



Dave Yost • Auditor of State

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

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**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL ENDED YEAR JUNE 30, 2014**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Disbursements
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Ohio Department of Education:</i>			
Fruit and Vegetable Program			
Fruit and Vegetable Program	10.582	\$ 136,030	\$ 136,030
<u>Child Nutrition Cluster:</u>			
School Breakfast Program			
School Breakfast Program (Non-Cash Assistance)	10.553	61,265	61,265
School Breakfast Program	10.553	1,961,737	1,961,737
<i>Total CFDA #10.553</i>		<u>2,023,002</u>	<u>2,023,002</u>
National School Lunch Program			
National School Lunch Program (Non-Cash Assistance)	10.555	245,061	245,061
National School Lunch Program	10.555	5,977,899	5,977,899
<i>Total CFDA #10.555</i>		<u>6,222,960</u>	<u>6,222,960</u>
<i>Total Child Nutrition Cluster</i>		<u>8,245,962</u>	<u>8,245,962</u>
<i>Total U.S. Department of Agriculture</i>		<u>8,381,992</u>	<u>8,381,992</u>
U.S. DEPARTMENT OF EDUCATION			
Direct Programs:			
<u>Student Financial Assistance Cluster:</u>			
Federal Pell Grant Program	84.063		
LPN Pell Grant FY-13		14,045	14,045
LPN Pell Grant FY-14		461,267	461,267
<i>Total Federal Pell Grant Program</i>		<u>475,312</u>	<u>475,312</u>
Federal Family Education Loan Program:	84.268		
Adult Education FY-14		1,213,964	1,149,775
<i>Total U.S. Department of Education - Direct Programs</i>		<u>1,689,276</u>	<u>1,625,087</u>
<i>Passed Through Ohio Department of Education:</i>			
<u>Special Education Cluster:</u>			
Special Education Grants to States	84.027		
Special Education IDEA, Part B FY-12			(81)
Special Education IDEA, Part B FY-13		835,711	1,009,349
Special Education IDEA, Part B FY14		5,315,169	4,982,797
<i>Total Special Education Grants to States</i>		<u>6,150,880</u>	<u>5,992,065</u>
Special Education Preschool Grants	84.173		
Preschool Grant FY-13		10,518	19,305
Preschool Grant FY-14		122,873	112,136
<i>Total CFDA #84.173</i>		<u>133,391</u>	<u>131,441</u>
<i>Total Special Education Cluster</i>		6,284,271	6,123,506
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants			
ARRA - Race to the Top FY-14	84.395	3,298,069	2,957,095

(Continued)

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL ENDED YEAR JUNE 30, 2014
(Continued)**

FEDERAL GRANTOR Pass Through Grantor Program Title	Federal CFDA Number	Receipts	Disbursements
<u>Title I:</u>	84.010		
Title I Grants to Local Educational Agencies-FY 12			2,297
Title I Grants to Local Educational Agencies-FY 13		1,203,766	1,908,734
Title I Grants to Local Educational Agencies-FY 14		15,581,554	15,935,322
<i>Total Title I</i>		<u>16,785,320</u>	<u>17,846,353</u>
 Vocational Education Basic Grants to States	 84.048		
Adult FY 13		84,925	129,372
Adult FY 14		706,893	639,433
<i>Total Vocational Education Basic Grants to States</i>		<u>791,818</u>	<u>768,805</u>
 Education for Homeless Children and Youth	 84.196		
FY 13		75	5,827
FY 14		134,664	132,502
<i>Total Education for Homeless Children and Youth</i>		<u>134,739</u>	<u>138,329</u>
 Improving Teacher Quality State Grants	 84.367		
Improving Teacher Quality FY13		466,515	485,367
Improving Teacher Quality FY14		2,246,471	1,611,508
<i>Total Improving Teacher Quality State Grants</i>		<u>2,712,986</u>	<u>2,096,875</u>
 English Language Acquisition Grants	 84.365		
Limited English Grant FY 13		5,489	11,543
Limited English Grant FY 14		47,828	45,748
<i>Total English Language Acquisition Grants</i>		<u>53,317</u>	<u>57,291</u>
 ARRA McKinney Vento	 84.387		
ARRA McKinney Vento		-	21
 <u>School Improvement Cluster:</u>			
School Improvement Competitive	84.377	3,008,773	3,196,253
ARRA - School Improvement Competitive	84.388	863,656	608,864
<i>Total School Improvement Cluster</i>		<u>3,872,429</u>	<u>3,805,117</u>
 <i>Total U.S. Department of Education - Pass Through Programs</i>		<u>33,932,949</u>	<u>33,793,392</u>
Total U.S. Department of Education		<u>35,622,225</u>	<u>35,418,479</u>
 Total Federal Awards Receipts and Expenditures		<u>\$ 44,004,217</u>	<u>\$ 43,800,471</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS SCHEDULE.

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE D – FOOD DONATION PROGRAM

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

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Dave Yost • Auditor of State

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

Toledo City School District
Lucas County
420 East Manhattan Blvd.
Toledo, Ohio 43608-1267

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, each major fund, and the aggregate remaining fund information of Toledo City School District, Lucas County, Ohio (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 29, 2014.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider a significant deficiency in internal control. We consider finding 2014-001 to be a significant deficiency.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

December 29, 2014



Dave Yost • Auditor of State

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

Toledo City School District
Lucas County
420 East Manhattan Blvd.
Toledo, Ohio 43608-1267

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited Toledo City School District, Lucas County, Ohio's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Toledo City School District's major federal programs for the year ended June 30, 2014. The *Summary of Audit Results* in the accompanying schedule of findings and questioned costs identifies the District's major federal programs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for each of the District's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Basis for Qualified Opinion on Child Nutrition Cluster, Special Education Cluster, Title I, Improving Teacher Quality, Race to the Top, and School Improvement Cluster

As described in Findings 2014-003 and 2014-004 in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding the following:

Finding #	CFDA #	Program (or Cluster) Name	Compliance Requirement
2014-003	10.553/10.555	Child Nutrition Cluster	Allowable Costs
2014-003	84.027/84.173	Special Education Cluster	Allowable Costs
2014-003	84.010	Title I	Allowable Costs
2014-003	84.367	Improving Teacher Quality	Allowable Costs
2014-003	84.395	Race to the Top	Allowable Costs
2014-003	84.377/84.388	School Improvement Cluster	Allowable Costs
2014-004	84.027/84.173	Special Education Cluster	Equipment and Real Property Management
2014-004	84.395	Race to the Top	Equipment and Real Property Management

Compliance with these requirements is necessary, in our opinion, for the District to comply with the requirements applicable to these programs.

Qualified Opinion on Child Nutrition Cluster, Special Education Cluster, Title I, Improving Teacher Quality, Race to the Top, and School Improvement Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Nutrition Cluster, Special Education Cluster, Title I, Improving Teacher Quality, Race to the Top, and School Improvement Cluster* paragraph, Toledo City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect its Child Nutrition Cluster, Special Education Cluster, Title I, Improving Teacher Quality, Race to the Top, and School Improvement Cluster programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

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

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

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's compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-002 through 2014-004 to be material weaknesses.

This report only describes the scope of our tests of internal control over compliance 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 Expenditures of Federal Awards Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Toledo City School District (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 29, 2014. We conducted our audit to opine on the District's basic financial statements. The accompanying federal awards receipts and expenditures schedule 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.



Dave Yost
Auditor of State

Columbus, Ohio

December 29, 2014

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TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
JUNE 30, 2014

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	Yes
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Qualified – all major programs
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	Yes
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA # 10.553, 10.555 Child Nutrition Cluster, CFDA # 84.027, and 84.173 Special Education Cluster, CFDA # 84.010 Title I, CFDA # 84.367 Improving Teacher Quality, CFDA # 84.395 Race to the Top, CFDA # 84.377, 84.388 School Improvement Cluster
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 1,314,014 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

FINDING NUMBER 2014-001

Capital Assets

Significant Deficiency

According to the District's policy:

- The District conducts a complete inventory every five years, by physical count, of all District-owned equipment and supplies;
- Each building and additions to buildings are identified by location or name and are described in detail (e.g., size, number of floors, square footage, type of construction, etc.) with the value shown for all individual structures;
- Fixed equipment is inventoried by building, floor and room name or number; each item is to be listed individually;
- Movable equipment is inventoried by building, floor and room name or number; each item is to be listed individually;
- Any item that has a model number or serial number has that number noted in the description for full identification;
- All equipment purchased, after the initial inventory, as capital outlay or replacement with a cost of \$5,000 or more and with an estimated useful life of five years or more is tagged and made part of the equipment inventory.

We have identified the following:

- The District does not use Capital Asset software to maintain and update additions, deletions, and depreciation. Capital Assets are currently maintained and updated by the use of spreadsheets;
- The assets reported on the spreadsheets do not always have an assigned asset tag number, and do not always have an adequate description to enable location and observation of the asset, and the equipment assets in school buildings are not always tagged and not always traceable to the capital asset spreadsheets;
- Disposal forms are not utilized for the deletion of assets from the asset spreadsheets

These conditions provide for possible incomplete and inaccurate reporting of capital assets in the financial statements, possible inadequate insurance coverage, and a lack of control and accountability over the District's capital assets.

To correct the above conditions we recommend the District:

- Obtain and implement capital asset software;
- Review the fixed asset policy and consider revisions and inclusion of policy regarding the disposal of assets, transfer of assets, and depreciation;
- Complete asset tagging and provide adequate descriptions of assets;
- Complete disposal forms for the disposal of assets with adequate documentation to support the disposal.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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Child Nutrition Program Income

Finding Number	2014-002
CFDA Title and Number	Child Nutrition Cluster – CFDA # 10.553/10.555
Federal Award Number / Year	2014
Federal Agency	U.S. Department of Agriculture
Pass-Through Agency	Ohio Department of Education

Material Weakness

The District collects money from students for breakfast meals, lunch meals, and ala carte items. Students may pay daily for meals, may pay in advance for multiple meals, or may charge all or part of a meal to be paid in the future.

The District has not implemented controls to ensure that the correct rates are charged to students related to the food service program. For 83 percent of transaction tested, the District did not maintain written support to identify what products were sold and the amount collect for each item. As such, it was impossible to determine that students were charged the correct rate in accordance with the pricing list.

Failure to document products sold and receipts collected could result in theft of District assets or charging students incorrectly for products.

We recommend the District establish policies and procedures to ensure that all receipts collected are supported as to products sold and amounts collected.

Federal Payroll Disbursements

Finding Number	2014-003
CFDA Title and Number	All Major Programs
Federal Award Number / Year	2014
Federal Agency	U.S. Department of Education/U.S. Department of Agriculture
Pass-Through Agency	Ohio Department of Education

Questioned Cost/Noncompliance/Material Weakness

2CFR, Appendix B to Part 225(8)(g) requires employees who work on multiple activities or cost objectives, to support the distribution of their salaries or wages with personnel activity reports or equivalent documentation which meets the standards unless a statistical sampling system or other substitute system has been approved by the cognizant Federal agency. Employees whose compensation is allocated solely to a single cost objective must furnish semiannual certificates that he/she has been engaged solely in activities supportive of the cost objectives.

The District charged Federal grant programs for payroll and benefits expenditures that were either unsupported by required personnel activity reports or did not match activities documented on personnel activity reports provided.

The following conditions exist over the Districts documentation of personnel activity;

- Employees working on multiple activities or cost objectives did not always complete time and effort forms (i.e. monthly personnel activity reports) or semi-annual certifications indicating that the employee has worked on a single cost objective throughout the semi-annual period;
- Personnel activity as documented by employees on time and effort forms or semi-annual certifications did not always match amounts charged to grants;

Based on non-compliance identified above, we are questioning the following grant expenditures:

Program	CFDA	Amount
Child Nutrition Cluster	10.553/10.555	\$76
Race-to-Top	84.395	1,570
Special Education Cluster	84.027/84.173	11,829
School Improvement	84.388	4,450
Title I	84.010	2,907
Improving Teacher Quality	84.367	3,607
	Total	\$24,440

Failure to establish and monitor controls over personnel activity reports could result in the District inappropriately charging Federal grants for work not performed. This could result in reduced grant funding in the future.

We recommend the District perform the following procedures:

- Review Federal guidelines that identify requirements for documenting personnel activity;
- Establish and implement procedures to ensure Federal payroll expenditures are supported as required by 2 CFR, Part 225;
- Establish procedures to monitor the completion and accuracy of personnel activity documentation to ensure each charge to a Federal grant is properly supported, and consider who the appropriate personnel to sign the form should be. The personnel who signs the form attesting to accuracy should have first-hand knowledge supporting that wages paid meets allowable activity and costs permitted by the grant;
- The District should reconcile, not less than quarterly, amounts budgeted for each employee to a Federal grant to actual time spent on the Federal grant. Any differences should be posted to the accounting system.

Special Education and Race to the Top Equipment Inventory Listing

Finding Number	2014-004
CFDA Title and Number	Special Education Cluster – CFDA # 84.027/84.173, Race to the Top – CFDA # 84.395
Federal Award Number / Year	2014
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

Noncompliance/Material Weakness

34CFR Subtitle A §80.32(d) requires that:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property,
- (2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
- (3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property.
- (4) If the grantee or sub grantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(5) Disposition. When original or replacement equipment acquired under a grant or sub grant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(a) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(b) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

The District did not have an equipment listing for items meeting the above conditions for Special Education and Race to the Top.

We recommend the District establish procedures for equipment management, including the above requirements, for the Federal programs that require equipment management.

Officials' Response:

We did not receive a response from Officials to the findings reported above.

TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2014

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2013-001	Significant deficiency because the District did not follow capital asset policy.	No	Not corrected and re-issued as Finding 2014-001.
2013-002	Material federal control weakness due to lack of controls over child nutrition program income.	No	Not corrected and re-issued as Finding 2014-002.
2013-003	Material federal control weakness regarding child nutrition eligibility.	Yes	
2013-004	Part 7 CFR 3015.160 through .175 due to lack of adequate child nutrition equipment listing.	Yes	
2013-005	Questioned costs of \$64,042 due to federal payroll disbursements not being supported by 2 CFR, Part 225.	No	Not corrected and re-issued as Finding 2014-003.
2013-006	34CFR Subtitle A §80.32(d) for the District not maintaining a federal equipment listing.	No	Not corrected and re-issued as Finding 2014-004.

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**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**CORRECTIVE ACTION PLAN
OMB CIRCULAR A -133 § .315 (c)
JUNE 30, 2014**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2014-002	The District is continuing work on a point of sale system in the elementary schools. Further education will be provided to food service workers.	6/30/2015	James Gant, Business Manager
2014-003	The District has started to complete time and effort forms by pay ending date, not pay date. Time card online is being implemented in the District's HR and payroll software, which should help with employee compliance. Also, time and effort certifications are being collected semi-monthly now.	6/30/2015	Angela Nowak, Director of OMB
2014-004	The District completed an inventory in 2014. The results are being entered into the Fixed Asset module of the Districts accounting package.	6/30/2015	Eric Shreve, Director of Finance/Acct.

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Lucas County, Ohio



Toledo Public Schools

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2014**

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Lucas County, Ohio

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

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

Prepared by:
Mr. Matthew J. Cleland, Treasurer

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LUCAS COUNTY, OHIO**

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TOLEDO CITY SCHOOL DISTRICT

Thurgood Marshall Building • 420 East Manhattan Blvd.
Toledo, Ohio 43608

Treasurer's Office: phone (419) 671-8370

fax (419)-671-8474

December 29, 2014

Board of Education Members and Citizens of the Toledo City School District:

As the Superintendent and Treasurer of the Toledo City School District (the District), we are pleased to submit to you this Comprehensive Annual Financial Report (CAFR) of the District. This CAFR, for the year ended June 30, 2014, which includes an opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles (GAAP) and is in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

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. This report will provide the taxpayers of the Toledo City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to National Municipal Information Repository (NMSIR), State Information Depository (SID), other financial rating services and other interested parties.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Toledo City School District's MD&A can be found immediately following the report of the independent accountants.

Following a long period of enrollment declines as a result of demographic decline and competition from charter school and scholarship tuition programs, the District has seen an increase in student enrollment for FY15. As of October 2014, the School District had 22,002 students (compared to 21,478 as of October 2013) enrolled in its 41 K-8 schools, 8 senior high schools and 7 education/specialized learning centers (which provide special curriculums and vocational education and skills programs), making it the fourth largest public school system in the State. For the current academic year the average class size is 29 students (for grades 1 through 8), and the average pupil/teacher ratio 12:1.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2014

The District employs (full- and part-time) 2,014 professional staff members and 1,163 nonteaching and support staff employees. Approximately 57% of the members of the teaching staff have master's degrees, and 1% have doctorates. The District's faculty has an average of 14.8 years' teaching experience. The District also operates a central office facility, a maintenance center, a central kitchen, a warehouse and a transportation depot.

The District is organized into learning communities. Each learning community has its own high school and elementary schools that feed into it. Special facilities and School Assistance Centers also support these learning communities. Three Transformational Leaders work with the schools to provide direction for leadership and school management. In addition, the Curriculum Division works to enhance student learning and to drive school reform efforts. Toledo Public Schools is fortunate to have the support of the Parent Congress, an active parent advisory board that collaborates with the Superintendent on a number of current issues, including: parent involvement across the district and developing greater educational opportunities for students.

The District's high schools are fully accredited by the North Central Association of Colleges and Schools. The District's curriculum offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and physical education programs. A full range of extra-curricular programs and activities is available, beginning in the elementary grades. All District schools have libraries, lunch programs and multipurpose rooms or gymnasiums for student activities.

The Board of Education of the Toledo City School District (the Board) is a five-member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars and approves the annual appropriation resolution.

ECONOMIC CONDITIONS AND OUTLOOK –

Over three-fourths of North America's car and truck final assembly plants are within 500 miles of Toledo and 35 percent (35%) of these facilities are within 250 miles. Thirty-six percent (36%) of U.S. and nineteen percent (19%) of Canadian transportation equipment manufacturing are within a 250-mile radius of Toledo. In addition, 33 percent (33%) of the U.S. population resides within 500 miles of Toledo. The Toledo Metropolitan Area offers 25 industrial parks, seven of which are located within the Toledo City School District. Statistics indicate that employment in the Toledo area-manufacturing industries represent only about one-fourth of the available jobs in the area. The majority of work is found in non-manufacturing areas such as service industries, retail trade, and government jobs.

Transportation plays an important role in the Toledo area economy. The Port of Toledo is Ohio's largest and most diversified port and one of the nation's largest shippers of coal and grain. The Port offers a foreign trade zone encompassing 300,000 square feet of covered storage area serviced by ship, rail, and truck. Toledo is one of the nation's largest rail hubs with four major lines serving the area. Intrastate and interstate truck services are provided by more than 100 common carriers, including almost all major truck lines, as well as approximately 30 local cartage companies. Toledo Express Airport offers both general and commercial aviation services.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2014

Lucas County is the home of the Toledo Mud Hens and operates the 10,300 seat Fifth Third Field Stadium, in the Warehouse District. The Mud Hens, a Triple A baseball team, is in the Detroit Tigers farm system.

Lucas County's Huntington Center is a multi-purpose arena in downtown Toledo. The arena is located one block from Fifth Third Field and has a seating capacity of 8,000.

Lucas County partnered with the Toledo Arena Sports, Inc. (TASI), a subsidiary of the Toledo Mud Hens organization, to secure a sports tenant for the new multi-purpose arena. The ECHL hockey tenant is the Toledo Walleye, a feeder team to the Detroit Red Wings and Chicago Black Hawks.

The area has diverse recreational, cultural, and educational resources. The City of Toledo has over 100 parks ranging from small neighborhood playgrounds to large centralized parks with full recreational facilities including picnic areas, ball diamonds, tennis courts, and swimming pools. The Maumee River and Lake Erie offer many water sport activities such as boating, sailing, water skiing, and fishing. The Area Metropark System has over 6,000 acres in nine locations. Local professional sports include the Toledo Mudhens Baseball Team, the Toledo Walleye Hockey Team, and the Annual LPGA Golf Tournament. There are over 20 public and private golf courses in the area. The Toledo Zoo ranks among the best in the country. Toledo also boasts the world-renowned Toledo Museum of Art, which houses over 700 paintings, 5,000 pieces of glass, and a nationally respected symphony. The Museum also has a glass exhibit, storage, and research center. Continuing and Advanced Education is available at the University of Toledo, University of Toledo Community and Technical College, UT Health Sciences Campus, Bowling Green State University, Owens Community College, and Lourdes University.

SIGNIFICANT ACCOMPLISHMENTS FOR THE YEAR

Perhaps the biggest initiative is the start of the Jones Leadership Academy, a high school that is based on single-gender school models. Boys and girls are educated in separate wings of a former elementary school and then interact daily at scheduled times and for school-sponsored community outreach events. The curriculum emphasizes leadership, community service and entrepreneurship/financial literacy. Students have joined either the Young Women Of Excellence or Young Men Of Excellence leadership groups and partnerships have been formed with organizations such as the Chamber of Commerce.

A second piece of exciting news came with the awarding of a \$3.8 million grant from the Obama Administration as part of a national program that focuses on making high school students ready for the work force. U.S. Secretary of Education Arne Duncan and Secretary of Labor Thomas Perez visited Toledo in late July to learn more about the district's plans to implement the new Pathway to Prosperity program. The grant funds programming associated with energy, manufacturing and electronics and is available to students who attend five TPS high schools. As part of the grant, TPS has developed partnerships with local businesses and colleges to provide support for students, including student liaisons, career coaches and college coaches.

Along the same lines, TPS expanded the award-winning Toledo Technology Academy to include 7th and 8th grade students. Students at TTA - along with our students at Toledo Early College High School – take college level courses and earn college credit as they fulfill their high school curricular requirements. This emphasis on making students college and career ready is also reflected in through the array of Career Technology programs the district offers which allow students to graduate with a diploma and skills for today's workforce.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2014

And finally, TPS received an \$8.1 million federal grant to run a large part of the Head Start program in Lucas County. The grant is structured in such a way that TPS will be the fiscal agent and provide services for children ages 3 to 5, while WSOS Community Action will oversee programming for children of the same age in other parts of Lucas County and the Lucas County Family Council will focus its efforts on pregnant women, infants and children younger than 3.

As the grantee, Toledo Public Schools will be serving and overseeing 1,126 children aged birth – five and their families, in a variety of locations. The grant is the culmination of more than a year’s work between representatives of a number of organizations, all with the same goal of developing the strongest program possible to help the youngest children of Lucas County.

Toledo Public Schools appeared on the November 4th ballot as Issue 1, a 5.8 mills new money levy request. Community supporters, employees, parents and volunteers came together to execute a ‘grass roots’ campaign. Their efforts were rewarded when Issue 1 passed by an overwhelming margin. Of the total, 4.3 mills are designated for operations, while the remaining 1.5 mills are for permanent improvements. TPS will not be on the ballot again until 2018 when current tax levies are due to be renewed.

