	24,701,268	13,835,580	38,536,848
2006	573,111,310	36,807,590	13,839,970	50,647,560
2005	503,307,470	47,559,910	14,660,530	62,220,440

Source: Mahoning County Auditor's Office

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

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

Total			
Assessed Value	Estimated Actual Value	%	Total Direct Tax Rate
\$ 592,266,530	\$ 1,708,938,166	34.66%	\$ 60.60
582,307,800	1,679,024,297	34.68%	60.60
578,786,820	1,667,735,189	34.70%	60.60
607,369,080	1,748,812,446	34.73%	60.40
607,760,280	1,750,061,909	34.73%	57.50
609,884,373	1,756,030,886	34.73%	57.50
616,281,014	1,787,166,102	34.48%	57.50
621,335,658	1,819,286,849	34.15%	57.50
623,758,870	1,840,051,126	33.90%	57.50
565,527,910	1,686,903,103	33.52%	57.50

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

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

Tax Year/ Collection Year	Overlapping Rates				Direct Rates					
	Mahoning County	Austintown Township	Park District	Career Center	Voted			Unvoted	Total	
					General	Bond	Capital			
2013/2014	\$ 13.70	\$ 19.00	\$ 1.75	\$ 2.10	\$ 48.20	\$ 5.50	\$ 0.50	\$ 6.40	\$ 60.60	
2012/2013	13.70	19.00	1.75	2.10	48.20	5.50	0.50	6.40	60.60	
2011/2012	13.70	18.60	1.75	2.10	48.20	5.50	0.50	6.40	60.60	
2010/2011	13.70	18.10	1.75	2.10	48.20	5.30	0.50	6.40	60.40	
2009/2010	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50	
2008/2009	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50	
2007/2008	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50	
2006/2007	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50	
2005/2006	11.50	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50	
2004/2005	11.65	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50	

Source: Ohio Department of Taxation

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

PRINCIPAL PROPERTY TAX PAYERS
DECEMBER 31, 2013 AND DECEMBER 31, 2006

December 31, 2013			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Central Park West Ltd.	\$ 4,007,470	1	0.68%
Wal-Mart Real Estate	3,364,210	2	0.57%
Austintown Plaza Ltd.	3,236,540	3	0.55%
West View Village Co.	3,197,090	4	0.54%
Westminister Associates	2,463,280	5	0.42%
Hillbrook Apartments	2,354,630	6	0.40%
35th Strouss Associates	2,336,650	7	0.39%
Austintown Realty Co.	2,247,410	8	0.38%
Franklin LLC	2,119,660	9	0.36%
Austintown Properties Ltd.	1,813,830	10	0.31%
Total	\$ 27,140,770		4.60%

December 31, 2006			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
P&S Equities	\$ 4,093,570	1	0.66%
Austintown Plaza Ltd.	3,831,920	2	0.62%
Gulch Ltd.	3,571,860	3	0.57%
West View Village Co.	2,819,220	4	0.45%
Hillbrook Apartments	2,814,420	5	0.45%
Retail Trust Co.	2,470,760	6	0.40%
Westminister Associates	2,372,480	7	0.38%
35th Strouss Associates	2,351,960	8	0.38%
Austintown Realty Co.	2,094,720	9	0.34%
Austintown Associates	1,813,770	10	0.29%
Total	\$ 28,234,680		4.54%

Source: Mahoning County Auditor's Office

Note: Information prior to 2006 is unavailable.

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

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

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2013	\$ 21,678,771	\$ 2,359,579	\$ 24,038,350	\$ 20,995,075	96.85%
2012	21,561,681	2,376,596	23,938,277	20,820,233	96.56%
2011	21,778,746	2,937,700	24,716,446	20,981,142	96.34%
2010	19,948,776	2,630,491	22,579,267	19,159,546	96.04%
2009	19,780,329	2,571,092	22,351,421	18,997,922	96.04%
2008	20,570,272	2,474,778	23,045,050	19,564,836	95.11%
2007	21,285,244	2,472,362	23,757,606	20,302,467	95.38%
2006	21,398,775	2,206,308	23,605,083	20,896,817	97.65%
2005	21,278,874	2,394,420	23,673,294	20,522,828	96.45%
2004	20,221,343	N/A	N/A	N/A	N/A

Source: Mahoning County Auditor's Office

Note: N/A indicates that the information was not available.

Delinquent Collection	Total Collection	Total Collection As a Percent of Total Levy
\$ 713,760	\$ 21,708,835	90.31%
N/A	20,820,233	86.97%
758,253	21,739,395	87.96%
712,018	19,871,564	88.01%
767,602	19,765,524	88.43%
837,096	20,401,932	88.53%
969,511	21,271,978	89.54%
669,922	21,566,739	91.36%
597,190	21,120,018	89.21%
N/A	N/A	N/A

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

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

Fiscal Year	Governmental Activities			(a) Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita	(b) Per ADM
	General Obligation Bonds	Asbestos Abatement Loan	H.B. 264 Loan				
2014	\$ 48,663,517	\$ -	\$ 212,488	\$ 48,876,005	6.09%	\$ 1,530	\$ 9,136
2013	50,415,620	-	237,245	50,652,865	6.31%	1,586	9,584
2012	52,029,204	-	260,840	52,290,044	6.52%	1,637	9,825
2011	50,710,395	12,562	283,293	51,006,250	6.71%	1,485	9,891
2010	23,902,028	37,686	304,727	24,244,441	3.05%	695	4,723
2009	24,337,211	62,810	325,155	24,725,176	3.18%	697	4,991
2008	24,703,249	87,934	346,225	25,137,408	3.64%	696	5,077
2007	25,078,462	113,057	364,663	25,556,182	3.71%	707	5,323
2006	25,435,474	138,180	-	25,573,654	3.68%	702	5,296
2005	25,756,733	163,303	-	25,920,036	3.69%	705	5,354

Sources:

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

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

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

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

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
	General Obligation Bonds	Fund Balance Restricted for Debt Service	Net Bonded Debt		
2014	\$ 48,663,517	\$ 1,894,989	\$ 46,768,528	2.74%	\$ 1,464
2013	50,415,620	1,929,474	48,486,146	2.89%	1,518
2012	52,029,204	1,751,057	50,278,147	3.01%	1,574
2011	50,710,395	1,578,608	49,131,787	2.81%	1,430
2010	23,639,958	1,149,822	22,490,136	1.29%	644
2009	24,062,305	944,762	23,117,543	1.32%	652
2008	24,703,249	951,567	23,751,682	1.33%	657
2007	25,078,462	790,568	24,287,894	1.34%	672
2006	25,435,474	632,232	24,803,242	1.35%	680
2005	25,756,733	442,702	25,314,031	1.50%	689

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

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

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2014**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
Austintown Local School District	\$ 48,876,005	100.00%	\$ 48,876,005
Total direct	<u>48,876,005</u>		<u>48,876,005</u>
Overlapping:			
Mahoning County	27,640,000	14.96%	4,134,944
Austintown Township	742,000	98.67%	732,131
City of Youngstown	24,230,000	0.08%	19,384
Total overlapping	<u>52,612,000</u>		<u>4,886,459</u>
Total direct and overlapping debt	<u>\$ 101,488,005</u>		<u>\$ 53,762,464</u>

Source: Ohio Municipal Advisory Council

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

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

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Unvoted Debt Limit	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2014	\$ 592,267	\$ 53,303,988	\$ 45,470,000	\$ 1,894,989	\$ 43,575,011	\$ 9,728,977	81.75%
2013	582,308	52,407,702	46,875,000	1,929,474	44,945,526	7,462,176	85.76%
2012	578,787	52,090,814	48,195,000	1,751,057	46,443,943	5,646,871	89.16%
2011	607,369	54,663,217	49,220,000	1,578,608	47,641,392	7,021,825	87.15%
2010	607,234	54,651,036	23,085,000	1,149,822	21,935,178	32,715,858	40.14%
2009	608,810	54,792,918	23,610,000	944,762	22,665,238	32,127,680	41.37%
2008	603,905	54,351,455	24,075,000	951,567	23,123,433	31,228,022	42.54%
2007	592,962	53,366,610	24,525,000	790,568	23,734,432	29,632,178	44.47%
2006	623,759	56,138,298	24,965,000	632,232	24,332,768	31,805,530	43.34%
2005	565,528	50,897,512	25,355,000	442,702	24,912,298	25,985,214	48.95%