As the Ohio Department of Education continues to introduce new rankings and categories that it uses to measure the academic successes of a school district, Toledo Public Schools report for the 2013-14 school year showed an array of results. The district earned an A rating in the areas of special education and meeting the needs of the lowest 20 percent of learners. Toledo Public Schools was the only urban district in the state of Ohio to receive an A rating on the state report card for Value Added Education. That means students are gaining two years of knowledge in one school year. Compared to the other urban school districts in Ohio, TPS was the only one to earn three A’s on the 2013-14 state report card. The annual report from ODE also showed that 10 percent of TPS students fell into an ‘advanced’ learner category, while 16.3 percent tested as ‘accelerated’ and another 35.2 percent were considered ‘proficient’.

MAJOR INITIATIVES FOR THE FUTURE

In June of 2014 the District engaged Battelle for Kids to provide services for the development of a strategic plan. The strategic plan is intended to coordinate the Districts current initiatives of the transformation plan (initiated 2011) and the performance audit (initiated 2012).

With the passage of a levy in November, 2014, the District plans to restore transportation to the level provided prior to budget reductions in 2010.

The award of two Federal grants, Head Start and Youth Career Connect, support the Districts initiatives for early childhood education and career technology programs.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2014

DEPARTMENT FOCUS

The Treasurer's Division has continued to show leadership and growth by striving for excellence in developing and implementing sound fiscal management, accounting and reporting standards.

Revenue Sharing Agreements between the City of Toledo, Toledo City School District and abated companies provide 67.5% of taxes foregone back to the District in the form of "Payments in Lieu of Taxes". Since the inception of Revenue Sharing Agreements, "Contributions in Lieu of Taxes", totaled over \$14,687,855. Currently there are 20 companies actively participating in the tax abatement program. These Agreements promote the economic welfare of our community by creating new jobs, while retaining and preserving existing jobs and employment opportunities, as facilities are established, expanded, renovated or occupied within designated Enterprise Zones. It is hoped that the success of these Tax Exemption Revenue Sharing Agreements will set the stage for future cooperation between government entities.

As of June 30, 2014, the Toledo City School District has underlying debt ratings of A- from Fitch Ratings, A2 from Moody's Investment Service and A+ from Standard and Poor's. Financial information was provided to all external-rating agencies resulting in the District maintaining the above-mentioned ratings. Financial information was also furnished to the Ohio Municipal Advisory Council (OMAC), which has applied for and received the designation of being the State Information Depository (SID) for the State of Ohio. The establishment of SID provides the State with more uniform central distribution of financial information to debt holders and potential bidders of debt for the Toledo City School District.

The District provides annual Continuing Disclosure filings with the appropriate National Municipal Information Repository (NMIR) and SID to keep bondholders of the Ohio School Facilities bond issue abreast of the current financial status of the District.

The Treasurer's Division implemented requirements of the Ohio Legislature as they relate to the mandatory preparation of a Five-Year Revenue and Expenditure Forecast, the multi-year Certification of Estimated Revenues, and the proper identification and appropriation of DPIA Funds. One provision of House Bill 412 requires the Board of Education to submit a Five-Year Financial Forecast to the Ohio Department of Education. The Five-Year Financial Forecast is presented to the Board of Education for adoption each October and May.

An additional provision of the Legislature requires the President of the Board of Education, the Superintendent and the Treasurer to certify that adequate revenue will be available to maintain all personnel, programs, and services essential to the operation of an adequate educational program for the length of each contract up to five years. This certification is attached to all contracts, leases, and other business transactions as required by law. Procedures are in place to ensure compliance.

During the past year, the Treasurer's Division has focused on improving the financial position of the District. The Division has actively studied all possible alternatives to property tax financing, searched for additional revenue sources, and implemented cost saving measures. The Treasurer's Division staff will continue to maintain a high level of service and support, and identify ways to improve communications with their customers. They will continue to improve internal controls, management practices, technology utilization and enhancements, operational efficiencies, and financial processes in order to assure the fiscal integrity of District assets and improve audit results. They will continue to focus on the Board's primary objective of improving educational opportunities for the children in our community.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2014

Other Treasurer goals and objectives that continue to be formulated and put into place include:

- Improve fiscal integrity and accountability of the District by establishing business community “forums”/meetings, developing a “popular annual financial report and budget report as a means to establish board friendly financial reports;
- Improve customer service for all customers – internal and external- from all Treasurer’s division Departments;
- Improved communications from, to and between Treasurer’s office departments;
- Contribute to District improvement efforts in Leadership Development;
- Contribute to District improvements in effectiveness and efficiency in service delivery;
- Provide and facilitate improved communications, to, from and amongst the Board of Education;
- Develop an “Ethically Conscious” work environment for staff and volunteers;
- Implement policy and operational recommendations pursuant to the investment review by PFM Asset Management, LLC.
- Improve internal and fiscal controls by conducting a thorough review of purchasing and payment policies and procedures with State Auditor’s Office;
- Continually utilize technology to generate cost savings, and
- Participate in legislative and community efforts for school funding and other financial impacts to the District.
- Implementation of HR and Payroll functions of Sungard enterprise software.

ACCOUNTING INFORMATION

ACCOUNTING SYSTEM -- The District’s accounting system is organized on a fund basis. Each fund is a separate self-balancing accounting entity. The 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. Proprietary and fiduciary funds use the accrual basis of accounting.

INTERNAL CONTROLS -- The Treasurer of the District is responsible for establishing an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Management Team is responsible for assisting with implementation of the established internal controls.

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; and (2) the valuation of cost and benefit requires estimates and judgments by management.

SINGLE AUDIT -- As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation and audit by the Treasurer, Management Team and staff of the District.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2014

As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion relating to federal financial assistance programs, as well as to verify that the District has complied with applicable laws and regulations.

BUDGETARY CONTROLS -- All governmental fund types are subject to annual expenditure budgets. The procedures below outline the District's budgetary procedures:

A tax budget of estimated cash receipts and disbursements is submitted to the county auditor as secretary of the county budget commission by January 20 of each year for the fiscal year commencing the following July 1. The District's Board of Education (the Board) adopts the tax budget at its January Organizational Meeting.

The county budget commission certifies its actions to the District by March 1. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about July 1, this certificate is amended to include any unencumbered balances from the preceding year.

An annual appropriations measure is passed upon receipt of the county auditor's final tax revenue estimates, in October or November of each year for the period July 1 to June 30. Unencumbered appropriations lapse at year-end and encumbered appropriations are reported as expenditures in the current year. The Board adopts temporary appropriations at its June Board meeting to cover expenditures until the adoption of the permanent appropriations. The appropriations measure may be amended or supplemented during the year as new information becomes available. Individual buildings and/or departments are given building budgeting funds for instructional supplies, custodial supplies, meeting and mileage expenses, and equipment. Buildings and/or departments may move funds within their budgets with approval of the Superintendent and Treasurer. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund.

Additionally, the District maintains an encumbrance accounting system as a useful technique of accomplishing budgetary control. Under encumbrance accounting, purchase orders, contracts and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation.

OTHER INFORMATION

Independent Audit: State statutes require an annual audit by independent accountants. The Ohio State Auditor's Office conducted the audit for the Fiscal Year ended June 30, 2014. The Auditor's Audit Opinion is on the Basic Financial Statements. The introductory section and statistical tables are not a required part of the opinion and no opinion is rendered on those sections.

Awards: The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Toledo City School District for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2013. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2014

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) that conforms to program standards. A CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement award is valid for a period of one year. The Toledo City School District has received a Certificate of Achievement for the past twenty-five years (1989-2013). We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to the GFOA for consideration.


The Toledo City School District also received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2013. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. An expert ASBO Panel of Review consisting of Certified Public Accountants and practicing school business officials, grants the award, only after an intensive review of financial reports. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. A Certificate of Excellence is valid for a period of one year only. This is the seventeenth year the District has received the Certificate of Excellence. We believe our current report continues to conform to the Certificate of Excellence requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

In addition to awards for financial reporting, the District's Investment Policy was awarded the Certificate of Excellence Association of Public Treasurers of the United States and Canada.

Acknowledgment: Preparation of this report would not have been possible without the joint cooperation of all Divisions in the District. We would like to specifically acknowledge the following individuals within the Treasurer's Division and the Business Division: W. Paul Overman, Jr., Director of Treasury Management, and James Gant, Chief Business Manager. We are also grateful for the services of Donald J. Schonhardt & Associates, Inc. for their assistance in preparing this report. Special recognition is extended to Eric Shreve, Director of General Accounting, and Patty Mazur, Director of Communications, for their efforts in preparing this report.

Finally, we would like to express our appreciation to the Board Members for their fiscal integrity and continued support.

Sincerely,



Romules Durant, Ed. D
Superintendent and CEO



Matthew J Cleland
Treasurer of the Board

TOLEDO CITY SCHOOL DISTRICT

Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June, 30, 2014

Members of the Board of Education

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The current members of the Board of Education of the Toledo City School District are:

	Began Service as a Board Member	Present Term Expires
Dr. Cecelia Adams, President	01/01/2012	12/31/2015
Bob Vasquez, Vice President	Appointed 2008	12/31/2017
Lisa Sobecki, Member	01/01/2007	12/31/2015
Polly Taylor-Gerken, Member	01/01/2014	12/31/2017
Chris Varwig, Member	01/01/2014	12/31/2017

Superintendent

The Superintendent serves as the Chief Executive Officer of the School District and serves as one of the chief advisors to the Board of Education. He is responsible for providing leadership in all aspects of the educational programs and initiatives that are instituted by the district. The Superintendent is also responsible for administering policies which are formulated and adopted by the Board of Education. Dr. Romules Durant became the 30th Superintendent for Toledo Public Schools on August 1, 2013. A native of Toledo, Dr. Durant has big plans to take the school district to the next level of success. A proud graduate of Waite High School, one of the District's traditional high schools, Dr. Durant began working for Toledo Public Schools in 1999 as a classroom teacher. From there, he became an assistant principal, a principal and then assistant superintendent.

Treasurer

The Treasurer serves as the Chief Fiscal Officer of the District and Secretary to the Board of Education. The Treasurer receives, accounts for, and disburses all District funds as required by applicable laws in accordance with Board policies and regulations. Matthew J. Cleland was named District Treasurer on February 28, 2012 with his contract expiring July 31, 2019.

TOLEDO CITY SCHOOL DISTRICT

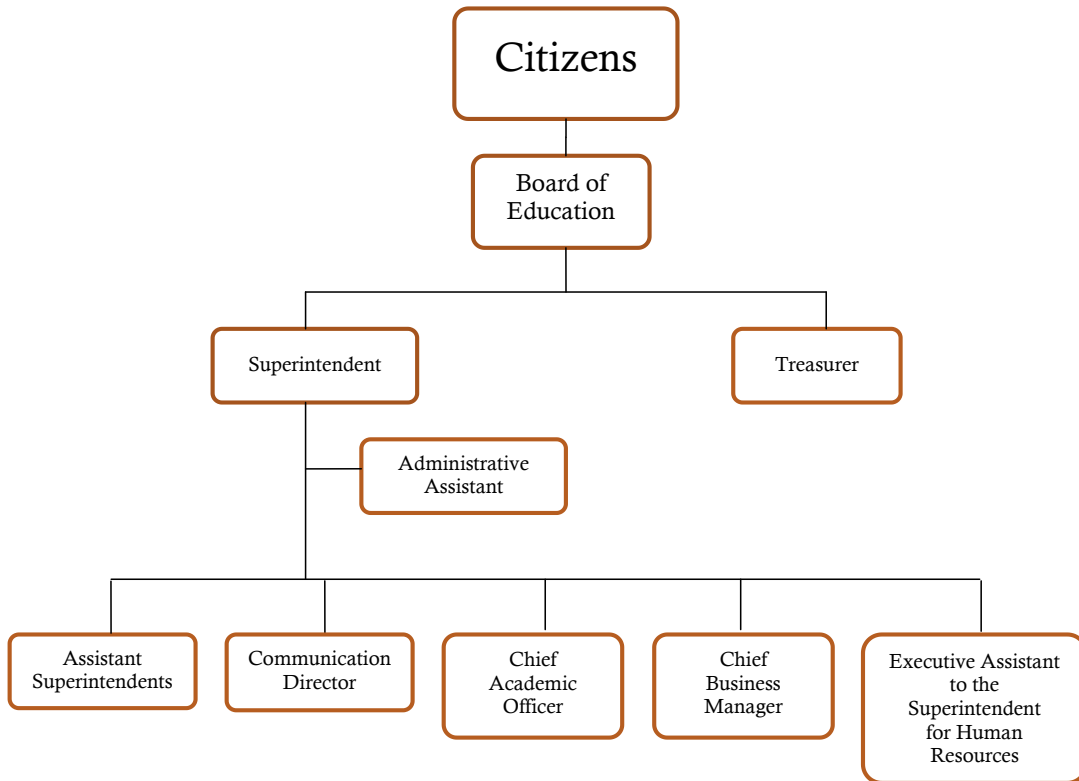
***School District Organizational Chart
For the Fiscal Year Ended June, 30, 2014***

Management Team Members

Dr. Romulus Durant	Superintendent
Matthew J. Cleland	Treasurer of the Board
James E. Gault	Chief Academic Officer
Cheryl Spieldenner	Chief Human Resources Officer
Angela Jordan	Assistant to the Superintendent
James Gant	Chief Business Manager

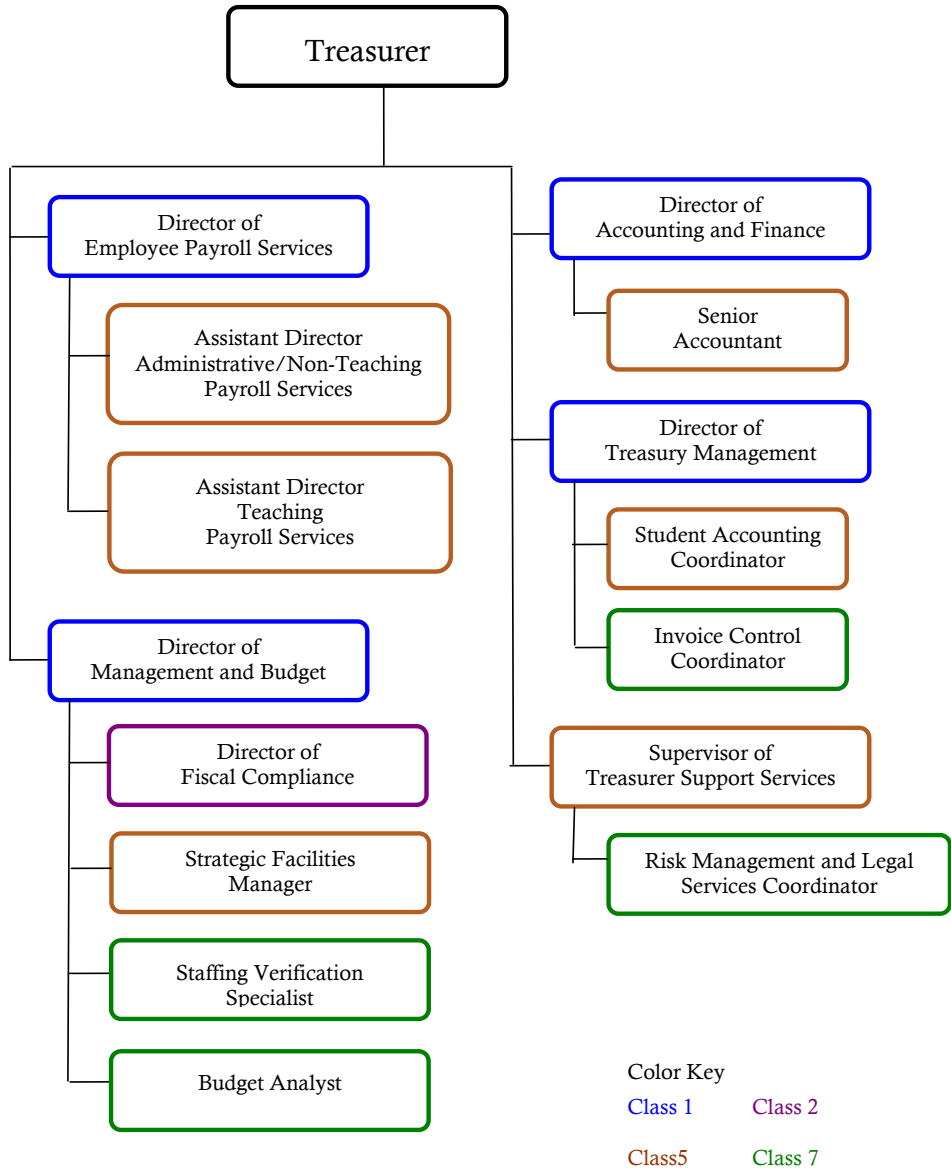
TOLEDO CITY SCHOOL DISTRICT

**School District Organizational Chart
For the Fiscal Year Ended June, 30, 2014**



TOLEDO CITY SCHOOL DISTRICT

**Treasurer's Division Organizational Chart
For the Fiscal Year Ended June, 30, 2014**





Government Finance Officers Association

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

Presented to

**Toledo City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Toledo Public Schools

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, appearing to read 'Terrie S. Simmons', written over a horizontal line.

Terrie S. Simmons, RSBA, CSBO
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Toledo City School District
Lucas County
420 East Manhattan Blvd.
Toledo, Ohio 43608-1267

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Toledo City School District, Lucas County, Ohio (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Toledo City School District, Lucas 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 for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling 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 29, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

December 29, 2014

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TOLEDO CITY SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2014***

Unaudited

The discussion and analysis of the Toledo City School District's 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, financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2014 are as follows:

- ❑ General revenues accounted for \$329,959,386 in revenue or 85.5% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$55,911,410 or 14.5% of total revenues of \$385,870,796. The State Foundation portion of general revenues increased approximately \$13 million from FY13 to FY14. However, the District continues to see a reduction in State of Ohio financial assistance as a result of the phase out of personal property reimbursement, and enrollment decline resulting in less State funding. The net effect is FY14 State Revenue is still below the level provided in FY09.
- ❑ The District had \$385,722,176 in expenses related to governmental activities; only \$55,911,410 of these expenses were offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$92,350,066 and unrestricted state and federal revenues totaling \$236,669,842, plus prior year carry over revenues) were adequate to provide for these programs.
- ❑ The assets of the District exceeded its liabilities at June 30, 2014 by \$473,351,127 (net position). The District's total net position increased by \$148,620 in fiscal year 2014. The net increase is largely due to the completion of the OSFC building project and the elimination of the funding and expenditures associated with it.
- ❑ Among major funds, the general fund had \$319,640,388 in revenues, \$290,432,249 in expenditures and (\$118,723) in transfers out, resulting in the general fund balance increasing by \$29,089,416 to \$29,213,673. This increase is attributable to operational efficiencies and cost saving measures resulting from implementation of performance audit recommendations as well as an increase in State revenue over FY13.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Annual Report consists of three parts – management's discussion and analysis, the basic financial statements, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.

TOLEDO CITY SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June, 30, 2014

Unaudited

2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position (the difference between the District's assets and liabilities) is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, and student enrollment growth and facility conditions.

The government-wide financial statements of the District falls into one category:

- *Governmental Activities* – All of the District's programs and services are reported here including instruction, support services, non-instructional and extracurricular activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

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 difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

TOLEDO CITY SCHOOL DISTRICT

**Management’s Discussion and Analysis
For the Fiscal Year Ended June, 30, 2014**

Unaudited

Proprietary Funds – The District uses internal service funds to report activities that provide supplies and services for the District’s other programs and activities. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

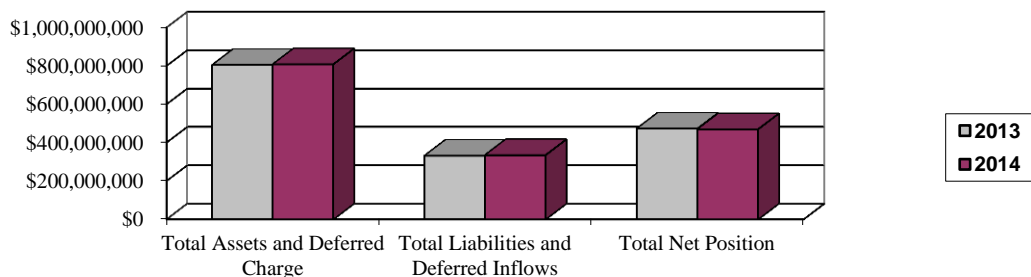
Fiduciary Funds – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. We exclude these activities from the District’s other financial statements because the assets cannot be utilized by the District to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District’s net position for 2014 compared to 2013:

	Governmental Activities		Increase (Decrease)
	2014	2013	
Current and other assets	\$250,595,623	\$235,790,407	\$14,805,216
Capital assets, Net	552,229,046	562,642,930	(10,413,884)
Total assets	802,824,669	798,433,337	4,391,332
Deferred Charge on Debt Refunding	5,697,202	5,993,299	(296,097)
Long-term debt outstanding	181,528,873	186,872,615	(5,343,742)
Other liabilities	62,230,531	62,710,923	(480,392)
Total liabilities	243,759,404	249,583,538	(5,824,134)
Unavailable Amounts	252,641	252,624	17
Property Tax Levy for Next Fiscal Year	91,158,699	81,387,967	9,770,732
Total Deferred Inflows of Resources	91,411,340	81,640,591	9,770,749
Net position:			
Net Investment in Capital Assets	399,196,714	403,716,045	(4,519,331)
Restricted	46,459,027	58,268,199	(11,809,172)
Unrestricted	27,695,386	11,218,263	16,477,123
Total Net Position	\$473,351,127	\$473,202,507	\$148,620

Toledo City Schools Governmental Activities



TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2014**

Unaudited

Changes in Net Position – The following table shows the net position for the fiscal year 2014 compared to 2013:

	Governmental Activities		Increase (Decrease)
	2014	2013	
Revenues			
Program revenues:			
Charges for Services	\$10,490,205	\$12,363,199	(\$1,872,994)
Operating Grants	43,841,888	49,415,641	(5,573,753)
Capital Grants	1,579,317	957,329	621,988
General revenues:			
Property Taxes	92,350,066	93,916,226	(1,566,160)
Grants and Entitlements	236,669,842	220,217,972	16,451,870
Other	249,416	556,421	(307,005)
Sale of Capital Assets	690,062	0	690,062
Total revenues	<u>385,870,796</u>	<u>377,426,788</u>	<u>8,444,008</u>
Program Expenses			
Instruction	248,414,449	253,504,953	(5,090,504)
Support Services	112,950,654	113,119,827	(169,173)
Non-Instructional Services	16,218,267	18,046,982	(1,828,715)
Extracurricular Activities	2,759,367	2,245,368	513,999
Interest and Fiscal Charges	5,379,439	7,305,050	(1,925,611)
Total expenses	<u>385,722,176</u>	<u>394,222,180</u>	<u>(8,500,004)</u>
Total Change in Net Position	148,620	(16,795,392)	16,944,012
Beginning Net Position	<u>473,202,507</u>	<u>489,997,899</u>	<u>(16,795,392)</u>
Ending Net Position	<u><u>\$473,351,127</u></u>	<u><u>\$473,202,507</u></u>	<u><u>\$148,620</u></u>

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home value at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. Thus, school Districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service.

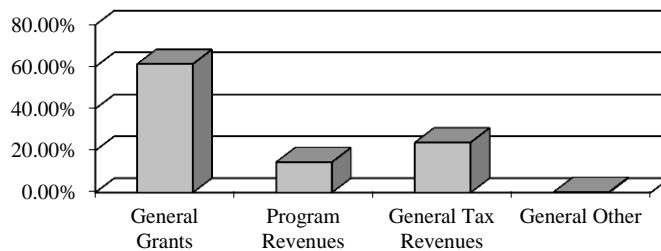
Property taxes made up approximately 23.93% of revenues for governmental activities for the Toledo City School District in fiscal year 2014. The District's reliance upon tax revenues is demonstrated by the following graph indicating 23.93% of total revenues from general tax revenues:

TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2014**

Unaudited

Revenue Sources	2014	Percent of Total
General Grants	\$236,669,842	61.32%
Program Revenues	55,911,410	14.49%
General Tax Revenues	92,350,066	23.93%
General Other	939,478	0.26%
Total Revenue	\$385,870,796	100.00%



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$65,452,420, which is an increase from last year's total of \$49,483,801. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2014 and 2013.

	Fund Balance June 30, 2014	Fund Balance June 30, 2013	Increase (Decrease)
General	\$29,213,673	\$124,257	\$29,089,416
Debt Service	3,669,002	3,766,879	(97,877)
Locally Funded			
Initiative	2,805,717	11,562,243	(8,756,526)
Classroom Facilities			
Capital Projects	9,574,981	9,630,546	(55,565)
Other Governmental	20,189,047	24,399,876	(4,210,829)
Total	\$65,452,420	\$49,483,801	\$15,968,619

The General Fund State Foundation payments increased due to an increase in student enrollment. The General Fund also decreased in state revenue due to the elimination of personal property tax reimbursement; however, the District offset this reduction through operational efficiencies and cost saving measures resulting from implementation of performance audit recommendations as well as an increase in State Foundation revenue over FY13. Current expenditures and transfers were less than total revenues resulting in the increase of the General Fund balance. The reduction of the Debt Service Fund balance is a reflection of property tax receipts for debt service requirements of the respective years. The decrease in the Locally Funded Initiative Fund was due to project capital outlay expenditures during the year. The Classroom Facilities Capital Building Fund also realized large capital outlay expenditures as the project progresses. The combination of these factors resulted in a decrease in the fund balance.

TOLEDO CITY SCHOOL DISTRICT**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2014****Unaudited**

General Fund – The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2014	2013	Increase
	Revenues	Revenues	(Decrease)
Taxes	\$82,477,342	\$83,399,751	(\$922,409)
Tuition	1,774,371	2,000,243	(225,872)
Transportation Fees	502,136	528,656	(26,520)
Investment Earnings	32,658	80,188	(47,530)
Extracurricular Activities	235,977	232,237	3,740
Class Materials and Fees	46,023	63,854	(17,831)
Intergovernmental - State	226,893,124	213,157,949	13,735,175
Intergovernmental - Federal	2,045,611	895,882	1,149,729
All Other Revenue	5,633,146	6,701,844	(1,068,698)
Total	<u>\$319,640,388</u>	<u>\$307,060,604</u>	<u>\$12,579,784</u>

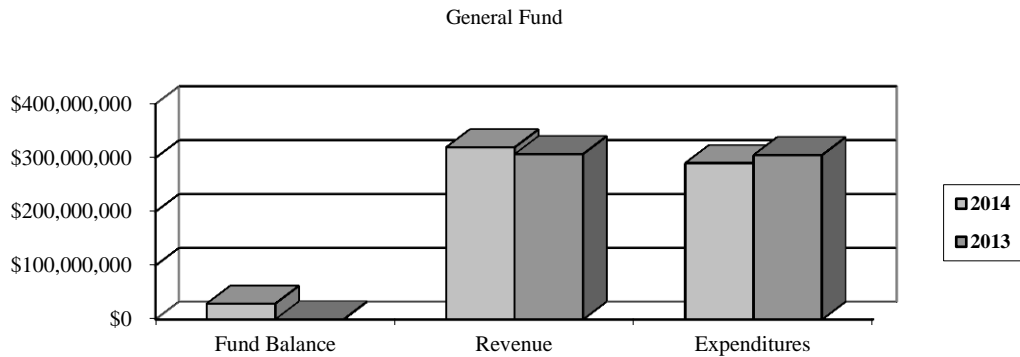
During fiscal year 2014 total General Fund revenues increased by approximately 4%. The material make up of this increase is from the State Foundation program.

	2014	2013	Increase
	Expenditures	Expenditures	(Decrease)
Instruction	\$205,865,861	\$201,584,119	\$4,281,742
Supporting Services	78,730,409	94,993,655	(16,263,246)
Non-Instructional Services	3,307,941	6,123,392	(2,815,451)
Extracurricular Activities	2,258,991	2,256,644	2,347
Capital Outlay	269,047	289,562	(20,515)
Total	<u>\$290,432,249</u>	<u>\$305,247,372</u>	<u>(\$14,815,123)</u>

TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2014**

Unaudited



During fiscal year 2014 total General Fund expenditures decreased by about 4.9%. The material make up of this decrease is a result of performance audit recommendation implementation.

The District's budget is prepared according to Ohio law and is based on accounting for transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The legal level of control established by the Board of Education is at the fund level.

During the course of fiscal year 2014, the District amended its General Fund budget as new sources of revenue were received. A final Supplementing/Amending Appropriation Measure was approved prior to the close of the fiscal year.

The following schedule provides a comparison of the original budget estimates compared to the final budget, including other financing sources and uses, estimates for the General Fund:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Percent of Change</u>
General Fund			
Revenue	\$335,667,132	\$335,667,132	0.00%
Expenditures	318,457,247	324,655,475	1.95%

TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2014**

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At the end of fiscal 2014 the District had \$552,229,046 net of accumulated depreciation invested in land, land improvements, buildings, building additions, equipment, vehicles and construction in progress. The following table shows fiscal year 2014 and 2013 balances:

	Governmental Activities		Increase (Decrease)
	2014	2013	
Land	\$13,897,335	\$13,856,745	\$40,590
Construction in Progress	0	339,735	(339,735)
Land Improvements	8,533,154	8,533,154	0
Buildings	614,842,309	611,371,589	3,470,720
Building Improvements	21,536,494	21,536,494	0
Machinery and Equipment	12,041,704	11,484,614	557,090
Vehicles	11,145,403	11,090,251	55,152
Less: Accumulated Depreciation	(129,767,353)	(115,569,652)	(14,197,701)
Totals	<u>\$552,229,046</u>	<u>\$562,642,930</u>	<u>(\$10,413,884)</u>

For financial reporting purposes the District capitalizes all assets in excess of \$5,000. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 11).

Debt - At June 30, 2014, the District had \$143,854,995 in General Obligation Bonds outstanding, \$4,570,000 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2014 and 2013:

	2014	2013
Governmental Activities:		
General Obligation Bonds	\$143,854,995	\$152,564,995
Premium on G.O. Bonds	14,874,539	12,355,189
Compensated Absences	22,799,339	21,952,431
Totals	<u>\$181,528,873</u>	<u>\$186,872,615</u>

Under current state statutes, the District's debt issue is subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2014, the District's outstanding debt was below the legal limit. Detailed information regarding debt is included in the notes to the basic financial statements (Note 14).

TOLEDO CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2014*

Unaudited

ECONOMIC FACTORS

School Districts are required by Ohio law to prepare, and submit to the State Department of Education each year, a five-year financial forecast. The District submitted its last such annual forecast to the Department in October 2014.

Fiscal Year 2014 saw movement on the salary grid resume for teachers as well a one percent increase in salaries for employees. FY15 will have an additional one percent increase in January. The current collective bargaining agreements extend through FY16 with a review of finances only at the end of FY15. As of the October 2014 five-year forecast, the district still maintains the projected balance through Fiscal Year 2017 and an improved projection for Fiscal Year 2018 of -\$2,423,052 net of encumbrance.

The successful passage of a 5.8 mill new money levy in November 2014 is subsequent to the period of this financial report and is not considered in in forecast numbers presented.

Contacting the School 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 information please contact Matthew Cleland, Treasurer, at Toledo City School District, 420 E. Manhattan Boulevard, Toledo, Ohio 43608.

TOLEDO CITY SCHOOL DISTRICT

Statement of Net Position
June 30, 2014

	Governmental Activities
Assets:	
Cash and Cash Equivalents	\$ 118,867,687
Cash with Fiscal Agent	252,641
Receivables:	
Taxes	114,577,195
Accounts	1,197,891
Intergovernmental	15,061,987
Interest	268,173
Inventory Held for Resale	370,049
Capital Assets Not Being Depreciated	13,897,335
Capital Assets Being Depreciated, Net	538,331,711
Total Assets	802,824,669
Deferred Outflows of Resources:	
Deferred Loss on Debt Refunding	5,697,202
Liabilities:	
Accounts Payable	27,823,468
Accrued Wages and Benefits	26,978,650
Intergovernmental Payable	6,864,779
Accrued Interest Payable	563,634
Long Term Liabilities:	
Due Within One Year	6,379,764
Due in More Than One Year	175,149,109
Total Liabilities	243,759,404
Deferred Inflows of Resources:	
Deferred Revenue	252,641
Property Tax for Next Fiscal Year	91,158,699
Total Deferred Inflows of Resources	91,411,340
Net Position:	
Net Investment in Capital Assets	399,196,714
Restricted For:	
Capital Projects	14,538,912
Debt Service	3,533,300
Permanent Fund:	
Expendable	234,188
Nonexpendable	635,992
School Facilities Maintenance	14,644,953
Auxiliary Services	664,019
Stimulus ARRA	1,220,770
Student Activities	256,059
Race to the Top	1,439,740
Title I	3,284,839
Improving Teacher Quality	1,946,448
Other Purposes	4,059,807
Unrestricted	27,695,386
Total Net Position	\$ 473,351,127

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

**Statement of Activities
For the Fiscal Year Ended June 30, 2014**

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities:					Governmental Activities
Instruction	\$ 248,414,449	\$ 1,972,228	\$ 10,520,520	\$ 767,752	\$ (235,153,949)
Support Services	112,950,654	6,920,620	29,330,124	811,565	(75,888,345)
Non-Instructional Services	16,218,267	0	3,385,277	0	(12,832,990)
Extracurricular Activities	2,759,367	1,597,357	605,967	0	(556,043)
Interest and Fiscal Charges	5,379,439	0	0	0	(5,379,439)
Totals	\$ 385,722,176	\$ 10,490,205	\$ 43,841,888	\$ 1,579,317	(329,810,766)
General Revenues					
Property Taxes Levied for:					
					81,819,809
					923,745
					9,606,512
					236,669,842
					15,820
					233,596
					690,062
					<u>329,959,386</u>
					Change in Net Position 148,620
					Net Position Beginning of Year <u>473,202,507</u>
					Net Position End of Year <u>\$ 473,351,127</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

**Balance Sheet
Governmental Funds
June 30, 2014**

	General	Debt Service	Locally Funded Initiative	Classroom Facilities
Assets:				
Cash and Cash Equivalents	\$ 43,548,539	\$ 2,979,260	\$ 7,124,667	\$ 27,393,042
Cash with Fiscal Agent	0	0	0	0
Receivables:				
Taxes	102,277,761	11,139,780	0	0
Accounts	1,016,833	0	0	0
Intergovernmental	199,133	0	0	0
Interest	104,577	0	21,589	59,869
Interfund Loan Receivable	3,817,826	0	0	0
Inventory Held for Resale	73,616	0	0	0
Total Assets	\$ 151,038,285	\$ 14,119,040	\$ 7,146,256	\$ 27,452,911
Liabilities:				
Accounts Payable	\$ 1,605,086	\$ 0	\$ 4,340,539	\$ 17,877,930
Accrued Wages and Benefits	18,296,413	0	0	0
Intergovernmental Payable	5,286,727	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	25,188,226	0	4,340,539	17,877,930
Deferred Inflows of Resources:				
Deferred Revenue	0	0	0	0
Unavailable Amounts	0	0	0	0
Property Tax for Next Fiscal Year	96,636,386	10,450,038	0	0
Total Deferred Inflows of Resources	96,636,386	10,450,038	0	0
Fund Balances:				
Nonspendable	73,616	0	0	0
Restricted	0	3,669,002	2,805,717	9,574,981
Assigned	8,280,777	0	0	0
Unassigned	20,859,280	0	0	0
Total Fund Balances	29,213,673	3,669,002	2,805,717	9,574,981
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 151,038,285	\$ 14,119,040	\$ 7,146,256	\$ 27,452,911

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

Other Governmental Funds	Total Governmental Funds
\$ 27,018,753	\$ 108,064,261
252,641	252,641
1,159,654	114,577,195
25,247	1,042,080
14,851,550	15,050,683
47,798	233,833
0	3,817,826
296,433	370,049
<u>\$ 43,652,076</u>	<u>\$ 243,408,568</u>
\$ 3,265,822	\$ 27,089,377
3,429,837	21,726,250
1,176,070	6,462,797
3,817,826	3,817,826
<u>11,689,555</u>	<u>59,096,250</u>
252,641	252,641
10,427,500	10,427,500
1,093,333	108,179,757
<u>11,773,474</u>	<u>118,859,898</u>
635,992	709,608
20,297,797	36,347,497
0	8,280,777
(744,742)	20,114,538
<u>20,189,047</u>	<u>65,452,420</u>
<u>\$ 43,652,076</u>	<u>\$ 243,408,568</u>

TOLEDO CITY SCHOOL DISTRICT

***Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2014***

Total Governmental Fund Balances	\$ 65,452,420
<i>Amounts reported for governmental activities in the statement of net position are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	552,229,046
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	27,448,558
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	4,616,408
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(176,395,305)</u>
<i>Net Position of Governmental Activities</i>	<u>\$ 473,351,127</u>

See accompanying notes to the basic financial statements



TOLEDO CITY SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014**

	General	Debt Service	Locally Funded Initiative	Classroom Facilities
Revenues:				
Taxes	\$ 82,477,342	\$ 9,606,512	\$ 0	\$ 0
Tuition	1,774,371	0	0	0
Transportation Fees	502,136	0	0	0
Food Services	0	0	0	0
Investment Earnings	32,658	0	(9,970)	1,931
Extracurricular Activities	235,977	0	0	0
Class Materials and Fees	46,023	0	0	0
Intergovernmental - State	226,893,124	2,135,474	0	215,982
Intergovernmental - Federal	2,045,611	0	0	0
All Other Revenue	5,633,146	0	12,042	0
Total Revenue	319,640,388	11,741,986	2,072	217,913
Expenditures:				
Current:				
Instruction	205,865,861	0	0	0
Supporting Services	78,730,409	550,103	810	26,513
Non-Instructional Services	3,307,941	0	0	0
Extracurricular Activities	2,258,991	0	0	0
Capital Outlay	269,047	0	8,757,788	246,965
Debt Service:				
Principal Retirement	0	4,805,000	0	0
Interest and Fiscal Charges	0	6,031,150	0	0
Advance Refunding Escrow	0	829,866	0	0
Total Expenditures	290,432,249	12,216,119	8,758,598	273,478
Excess (Deficiency) of Revenues Over Expenditures	29,208,139	(474,133)	(8,756,526)	(55,565)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
Payments to Refunding Bonds Escrow Agent	0	(36,345,361)	0	0
General Obligation Bonds Issued	0	32,335,000	0	0
Premiums on Bonds Issued	0	4,386,617	0	0
Transfers In	0	0	0	0
Transfers Out	(118,723)	0	0	0
Total Other Financing Sources (Uses)	(118,723)	376,256	0	0
Net Change in Fund Balance	29,089,416	(97,877)	(8,756,526)	(55,565)
Fund Balances at Beginning of Year	124,257	3,766,879	11,562,243	9,630,546
Fund Balances End of Year	\$ 29,213,673	\$ 3,669,002	\$ 2,805,717	\$ 9,574,981

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

Other Governmental Funds	Total Governmental Funds
\$ 923,745	\$ 93,007,599
194,566	1,968,937
0	502,136
669,802	669,802
7,053	31,672
265,776	501,753
3,291	49,314
4,999,484	234,244,064
43,437,762	45,483,373
1,420,684	7,065,872
<u>51,922,163</u>	<u>383,524,522</u>
21,399,055	227,264,916
20,288,975	99,596,810
12,177,975	15,485,916
409,029	2,668,020
2,666,743	11,940,543
0	4,805,000
0	6,031,150
0	829,866
<u>56,941,777</u>	<u>368,622,221</u>
(5,019,614)	14,902,301
690,062	690,062
0	(36,345,361)
0	32,335,000
0	4,386,617
118,904	118,904
(181)	(118,904)
<u>808,785</u>	<u>1,066,318</u>
(4,210,829)	15,968,619
<u>24,399,876</u>	<u>49,483,801</u>
<u>\$ 20,189,047</u>	<u>\$ 65,452,420</u>

TOLEDO CITY SCHOOL DISTRICT

***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	\$ 15,968,619
 <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. This is the amount by which depreciation exceeded capital outlay in the current period.	(10,413,884)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,706,077
The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	5,894,553
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	15,768
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(846,908)
The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.	(12,175,605)
<i>Change in Net Position of Governmental Activities</i>	<u>\$ 148,620</u>

See accompanying notes to the basic financial statements



Toledo Public Schools

TOLEDO CITY SCHOOL DISTRICT

**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**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Revenue from Local Sources	\$ 88,970,012	\$ 88,970,012	\$ 90,586,693	\$ 1,616,681
Revenue from State Sources	238,798,240	238,798,240	226,893,124	(11,905,116)
Revenue from Federal Sources	4,398,303	4,398,303	2,045,611	(2,352,692)
Total Revenues	332,166,555	332,166,555	319,525,428	(12,641,127)
Expenditures:				
Current:				
Instructional Services:				
Regular	74,216,096	77,781,862	77,606,863	174,999
Special	38,787,751	37,746,802	37,426,332	320,470
Vocational Education	6,775,250	6,476,605	6,432,563	44,042
Other	94,608,473	90,024,478	87,071,118	2,953,360
Support Services:				
Pupils	14,440,721	14,121,311	13,662,512	458,799
Instructional Staff	4,145,460	4,692,677	3,990,427	702,250
Board of Education	57,970	65,845	60,521	5,324
Administration	16,212,617	17,334,031	16,937,722	396,309
Fiscal Services	6,928,212	5,370,313	(2,157,165)	7,527,478
Business	2,262,452	2,571,012	2,438,965	132,047
Operation and Maintenance of Plant	27,036,477	31,989,053	30,969,444	1,019,609
Pupil Transportation	10,313,517	10,731,139	10,080,394	650,745
Central	7,151,154	8,733,316	7,991,960	741,356
Other Services:				
Community Services	236,182	308,901	306,146	2,755
Shared Services	3,476,025	3,451,837	0	3,451,837
Other Operation of Non-Instructional Services	6,200,144	7,358,315	7,085,739	272,576
Academic and Subject Oriented Activities	129,339	130,915	105,149	25,766
Occupation Oriented Activities	37,605	93,262	0	93,262
Sport Oriented Activities	1,858,245	1,974,974	1,846,714	128,260
School and Public Service Co-Curricular. Activities	46,097	49,237	48,606	631
Site Improvement Services	275,000	282,400	270,979	11,421
Total Expenditures	315,194,787	321,288,285	302,174,989	19,113,296
Excess of Revenues Over Expenditures	16,971,768	10,878,270	17,350,439	6,472,169

TOLEDO CITY SCHOOL DISTRICT

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Other Financing Sources (Uses):				
Transfers Out	(1,161,960)	(1,222,690)	(289,743)	932,947
Advances In	2,000,000	2,000,000	1,167,003	(832,997)
Advances Out	(2,100,000)	(2,144,000)	(3,726,210)	(1,582,210)
Refund of Prior Year's Expenditures	1,500,577	1,500,577	33,671	(1,466,906)
Refund of Prior Year's Receipts	(500)	(500)	26,904	27,404
Total Other Financing Sources (Uses):	<u>238,117</u>	<u>133,387</u>	<u>(2,788,375)</u>	<u>(2,921,762)</u>
Net Change in Fund Balances	17,209,885	11,011,657	14,562,064	3,550,407
Fund Balance at Beginning of Year	11,089,138	11,089,138	11,089,138	0
Prior Year Encumbrances	<u>7,877,837</u>	<u>7,877,837</u>	<u>7,877,837</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 36,176,860</u>	<u>\$ 29,978,632</u>	<u>\$ 33,529,039</u>	<u>\$ 3,550,407</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Statement of Net Position
Proprietary Funds
June 30, 2014***

	Governmental Activities - Internal Service Funds
Assets:	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 10,803,426
Receivables:	
Accounts	155,811
Intergovernmental	11,304
Interest	34,340
Total Assets	<u>11,004,881</u>
Liabilities:	
<i>Current Liabilities:</i>	
Accounts Payable	734,091
Accrued Wages and Benefits	5,252,400
Intergovernmental Payable	401,982
Total Liabilities	<u>6,388,473</u>
Net Position:	
Unrestricted	4,616,408
Total Net Position	<u>\$ 4,616,408</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2014***

	Governmental Activities - Internal Service Funds
Operating Revenues:	
Interfund Charges	\$ 35,354,272
Total Operating Revenues	<u>35,354,272</u>
Operating Expenses:	
Personal Services	2,457,862
Purchased Services	44,784,963
Supplies and Materials	<u>286,762</u>
Total Operating Expenses	<u>47,529,587</u>
Operating Loss	(12,175,315)
Nonoperating Revenue (Expenses):	
Investment Earnings	(290)
Change in Net Position	(12,175,605)
Net Position Beginning of Year	<u>16,792,013</u>
Net Position End of Year	<u>\$ 4,616,408</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2014

	Governmental Activities - Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$35,388,285
Cash Payments to Employees for Services and Benefits	(46,955,508)
Net Cash Used for Operating Activities	<u>(11,567,223)</u>
<u>Cash Flows from Investing Activities:</u>	
Receipts of Interest	15,562
Net Cash Provided by Investing Activities	<u>15,562</u>
Net Decrease in Cash and Cash Equivalents	(11,551,661)
Cash and Cash Equivalents at Beginning of Year	<u>22,376,144</u>
Cash and Cash Equivalents at End of Year	<u><u>\$10,824,483</u></u>
<u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Used by Operating Activities:</u>	
Operating Loss	(\$12,175,315)
Adjustments to Reconcile Operating Loss to	
Net Cash Used for Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(50,834)
Decrease in Intergovernmental Receivables	713,650
Decrease in Accounts Payable	(897,072)
Increase in Accrued Wages and Benefits	673,200
Increase in Intergovernmental Payables	169,148
Total Adjustments	<u>608,092</u>
Net Cash Provided by Operating Activities	<u><u>(\$11,567,223)</u></u>

During 2014 the fair value of investments decreased by \$16,860 and \$4,197 in the Health Insurance and Workers' Compensation Funds, respectively.

See accompanying notes to the basic financial statements.