Source: Mahoning County Auditor and District financial records

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

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

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

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

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

Year	Population (1)	Per Capita Personal Income (2)	Personal Income (5)	Median Family Income (2)	School Enrollment (3)	Unemployment Rates (4)		
						Mahoning County	Ohio	United States
2014	31,947	\$ 25,113	\$ 802,285,011	\$ 30,311	5,350	6.2%	5.5%	6.1%
2013	31,947	25,113	802,285,011	30,311	5,285	8.3%	7.2%	7.6%
2012	31,947	25,113	802,285,011	30,125	5,322	7.9%	7.2%	8.2%
2011	34,352	22,141	760,587,632	28,917	5,157	9.9%	8.8%	9.2%
2010	34,902	22,810	796,114,620	29,799	5,133	11.5%	10.5%	9.5%
2009	35,479	21,948	778,693,092	29,959	4,954	13.8%	11.2%	9.7%
2008	36,137	19,087	689,746,919	30,273	4,951	7.1%	6.6%	5.5%
2007	36,137	19,087	689,746,919	29,420	4,801	6.1%	6.1%	4.5%
2006	36,451	19,087	695,740,237	29,775	4,829	8.9%	5.9%	5.1%
2005	36,766	19,087	701,752,642	28,993	4,841	7.7%	5.9%	5.1%

Sources:

(1 & 2) U. S. Census Bureau

(3) District records

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

(5) Per capita personal income multiplied by population

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

PRINCIPAL EMPLOYERS IN MAHONING COUNTY
DECEMBER 31, 2013 AND DECEMBER 31, 2006

December 31, 2013			
Employer	Employees	Rank	Percentage of Total County Employment
HM Health Services	3,200	1	3.11%
Mahoning County	1,668	2	1.62%
Diocese of Youngstown	1,100	3	1.07%
Infocision Management	1,100	4	1.07%
Youngstown State University	1,087	5	1.06%
Youngstown City School District	1,021	6	0.99%
U.S. Postal Service	780	7	0.76%
Falcon Transport	700	8	0.68%
AT&T Call Center	550	9	0.53%
Austintown Local School District	550	10	0.53%
	11,756		11.42%
Total	11,756		11.42%
Total County Employment	102,900		

December 31, 2006			
Employer	Employees	Rank	Percentage of Total County Employment
Humility of Mary Health Partners	5,440	1	4.85%
Forum Health	5,000	2	4.46%
Youngstown State University	2,105	3	1.88%
Mahoning County	1,799	4	1.60%
Youngstown City School District	1,534	5	1.37%
Infocision Management	1,071	6	0.95%
City of Youngstown	839	7	0.75%
U.S. Postal Service	768	8	0.68%
Austintown Local School District	764	9	0.68%
Boardman Local School District	650	10	0.58%
	19,970		17.80%
Total	19,970		17.80%
Total County Employment	112,200		

Source: Mahoning County Auditor's Office

Note: Information on principal employers prior to 2006 is unavailable.

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

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

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

<u>Type</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Administration	20.00	21.00	20.00	20.00	22.00
Certificated staff:					
Regular	250.50	249.00	246.00	249.00	256.00
Special	35.00	34.00	36.00	38.00	31.00
Vocational	2.00	2.00	2.00	2.00	2.00
Educational service personnel	2.00	-	-	-	22.00
Remedial specialist	-	-	-	-	-
Counseling	12.00	12.00	12.00	12.00	12.00
Library media	-	1.00	1.00	2.00	2.00
Audio visual	-	-	-	-	-
Curriculum specialist	11.00	11.00	12.00	12.00	11.00
Tutor	29.00	-	32.33	25.10	29.70
Other	2.50	-	-	-	-
Professional staff:					
Nursing	2.00	2.00	2.00	3.00	4.00
Speech therapist	4.00	4.00	4.00	4.00	5.00
Technology:					
Library technician	-	1.00	-	-	-
Library aide	1.00	-	6.58	5.49	5.49
Instructional paraprofessional	-	-	-	-	-
Other technical	4.00	7.00	5.94	2.47	2.47
Office/clerical:					
Office clerical	24.00	25.00	27.50	33.68	37.97
Instructional paraprofessional	42.00	38.00	30.12	20.96	21.46
Other clerical	-	0.50	-	-	1.00
Other operations:					
Maintenance	5.00	7.00	5.00	5.00	5.00
Custodial/grounds	41.00	33.00	38.48	38.81	21.17
Transportation/drivers	26.00	29.00	50.00	51.69	47.75
Food service	37.00	37.00	36.63	33.90	28.52
Other	-	-	-	3.00	3.22
Total	<u><u>550.00</u></u>	<u><u>513.50</u></u>	<u><u>567.58</u></u>	<u><u>562.10</u></u>	<u><u>570.75</u></u>

Source: District records

Note: Information prior to 2007 is unavailable.