TOLEDO CITY SCHOOL DISTRICT

**Statement of Net Position
Fiduciary Funds
June 30, 2014**

	Private Purpose Trust Special Trust Fund	Agency
Assets:		
Cash and Cash Equivalents	\$ 1,822,064	\$ 180,621
Receivables:		
Accounts	0	17,773
Interest	2,498	701
Total Assets	<u>1,824,562</u>	<u>199,095</u>
Liabilities:		
Accounts Payable	3,159	7,305
Accrued Wages and Benefits	51	0
Intergovernmental Payable	71	658
Due to Students	0	191,132
Total Liabilities	<u>3,227</u>	<u>199,095</u>
Net Position:		
Unrestricted	<u>1,821,335</u>	<u>0</u>
Total Net Position	<u>\$ 1,821,335</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Statement of Changes in Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2014***

	Private Purpose Trust Special Trust Fund
Additions:	
Contributions:	
Sales	\$ 4,833
Private Donations	176,076
Total Contributions	<u>180,909</u>
Investment Earnings:	
Interest	1,511
Total Investment Earnings	<u>1,511</u>
Total Additions	<u>182,420</u>
Deductions:	
Administrative Expenses	<u>78,072</u>
Total Deductions	<u>78,072</u>
Change in Net Position	104,348
Net Position at Beginning of Year	<u>1,716,987</u>
Net Position End of Year	<u>\$ 1,821,335</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Toledo City School District, Ohio (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 Board controls the School District's instructional support facilities staffed by approximately 1,153 noncertified and approximately 2,024 certified teaching personnel and administrative employees providing education to 21,255 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing board and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on the District. There were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. Based on the application of the above criteria for a component unit, and the criteria for defining joint ventures set forth under section J50.102 of the 2004 Codification there are no component units or "Joint Ventures." Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings. The District is the sponsor of the Polly Fox and the Phoenix Academies, both charter schools established under Chapter 3314 of the Ohio Revised Code. These community schools are not considered part of the District.

The accounting policies and financial reporting practices of the District conform to Generally Accepted Accounting Principles as applicable to governmental units. The following is a summary of its significant accounting policies.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures (expenses). The various funds are grouped into the categories governmental, proprietary and fiduciary.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

General Fund - This fund is the general operating fund of the District and is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Debt Service Fund - This fund is used for the accumulation of resources for, and the payment of, long-term debt principal and interest.

Locally Funded Initiative Fund - This fund is used to account for receipts and expenditures related to special bond funds in the District. Expenditures recorded represent the costs of acquiring capital facilities including real property.

Classroom Facilities Fund - This fund accounts for monies received and expended in connection with contracts entered into by the District and the Ohio Department of Education for the building and equipping of classroom facilities.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds - The proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Internal Service Funds - The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis. The District uses internal service funds to account for employee health insurance, workers' compensation, operations of the computer network of the Department of Education and operations that provide goods and services to other departments within the District.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds – Fiduciary fund reporting focuses on Net Position and changes in Net Position. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District’s own programs. The District’s trust fund is a private purpose trust that accounts for scholarship programs for students and unclaimed monies. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on an accrual basis of accounting. The District has two agency funds. One fund is used to account for federal grant monies used for tuition in Toledo Public Schools’ Adult Education programs and the other to account for student activity programs.

C. Basis of Presentation – Financial Statements

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. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no activities 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 direct expenses and program revenues 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 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 that are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. Interfund services provided and used are not eliminated in the process of consolidation. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

Fund Financial Statements – Fund financial statements report detailed information about the School District. The focus of governmental 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. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources, 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.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources 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 total net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus. The agency funds are custodial in nature (assets equal liabilities) and do not have a measurement focus.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Government-wide, proprietary and fiduciary fund financial statements measure and report all assets, liabilities, revenues, expenses, gains and losses using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds use no measurement focus.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2014, and which are not intended to finance fiscal 2014 operations, have been recorded as deferred inflows of resources on the Statement of Net Position. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2014 are reflected as part of the restricted fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

Revenues – Exchange and Non-exchange 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.

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. 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.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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 tax budget, the Certificate of Estimated Resources and the Appropriation Resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriation Resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only the general fund and major special revenue funds are required to be reported. The primary level of budgetary control is at the fund level.

Supplemental budgetary modifications may only be made by resolution of the Board of Education.

1. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final Amended Official Certificate of Estimated Resources issued during fiscal year 2014.

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***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Appropriations

A Temporary Appropriation Measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An Annual Appropriation Resolution must be passed by October 1 of each year for the period July 1 through June 30. The Appropriation Resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications. Pursuant to the provisions of Section 323.17, Ohio Revised Code, an exception to the October 1 filing deadline is permitted when the delivery of a tax duplicate, from the County Auditor, is delayed. For fiscal year 2014 the Board of Education passed the annual certification on June 23, 2013.

3. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

4. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures (budgetary basis).

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

4. Budgetary Basis of Accounting (Continued)

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

	<u>Net Change in Fund Balance</u>
	<u>General Fund</u>
GAAP Basis (as reported)	\$29,089,416
Increase (Decrease):	
Accrued Revenues at June 30, 2014, received during FY 2015	(10,853,360)
Accrued Revenues at June 30, 2013, received during FY 2014	8,267,770
Accrued Expenditures at June 30, 2014, paid during FY 2015	25,188,226
Accrued Expenditures at June 30, 2013, paid during FY 2014	(28,379,202)
Perspective Difference:	
2013 Advance to Fiduciary Fund	51,036
2014 Advance to Fiduciary Fund	(55,502)
Activity of Funds Reclassified For GAAP Reporting Purposes	(40,804)
2013 Adjustment to Fair Value	(10,412)
2014 Adjustment to Fair Value	69,314
Encumbrances Outstanding	(8,764,418)
Budget Basis	<u>\$14,562,064</u>

F. Cash and Investments

Cash received by the District is deposited in one of seven banks with individual fund balance integrity maintained throughout. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term cash equivalent investments, which are stated at cost. In accordance with 2450.106 of the 2004 GASB Codification on reporting cash flows of Proprietary Funds, cash equivalents are defined as investments of the cash management pool and short term, highly liquid investments that are readily convertible to cash and so near to maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with original maturities of less than three months are considered to meet this definition; otherwise they are shown as "investments" for these funds. At June 30, 2014, there were no investment balances as defined under section 2450.106 of the 2004 GASB Codification.

TOLEDO CITY SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Investments (Continued)

During fiscal year 2014, investment purchases were exclusively limited to Star Ohio, Commercial Paper, Banker's Acceptance, U.S. Treasury Obligations, U.S. Agency Issues, Interest Bearing Savings Accounts, Sweep Accounts, Negotiable Orders of Withdrawals and Money Market Mutual Funds. Except for participating interest earning investments and money market investments that had a remaining maturity of one year or less at the time of purchase and non-participating interest earning investments, investments are reported at fair value. All remaining investments are reported at cost. Under existing Ohio statutes, all investment earnings accrue to the General Fund except those specifically related to certain funds and according to Board policy and resolution. The District's investments are affected by fair value change; therefore, they are participating. Interest revenue credited to the General Fund during fiscal year 2014 amounted to \$32,658, which includes \$20,888 assigned from other funds.

The District has invested funds in the STAR Ohio during 2014. 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 and is rated AAAM by Standard and Poor's Rating Agency. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2014.

The District invests inactive funds for the School Building Support, Vocational Rotary, and Administratively Managed Student Activity Funds and distributes interest earned on these funds to the individual accounts. The District also invests inactive funds in the Auxiliary Services Program Fund, the School Facilities Maintenance Fund, the Locally Funded Initiatives Fund, the Classroom Facilities Project Fund, the Permanent Improvement Fund, the Employee Benefit – Insurance Fund, the Worker's Compensation Fund and distributes interest earned directly to the funds. See Note 6, "Cash, Cash Equivalents and Investments."

From July 1, 2013 the investment portfolio exhibited a decrease in fair value of approximately \$515,000, while the average maturity decreased by 12 days and the average yield decreased by 2 basis points (.02%). The decrease in fair value was directly attributable to the increased expenditure patterns in the Ohio School Facilities Commission Building Project funds. Interest earnings for all funds since July 1, 2013, were down approximately 27% as the interest rate environment continued to decline.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower-of-cost-or-market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the proprietary funds when used.

H. Capital Assets and Depreciation

1. Property, Plant and Equipment - Governmental Activities

Capital assets generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements. The District follows the policy of not capitalizing assets with a cost of less than \$5,000.

Contributed capital assets are recorded at fair market value at the date received. The District does not possess any infrastructure. Estimated historical costs of capital assets were derived, when information supporting historical costs was not obtainable, by adjusting current replacement cost back to the estimated year of acquisition.

2. Depreciation

All capital assets, except for land, are depreciated. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	20
Buildings	45-100
Furniture, Fixtures and Equipment	5 - 20
Vehicles	5 - 10
Portable Trailers	10 - 20

I. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Debt Service Fund
Compensated Absences	General Fund

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences and Salary Related Payments

The District has implemented the provisions of Section C60 of the 2004 GASB Codification. Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate its employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive severance benefits and those the District has identified as probable of receiving payment in the future and other salary related payments. The amount is based on accumulated sick leave and employee's wage rates at year-end, taking into consideration any limits specified in the Districts severance policy. For governmental funds, that portion of unpaid compensated absences that has matured and is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of Net Position, the current portion of "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

K. Net Position

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

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

L. 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 category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

TOLEDO CITY SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balance (Continued)

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

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. Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned amounts represent intended uses established by policies of the School District Board of Education. Through the District's purchasing policy the Board of Education has given the Treasurer the authority to constrain monies for intended purposes, which are also reported as assigned fund balance.

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 used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are 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.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

The District currently has no policy for minimum fund balance.

M. Pensions

The provision for pension cost is recorded when the related payroll is accrued and the obligation is incurred.

N. Intergovernmental Revenues

Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred with the exception of those grants where the grant period extends past June 30. For these grants, prepayment amounts that exceed related expenditures are reported as deferred revenue.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Interfund Activity

Exchange transactions between governmental funds are eliminated on the government-wide statements.

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.

P. Estimates

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

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are interfund charges for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

R. 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. Neither type of transaction occurred during fiscal year 2014.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Bond Premiums, Bond Discounts, Gains on Refunding and Issuance Costs

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium and discount. Bond issuance costs are expensed. Bond premiums are deferred and accreted over the term of the bonds. Any gain or loss on refunding is allocated over the life of the old debt or the new debt whichever is shorter.

On the governmental fund financial statements, governmental fund types recognize issuance costs, bond premiums, and bond discounts in the current period. The face amount of the debt issue is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

T. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, investment earnings, grants, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE

For 2014 the District implemented GASB Statement No. 70, “Accounting and Financial Reporting for Nonexchange Financial Guarantees”.

Statement No. 70 provides accounting and financial reporting guidance to state and local governments that offer non-exchange financial guarantees to others and for governments that receive guarantees on their obligations.

The implementation of GASB Statement No. 70 had no impact on beginning of year fund balance/net position.

NOTE 3 – FUND BALANCES

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

Fund Balances	General Fund	Debt Service Fund	Locally Funded Initiative Fund	Classroom Facilities Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Supplies Inventory	\$73,616	\$0	\$0	\$0	\$0	\$73,616
Corpus	0	0	0	0	635,992	635,992
Total Nonspendable	73,616	0	0	0	635,992	709,608
Restricted:						
Endowments	0	0	0	0	234,188	234,188
Food Services	0	0	0	0	230,508	230,508
School Facilities Maintenance	0	0	0	0	14,644,953	14,644,953
Staff Development and Support	0	0	0	0	459,621	459,621
Auxiliary Services	0	0	0	0	666,167	666,167
Extracurricular Activities	0	0	0	0	256,059	256,059
Technology Improvements	0	0	0	0	83,275	83,275
Targeted Academic Assistance	0	0	0	0	1,564,742	1,564,742
Debt Service Payments	0	3,669,002	0	0	0	3,669,002
Capital Acquisition and Improvement	0	0	2,805,717	9,574,981	2,158,214	14,538,912
Total Restricted	0	3,669,002	2,805,717	9,574,981	20,297,727	36,347,427
Assigned to Other Purposes	8,280,777	0	0	0	0	8,280,777
Unassigned (Deficits):	20,859,280	0	0	0	(744,672)	20,114,608
Total Fund Balances (Deficits)	\$29,213,673	\$3,669,002	\$2,805,717	\$9,574,981	\$20,189,047	\$65,452,420

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation Of Certain Differences Between The Governmental Fund Balance Sheet And The Government-Wide Statement Of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and Net Position of governmental funds as reported in the government-wide statement of Net Position. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Other long-term assets not available to pay for current-period expenditures:

Delinquent Tax Revenue	\$17,021,058
Grants Receivable	<u>10,427,500</u>
	\$27,448,558

Long-Term liabilities not reported in the funds:

Accrued Interest Payable on G.O. Bond Payable	(\$563,634)
G.O. Bonds Payable	(158,729,534)
Deferred Loss on Debt Refunding	5,697,202
Compensated Absences Payable	<u>(22,799,339)</u>
	(\$176,395,305)

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TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

B. Explanation Of Certain Differences Between The Governmental Fund Statement Of Revenues, Expenditures, And Changes In Fund Balances And The Government-Wide Statement Of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in Net Position of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which capital outlay exceeded depreciation in the current period:

Capital Outlay	\$3,783,817
Depreciation Expense	(14,197,701)
	<u>(\$10,413,884)</u>

Governmental revenues not reported in the funds:

Decrease in Delinquent Tax Revenue	(\$657,533)
Increase in Grants Receivable	2,363,610
	<u>\$1,706,077</u>

Net amount of long-term debt issuance and bond and lease principal payments:

G.O. Bond Principal Payment	\$41,045,000
G.O. Bonds Issued	(32,335,000)
Premium on New Bonds Issued	(4,386,617)
Deferred Loss on New Bonds Issued	86,649
Amortization of Deferred Loss on G.O. Bonds	(382,746)
Amortization of Premium on G.O. Bonds	1,867,267
	<u>\$5,894,553</u>

Expenses not requiring the use of current financial resources:

Increase in Compensated Absences Payable	(\$846,908)
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TOLEDO CITY SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 5 - COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficits

The fund deficits at June 30, 2014 of \$23,636 in the Vocational Education Enhancement Fund, \$41,617 in the Vocational Education Fund, \$3,016 in the Title VII Bilingual Education Program Fund, \$507,817 in the Title I Fund, \$2,892 in the Drug Free School Grants Fund, \$2,228 in the Preschool Grants for the Handicapped Fund, \$81,309 in the Miscellaneous Federal Grants Fund, \$44,169 in the Title I School Improvement Stimulus A Fund and \$37,988 in the Title I School Improvement Stimulus G Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

B. Expenditures Exceeding Appropriations

Section 5705.41 (B), Ohio Revised Code, states no subdivision shall make any expenditure of money unless it has been appropriated. Section 5705.41 (D), Ohio Revised Code, states in part that encumbrances should be charged against proper appropriations and actual disbursements plus outstanding encumbrances should not be greater than the total appropriations. The District's expenditures exceeded appropriations for the Food Service Fund by \$61,942, the Public School Preschool Fund by \$6,093 and the Drug Free Schools Grant Fund by \$44,245. Failure to properly monitor and compare appropriations and actual expenditures could lead to over spending and cause a deficit in the fund balance.

NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits with Financial Institutions

At June 30, 2014, the carrying amount of all District deposits was \$58,649,662. This does not include cash with fiscal agent. Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, at June 30, 2014 the bank balance of cash concentration accounts, savings accounts and certificates of deposit totaled \$58,636,219. Of this amount, \$57,636,219 was exposed to custodial risk as discussed below, while \$1,000,000 was covered by Federal Deposit Insurance Corporation.

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

Any District holdings in sweep accounts, savings accounts or certificates of deposit are collateralized with pooled securities. Any repurchase agreement with a maturity greater than 30 days requires physical delivery of specific securities to a third party custodian. Repurchase agreement activity maturing 30 days and less is collateralized by pooled securities. At June 30, 2014, there were no Repurchase Agreements with a maturity of greater than 30 days.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investments

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

Investment Type	June 30, 2014 Adjusted Cost	June 30, 2014 Fair Value	Investment Maturities (in Years)		
			less than 1	1-2	2-5
Star Ohio	\$1,195,856	\$1,195,856	\$1,195,856	\$0	\$0
Commercial Paper	3,999,327	3,999,835	3,999,835	0	0
US Treasury Securities	37,860,801	38,025,659	11,399,944	26,625,715	0
Non-Callable US Agency Securities	18,998,325	18,999,360	18,999,360	0	0
Total Investments	<u>\$62,054,309</u>	<u>\$62,220,710</u>	<u>\$35,594,995</u>	<u>\$26,625,715</u>	<u>\$0</u>
			<u>57.21%</u>	<u>42.79%</u>	<u>0.00%</u>

Note: The maturity analysis above assumes that callable securities will not be called.

All Investment securities are assumed to mature on their final stated maturity date.

The Weighted Average Maturity (in Days) of the Entire Investment Portfolio from Purchase Date to Maturity Date is:	306
The Remaining Life (in Days) of the Entire Investment Portfolio From Year End to Maturity Date is:	141
The Average Duration of the Entire Investment Portfolio is:	0.38
The Weighted Average Coupon of the Entire Portfolio is:	0.173%
The Weighted Average Yield of the Entire Portfolio is:	0.077%

A security with less than one (1) year to maturity (based on Remaining Life), is reported at cost, plus or minus, accretion or amortization adjustment. A security with a maturity of more than one (1) year (based on Remaining Life), is reported at adjusted cost, plus or minus, market value adjustment. Star Ohio, Bank Certificates of Deposit and Repurchase Agreements are reported at adjusted cost.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years and less. As of June 30, 2014, fifty-seven percent (57.21%) of the investment portfolio matures within one year.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investment Policy

The District's investment policy is more restrictive in nature than the requirements of the Ohio Revised Code; providing for safety of principal, liquidity, diversity of portfolio assets while minimizing associated investment risks. The policy is intended to compliment the law and provide guidance to District personnel while administering the daily cash management and investment practices of the District. The policy is reviewed at least annually to incorporate any changes in the Ohio Revised Code; consider recommendations made by the Auditor of State's Office and the Ohio Compliance Supplement; monitor changes in "best practices" published by the Government Finance Officers Association; and reflect any legislative changes on behalf of the Toledo Board of Education. The policy has been reviewed and has received a national certification from the Association of Public Treasurer's Investment Policy Certification Committee.

Credit Risk

The District's investments, except for repurchase agreements, savings accounts, sweep accounts and certificates of deposit as discussed above were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services respectively. The holdings in the State Treasury Asset Reserve Fund (STAR Ohio) have been assigned an AAAM money market rating by Standard & Poor's. As required by District policy all commercial paper holdings were rated A1-P1 by Standard & Poor's and Moody's Investor Service respectively at the time of purchase. Combined holdings of Commercial Paper and Banker Acceptances are limited to 25% of total investment portfolio holdings. The mutual fund used to transact third party safekeeping of U.S. Treasury, U.S. Agency, Commercial Paper, Banker's Acceptance securities and select Repurchase Agreement Collateral, has been assigned an AAA rating based on the securities held in the fund. All District holdings in U.S. Agency securities carry the explicit guarantee of the United States government and are rated Aaa by Moody's and AAA by Standard & Poor's rating agencies. The District has no investment policy that limits its investment choices other than the limitation of State statute for "interim" funds.

Concentration of Credit Risk

In order to avoid an undue concentration of credit risk, the District's investment policy places limits on the amount that may be invested in any one issuer at any one time. The limits are as follows:

- (a) No more than ten percent (10%) of average portfolio outstanding will be invested in Certificates of Deposit of any one Depository at any one time. District Funds invested in Certificates of Deposit of any one Depository may not exceed thirty percent (30%) of the Depository's assets. Only collateralized, non-negotiable Certificates of Deposit, from Depository's approved to hold interim funds, will be considered for purchase. All Certificates of Deposit shall be collateralized as provided in Section 135.18 or 135.181 of the Ohio Revised Code.
- (b) No more than ten percent (10%) of average portfolio outstanding will be invested in Term Repurchase Agreements of any one issuer at any one time. Deliverable collateral consisting of U.S. Government Securities with a fair value equal to at least 102% of principal plus interest of the transaction and with a maturity of five years or less is required for all Term Repurchase Agreement transactions.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- (c) Pooled collateral is acceptable on all district demand deposits. Delivery of collateral is **not** required on demand repurchase agreement activities (i.e. overnight cash management accounts with depositories). Surety bond collateral is acceptable for Certificate of Deposit investments if the insurer is rated in the highest class by a national recognized rating agency.
- (d) No more than ten percent (10%) of average portfolio outstanding will be invested in Commercial Paper in any one issuer at any one time.
- (e) No more than ten percent (10%) of average portfolio outstanding will be invested in Banker's Acceptances in any one issuer at any one time.

The following table includes the percentage of total of each investment type held by the District at June 30, 2014:

Concentration of Credit Risk by Investment Type

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$1,195,856	1.92%
Commercial Paper	3,999,835	6.43%
Non-Callable US Agency Securities	18,999,360	30.54%
Callable US Agency Securities	38,025,659	61.11%
Total Investments	<u>\$62,220,710</u>	<u>100.00%</u>

The following table includes the percentage of total of each issuer of investments held by the District at June 30, 2014:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$1,195,856	1.93%
General Electric Capital Corporation	1,999,920	3.21%
Union Bank NA	1,999,915	3.21%
United States Treasury Securities	38,025,659	61.11%
Federal Home Loan Bank System	6,299,811	10.12%
Federal National Mortgage Association	12,699,549	20.42%
Total Investments	<u>\$62,220,710</u>	<u>100.00%</u>

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2014 were levied after April 1, 2013 on assessed values as of January 1, 2013, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last equalization adjustment was completed in 2009. Real property taxes are payable annually or semi-annually. The first payment is due December 31, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at varying ratios of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Toledo City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2014, upon which the 2013 levies were based, were as follows:

	2013 Second Half Collections	2014 First Half Collections
Real Estate	\$2,188,402,530	\$2,164,563,940
Tangible Personal and Public Utility Property	122,237,470	135,774,730
Total Assessed Value	<u>\$2,310,640,000</u>	<u>\$2,300,338,670</u>
Tax rate per \$1,000 of assessed valuation	\$67.40	\$67.40

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 8 - RECEIVABLES

Receivables at June 30, 2014 consisted of taxes receivable, interest receivable, accounts receivable, interfund loans receivable and intergovernmental receivables.

NOTE 9 - INTERFUND RECEIVABLES/PAYABLES

Interfund loans receivable/payable and advances to/from other funds – short-term loans at June 30, 2014 from one individual fund to another are as follows:

	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$3,817,826	\$0
Other Governmental Funds	0	3,817,826
Totals	<u>\$3,817,826</u>	<u>\$3,817,826</u>

The interfund loans receivable/payable are amounts that have been advanced from one fund to another and will be repaid during the following reporting period.

NOTE 10 - TRANSFERS

Following is a summary of transfers in and out for all funds at June 30, 2014:

	<u>Transfers In:</u>
	Other Governmental Funds
<u>Transfers Out:</u>	
General Fund	\$118,723
Other Governmental Funds	181
	<u>\$118,904</u>

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

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 11 - CAPITAL ASSETS

Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at June 30, 2014:

Historical Cost:

Class	June 30, 2013	Additions	Deletions	June 30, 2014
<i>Capital assets not being depreciated:</i>				
Land	\$13,856,745	\$40,590	\$0	\$13,897,335
Construction in Progress	339,735	0	(339,735)	0
<i>Capital assets being depreciated:</i>				
Land Improvements	8,533,154	0	0	8,533,154
Buildings	611,371,589	3,470,720	0	614,842,309
Building Improvements	21,536,494	0	0	21,536,494
Machinery and Equipment	11,484,614	557,090	0	12,041,704
Vehicles	11,090,251	55,152	0	11,145,403
Total Cost	\$678,212,582	\$4,123,552	(\$339,735)	\$681,996,399

Accumulated Depreciation:

Class	June 30, 2013	Additions	Deletions	June 30, 2014
Land Improvements	(\$8,265,710)	\$0	\$0	(\$8,265,710)
Buildings	(70,155,126)	(12,329,902)	0	(82,485,028)
Building Improvements	(18,485,726)	(784,002)	0	(19,269,728)
Machinery and Equipment	(10,005,214)	(499,237)	0	(10,504,451)
Vehicles	(8,657,876)	(584,560)	0	(9,242,436)
Total Depreciation	(\$115,569,652)	(\$14,197,701) *	\$0	(\$129,767,353)
<i>Net Value:</i>	\$562,642,930			\$552,229,046

* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$12,649,013
Support Services	1,309,239
Non-Instructional Services	148,102
Extracurricular Activities	91,347
Total Depreciation Expense	\$14,197,701

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 12 - DEFINED BENEFIT PENSION PLANS

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

A. School Employee Retirement System

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2014, the allocation to pension and death benefits was 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$7,094,784, \$6,786,840 and \$4,435,526 respectively, 65.7% has been contributed for fiscal year 2014 and 100% for fiscal years 2013 and 2012.

B. State Teachers Retirement System

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 Web site at www.strsoh.org.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

B. State Teachers Retirement System (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 the fiscal year ended June 30, 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. For fiscal year 2013, the portion used to fund pension obligations was also 13 percent. 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 contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013, and 2012 were \$16,140,084, \$15,535,008, and \$11,793,968 respectively; 82.3% has been contributed for fiscal year 2014 and 100% for fiscal years 2013 and 2012.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 13 - POSTEMPLOYMENT BENEFITS

A. School Employee Retirement System

Plan Description – The District participates in two cost-sharing multiple employer defined benefit OPEB 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 as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' 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. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2014, this amount was \$20,525.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$814,553, \$799,780, and \$874,532 respectively; 65.7% has been contributed for fiscal year 2014 and 100% for fiscal years 2013 and 2012.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 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 \$375,010, \$358,733, and \$263,772 respectively; which were equal to the required contributions for each year.

B. State Teachers Retirement System

Plan Description – The District contributes to the cost sharing multiple employer defined benefit Health 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 or by calling (888) 227-7877.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 13 - POSTEMPLOYMENT BENEFITS (Continued)

B. State Teachers Retirement System (Continued)

Funding Policy – Ohio Revised Code Chapter 3307 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 \$1,152,863, \$1,109,643, and \$907,228 respectively; 82.3% has been contributed for fiscal year 2014 and 100% for fiscal years 2013 and 2012.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 14 - LONG-TERM DEBT

Long-term debt of the District at June 30, 2014 was as follows:

Description	Balance June 30, 2013	Issued	(Retired)	Balance June 30, 2014	Amount Due Within One Year
Governmental Activities:					
<u>General Obligation Bond:</u>					
School Facility Improvement 2003					
G.O. Bond (2.00% - 5.00%)	\$19,885,000	\$0	(\$19,885,000)	\$0	\$0
Premium General Obligation Bond	441,560	0	(441,560)	0	0
School Facility Improvement 2003B					
G.O. Bond (2.00% - 5.00%)	20,385,000	0	(20,385,000)	0	0
Premium General Obligation Bond	407,020	0	(407,020)	0	0
School Facility Improvement 2009					
G.O. Bond (2.00% - 5.375%)	25,684,995	0	(700,000)	24,984,995	725,000
Premium General Obligation Bond	313,780	0	(13,643)	300,137	13,643
School Facility Improvement 2012					
G.O. Bond (2.00% - 5.375%)	52,345,000	0	(25,000)	52,320,000	25,000
Premium General Obligation Bond	6,435,799	0	(536,317)	5,899,482	536,317
School Facility Improvement 2012B					
G.O. Bond (2.00% - 5.375%)	34,265,000	0	(50,000)	34,215,000	2,335,000
Premium General Obligation Bond	4,757,030	0	(237,852)	4,519,178	237,852
School Facility Improvement 2014					
G.O. Bond (2.00% - 5.00%)	0	32,335,000	0	32,335,000	1,485,000
Premium General Obligation Bond	0	4,386,617	(230,875)	4,155,742	203,875
Total General Obligation Bond	164,920,184	36,721,617	(42,912,267)	158,729,534	5,561,687
<u>Other Obligations:</u>					
Compensated Absences	21,952,431	22,799,339	(21,952,431)	22,799,339	818,077
Long-Term Debt and Other Long-Term Obligations	\$186,872,615	\$59,520,956	(\$64,864,698)	\$181,528,873	\$6,379,764

During fiscal years 2003, 2004 2009, 2012, 2013 and 2014 the District issued General Obligation Bonds in the amounts of \$72,500,000, \$103,600,000, \$31,999,995, \$52,555,000, \$34,265,000 and \$32,335,000 respectively to finance School Facility Improvement building projects.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 14 - LONG-TERM DEBT (Continued)

A. Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements for the general obligation bonds payable, including principal and interest payments as of June 30, 2014, follows:

General Obligation Bonds Payable			
Years	Principal	Interest	Total
2015	4,570,000	6,657,267	11,227,267
2016	5,180,000	6,427,331	11,607,331
2017	5,425,000	6,174,144	11,599,144
2018	5,198,783	6,393,267	11,592,050
2019	5,386,212	6,187,838	11,574,050
2020-2024	33,705,000	24,183,510	57,888,510
2025-2029	40,545,000	15,707,870	56,252,870
2030-2034	40,055,000	5,319,177	45,374,177
2035-2036	3,790,000	206,400	3,996,400
Totals	<u>\$143,854,995</u>	<u>\$77,256,804</u>	<u>\$221,111,799</u>

B. Refunded General Obligation Debt

On January 19, 2012, the District refunded \$54,385,000 of outstanding bonds (the "2003 Bonds") with an interest rate of 4.6% with \$60,063,433 of refunding bonds, including premium, issued in January 2012. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. The refunded bonds have been paid in full as of June 30, 2014.

On November 6, 2012, the District refunded \$37,010,000 of outstanding bonds (the "2003B Bonds") with an interest rate of 4.62% with \$39,259,882 of refunding bonds, including premium, with an all in cost interest rate of 3.33%. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. The refunded bonds have been paid in full as of June 30, 2014.

TOLEDO CITY SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 14 - LONG-TERM DEBT (Continued)

B. Refunded General Obligation Debt (Continued)

On May 21, 2014, the District refunded \$36,240,000 of outstanding bonds (the “2003 Bonds” and the “2003B Bonds”) with an interest rate of 4.64% with \$36,721,617 of refunding bonds, including premium, with an all in cost interest rate of 3.81%. The remaining principal amounts of the 2003 and 2003B bonds were paid off during 2014. The refunding was undertaken for the purpose of reducing interest rates and debt service on the prior bonds. This transaction resulted in an aggregate savings to the District of \$4,588,648 in debt service payments and an economic gain of \$2,908,991. The refunded bonds have been paid in full as of June 30, 2014

NOTE 15 - ENDOWMENTS

The Toledo City School District has various endowments/trusts whereby the original endowment/trust agreement restricts the principal for specified purposes. For the year ended June 30, 2014, the net appreciation on investments of donor-restricted endowments was (\$102,344). Under the terms of the endowment/trust, and consistent with State statutes, the District is authorized to spend the net appreciation from the trust for any disbursements that are consistent with the original trust agreement. At June 30, 2014, accumulated available net appreciation of \$234,188 is reported in restricted Net Position.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 16 - RISK MANAGEMENT

The District is exposed to financial loss resulting from District-caused damage to property or bodily injuries or illness of employees, unemployment compensation benefits to previous employees, and employee health care, prescription drug, dental and life insurance benefits. The Administrative Services - Employee Benefit Self-Insurance Fund, an internal service fund, is used to account for, and finance self-insurance activities. This fund includes prescription drug, dental and health insurance benefits. The District also maintains an Administrative Services - Workers Compensation Fund, which was established under the State of Ohio's retrospective rating plan provisions. These costs are also accounted for in an Internal Service fund.

In accordance with section C50.141 of the 2004 GASB Codification, estimated liabilities are accrued in all Self-Insurance funds for the value of current outstanding claims and claims incurred but not reported (IBNR). Annual actuarial studies are performed for the Employee Benefit Self Insurance and Workers Compensation Funds to determine the recommended funding levels for related risk areas. The claims liability of \$5,252,400 (Accrued Wages and Benefits) reported in the Employee Benefit Self - Insurance Fund and \$401,982 (Intergovernmental Payable) in the Workers Compensation Self-Insurance Fund is based on the requirements of Government Accounting Standards Board Statement 10 as amended by Government Accounting Standards Board Statement 30. This statement requires that a liability for claims be reported if information indicates, prior to the issuance of the financial statements, that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities are considered current and due within one year.

Changes in the fund's claims liability amount in 2013 and 2014 were:

<u>Fiscal Year</u>	<u>Unpaid Claims Beginning of Fiscal Year</u>	<u>Incurred Claims</u>	<u>Claim Payments</u>	<u>Unpaid Claims Ending of Fiscal Year</u>
2013	\$5,641,749	40,984,128	(41,813,843)	\$4,812,034
2014	4,812,034	47,399,939	(46,557,591)	5,654,382

District property, employee life, and all other insurance coverage's are provided by commercial insurance policies. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in insurance coverage from the prior year.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014**

NOTE 17 – STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2014, the reserve activity (cash-basis) was as follows:

	<u>Capital Maintenance</u>
Set-aside Balance as of June 30, 2013	\$0
Current Year Set-Aside Requirement	3,722,411
Current Year Offset Credits	3,025,584
Qualifying Disbursements	<u>(12,051,483)</u>
Total	<u>(\$5,303,488)</u>
Set-aside Balance Carried Forward to FY 2014	<u><u>\$0</u></u>

Although the District had offsets and qualifying disbursements during the year that reduced the Capital Maintenance set-aside amount below zero, the extra amount may not be used to reduce the Capital Maintenance set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year for Capital Maintenance.

NOTE 18 – SIGNIFICANT COMMITMENTS

Significant encumbrances outstanding at year-end in the General Fund are \$8,764,397 and are reported as assigned fund balance. Also, in the Permanent Improvement Fund, Locally Funded Initiative Fund and the Classroom Facilities Fund (capital projects funds) there are significant encumbrances outstanding in the amounts of \$3,286,863, \$7,137,903 and \$27,429,753, respectively. These amounts are reported as part of the restricted fund balance.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014***

NOTE 19 - CONTINGENCIES

A. Grants

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

B. Litigation

The District is a party to several legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2014. The District's management is of the opinion that ultimate disposition of these claims will not have a material effect on the financial condition of the District.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, INTERNAL
SERVICE FUNDS AND FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Food Service Fund

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

Uniform School Supplies Fund

A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District. Profit derived from such sales is to be used for school purposes or activities in connection with the school. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Vocational Rotary Fund

A fund provided to account for revenue and expenses made in connection with goods and services provided by a school district. Activities using this fund tend to be curricular in nature. As an example, this fund would be used to account for receipts and purchases made in connection with the sale of consumer services provided by vocational education classes such as cosmetology or auto mechanics. This fund is also used to account for "Life Enrichment Programs" offered by a school district. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Adult Education Fund

A fund provided to account for transactions made in connection with adult education classes.

School Building Support Fund

A fund provided to account for specific local revenue sources, other than taxes that are restricted to expenditures for specific purposes approved by board resolution. Such expenditures may include curricular and extracurricular related purchases. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Other Grants Fund

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.

School Facilities Maintenance Fund

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

(Continued)

Special Revenue Funds

Administratively Managed Student Activity Fund

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 corp., and other similar types of activities.

Auxiliary Services Program Fund

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

Management Information System Fund

A fund for hardware and software development, or other costs associated with the requirements of the management information system.

Public School Preschool Fund

A fund to assist school districts in paying the cost of preschool programs for three and four year olds.

Data Communication Fund

A fund used to account for monies received for the maintenance of the Ohio Educational Computer Network connections. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Vocational Education Enhancement Fund

A fund used to account for Vocational Education Enhancement that: 1) expand number of students enrolled in tech prep programs, 2) enable students to develop career plans, 3) replace or update equipment essential for instruction of students in job skills.

Alternative Schools Fund

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 the 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.

Miscellaneous State Fund

A fund used to account for money received from the state government which is not classified elsewhere.

(Continued)

Special Revenue Funds

Race to the Top Fund

To account for monies received to provide either a new program or expansion of an existing program in specific educational areas.

Special Education Handicapped Fund

Provision of Grants to assist states in the identification of handicapped children, development of procedural safeguards, implementation of less restrictive alternative services patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Vocational Education Fund

Provision of funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects. Includes sex equity grants.

Title VII Bilingual Education Program Fund

Provision of funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational need of children of limited English proficiency.

Title I Fund

To provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children.

Drug Free School Grant Fund

To provide financial assistance for programs of drug abuse education and prevention.

Preschool Grants for the Handicapped Fund

To provide financial assistance to address the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Improving Teacher Quality Fund

A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, to reduce the number of students per teacher.

(Continued)

Special Revenue Funds

Miscellaneous Federal Grants Fund

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which is not classified elsewhere. (This fund is not part of the District's appropriated budget, therefore no budgetary schedule is presented.)

Title I School Improvement Stimulus A Fund

To help schools improve the teaching and learning of children failing, or most at risk of failing to meet State academic achievement standards.

Title I School Improvement Stimulus G Fund

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

Capital Projects Fund

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Permanent Improvement Fund

A fund used to account for financial resources to be used for the acquisition, construction, or improvement of capital facilities.

Permanent Fund

The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the District's programs.

Endowments Fund

A fund used to account for money, securities, or lands which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact.

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 22,869,951	\$ 3,280,453	\$ 868,349	\$ 27,018,753
Cash with Fiscal Agent	0	252,641	0	252,641
Receivables:				
Taxes	1,159,654	0	0	1,159,654
Accounts	23,047	2,200	0	25,247
Intergovernmental	14,851,550	0	0	14,851,550
Interest	35,514	10,453	1,831	47,798
Inventory Held for Resale	296,433	0	0	296,433
Total Assets	\$ 39,236,149	\$ 3,545,747	\$ 870,180	\$ 43,652,076
Liabilities:				
Accounts Payable	\$ 2,130,930	\$ 1,134,892	\$ 0	\$ 3,265,822
Accrued Wages and Benefits	3,429,837	0	0	3,429,837
Intergovernmental Payable	1,176,070	0	0	1,176,070
Interfund Loans Payable	3,817,826	0	0	3,817,826
Total Liabilities	10,554,663	1,134,892	0	11,689,555
Deferred Inflows of Resources:				
Deferred Revenue	0	252,641	0	252,641
Unavailable Amounts	10,427,500	0	0	10,427,500
Property Tax for Next Fiscal Year	1,093,333	0	0	1,093,333
Total Deferred Inflows of Resources	11,520,833	252,641	0	11,773,474
Fund Balances:				
Nonspendable	0	0	635,992	635,992
Restricted	17,905,325	2,158,214	234,188	20,297,727
Unassigned	(744,672)	0	0	(744,672)
Total Fund Balances	17,160,653	2,158,214	870,180	20,189,047
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 39,236,149	\$ 3,545,747	\$ 870,180	\$ 43,652,076

TOLEDO CITY SCHOOL DISTRICT**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 Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 923,745	\$ 0	\$ 0	\$ 923,745
Tuition	194,566	0	0	194,566
Food Services	669,802	0	0	669,802
Investment Earnings	5,568	(346)	1,831	7,053
Extracurricular Activities	265,776	0	0	265,776
Class Materials and Fees	3,291	0	0	3,291
Intergovernmental - State	4,999,484	0	0	4,999,484
Intergovernmental - Federal	43,437,762	0	0	43,437,762
All Other Revenue	1,200,736	88,040	131,908	1,420,684
Total Revenue	51,700,730	87,694	133,739	51,922,163
Expenditures:				
Current:				
Instruction	21,221,131	147,034	30,890	21,399,055
Supporting Services	20,113,863	175,112	0	20,288,975
Operation of Non-Instructional Services	12,177,975	0	0	12,177,975
Extracurricular Activities	409,029	0	0	409,029
Capital Outlay	0	2,666,743	0	2,666,743
Total Expenditures	53,921,998	2,988,889	30,890	56,941,777
Excess (Deficiency) of Revenues Over Expenditures	(2,221,268)	(2,901,195)	102,849	(5,019,614)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	690,062	0	690,062
Transfers In	118,904	0	0	118,904
Transfers Out	(181)	0	0	(181)
Total Other Financing Sources (Uses)	118,723	690,062	0	808,785
Net Change in Fund Balance	(2,102,545)	(2,211,133)	102,849	(4,210,829)
Fund Balances at Beginning of Year	19,263,198	4,369,347	767,331	24,399,876
Fund Balances End of Year	\$ 17,160,653	\$ 2,158,214	\$ 870,180	\$ 20,189,047

TOLEDO CITY SCHOOL DISTRICT**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014**

	<u>Food Service</u>	<u>Adult Education</u>	<u>Other Grants</u>	<u>School Facilities Maintenance</u>
Assets:				
Cash and Cash Equivalents	\$ 375,564	\$ 737,826	\$ 778,370	\$ 14,737,103
Receivables:				
Taxes	0	0	0	1,159,654
Accounts	5,093	17,954	0	0
Intergovernmental	0	32,988	5,000	0
Interest	0	0	0	32,082
Inventory Held for Resale	296,433	0	0	0
Restricted Assets:				
Total Assets	<u>\$ 677,090</u>	<u>\$ 788,768</u>	<u>\$ 783,370</u>	<u>\$ 15,928,839</u>
Liabilities:				
Accounts Payable	\$ 41,567	\$ 17,620	\$ 4,383	\$ 185,553
Accrued Wages and Benefits	45,486	38,418	7,129	0
Intergovernmental Payable	346,064	18,868	13,595	5,000
Interfund Loans Payable	13,465	9,240	22,704	0
Total Liabilities	<u>446,582</u>	<u>84,146</u>	<u>47,811</u>	<u>190,553</u>
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	0
Property Tax for Next Fiscal Year	0	0	0	1,093,333
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,093,333</u>
Fund Balances:				
Restricted	230,508	704,622	735,559	14,644,953
Unassigned	0	0	0	0
Total Fund Balances (Deficit)	<u>230,508</u>	<u>704,622</u>	<u>735,559</u>	<u>14,644,953</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 677,090</u>	<u>\$ 788,768</u>	<u>\$ 783,370</u>	<u>\$ 15,928,839</u>

TOLEDO CITY SCHOOL DISTRICT

Administratively Managed Student Activity	Auxiliary Services Program	Management Information System	Public School Preschool	Data Communication	Vocational Education Enhancement
\$ 271,897	\$ 1,619,452	\$ 29,530	\$ 20,320	\$ 68,635	\$ 14,707
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	18,816	0	9,379
694	2,738	0	0	0	0
0	0	0	0	0	0
<u>\$ 272,591</u>	<u>\$ 1,622,190</u>	<u>\$ 29,530</u>	<u>\$ 39,136</u>	<u>\$ 68,635</u>	<u>\$ 24,086</u>
\$ 15,873	\$ 249,069	\$ 0	\$ 0	\$ 14,890	\$ 35,520
0	134,871	0	0	0	0
659	25,789	0	6,566	0	0
0	546,294	0	0	0	6,652
<u>16,532</u>	<u>956,023</u>	<u>0</u>	<u>6,566</u>	<u>14,890</u>	<u>42,172</u>
0	0	0	0	0	5,550
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,550</u>
256,059	666,167	29,530	32,570	53,745	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(23,636)</u>
256,059	666,167	29,530	32,570	53,745	(23,636)
<u>\$ 272,591</u>	<u>\$ 1,622,190</u>	<u>\$ 29,530</u>	<u>\$ 39,136</u>	<u>\$ 68,635</u>	<u>\$ 24,086</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014**

	Alternative Schools	Miscellaneous State Grants	Race to the Top	Special Education Handicapped
Assets:				
Cash and Cash Equivalents	\$ 4,308	\$ 16,215	\$ 335,966	\$ 466,474
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	31,730	18,463	1,476,857	1,886,545
Interest	0	0	0	0
Inventory Held for Resale	0	0	0	0
Restricted Assets:				
Total Assets	<u>\$ 36,038</u>	<u>\$ 34,678</u>	<u>\$ 1,812,823</u>	<u>\$ 2,353,019</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 166	\$ 34,747	\$ 51,104
Accrued Wages and Benefits	6,667	0	261,028	594,821
Intergovernmental Payable	2,586	642	57,570	155,726
Interfund Loans Payable	0	10,600	19,600	134,811
Total Liabilities	<u>9,253</u>	<u>11,408</u>	<u>372,945</u>	<u>936,462</u>
Deferred Inflows of Resources:				
Unavailable Amounts	24,554	8,922	1,338,825	1,341,145
Property Tax for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	<u>24,554</u>	<u>8,922</u>	<u>1,338,825</u>	<u>1,341,145</u>
Fund Balances:				
Restricted	2,231	14,348	101,053	75,412
Unassigned	0	0	0	0
Total Fund Balances (Deficit)	<u>2,231</u>	<u>14,348</u>	<u>101,053</u>	<u>75,412</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 36,038</u>	<u>\$ 34,678</u>	<u>\$ 1,812,823</u>	<u>\$ 2,353,019</u>

TOLEDO CITY SCHOOL DISTRICT

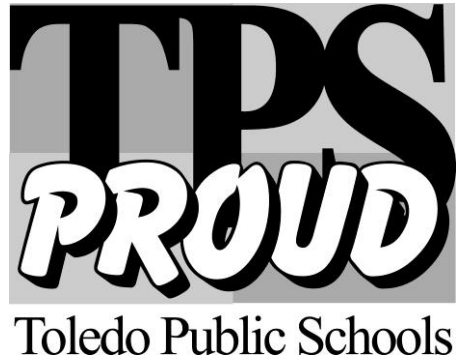
Vocational Education	Title VII Bilingual Education Program	Title I	Drug Free School Grants	Preschool Grants for the Handicapped	Improving Teacher Quality
\$ 67,547	\$ 4,083	\$ 2,257,701	\$ 42,108	\$ 11,021	\$ 634,963
0	0	0	0	0	0
0	0	0	0	0	0
228,628	78,692	7,079,698	0	116,398	1,443,514
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 296,175</u>	<u>\$ 82,775</u>	<u>\$ 9,337,399</u>	<u>\$ 42,108</u>	<u>\$ 127,419</u>	<u>\$ 2,078,477</u>
\$ 55,430	\$ 358	\$ 1,269,004	\$ 0	\$ 208	\$ 0
36,514	10,015	1,780,014	0	12,169	247,659
28,888	830	430,549	0	4,133	28,736
34,851	2,000	2,348,300	45,000	3,000	0
155,683	13,203	5,827,867	45,000	19,510	276,395
182,109	72,588	4,017,349	0	110,137	1,443,514
0	0	0	0	0	0
182,109	72,588	4,017,349	0	110,137	1,443,514
0	0	0	0	0	358,568
(41,617)	(3,016)	(507,817)	(2,892)	(2,228)	0
(41,617)	(3,016)	(507,817)	(2,892)	(2,228)	358,568
<u>\$ 296,175</u>	<u>\$ 82,775</u>	<u>\$ 9,337,399</u>	<u>\$ 42,108</u>	<u>\$ 127,419</u>	<u>\$ 2,078,477</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014**