<u>2009</u>	<u>2008</u>	<u>2007</u>
23.33	24.50	20.47
246.42	229.87	228.00
24.05	45.06	35.85
2.00	3.00	3.00
23.93	22.00	22.00
-	1.00	9.00
12.00	12.00	12.00
2.00	2.00	2.00
0.47	0.47	0.47
2.00	2.00	-
4.00	9.00	-
-	-	-
4.00	4.00	4.00
5.00	3.00	5.00
-	1.00	1.00
5.46	5.96	5.97
-	11.12	12.49
2.41	0.41	-
28.04	36.16	36.27
-	-	1.23
4.17	1.00	1.76
11.00	10.00	9.00
37.06	38.23	41.11
43.75	39.00	39.00
27.88	28.19	25.43
23.13	10.10	6.10
<u>532.10</u>	<u>539.07</u>	<u>521.15</u>

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

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

Function	2014	2013	2012	2011	2010
Instruction:					
Regular and special					
Enrollment (students)	5,350	5,285	5,322	5,157	5,133
Graduates	405	353	362	369	390
Graduation rate	96.00%	N/A	99.70%	98.50%	99.20%
Support services:					
Board of education					
Regular meetings per year	12	12	12	12	13
Special meetings per year	10	8	8	12	11
Fiscal					
Nonpayroll checks issued	3,459	3,472	3,391	3,872	4,344
Operations and maintenance					
Square footage maintained	937,983	843,247	843,247	843,247	843,247
Pupil transportation					
Avg. students transported daily	3,138	3,117	N/A	3,486	3,486

Source: District records

Note: N/A indicates the information is unavailable.

2009	2008	2007	2006	2005
4,954	4,951	4,801	4,829	4,841
362	351	400	372	370
98.90%	98.00%	97.10%	97.10%	98.40%
13	13	12	12	12
14	18	10	17	13
3,963	4,490	5,300	4,508	5,304
843,247	843,247	665,047	665,047	665,047
4,132	4,354	4,620	4,778	5,306

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

**CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental activities:					
Land	\$ 885,690	\$ 885,690	\$ 885,690	\$ 833,477	\$ 672,477
Construction in progress	-	37,826,728	11,748,160	1,324,118	-
Land improvements	2,288,389	2,511,941	2,712,767	2,913,593	3,032,849
Buildings/improvements	71,327,071	26,238,332	27,106,238	28,005,809	28,936,714
Furniture/equipment	1,014,419	1,053,235	1,056,444	1,165,238	1,324,543
Vehicles	525,568	499,373	216,037	218,981	297,952
Textbooks	34,110	102,328	170,546	238,764	366,200
Total governmental activities capital assets, net	<u>\$ 76,075,247</u>	<u>\$ 69,117,627</u>	<u>\$ 43,895,882</u>	<u>\$ 34,699,980</u>	<u>\$ 34,630,735</u>
Business-type activities:					
Furniture/equipment	\$ 24,518	\$ 16,489	\$ 21,723	\$ 24,231	\$ 23,388
Total business-type activities capital assets, net	<u>\$ 24,518</u>	<u>\$ 16,489</u>	<u>\$ 21,723</u>	<u>\$ 24,231</u>	<u>\$ 23,388</u>
Primary government:					
Land	\$ 885,690	\$ 885,690	\$ 885,690	\$ 833,477	\$ 672,477
Construction in progress	-	37,826,728	11,748,160	1,324,118	-
Land improvements	2,288,389	2,511,941	2,712,767	2,913,593	3,032,849
Buildings/improvements	71,327,071	26,238,332	27,106,238	28,005,809	28,936,714
Furniture/equipment	1,038,937	1,069,724	1,078,167	1,189,469	1,347,931
Vehicles	525,568	499,373	216,037	218,981	297,952
Textbooks	34,110	102,328	170,546	238,764	366,200
Total primary government capital assets, net	<u>\$ 76,099,765</u>	<u>\$ 69,134,116</u>	<u>\$ 43,917,605</u>	<u>\$ 34,724,211</u>	<u>\$ 34,654,123</u>

Source: District financial records.