	Miscellaneous Federal Grants	Title I School Improvement Stimulus A	Title I School Improvement Stimulus G	Total Nonmajor Special Revenue Funds
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 276,326	\$ 99,835	\$ 22,869,951
Receivables:				
Taxes	0	0	0	1,159,654
Accounts	0	0	0	23,047
Intergovernmental	0	1,033,303	1,391,539	14,851,550
Interest	0	0	0	35,514
Inventory Held for Resale	0	0	0	296,433
Restricted Assets:				
Total Assets	<u>\$ 0</u>	<u>\$ 1,309,629</u>	<u>\$ 1,491,374</u>	<u>\$ 39,236,149</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 113,976	\$ 41,462	\$ 2,130,930
Accrued Wages and Benefits	0	2,327	252,719	3,429,837
Intergovernmental Payable	0	1,076	48,793	1,176,070
Interfund Loans Payable	81,309	535,000	5,000	3,817,826
Total Liabilities	<u>81,309</u>	<u>652,379</u>	<u>347,974</u>	<u>10,554,663</u>
Deferred Inflows of Resources:				
Unavailable Amounts	0	701,419	1,181,388	10,427,500
Property Tax for Next Fiscal Year	0	0	0	1,093,333
Total Deferred Inflows of Resources	<u>0</u>	<u>701,419</u>	<u>1,181,388</u>	<u>11,520,833</u>
Fund Balances:				
Restricted	0	0	0	17,905,325
Unassigned	(81,309)	(44,169)	(37,988)	(744,672)
Total Fund Balances (Deficit)	<u>(81,309)</u>	<u>(44,169)</u>	<u>(37,988)</u>	<u>17,160,653</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 0</u>	<u>\$ 1,309,629</u>	<u>\$ 1,491,374</u>	<u>\$ 39,236,149</u>



TOLEDO CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014**

	Food Service	Adult Education	Other Grants	School Facilities Maintenance
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 923,745
Tuition	0	165,503	0	0
Food Service	669,802	0	0	0
Investment Earnings	14	0	0	2,122
Extracurricular Activities	0	0	0	0
Classroom Materials and Fees	0	0	0	0
State Sources	0	173,481	0	1,247,897
Federal Sources	8,479,203	889,868	0	0
Miscellaneous Revenue	43,500	0	1,136,840	0
Total Revenue	9,192,519	1,228,852	1,136,840	2,173,764
Expenditures:				
Current:				
Instruction	0	1,151,469	1,532	0
Support Services	127,845	6,594	601,614	4,047,521
Non-Instructional Services	8,917,853	0	0	0
Extracurricular Activities	0	0	0	0
Debt Service:				
Total Expenditures	9,045,698	1,158,063	603,146	4,047,521
Excess (Deficiency) of Revenues				
Over Expenditures	146,821	70,789	533,694	(1,873,757)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	146,821	70,789	533,694	(1,873,757)
Fund Balances (Deficits) at Beginning of Year	83,687	633,833	201,865	16,518,710
Fund Balances (Deficits) End of Year	\$ 230,508	\$ 704,622	\$ 735,559	\$ 14,644,953

TOLEDO CITY SCHOOL DISTRICT

Administratively Managed Student Activity	Auxiliary Services Program	Management Information System	Public School Preschool	Data Communication	Vocational Education Enhancement
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	29,063	0	0
0	0	0	0	0	0
694	2,738	0	0	0	0
265,776	0	0	0	0	0
3,291	0	0	0	0	0
0	3,095,956	0	136,000	94,462	18,450
0	0	0	0	0	0
16,696	0	0	0	0	3,700
<u>286,457</u>	<u>3,098,694</u>	<u>0</u>	<u>165,063</u>	<u>94,462</u>	<u>22,150</u>
3,566	72,623	0	143,934	0	0
0	342,756	0	1,752	53,062	54,570
0	2,501,870	0	0	0	0
409,029	0	0	0	0	0
<u>412,595</u>	<u>2,917,249</u>	<u>0</u>	<u>145,686</u>	<u>53,062</u>	<u>54,570</u>
(126,138)	181,445	0	19,377	41,400	(32,420)
118,240	0	0	621	0	0
(181)	0	0	0	0	0
<u>118,059</u>	<u>0</u>	<u>0</u>	<u>621</u>	<u>0</u>	<u>0</u>
(8,079)	181,445	0	19,998	41,400	(32,420)
264,138	484,722	29,530	12,572	12,345	8,784
<u>\$ 256,059</u>	<u>\$ 666,167</u>	<u>\$ 29,530</u>	<u>\$ 32,570</u>	<u>\$ 53,745</u>	<u>\$ (23,636)</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014**

	Miscellaneous State Grants	Race to the Top	Special Education Handicapped	Vocational Education
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Tuition	0	0	0	0
Food Service	0	0	0	0
Investment Earnings	0	0	0	0
Extracurricular Activities	0	0	0	0
Classroom Materials and Fees	0	0	0	0
State Sources	46,114	0	0	0
Federal Sources	0	2,744,031	6,001,280	776,056
Miscellaneous Revenue	0	0	0	0
Total Revenue	<u>46,114</u>	<u>2,744,031</u>	<u>6,001,280</u>	<u>776,056</u>
Expenditures:				
Current:				
Instruction	0	191,549	2,866,065	322,952
Support Services	42,306	2,615,730	2,837,312	496,994
Non-Instructional Services	0	0	241,574	0
Extracurricular Activities	0	0	0	0
Debt Service:				
Total Expenditures	<u>42,306</u>	<u>2,807,279</u>	<u>5,944,951</u>	<u>819,946</u>
Excess (Deficiency) of Revenues Over Expenditures	3,808	(63,248)	56,329	(43,890)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	3,808	(63,248)	56,329	(43,890)
Fund Balances (Deficits) at Beginning of Year	<u>10,540</u>	<u>164,301</u>	<u>19,083</u>	<u>2,273</u>
Fund Balances (Deficits) End of Year	<u>\$ 14,348</u>	<u>\$ 101,053</u>	<u>\$ 75,412</u>	<u>\$ (41,617)</u>

TOLEDO CITY SCHOOL DISTRICT

Title VII Bilingual Education Program	Title I	Drug Free School Grants	Preschool Grants for the Handicapped	Improving Teacher Quality	Miscellaneous Federal Grants
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
55,443	17,466,912	0	129,631	2,366,986	0
0	0	0	0	0	0
<u>55,443</u>	<u>17,466,912</u>	<u>0</u>	<u>129,631</u>	<u>2,366,986</u>	<u>0</u>
44,361	12,804,910	0	59,678	1,062,242	0
9,517	5,115,854	0	70,287	899,732	0
0	469,216	0	0	47,462	0
0	0	0	0	0	0
<u>53,878</u>	<u>18,389,980</u>	<u>0</u>	<u>129,965</u>	<u>2,009,436</u>	<u>0</u>
1,565	(923,068)	0	(334)	357,550	0
0	43	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>43</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
1,565	(923,025)	0	(334)	357,550	0
(4,581)	415,208	(2,892)	(1,894)	1,018	(81,309)
<u>\$ (3,016)</u>	<u>\$ (507,817)</u>	<u>\$ (2,892)</u>	<u>\$ (2,228)</u>	<u>\$ 358,568</u>	<u>\$ (81,309)</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	Title I School Improvement Stimulus G	Total Nonmajor Special Revenue Funds
Revenues:		
Taxes	\$ 0	\$ 923,745
Tuition	0	194,566
Food Service	0	669,802
Investment Earnings	0	5,568
Extracurricular Activities	0	265,776
Classroom Materials and Fees	0	3,291
State Sources	0	4,999,484
Federal Sources	3,075,971	43,437,762
Miscellaneous Revenue	0	1,200,736
Total Revenue	<u>3,075,971</u>	<u>51,700,730</u>
Expenditures:		
Current:		
Instruction	1,766,488	21,221,131
Support Services	1,787,574	20,113,863
Non-Instructional Services	0	12,177,975
Extracurricular Activities	0	409,029
Debt Service:		
Total Expenditures	<u>3,554,062</u>	<u>53,921,998</u>
Excess (Deficiency) of Revenues Over Expenditures	(478,091)	(2,221,268)
Other Financing Sources (Uses):		
Transfers In	0	118,904
Transfers Out	0	(181)
Total Other Financing Sources (Uses)	<u>0</u>	<u>118,723</u>
Net Change in Fund Balance	(478,091)	(2,102,545)
Fund Balances (Deficits) at Beginning of Year	<u>440,103</u>	<u>19,263,198</u>
Fund Balances (Deficits) End of Year	<u>\$ (37,988)</u>	<u>\$ 17,160,653</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2014***

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 335,667,132</u>	<u>\$ 335,667,132</u>	<u>\$ 320,753,006</u>	<u>\$ (14,941,030)</u>
Total Expenditures and Other Financing Uses	<u>318,457,247</u>	<u>324,655,475</u>	<u>306,190,942</u>	<u>18,491,437</u>
Net Change in Fund Balances	17,209,885	11,011,657	14,562,064	3,550,407
Fund Balance at Beginning of Year	11,089,138	11,089,138	11,089,138	0
Prior Year Encumbrances	<u>7,877,837</u>	<u>7,877,837</u>	<u>7,877,837</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 36,176,860</u>	<u>\$ 29,978,632</u>	<u>\$ 33,529,039</u>	<u>\$ 3,550,407</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Debt Service Fund
For the Fiscal Year Ended June 30, 2014***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 48,505,605</u>	<u>\$ 48,506,570</u>	<u>\$ 965</u>
Total Expenditures and Other Financing Uses	<u>48,572,637</u>	<u>48,561,480</u>	<u>11,157</u>
Net Change in Fund Balances	(67,032)	(54,910)	12,122
Fund Balance at Beginning of Year	<u>3,034,170</u>	<u>3,034,170</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,967,138</u>	<u>\$ 2,979,260</u>	<u>\$ 12,122</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects
For the Fiscal Year Ended June 30, 2014***

LOCALLY FUNDED INITIATIVE FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 11,500</u>	<u>\$ 21,826</u>	<u>\$ 10,326</u>
Total Expenditures and Other Financing Uses	<u>14,927,543</u>	<u>13,360,621</u>	<u>1,566,922</u>
Net Change in Fund Balances	(14,916,043)	(13,338,795)	1,577,248
Fund Balance at Beginning of Year	9,295,994	9,295,994	0
Prior Year Encumbrances	<u>5,848,032</u>	<u>5,848,032</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 227,983</u>	<u>\$ 1,805,231</u>	<u>\$ 1,577,248</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects
For the Fiscal Year Ended June 30, 2014***

CLASSROOM FACILITIES FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 30,600</u>	<u>\$ 243,114</u>	<u>\$ 212,514</u>
Total Expenditures and Other Financing Uses	<u>18,807,187</u>	<u>18,802,467</u>	<u>4,720</u>
Net Change in Fund Balances	(18,776,587)	(18,559,353)	217,234
Fund Balance at Beginning of Year	27,274,367	27,274,367	0
Prior Year Encumbrances	<u>214,739</u>	<u>214,739</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 8,712,519</u>	<u>\$ 8,929,753</u>	<u>\$ 217,234</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 9,339,560</u>	<u>\$ 8,999,208</u>	<u>\$ (340,352)</u>
Total Expenditures and Other Financing Uses	<u>9,282,872</u>	<u>9,344,814</u>	<u>(61,942)</u>
Net Change in Fund Balances	56,688	(345,606)	(402,294)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	<u>386,999</u>	<u>386,999</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 443,687</u>	<u>\$ 41,393</u>	<u>\$ (402,294)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 542,365</u>	<u>\$ 143,521</u>	<u>\$ (398,844)</u>
Total Expenditures and Other Financing Uses	<u>623,587</u>	<u>134,092</u>	<u>489,495</u>
Net Change in Fund Balances	(81,222)	9,429	90,651
Fund Balance at Beginning of Year	497,525	497,525	0
Prior Year Encumbrances	<u>7,392</u>	<u>7,392</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 423,695</u>	<u>\$ 514,346</u>	<u>\$ 90,651</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 246,823</u>	<u>\$ 81,502</u>	<u>\$ (165,321)</u>
Total Expenditures and Other Financing Uses	<u>301,005</u>	<u>100,787</u>	<u>200,218</u>
Net Change in Fund Balances	(54,182)	(19,285)	34,897
Fund Balance at Beginning of Year	140,884	140,884	0
Prior Year Encumbrances	<u>1,713</u>	<u>1,713</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 88,415</u>	<u>\$ 123,312</u>	<u>\$ 34,897</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,335,431</u>	<u>\$ 1,213,964</u>	<u>\$ (121,467)</u>
Total Expenditures and Other Financing Uses	<u>1,186,751</u>	<u>1,174,460</u>	<u>12,291</u>
Net Change in Fund Balances	148,680	39,504	(109,176)
Fund Balance at Beginning of Year	666,725	666,725	0
Prior Year Encumbrances	<u>26,302</u>	<u>26,302</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 841,707</u>	<u>\$ 732,531</u>	<u>\$ (109,176)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,061,412</u>	<u>\$ 287,631</u>	<u>\$ (773,781)</u>
Total Expenditures and Other Financing Uses	<u>1,224,198</u>	<u>300,452</u>	<u>923,746</u>
Net Change in Fund Balances	(162,786)	(12,821)	149,965
Fund Balance at Beginning of Year	566,671	566,671	0
Prior Year Encumbrances	<u>18,829</u>	<u>18,829</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 422,714</u>	<u>\$ 572,679</u>	<u>\$ 149,965</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 823,200	\$ 1,146,359	\$ 323,159
Total Expenditures and Other Financing Uses	1,186,492	764,701	421,791
Net Change in Fund Balances	(363,292)	381,658	744,950
Fund Balance at Beginning of Year	305,213	305,213	0
Prior Year Encumbrances	81,804	81,804	0
Fund Balance at End of Year	\$ 23,725	\$ 768,675	\$ 744,950

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

SCHOOL FACILITIES MAINTENANCE FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,201,400</u>	<u>\$ 2,190,315</u>	<u>\$ 988,915</u>
Total Expenditures and Other Financing Uses	<u>9,788,652</u>	<u>5,459,172</u>	<u>4,329,480</u>
Net Change in Fund Balances	(8,587,252)	(3,268,857)	5,318,395
Fund Balance at Beginning of Year	16,203,898	16,203,898	0
Prior Year Encumbrances	<u>713,651</u>	<u>713,651</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 8,330,297</u>	<u>\$ 13,648,692</u>	<u>\$ 5,318,395</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 805,291</u>	<u>\$ 404,617</u>	<u>\$ (400,674)</u>
Total Expenditures and Other Financing Uses	<u>1,186,671</u>	<u>431,327</u>	<u>755,344</u>
Net Change in Fund Balances	(381,380)	(26,710)	354,670
Fund Balance at Beginning of Year	253,479	253,479	0
Prior Year Encumbrances	<u>22,424</u>	<u>22,424</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (105,477)</u>	<u>\$ 249,193</u>	<u>\$ 354,670</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,122,513</u>	<u>\$ 3,644,250</u>	<u>\$ 521,737</u>
Total Expenditures and Other Financing Uses	<u>4,099,111</u>	<u>3,711,809</u>	<u>387,302</u>
Net Change in Fund Balances	(976,598)	(67,559)	909,039
Fund Balance at Beginning of Year	767,096	767,096	0
Prior Year Encumbrances	<u>540,397</u>	<u>540,397</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 330,895</u>	<u>\$ 1,239,934</u>	<u>\$ 909,039</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

MANAGEMENT INFORMATION SYSTEM FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	0
Fund Balance at Beginning of Year	<u>29,530</u>	<u>29,530</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 29,530</u>	<u>\$ 29,530</u>	<u>\$ 0</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 136,000</u>	<u>\$ 146,868</u>	<u>\$ 10,868</u>
Total Expenditures and Other Financing Uses	<u>143,756</u>	<u>149,849</u>	<u>(6,093)</u>
Net Change in Fund Balances	(7,756)	(2,981)	4,775
Fund Balance at Beginning of Year	21,100	21,100	0
Prior Year Encumbrances	<u>2,201</u>	<u>2,201</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 15,545</u>	<u>\$ 20,320</u>	<u>\$ 4,775</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

DATA COMMUNICATION FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 194,976</u>	<u>\$ 95,944</u>	<u>\$ (99,032)</u>
Total Expenditures and Other Financing Uses	<u>205,541</u>	<u>96,855</u>	<u>108,686</u>
Net Change in Fund Balances	(10,565)	(911)	9,654
Fund Balance at Beginning of Year	10,573	10,573	0
Prior Year Encumbrances	<u>10,463</u>	<u>10,463</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,471</u>	<u>\$ 20,125</u>	<u>\$ 9,654</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 36,716</u>	<u>\$ 29,775</u>	<u>\$ (6,941)</u>
Total Expenditures and Other Financing Uses	<u>31,861</u>	<u>27,445</u>	<u>4,416</u>
Net Change in Fund Balances	4,855	2,330	(2,525)
Fund Balance at Beginning of Year	8,660	8,660	0
Prior Year Encumbrances	<u>794</u>	<u>794</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 14,309</u>	<u>\$ 11,784</u>	<u>\$ (2,525)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 218,716</u>	<u>\$ 179,948</u>	<u>\$ (38,768)</u>
Total Expenditures and Other Financing Uses	<u>218,716</u>	<u>182,962</u>	<u>35,754</u>
Net Change in Fund Balances	0	(3,014)	(3,014)
Fund Balance at Beginning of Year	<u>7,033</u>	<u>7,033</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,033</u>	<u>\$ 4,019</u>	<u>\$ (3,014)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 54,530</u>	<u>\$ 48,289</u>	<u>\$ (6,241)</u>
Total Expenditures and Other Financing Uses	<u>52,981</u>	<u>46,746</u>	<u>6,235</u>
Net Change in Fund Balances	1,549	1,543	(6)
Fund Balance at Beginning of Year	<u>14,249</u>	<u>14,249</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 15,798</u>	<u>\$ 15,792</u>	<u>\$ (6)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	RACE TO THE TOP FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 4,338,766</u>	<u>\$ 3,314,614</u>	<u>\$ (1,024,152)</u>
Total Expenditures and Other Financing Uses	<u>5,199,297</u>	<u>3,248,787</u>	<u>1,950,510</u>
Net Change in Fund Balances	(860,531)	65,827	926,358
Fund Balance at Beginning of Year	3,993	3,993	0
Prior Year Encumbrances	<u>201,669</u>	<u>201,669</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (654,869)</u>	<u>\$ 271,489</u>	<u>\$ 926,358</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 7,201,714</u>	<u>\$ 6,285,402</u>	<u>\$ (916,312)</u>
Total Expenditures and Other Financing Uses	<u>8,679,643</u>	<u>6,261,860</u>	<u>2,417,783</u>
Net Change in Fund Balances	(1,477,929)	23,542	1,501,471
Fund Balance at Beginning of Year	237,556	237,556	0
Prior Year Encumbrances	<u>66,077</u>	<u>66,077</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (1,174,296)</u>	<u>\$ 327,175</u>	<u>\$ 1,501,471</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 935,521</u>	<u>\$ 791,828</u>	<u>\$ (143,693)</u>
Total Expenditures and Other Financing Uses	<u>1,065,009</u>	<u>825,256</u>	<u>239,753</u>
Net Change in Fund Balances	(129,488)	(33,428)	96,060
Fund Balance at Beginning of Year	43,126	43,126	0
Prior Year Encumbrances	<u>1,398</u>	<u>1,398</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (84,964)</u>	<u>\$ 11,096</u>	<u>\$ 96,060</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 187,061</u>	<u>\$ 55,318</u>	<u>\$ (131,743)</u>
Total Expenditures and Other Financing Uses	<u>183,082</u>	<u>61,035</u>	<u>122,047</u>
Net Change in Fund Balances	3,979	(5,717)	(9,696)
Fund Balance at Beginning of Year	1,455	1,455	0
Prior Year Encumbrances	<u>4,602</u>	<u>4,602</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,036</u>	<u>\$ 340</u>	<u>\$ (9,696)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	TITLE I FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 21,692,426</u>	<u>\$ 18,147,906</u>	<u>\$ (3,544,520)</u>
Total Expenditures and Other Financing Uses	<u>28,801,738</u>	<u>18,710,138</u>	<u>10,091,600</u>
Net Change in Fund Balances	(7,109,312)	(562,232)	6,547,080
Fund Balance at Beginning of Year	134,666	134,666	0
Prior Year Encumbrances	511,270	511,270	0
Fund Balance at End of Year	<u>\$ (6,463,376)</u>	<u>\$ 83,704</u>	<u>\$ 6,547,080</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

DRUG FREE SCHOOL GRANTS FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 45,000</u>	<u>\$ 45,000</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>44,245</u>	<u>(44,245)</u>
Net Change in Fund Balances	0	755	755
Fund Balance at Beginning of Year	<u>41,353</u>	<u>41,353</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 41,353</u>	<u>\$ 42,108</u>	<u>\$ 755</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 239,271</u>	<u>\$ 136,392</u>	<u>\$ (102,879)</u>
Total Expenditures and Other Financing Uses	<u>294,092</u>	<u>134,925</u>	<u>159,167</u>
Net Change in Fund Balances	(54,821)	1,467	56,288
Fund Balance at Beginning of Year	<u>6,070</u>	<u>6,070</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (48,751)</u>	<u>\$ 7,537</u>	<u>\$ 56,288</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

IMPROVING TEACHER QUALITY FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,689,985</u>	<u>\$ 2,712,986</u>	<u>\$ (976,999)</u>
Total Expenditures and Other Financing Uses	<u>5,045,985</u>	<u>2,195,095</u>	<u>2,850,890</u>
Net Change in Fund Balances	(1,356,000)	517,891	1,873,891
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	<u>68,257</u>	<u>68,257</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (1,287,743)</u>	<u>\$ 586,148</u>	<u>\$ 1,873,891</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,174,315</u>	<u>\$ 1,655,497</u>	<u>\$ (1,518,818)</u>
Total Expenditures and Other Financing Uses	<u>3,174,315</u>	<u>1,722,875</u>	<u>1,451,440</u>
Net Change in Fund Balances	0	(67,378)	(67,378)
Fund Balance at Beginning of Year	55,928	55,928	0
Prior Year Encumbrances	<u>13,485</u>	<u>13,485</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 69,413</u>	<u>\$ 2,035</u>	<u>\$ (67,378)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 6,027,537</u>	<u>\$ 3,877,429</u>	<u>\$ (2,150,108)</u>
Total Expenditures and Other Financing Uses	<u>5,426,325</u>	<u>4,098,232</u>	<u>1,328,093</u>
Net Change in Fund Balances	601,212	(220,803)	(822,015)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	<u>253,491</u>	<u>253,491</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 854,703</u>	<u>\$ 32,688</u>	<u>\$ (822,015)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2014***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,300</u>	<u>\$ 835,268</u>	<u>\$ 831,968</u>
Total Expenditures and Other Financing Uses	<u>4,660,244</u>	<u>3,535,472</u>	<u>1,124,772</u>
Net Change in Fund Balances	(4,656,944)	(2,700,204)	1,956,740
Fund Balance at Beginning of Year	4,118,544	4,118,544	0
Prior Year Encumbrances	<u>272,214</u>	<u>272,214</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (266,186)</u>	<u>\$ 1,690,554</u>	<u>\$ 1,956,740</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Fund
For the Fiscal Year Ended June 30, 2014***

	ENDOWMENTS FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 148,111</u>	<u>\$ 133,334</u>	<u>\$ (14,777)</u>
Total Expenditures and Other Financing Uses	<u>191,889</u>	<u>32,876</u>	<u>159,013</u>
Net Change in Fund Balances	(43,778)	100,458	144,236
Fund Balance at Beginning of Year	765,887	765,887	0
Prior Year Encumbrances	<u>1,888</u>	<u>1,888</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 723,997</u>	<u>\$ 868,233</u>	<u>\$ 144,236</u>



Internal Service Funds

Internal Service Funds are used to account for financing goods or services provided by one activity to other activities of the District on a cost-reimbursement basis.