Notes: Amounts above are presented net of accumulated depreciation.

2009	2008	2007	2006	2005
\$ 672,477	\$ 672,477	\$ 672,477	\$ 502,026	\$ 502,026
-	-	26,648,963	15,268,495	2,732,638
3,200,073	3,395,671	1,100,565	103,598	89,327
29,739,145	28,906,503	3,479,073	4,075,607	4,378,638
1,503,318	1,670,808	769,156	204,511	151,014
411,990	414,195	557,930	726,184	667,523
552,862	739,524	414,550	-	-
<u>\$ 36,079,865</u>	<u>\$ 35,799,178</u>	<u>\$ 33,642,714</u>	<u>\$ 20,880,421</u>	<u>\$ 8,521,166</u>
\$ 29,338	\$ 35,288	\$ 41,238	\$ 45,878	\$ 21,436
<u>\$ 29,338</u>	<u>\$ 35,288</u>	<u>\$ 41,238</u>	<u>\$ 45,878</u>	<u>\$ 21,436</u>
\$ 672,477	\$ 672,477	\$ 672,477	\$ 502,026	\$ 502,026
-	-	26,648,963	15,268,495	2,732,638
3,200,073	3,395,671	1,100,565	103,598	89,327
29,739,145	28,906,503	3,479,073	4,075,607	4,378,638
1,532,656	1,706,096	810,394	250,389	172,450
411,990	414,195	557,930	726,184	667,523
552,862	739,524	414,550	-	-
<u>\$ 36,109,203</u>	<u>\$ 35,834,466</u>	<u>\$ 33,683,952</u>	<u>\$ 20,926,299</u>	<u>\$ 8,542,602</u>

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

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

	2014	2013	2012	2011
Fitch High School (1968/'78/2000/2007)				
Square feet	262,048	262,048	262,048	262,048
Enrollment	1,739	1,680	1,659	1,622
Austintown Middle School (1914/'22/'26/'46/'54/2002) (Mahoning Avenue Building)				
Square feet	102,600	102,600	102,600	102,600
Enrollment	-	-	-	-
Austintown Middle School (2008) (Racoon Road Building)				
Square feet	174,688	174,688	174,688	174,688
Enrollment	1,316	1,315	1,315	1,211
Austintown Intermediate School (2013)				
Square feet	124,205	-	-	-
Enrollment	1,142	-	-	-
Austintown Elementary School (2013)				
Square feet	121,451	-	-	-
Square feet	1,153	-	-	-
Frank Ohl Intermediate School (1960/'61/'92/2007)				
Square feet	-	89,485	89,485	89,485
Enrollment	-	768	806	816
Davis Elementary (1954/'57/2002)				
Square feet	32,958	32,958	32,958	32,958
Enrollment	-	-	-	-
Lloyd Elementary (1954/'57/'92)				
Square feet	33,013	33,013	33,013	33,013
Enrollment	-	361	373	366
Lynn Kirk Elementary (1958/'60)				
Square feet	35,136	35,136	35,136	35,136
Enrollment	-	303	307	303
Watson Elementary (1961)				
Square feet	-	61,435	61,435	61,435
Enrollment	-	501	503	496
Woodside Elementary (1948/'57)				
Square feet	33,372	33,372	33,372	33,372
Enrollment	-	357	359	343
District Board Office (2008)				
Square feet	3,512	3,512	3,512	3,512
Community Fitness Center (1999/2001)				
Square feet	15,000	15,000	15,000	15,000

Source: District records

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

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

Davis Elementary was permanently closed on August 1, 2008.

Frank Ohl Intermediate School and Watson Elementary were demolished in fiscal year 2014.

Davis, Lloyd, and Woodside Elementaries are scheduled to be demolished in fiscal year 2015.