Rotary Fund

To account for operations that provide goods and services provided by the District.

Intra-District Services Fund

To account for operations that provide goods and/or services to other areas within the District.

Health Insurance Fund

To account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision or any other similar employee benefit.

Computer Network-Class A Fund

To account for the operations of Class 'A' sites of the computer network of the Department of Education

Workers' Compensation Fund

To account for receipts and expenditures with regard to Workers' Compensation Self Insurance.

TOLEDO CITY SCHOOL DISTRICT**Combining Statement of Net Position
Internal Service Funds
June 30, 2014**

	<u>Rotary</u>	<u>Intra-District Services</u>	<u>Health Insurance</u>	<u>Computer Network-Class A</u>
Assets:				
Cash and Cash Equivalents	\$ 8,488	\$ 903,632	\$ 8,328,203	\$ 9,202
Receivables:				
Accounts	0	153,189	2,622	0
Intergovernmental	0	11,304	0	0
Interest	0	0	27,495	0
Total Assets	<u>8,488</u>	<u>1,068,125</u>	<u>8,358,320</u>	<u>9,202</u>
Liabilities:				
Accounts Payable	0	4,075	730,016	0
Accrued Wages and Benefits	0	0	5,252,400	0
Intergovernmental Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>4,075</u>	<u>5,982,416</u>	<u>0</u>
Net Position:				
Unrestricted	8,488	1,064,050	2,375,904	9,202
Total Net Position	<u>\$ 8,488</u>	<u>\$ 1,064,050</u>	<u>\$ 2,375,904</u>	<u>\$ 9,202</u>

TOLEDO CITY SCHOOL DISTRICT

<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$ 1,553,901	\$ 10,803,426
0	155,811
0	11,304
<u>6,845</u>	<u>34,340</u>
<u>1,560,746</u>	<u>11,004,881</u>
0	734,091
0	5,252,400
<u>401,982</u>	<u>401,982</u>
<u>401,982</u>	<u>6,388,473</u>
<u>1,158,764</u>	<u>4,616,408</u>
<u>\$ 1,158,764</u>	<u>\$ 4,616,408</u>

TOLEDO CITY SCHOOL DISTRICT**Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2014**

	Rotary	Intra-District Services	Health Insurance	Computer Network-Class A
Operating Revenues:				
Interfund Charges	\$ 2,468	\$ 254,556	\$ 35,097,248	\$ 0
Total Operating Revenues	<u>2,468</u>	<u>254,556</u>	<u>35,097,248</u>	<u>0</u>
Operating Expenses:				
Personal Services	0	0	308,865	0
Purchased Services	0	25,639	44,710,631	0
Supplies and Materials	0	286,762	0	0
Total Operating Expenses	<u>0</u>	<u>312,401</u>	<u>45,019,496</u>	<u>0</u>
Operating Income (Loss)	2,468	(57,845)	(9,922,248)	0
Nonoperating Revenue (Expenses):				
Investment Earnings	0	0	(175)	0
Total Nonoperating Revenues (Expenses)	<u>0</u>	<u>0</u>	<u>(175)</u>	<u>0</u>
Change in Net Position	2,468	(57,845)	(9,922,423)	0
Net Position Beginning of Year	6,020	1,121,895	12,298,327	9,202
Net Position End of Year	<u>\$ 8,488</u>	<u>\$ 1,064,050</u>	<u>\$ 2,375,904</u>	<u>\$ 9,202</u>

TOLEDO CITY SCHOOL DISTRICT

<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$ 0	\$ 35,354,272
<u>0</u>	<u>35,354,272</u>
2,148,997	2,457,862
48,693	44,784,963
<u>0</u>	<u>286,762</u>
<u>2,197,690</u>	<u>47,529,587</u>
(2,197,690)	(12,175,315)
<u>(115)</u>	<u>(290)</u>
<u>(115)</u>	<u>(290)</u>
(2,197,805)	(12,175,605)
<u>3,356,569</u>	<u>16,792,013</u>
<u>\$ 1,158,764</u>	<u>\$ 4,616,408</u>

TOLEDO CITY SCHOOL DISTRICT

***Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2014***

	Rotary	Intra-District Services	Health Insurance	Computer Network- Class A
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Interfund Charges	\$2,468	\$288,569	\$35,097,248	\$0
Cash Payments to Employees for Services and Benefits	0	(397,917)	(45,203,419)	0
Net Cash Provided (Used) by Operating Activities	2,468	(109,348)	(10,106,171)	0
<u>Cash Flows from Investing Activities:</u>				
Receipts of Interest	0	0	12,460	0
Net Cash Provided by Investing Activities	0	0	12,460	0
Net Increase (Decrease) in Cash and Cash Equivalents	2,468	(109,348)	(10,093,711)	0
Cash and Cash Equivalents at Beginning of Year	6,020	1,012,980	18,438,774	9,202
Cash and Cash Equivalents at End of Year	\$8,488	\$903,632	\$8,345,063	\$9,202
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>				
<u>Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	\$2,468	(\$57,845)	(\$9,922,248)	\$0
Adjustments to Reconcile Operating Income (Loss) to				
Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
Increase in Accounts Receivable	0	(49,821)	(1,013)	0
Decrease in Intergovernmental Receivables	0	11,455	0	0
Decrease in Accounts Payable	0	(13,137)	(856,110)	0
Increase in Accrued Wages and Benefits	0	0	673,200	0
Increase in Intergovernmental Payables	0	0	0	0
Total Adjustments	0	(51,503)	(183,923)	0
Net Cash Provided (Used) by Operating Activities	\$2,468	(\$109,348)	(\$10,106,171)	\$0

During 2014 the fair value of investments decreased by \$16,860 and \$4,197 in the Health Insurance and Workers' Compensation Funds, respectively.

See accompanying notes to the basic financial statements.

TOLEDO CITY SCHOOL DISTRICT

<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$0	\$35,388,285
<u>(1,354,172)</u>	<u>(46,955,508)</u>
<u>(1,354,172)</u>	<u>(11,567,223)</u>
3,102	15,562
<u>3,102</u>	<u>15,562</u>
(1,351,070)	(11,551,661)
<u>2,909,168</u>	<u>22,376,144</u>
<u>\$1,558,098</u>	<u>\$10,824,483</u>

(\$2,197,690) (\$12,175,315)

0	(50,834)
702,195	713,650
<u>(27,825)</u>	<u>(897,072)</u>
0	673,200
<u>169,148</u>	<u>169,148</u>
<u>843,518</u>	<u>608,092</u>
<u>(\$1,354,172)</u>	<u>(\$11,567,223)</u>

Fiduciary Fund

Fiduciary fund types are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Fund

Student Managed Activity Fund

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. The fund typically includes those student activities that consist of a student body, student president, student treasurer, and faculty advisor.

TOLEDO CITY SCHOOL DISTRICT

***Combining Statement Of Changes In Assets And Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2014***

	Balance June 30, 2013	Additions	Deductions	Balance June 30, 2014
<i>Student Managed Activity Fund</i>				
Assets:				
Cash and Cash Equivalents	\$240,936	\$180,621	(\$240,936)	\$180,621
Accounts Receivable	17,773	17,773	(17,773)	17,773
Interest Receivable	648	701	(648)	701
Total Assets	<u>\$259,357</u>	<u>\$199,095</u>	<u>(\$259,357)</u>	<u>\$199,095</u>
Liabilities:				
Accounts Payable	\$5,116	\$7,305	(\$5,116)	\$7,305
Intergovernmental Payable	414	658	(414)	658
Due to Students	253,827	191,132	(253,827)	191,132
Total Liabilities	<u>\$259,357</u>	<u>\$199,095</u>	<u>(\$259,357)</u>	<u>\$199,095</u>



STATISTICAL TABLES

This part of the Districts 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.

Contents

Financial Trends	S 2 – S 11
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
Revenue Capacity	S 12 – S 19
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source, the property tax.	
Debt Capacity	S 20 – S 27
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.	
Economic and Demographic Information	S 28 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 34 – S 45
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.	

Sources Note:

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

Toledo Public School District

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2005	2006	2007	2008
Governmental Activities				
Net Investment in Capital Assets	\$44,598,478	\$48,695,909	\$248,239,325	\$273,164,202
Restricted for:				
Capital Projects	583,303,915	513,286,796	361,944,025	317,693,258
Debt Service	5,845,920	8,823,771	12,115,936	14,372,972
Permanent Funds:				
Expendable	313,819	328,736	341,333	350,204
Nonexpendable	502,291	502,291	502,291	503,291
Other Purposes	10,644,859	17,127,362	17,864,571	18,876,850
Unrestricted (Deficit)	(35,477,065)	(27,004,696)	(15,174,793)	(19,858,790)
Total Governmental Activities Net Position	<u>\$609,732,217</u>	<u>\$561,760,169</u>	<u>\$625,832,688</u>	<u>\$605,101,987</u>
Primary Government				
Net Investment in Capital Assets	\$44,598,478	\$48,695,909	\$248,239,325	\$273,164,202
Restricted	600,610,804	540,068,956	392,768,156	351,796,575
Unrestricted (Deficit)	(35,477,065)	(27,004,696)	(15,174,793)	(19,858,790)
Total Primary Government Net Position	<u>\$609,732,217</u>	<u>\$561,760,169</u>	<u>\$625,832,688</u>	<u>\$605,101,987</u>

Source: District Treasurer's Office

Toledo Public School District

2009	2010	2011	2012	2013	2014
\$319,887,466	\$295,429,243	\$356,044,033	\$391,566,146	\$403,716,045	\$399,196,714
169,137,197	217,877,292	135,580,227	64,306,216	25,562,136	14,538,912
11,705,745	5,725,901	6,055,588	5,413,569	5,033,770	3,533,300
343,688	330,522	309,119	293,603	264,040	234,188
503,291	503,291	503,291	503,291	503,291	635,992
39,034,091	18,185,213	15,138,459	23,724,299	26,904,962	27,516,635
(56,323,121)	(39,755,783)	(4,891,597)	4,190,775	11,218,263	27,695,386
<u>\$484,288,357</u>	<u>\$498,295,679</u>	<u>\$508,739,120</u>	<u>\$489,997,899</u>	<u>\$473,202,507</u>	<u>\$473,351,127</u>
\$319,887,466	\$295,429,243	\$356,044,033	\$391,566,146	\$403,716,045	\$399,196,714
220,724,012	242,622,219	157,586,684	94,240,978	58,268,199	46,459,027
(56,323,121)	(39,755,783)	(4,891,597)	4,190,775	11,218,263	27,695,386
<u>\$484,288,357</u>	<u>\$498,295,679</u>	<u>\$508,739,120</u>	<u>\$489,997,899</u>	<u>\$473,202,507</u>	<u>\$473,351,127</u>

Toledo Public School District

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2005	2006	2007	2008
Expenses				
Governmental Activities				
Instruction	\$270,471,446	\$292,680,197	\$189,552,656	\$263,193,272
Support Services	135,099,356	138,761,857	133,079,110	133,764,377
Non-Instructional Services	27,827,829	19,816,003	27,648,071	25,644,073
Extracurricular Activities	5,262,095	6,333,665	4,242,542	5,107,505
Interest and Fiscal Charges	7,162,151	7,229,719	6,991,726	6,919,481
<i>Total Primary Government Expenses</i>	<u>\$445,822,877</u>	<u>\$464,821,441</u>	<u>\$361,514,105</u>	<u>\$434,628,708</u>
Program Revenues				
Charges for Services				
Instruction	\$6,691,740	\$3,461,903	\$6,053,787	\$5,290,951
Support Services	5,891,099	9,122,667	13,630,186	13,775,626
Extracurricular Activities	4,722,931	3,515,022	3,042,679	2,777,125
Operating Grants and Contributions	63,212,833	72,027,628	89,840,113	95,387,363
Capital Grants and Contributions	1,403,910	577,516	241,467	0
<i>Total Primary</i>	<u>81,922,513</u>	<u>88,704,736</u>	<u>112,808,232</u>	<u>117,231,065</u>
<i>Government Program Revenues</i>	<u>81,922,513</u>	<u>88,704,736</u>	<u>112,808,232</u>	<u>117,231,065</u>
Net (Expense)/Revenue				
Governmental Activities	(363,900,364)	(376,116,705)	(248,705,873)	(317,397,643)
<i>Total Primary</i>	<u>(363,900,364)</u>	<u>(376,116,705)</u>	<u>(248,705,873)</u>	<u>(317,397,643)</u>
<i>Government Net (Expense)/Revenue</i>	<u>(363,900,364)</u>	<u>(376,116,705)</u>	<u>(248,705,873)</u>	<u>(317,397,643)</u>

Toledo Public School District

2009	2010	2011	2012	2013	2014
\$261,800,004	\$247,655,446	\$260,842,406	\$236,207,897	\$253,504,953	\$248,414,449
135,291,670	132,178,983	121,820,020	114,249,054	113,119,827	112,950,654
26,726,017	23,329,071	25,822,082	16,957,213	18,046,982	16,218,267
5,471,234	5,397,381	3,563,783	2,387,172	2,245,368	2,759,367
6,958,983	8,249,037	6,327,517	6,815,825	7,305,050	5,379,439
<u>\$436,247,908</u>	<u>\$416,809,918</u>	<u>\$418,375,808</u>	<u>\$376,617,161</u>	<u>\$394,222,180</u>	<u>\$385,722,176</u>
\$4,023,645	\$2,818,840	\$2,738,592	\$2,153,120	\$2,868,817	\$1,972,228
16,187,742	11,539,081	10,155,473	8,424,558	7,956,396	6,920,620
2,731,369	2,467,675	1,973,018	1,457,008	1,537,986	1,597,357
102,234,262	71,728,806	74,429,919	46,905,184	49,415,641	43,841,888
0	0	0	13,271,422	957,329	1,579,317
<u>125,177,018</u>	<u>88,554,402</u>	<u>89,297,002</u>	<u>72,211,292</u>	<u>62,736,169</u>	<u>55,911,410</u>
(311,070,890)	(328,255,516)	(329,078,806)	(304,405,869)	(331,486,011)	(329,810,766)
<u>(\$311,070,890)</u>	<u>(\$328,255,516)</u>	<u>(\$329,078,806)</u>	<u>(\$304,405,869)</u>	<u>(\$331,486,011)</u>	<u>(\$329,810,766)</u>

(Continued)

Toledo Public School District

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2005	2006	2007	2008
General Revenues and				
Other Changes in Net Position				
Governmental Activities				
Property Taxes Levied for				
General Purposes	\$106,736,207	\$104,775,512	\$99,468,836	\$89,303,614
Special Purposes	1,258,083	1,196,205	1,196,598	1,099,423
Debt Service	11,700,649	11,621,405	12,429,284	11,056,591
Capital Outlay	4,460,168	4,380,783	4,410,854	3,984,819
Grants and Entitlements not				
Restricted to Specific Programs	210,387,487	197,630,604	183,776,457	181,133,225
Investment Earnings	5,983,334	8,437,563	11,334,119	9,683,086
Miscellaneous	1,195,432	102,585	162,244	406,184
Sale of Capital Assets	0	0	0	0
Total Primary Government	\$341,721,360	\$328,144,657	\$312,778,392	\$296,666,942
Change in Net Position				
Governmental Activities	(\$22,179,004)	(\$47,972,048)	\$64,072,519	(\$20,730,701)
Total Primary	(\$22,179,004)	(\$47,972,048)	\$64,072,519	(\$20,730,701)
Government Change in Net Position	(\$22,179,004)	(\$47,972,048)	\$64,072,519	(\$20,730,701)

Source: District Treasurer's Office

Toledo Public School District

2009	2010	2011	2012	2013	2014
\$93,183,415	\$91,408,483	\$95,606,344	\$74,414,156	\$83,422,448	\$81,819,809
1,151,977	1,062,637	1,002,932	1,026,037	971,092	923,745
11,305,429	8,089,438	9,129,011	9,098,250	9,522,686	9,606,512
4,034,149	5,586,245	1,432,954	0	0	0
193,207,018	233,261,864	232,087,828	200,779,485	220,217,972	236,669,842
4,587,198	2,590,626	(398,979)	336,955	261,490	15,820
102,225	263,545	662,157	9,765	294,931	233,596
0	0	0	0	0	690,062
<u>\$307,571,411</u>	<u>\$342,262,838</u>	<u>\$339,522,247</u>	<u>\$285,664,648</u>	<u>\$314,690,619</u>	<u>\$329,959,386</u>
(\$3,499,479)	\$14,007,322	\$10,443,441	(\$18,741,221)	(\$16,795,392)	\$148,620
<u>(\$3,499,479)</u>	<u>\$14,007,322</u>	<u>\$10,443,441</u>	<u>(\$18,741,221)</u>	<u>(\$16,795,392)</u>	<u>\$148,620</u>

Toledo Public School District

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2005	2006	2007	2008
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	16,147,477	8,391,654	13,272,327	13,719,985
Unreserved	(28,005,685)	(20,963,268)	(7,561,390)	1,776
Total General Fund	(11,858,208)	(12,571,614)	5,710,937	13,721,761
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Unassigned	0	0	0	0
Reserved	61,721,921	11,261,152	58,835,147	69,496,216
Unreserved, Undesignated in:				
Special Revenue Funds	(1,804,134)	(1,438,040)	3,671,750	(1,834,973)
Debt Service Fund	4,438,435	7,129,305	10,450,742	13,863,182
Capital Projects Funds	88,974,476	77,119,622	51,056,444	9,668,289
Permanent Fund	313,819	328,736	341,333	350,204
Total All Other Governmental Funds	153,644,517	94,400,775	124,355,416	91,542,918
Total Governmental Funds	\$141,786,309	\$81,829,161	\$130,066,353	\$105,264,679

Source: District Treasurer's Office

Note: The District implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

Toledo Public School District

2009	2010	2011	2012	2013	2014
\$0	\$0	\$62,902	\$65,468	\$64,409	\$73,616
0	0	0	0	59,848	8,280,777
0	0	(10,868,218)	(1,229,421)	0	20,859,280
13,008,918	12,554,700	0	0	0	0
(17,195,736)	(25,259,943)	0	0	0	0
(4,186,818)	(12,705,243)	(10,805,316)	(1,163,953)	124,257	29,213,673
0	0	503,291	503,291	503,291	635,992
0	0	121,037,616	86,806,823	48,949,228	36,347,497
0	0	(3,538,516)	(849,304)	(92,975)	(744,742)
38,678,072	79,947,256	0	0	0	0
7,135,876	10,188,787	0	0	0	0
10,920,852	4,797,338	0	0	0	0
67,224,903	70,492,241	0	0	0	0
341,588	326,522	0	0	0	0
124,301,291	165,752,144	118,002,391	86,460,810	49,359,544	36,238,747
\$120,114,473	\$153,046,901	\$107,197,075	\$85,296,857	\$49,483,801	\$65,452,420

Toledo Public School District

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2005	2006	2007	2008
Revenues:				
Taxes	\$119,358,742	\$118,721,351	\$120,520,408	\$114,312,225
Tuition	3,266,058	3,447,124	3,708,191	4,130,667
Transportation Fees	502,116	561,991	783,273	764,427
Food Services	2,061,867	1,975,570	1,869,705	1,791,657
Investment Earnings	5,955,187	8,344,735	11,340,272	9,779,617
Extracurricular Activities	1,592,106	1,519,804	1,298,006	1,236,132
Class Materials and Fees	412,727	378,202	390,068	331,134
Intermediate Sources	20,932	0	30,000	60,000
Intergovernmental - State	282,962,791	298,841,914	325,177,344	295,700,158
Intergovernmental - Federal	48,193,022	42,192,049	50,008,540	38,934,570
All Other Revenue	10,673,605	8,309,077	14,795,783	13,948,465
Total Revenue	<u>474,999,153</u>	<u>484,291,817</u>	<u>529,921,590</u>	<u>480,989,052</u>
Expenditures:				
Current:				
Instruction	229,062,862	224,652,834	223,368,191	226,968,624
Supporting Services	144,862,597	142,938,752	132,585,876	141,432,307
Non-Instructional Services	27,795,462	23,196,032	26,451,093	24,870,693
Extracurricular Activities	5,166,323	6,326,677	4,064,556	4,871,994
Capital Outlay	77,944,609	136,541,555	84,731,327	97,176,358
Debt Service:				
Principal Retirement	8,293,000	3,240,506	3,265,000	3,330,000
Interest and Fiscal Charges	7,297,779	7,357,013	7,119,129	7,047,876
Advance Refunding Escrow	0	0	0	0
Total Expenditures	<u>500,422,632</u>	<u>544,253,369</u>	<u>481,585,172</u>	<u>505,697,852</u>
Excess (Deficiency) of Revenues Over Expenditures	(25,423,479)	(59,961,552)	48,336,418	(24,708,800)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	4,404	30,142	46,765
Payments to Refunding Bonds Escrow Agent	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Premium on Issuance of General Obligation Bonds	0	0	0	0
Transfers In	3,186,555	3,556,661	11,650,611	7,277,303
Transfers Out	(3,186,555)	(3,556,661)	(11,779,979)	(7,416,942)
Total Other Financing Sources (Uses)	<u>0</u>	<u>4,404</u>	<u>(99,226)</u>	<u>(92,874)</u>
Net Change in Fund Balance	<u>(\$25,423,479)</u>	<u>(\$59,957,148)</u>	<u>\$48,237,192</u>	<u>(\$24,801,674)</u>
Debt Service as a Percentage of Noncapital Expenditures	3.38%	2.24%	2.94%	2.45%