2010	2009	2008	2007	2006	2005
262,048 1,615	262,048 1,615	262,048 1,603	262,048 1,649	262,048 1,623	262,048 1,684
102,600 -	102,600 -	102,600 -	102,600 861	102,600 837	102,600 850
174,688 1,220	174,688 1,165	174,688 1,163	- -	- -	- -
- -	- -	- -	- -	- -	- -
- -	- -	- -	- -	- -	- -
89,485 801	89,485 725	89,485 755	89,485 656	89,485 676	89,485 726
32,958 -	32,958 -	32,958 200	32,958 237	32,958 258	32,958 253
33,013 369	33,013 373	33,013 323	33,013 368	33,013 396	33,013 423
35,136 299	35,136 268	35,136 274	35,136 348	35,136 318	35,136 342
61,435 462	61,435 458	61,435 350	61,435 394	61,435 393	61,435 442
33,372 344	33,372 350	33,372 283	33,372 288	33,372 328	33,372 332
3,512	3,512	3,512	-	-	-
15,000	15,000	15,000	15,000	15,000	15,000

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

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities (2)		Enrollment	Percent Change	Teaching Staff
	Expenditures (1)	Cost per pupil	Expenses (1)	Cost per pupil			
2014	\$ 57,290,379	\$ 10,708	\$ 50,297,860	\$ 9,401	5,350	1.23%	319
2013	72,563,400	13,730	47,021,812	8,897	5,285	-0.70%	317
2012	55,015,278	10,337	45,664,098	8,580	5,322	3.20%	315
2011	46,943,022	9,103	46,594,923	9,035	5,157	0.47%	322
2010	45,729,557	8,909	47,030,633	9,162	5,133	3.61%	328
2009	45,869,186	9,259	45,673,294	9,219	4,954	0.06%	326
2008	48,426,577	9,781	46,217,961	9,335	4,951	3.12%	326
2007	54,556,721	11,364	44,837,787	9,339	4,801	-0.58%	326
2006	55,847,439	11,565	43,822,712	9,075	4,829	-0.25%	329
2005	45,392,594	9,377	43,327,208	8,950	4,841	-0.23%	333

Source: District records

(1) Debt service totals have been excluded.

Pupil/Teacher Ratio	Student Attendance Percentage
16.77	94.40%
16.67	93.90%
16.90	95.00%
16.02	95.20%
15.65	94.70%
15.20	94.80%
15.19	94.80%
14.73	94.70%
14.68	94.30%
14.54	94.80%

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

**TEACHER EDUCATION AND EXPERIENCE
AS OF JUNE 30, 2014 AND JUNE 30, 2007**

<u>Degree</u>	<u>June 30, 2014</u>		<u>June 30, 2007</u>	
	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Non-Degree	0	0.00%	0	0.00%
Bachelor's Degree	64	20.06%	51	15.64%
Bachelor's Degree + 15	38	11.91%	48	14.72%
Master's Degree	90	28.21%	76	23.31%
Master's Degree + 15	30	9.40%	30	9.20%
Master's Degree + 30	97	30.42%	119	36.51%
Ph.D.	0	0.00%	2	0.61%
	<u>319</u>	<u>100.00%</u>	<u>326</u>	<u>99.99%</u>

<u>Years of Experience</u>	<u>June 30, 2014</u>		<u>June 30, 2007</u>	
	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5 Years	103	32.28%	86	26.38%
6 - 10 Years	59	18.50%	65	19.94%
11 - 15 Years	60	18.81%	65	19.94%
16 - 20 Years	59	18.50%	22	6.75%
21 - 25 Years	13	4.08%	31	9.51%
26 - 42 Years	25	7.83%	57	17.49%
	<u>319</u>	<u>100.00%</u>	<u>326</u>	<u>100.01%</u>

Source: District personnel records

Note: Information prior to June 30, 2007 is not available.

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

**TEACHER SALARIES
LAST TEN FISCAL YEARS**

Teacher Salaries					
Year	Austintown			State	
	BA Min.	MA Max.	Average	Average	
2014	\$ 30,620	\$ 71,028	\$ 51,187	\$ 55,916	
2013	30,317	70,335	51,659	56,307	
2012	29,737	69,009	51,891	56,715	
2011	29,737	69,009	51,784	56,715	
2010	29,443	68,336	49,632	55,958	
2009	29,443	67,276	50,763	54,656	
2008	29,443	67,276	49,798	53,410	
2007	29,151	65,619	50,555	53,534	
2006	28,440	64,018	49,811	50,771	
2005	27,883	62,765	48,823	49,436	

Sources: District records and Ohio Department of Education

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Dave Yost • Auditor of State

AUSTINTOWN LOCAL SCHOOL DISTRICT

MAHONING COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 17, 2015**