Source: District Treasurer's Office

Toledo Public School District

2009	2010	2011	2012	2013	2014
\$105,699,938	\$101,918,154	\$96,848,838	\$92,962,714	\$93,893,529	\$93,007,599
2,889,694	1,882,544	1,996,903	2,139,162	2,349,810	1,968,937
809,245	789,969	512,767	380,291	528,656	502,136
1,664,852	1,402,139	1,053,241	753,334	769,247	669,802
4,916,848	2,458,103	(359,695)	343,334	241,651	31,672
1,096,809	1,114,890	875,047	487,122	526,133	501,753
309,764	328,486	120,999	58,356	68,329	49,314
20,000	0	0	10,200	0	0
295,597,310	288,513,123	274,473,871	245,334,613	221,463,606	234,244,064
54,073,343	80,117,268	73,165,870	58,919,333	48,000,565	45,483,373
16,274,444	11,481,474	10,238,626	8,262,528	8,378,570	7,065,872
483,352,247	490,006,150	458,926,467	409,650,987	376,220,096	383,524,522
252,993,864	251,020,566	237,995,598	221,413,444	221,802,330	227,264,916
143,794,427	138,912,335	126,115,598	116,235,381	116,699,988	99,596,810
23,917,955	25,184,615	31,025,845	29,646,355	20,478,826	15,485,916
5,282,257	5,289,492	3,467,440	2,282,608	2,805,310	2,668,020
64,251,427	20,583,735	96,128,614	50,477,831	38,640,728	11,940,543
3,415,000	7,835,000	4,260,000	4,395,000	4,760,000	4,805,000
7,229,513	8,361,259	6,446,406	7,568,120	6,388,271	6,031,150
0	0	0	0	0	829,866
500,884,443	457,187,002	505,439,501	432,018,739	411,575,453	368,622,221
(17,532,196)	32,819,148	(46,513,034)	(22,367,752)	(35,355,357)	14,902,301
0	113,280	663,208	0	0	690,062
0	0	0	(59,595,899)	(39,717,581)	(36,345,361)
31,999,995	0	0	52,555,000	34,265,000	32,335,000
381,995	0	0	7,508,433	4,994,882	4,386,617
10,417,146	8,429,486	3,575,875	1,282,460	1,250,851	118,904
(10,417,146)	(8,429,486)	(3,575,875)	(1,282,460)	(1,250,851)	(118,904)
32,381,990	113,280	663,208	467,534	(457,699)	1,066,318
\$14,849,794	\$32,932,428	(\$45,849,826)	(\$21,900,218)	(\$35,813,056)	\$15,968,619
2.51%	3.90%	2.56%	3.12%	2.86%	3.20%

Toledo Public School District

*Assessed Valuations and Estimated True Values of Taxable Property
(amounts in thousands)
Last Ten Calendar Years*

Tax year	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Real Property					
Assessed	2,658,992	2,693,299	2,675,627	3,025,038	2,980,687
Actual	7,597,120	7,695,140	7,644,649	8,642,966	8,516,249
Public Utility					
Assessed	152,422	144,678	136,918	137,134	138,071
Actual	152,422	144,678	136,918	137,134	138,071
Tangible Personal Property					
Assessed	322,160	295,642	281,399	210,923	153,551
Actual	1,288,640	1,182,568	1,125,596	1,687,384	2,456,816
Total					
Assessed	3,133,574	3,133,619	3,093,944	3,373,095	3,272,309
Actual	9,038,182	9,022,386	8,907,163	10,467,484	11,111,136
Assessed Value as a					
Percentage of Actual Value	34.67%	34.73%	34.74%	32.22%	29.45%
Total Direct Tax Rate					
	\$67.60	\$67.35	\$67.35	\$67.10	\$66.90

Source: Lucas County Auditor

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Assessed value of Real Property is at 35%, Assessed value of Public Utility is at 100% and Assessed Value of Tangible Personal Property is at 25% through 2005, at 18.75% for 2006, 12.5% for 2007, and 6.25% for 2008 and 0% for 2009 and 2010. Additionally, telephone and telecommunications property was reclassified to general business personal property and assessed at 10% for 2009 and 2010.

Toledo Public School District

2009	2010	2011	2012	2013
2,973,109	2,667,357	2,573,582	2,188,403	2,164,564
8,494,597	7,621,020	7,353,091	6,252,580	6,184,469
97,072	107,158	114,195	122,237	135,775
97,072	107,158	114,195	122,237	135,775
15,315	7,407	0	0	0
153,150	74,070	0	0	0
3,085,496	2,781,922	2,687,777	2,310,640	2,300,339
8,744,819	7,802,248	7,467,286	6,374,817	6,320,244
35.28%	35.66%	35.99%	36.25%	36.40%
\$67.70	\$65.70	\$65.70	\$67.40	\$67.40

Toledo Public School District

*Property Tax Rates of Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Calendar Years*

	2004	2005	2006	2007	2008
Direct District Rates					
General Fund	60.30	60.05	60.05	59.80	59.80
Permanent Improvement Fund	3.00	3.00	3.00	3.00	3.00
Bond Retirement Fund	4.30	4.30	4.30	4.30	4.10
Total	<u>67.60</u>	<u>67.35</u>	<u>67.35</u>	<u>67.10</u>	<u>66.90</u>
Overlapping Rates					
Townships:					
Harding	3.30	3.00	3.00	3.00	4.80
Spencer	6.00	6.00	6.00	6.00	8.00
Municipalities:					
City of Toledo	4.40	4.40	4.40	4.40	4.40
Village of Ottawa Hills	4.10	4.10	4.10	4.10	4.10
Lucas County	18.30	18.00	18.00	18.00	18.17
Total	<u>103.70</u>	<u>102.85</u>	<u>102.85</u>	<u>102.60</u>	<u>106.37</u>

Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage.

Source:

Lucas County Auditor's Office
Lucas County Treasurer's Office

Toledo Public School District

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
60.60	61.20	61.20	61.70	61.70
3.00	0.50	0.50	0.50	0.50
4.10	4.00	4.00	5.20	5.20
<u>67.70</u>	<u>65.70</u>	<u>65.70</u>	<u>67.40</u>	<u>67.40</u>
4.80	4.80	4.80	4.80	4.80
8.00	8.00	8.00	8.00	8.00
4.40	4.40	4.40	4.40	4.40
4.10	4.10	4.10	4.10	4.10
18.17	16.17	16.17	17.77	17.77
<u>107.17</u>	<u>103.17</u>	<u>103.17</u>	<u>106.47</u>	<u>106.47</u>

Toledo Public School District

*Principal Taxpayers
Real Estate Tax
(amounts in thousands)
Current Year and Nine Years Ago*

		Calendar Year 2013		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Gaming Ventures	Casino	\$56,526	1	2.61%
One Seagate Partners	Realty	14,000	2	0.65%
LC - Country Club/Hawthorne Hills	Realty	6,813	3	0.31%
University Resided at Westwood	Realty	5,377	4	0.25%
Airport Square Investments	Realty	5,075	5	0.23%
Toledo VA Company	Realty	4,952	6	0.23%
ERT Southland	Realty	4,641	7	0.21%
Brixmor Miracle Mile	Realty	4,266	8	0.20%
Toledo Edison	Utility	3,712	9	0.17%
Dredging Toledo	Realty	3,620	10	0.17%
Subtotal		108,982		5.03%
All Others		2,055,578		94.97%
Total		\$2,164,560		100.00%

		Calendar Year 2004		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Owens-Illinois	Manufacturing	\$19,335	1	0.73%
Medical College of Ohio	Medical	11,190	2	0.42%
S-S-C Company	Manufacturing	9,560	3	0.36%
St. Vincent Medical Center	Medical	8,601	4	0.32%
A.E.R.C	Realty	7,841	5	0.29%
Toledo Hospital	Medical	7,092	6	0.27%
Four Seagate Associates	Realty	6,029	7	0.23%
Dana Corporation	Manufacturing	5,585	8	0.21%
Reed Holdings	Realty	5,145	9	0.19%
Toledo Town & Country	Realty	4,772	10	0.18%
Subtotal		85,150		3.20%
All Others		2,573,842		96.80%
Total		\$2,658,992		100.00%

Source: Lucas County Auditor - Land and Buildings
Based on valuation of property in 2013 and 2004

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

*Principal Taxpayers
Public Utilities Tangible Personal Property Tax
(amounts in thousands)
Current Year and nine Years Ago*

Name of Taxpayer	Nature of Business	Calendar Year 2013		
		Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electrical Distribution	\$93,347	1	68.75%
Columbia Gas	Utility	29,430	2	21.68%
American Transmission, Inc.	Utility	12,519	3	9.22%
Subtotal		135,296		99.65%
All Others		478		0.35%
Total		<u>\$135,774</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2004		
		Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electrical Distribution	\$60,861	1	35.69%
Ohio Bell	Utility	40,457	2	23.72%
Columbia Gas	Utility	21,062	3	12.35%
Subtotal		122,380		71.76%
All Others		48,167		28.24%
Total		<u>\$170,547</u>		<u>100.00%</u>

Source: Lucas County Auditor - Land and Buildings
Based on valuation of property in 2013 and 2004

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

*Property Tax Levies and Collections
(amounts in thousands)
Last Ten Years*

Collection Year	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Total Tax Levy (1)	\$127,874	\$126,939	\$120,463	\$121,796
Collections within the Fiscal Year of the Levy				
Current Tax Collections (2)	125,522	124,222	117,366	116,283
Percent of Levy Collected	98.16%	97.86%	97.43%	95.47%
Delinquent Tax Collections (3)	<u>6,563</u>	<u>6,183</u>	<u>7,589</u>	<u>11,023</u>
Total Tax Collections	132,085	130,405	124,955	127,306
Percent of Total Tax Collections To Tax Levy	103.29%	102.73%	103.73%	104.52%
Accumulated Outstanding Delinquent Taxes (4)	19,187	21,979	24,532	14,411
Percentage of Accumulated				
Delinquent Taxes to Total Tax Levy	15.00%	17.31%	20.36%	11.83%

(1) Taxes levied and collected are presented on a cash basis.

(2) State reimbursements of rollback and homestead exemptions are included;

(3) The County does not identify delinquent tax collections by tax year. Information for delinquent taxes remaining by levy year is currently not maintained by the County Auditor. The County Auditor is currently working to remedy this situation.

(4) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

Source: Lucas County Auditor's Office

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

2008	2009	2010	2011	2012	2013
\$125,132	\$117,731	\$113,750	\$113,232	\$112,645	\$112,645
117,843	99,431	98,171	95,804	96,711	106,675
94.17%	84.46%	86.30%	84.61%	85.85%	94.70%
8,449	8,215	9,032	8,510	9,845	9,861
126,292	107,646	107,203	104,314	106,556	116,536
100.93%	91.43%	94.24%	92.12%	94.59%	103.45%
21,234	20,721	21,545	27,716	22,089	21,103
16.97%	17.60%	18.94%	24.48%	19.61%	18.73%

Toledo Public School District

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2005	2006	2007	2008
Governmental Activities ⁽¹⁾				
EPA Long-Term Note Payable	\$40,506	\$0	\$0	\$0
General Obligation Bonds Payable	163,339,963	160,000,164	156,595,365	153,125,566
Capital Leases	421,765	221,896	0	0
Total Primary Government	<u>\$163,802,234</u>	<u>\$160,222,060</u>	<u>\$156,595,365</u>	<u>\$153,125,566</u>
Population ⁽²⁾				
City of Toledo	313,619	313,619	313,619	313,619
Outstanding Debt Per Capita	\$522	\$511	\$499	\$488
Income				
Personal (in thousands)	9,856,732	9,917,574	10,135,852	10,298,307
Percentage of Personal Income	1.66%	1.62%	1.54%	1.49%

Sources:

(1) District Treasurer's Office

(2) US Bureau of Census of Population

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

N/A = Not available

Toledo Public School District

2009	2010	2011	2012	2013	2014
\$0	\$0	\$0	\$0	\$0	\$0
181,939,114	173,950,672	169,537,230	168,958,777	164,920,184	158,729,534
0	0	0	0	0	0
<u>\$181,939,114</u>	<u>\$173,950,672</u>	<u>\$169,537,230</u>	<u>\$168,958,777</u>	<u>\$164,920,184</u>	<u>\$158,729,534</u>
313,619	287,208	286,038	286,208	284,012	282,313
\$580	\$606	\$593	\$590	\$581	\$562
10,095,709	6,887,535	5,380,089	5,383,286	4,897,787	6,743,046
1.80%	2.53%	3.15%	3.14%	3.37%	2.35%

Toledo Public School District

*Ratios of General Bonded Debt Outstanding
(amounts in thousands)
Last Ten Years*

Year	2005	2006	2007	2008
Population (1)	313,619	313,619	313,619	313,619
Assessed Value (2)	\$3,133,619	\$3,093,946	\$3,373,095	\$3,272,309
General Bonded Debt (3)				
General Obligation Bonds	\$163,340	\$160,000	\$156,595	\$153,126
Resources Available to Pay Principal (4)	\$5,070	\$7,669	\$11,268	\$13,863
Net General Bonded Debt	\$158,270	\$152,331	\$145,327	\$139,263
Ratio of Net Bonded Debt to Assessed Actual Value	5.05%	4.92%	4.31%	4.26%
Net Bonded Debt per Capita	\$505	\$486	\$463	\$444

Source:

- (1) U.S. Bureau of Census of Population
- (2) Lucas County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

Toledo Public School District

2009	2010	2011	2012	2013	2014
313,619	287,208	286,038	286,208	284,012	282,313
\$3,085,496	\$2,781,922	\$2,729,775	\$2,687,777	\$2,188,403	\$2,164,564
\$181,939	\$173,951	\$169,537	\$168,959	\$164,920	\$158,729
\$11,526	\$5,293	\$5,193	\$4,314	\$3,767	\$3,669
\$170,413	\$168,658	\$164,344	\$164,645	\$161,153	\$155,060
5.52%	6.06%	6.02%	6.13%	7.36%	7.16%
\$543	\$587	\$575	\$575	\$567	\$549



Toledo Public School District

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
(amounts in thousands)
June 30, 2014*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to Toledo Public School District	Amount Applicable to Toledo Public School District
Direct:			
Toledo Public School District	\$143,855	100.00%	\$143,855
Overlapping:			
Lucas County	122,478	41.59%	50,939
City of Toledo	205,041	70.87%	145,314
		Subtotal	196,252
		Total	\$340,107

Source: Lucas County Auditor

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

Toledo Public School District

*Debt Limitations
(amounts in thousands)
Last Ten Years*

	2004	2005	2006	2007
Net Assessed Valuation	\$3,133,574	\$3,133,619	\$3,093,944	\$3,373,095
Overall Direct Debt Limitation				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	282,022	282,026	278,455	303,579
Applicable District Debt Outstanding	167,934	159,600	156,400	153,135
Less: Applicable Debt Service Fund Amounts (2)	(7,612)	(5,070)	(7,669)	(11,268)
Net Indebtedness Subject to Limitation	<u>160,322</u>	<u>154,530</u>	<u>148,731</u>	<u>141,867</u>
Overall Legal Debt Margin	<u>\$121,700</u>	<u>\$127,496</u>	<u>\$129,724</u>	<u>\$161,712</u>
Unvoted Direct Debt Limitation				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	3,134	3,134	3,094	3,373
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$3,134</u>	<u>\$3,134</u>	<u>\$3,094</u>	<u>\$3,373</u>
Energy Conservation Bond Limitation				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	28,202	28,203	27,845	30,358
Authorized by the Board	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation Bond Legal Debt Margin	<u>\$28,202</u>	<u>\$28,203</u>	<u>\$27,845</u>	<u>\$30,358</u>

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

(2) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

Toledo Public School District

2008	2009	2010	2011	2012	2013
\$3,272,309	\$3,085,496	\$2,781,922	\$2,687,777	\$2,310,640	\$2,300,339
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
294,508	277,695	250,373	241,900	207,958	207,031
149,805	178,389	170,555	160,070	152,565	143,855
(13,863)	(11,526)	(5,293)	(5,193)	(4,314)	(3,767)
135,942	166,863	165,262	154,877	148,251	140,088
<u>\$158,566</u>	<u>\$110,832</u>	<u>\$85,111</u>	<u>\$87,023</u>	<u>\$59,707</u>	<u>\$66,943</u>
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
3,272	3,085	2,782	2,688	2,311	2,300
0	0	0	0	0	0
<u>\$3,272</u>	<u>\$3,085</u>	<u>\$2,782</u>	<u>\$2,688</u>	<u>\$2,311</u>	<u>\$2,300</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
29,451	27,769	25,037	24,190	20,796	20,703
0	0	0	0	0	0
<u>\$29,451</u>	<u>\$27,769</u>	<u>\$25,037</u>	<u>\$24,190</u>	<u>\$20,796</u>	<u>\$20,703</u>

Toledo Public School District

*Demographic and Economic Statistics
Last Ten Years*

Calendar Year	2004	2005	2006	2007
Population (1)				
City of Toledo	313,619	313,619	313,619	313,619
Lucas County	455,054	437,901	437,901	437,901
Income (2) (a)				
Total Personal (in thousands)	9,964,616	9,856,732	9,917,574	10,135,852
Per Capita	31,773	31,429	31,623	32,319
Unemployment Rate (3)				
Federal	5.5%	5.0%	4.6%	4.6%
State	6.0%	5.9%	5.5%	5.6%
Lucas County	7.4%	6.9%	6.3%	6.7%
Fiscal Year	2005	2006	2007	2008
School Enrollment (4)				
Elementary School (K-5 & K-6 configuration)	18,275	16,668	13,305	13,100
Middle School (6-8 & 7-8 configuration)	4,886	4,498	6,717	6,297
High School (9-12)	9,452	9,092	8,685	8,269
Special (5)	385	38	352	583
Total	<u>32,998</u>	<u>30,296</u>	<u>29,059</u>	<u>28,249</u>

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County,
Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) District Treasurer's Office
- (5) For FY 2009 Special includes four Magnet Schools (2 K-8 & 2 K-9) and an Alternative Learning School

Toledo Public School District

2008	2009	2010	2011	2012	2013
313,619	313,619	287,208	286,038	284,012	282,313
437,901	437,901	441,815	440,005	437,998	0
10,298,307	10,095,709	6,887,535	5,380,089	5,383,286	6,743,046
32,837	32,191	23,981	18,809	17,245	23,885
5.8%	9.3%	9.6%	8.9%	7.8%	7.4%
6.6%	10.2%	10.1%	8.6%	6.7%	7.4%
8.3%	12.2%	11.3%	9.7%	8.5%	8.5%
2009	2010	2011	2012	2013	2014
13,197	13,321	13,748	11,512	12,364	12,284
4,312	3,856	3,249	4,742	3,013	3,019
7,079	6,809	6,680	6,187	6,061	5,912
1,204	1,209	642	31	40	40
25,792	25,195	24,319	22,472	21,478	21,255



Toledo Public School District

*Principal Employers
Current Year and Nine Years Ago*

Employer	Nature of Business	Fiscal Year 2014		
		Number of Employees	Rank	Percentage of Total Employment
Promedica	Medical Facilities	10,000	1	3.07%
Mercy Health Partners	Medical Facilities	6,640	2	2.04%
University of Toledo	Education	7,000	3	2.15%
Lucas County	Government	3,368	4	1.03%
Toledo Public Schools	Education	3,177	5	0.97%
Kroger Company	Grocery	2,800	6	0.86%
City of Toledo	Government	2,700	7	0.83%
Walmart	Retail	2,300	8	0.71%
State of Ohio	Government	1,850	9	0.56%
Andersons, Inc	Retail	1,700	10	0.51%
Total		41,535		12.73%
Total Employment within the District		284,640		87.27%
		326,175		100.00%

Employer	Nature of Business	2005		
		Number of Employees	Rank	Percentage of Total Employment
Promedica Health	Medical Facilities	11,164	1	2.83%
Mercy Health	Medical Facilities	6,640	2	1.68%
Daimler - Chrysler	Manufacturing	5,281	3	1.34%
University of Toledo	Education	5,185	4	1.31%
Toledo Public Schools	Education	5,012	5	1.27%
Lucas County	Government	4,040	6	1.02%
General Motors	Manufacturing	3,590	7	0.91%
Kroger, Inc	Retail	3,488	8	0.88%
Medical College of Ohio	Medical Facilities	3,341	9	0.85%
City of Toledo	Government	2,910	10	0.73%
Total		50,651		12.82%
Total Employment within the District		344,414		87.18%
		395,065		100.00%

Sources:

Source: Toledo Chamber of Commerce and Ohio Department of Job and Family Services

Toledo Public School District

School District Employees by Type Last Ten Years

	2005	2006	2007	2008	2009
Supervisory					
Instructional Administrators	44	40	38	44	45
Noninstructional Administrators	71	67	63	62	59
Principals	66	60	56	51	55
Assistant Principals	46	45	42	51	39
Instruction					
Classroom Teachers					
Elementary	1,405	1,253	1,188	1,057	1,051
Middle	365	340	262	299	324
High	659	638	597	655	540
Other	141	151	156	169	143
Student Services					
Guidance Counselors	71	68	64	67	60
Psychologists	26	25	24	23	28
Other Professionals (noninstructional)	36	36	34	31	19
Support Services					
Clerical/Secretaries	333	312	297	311	271
Tutors/Aides	370	373	345	358	324
Food Service	253	233	219	243	222
Maintenance/Grounds	354	333	326	346	304
Transportation	205	205	202	212	194
<i>Total Employees</i>	<u>4,445</u>	<u>4,179</u>	<u>3,913</u>	<u>3,979</u>	<u>3,678</u>

Source: District Treasurer's Office

Toledo Public School District

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
49	42	29	29	29
68	66	59	65	68
61	52	48	49	47
45	33	33	42	35
1,249	987	976	940	916
378	321	224	223	221
614	524	484	477	472
175	95	66	124	131
68	63	48	47	51
27	22	25	25	25
38	17	17	17	19
319	235	202	203	205
376	313	310	334	356
253	208	183	179	168
366	299	254	251	268
232	176	168	156	166
<u>4,318</u>	<u>3,453</u>	<u>3,126</u>	<u>3,161</u>	<u>3,177</u>

Toledo Public School District

*Operating Indicators - Cost per Pupil
Last Ten Years*

Fiscal Year	2005	2006	2007	2008	2009
Enrollment	32,998	30,296	29,059	28,249	25,792
Modified Accrual Basis					
Operating Expenditures	500,422,632	544,253,369	481,585,172	505,697,852	500,884,443
Cost per Pupil	15,165	17,965	16,573	17,901	19,420
Percentage of Change	17.0%	18.5%	(7.75%)	8.02%	8.48%
Accrual Basis					
Expenses	445,822,877	464,821,441	361,514,105	434,628,708	436,247,908
Cost per Pupil	13,511	15,343	12,441	15,386	16,914
Percentage of Change	10.6%	13.6%	(18.91%)	23.67%	9.93%
Teaching Staff	3,276	2,368	2,248	2,201	2,058
Pupil to Teacher Ratio					
Toledo	18.3	18.6	19.5	18.0	18.0
State Average	18.5	18.5	18.5	18.6	18.6

Source: District Treasurer's Office and Ohio Department of Education

N/A = Not available

Toledo Public School District

2010	2011	2012	2013	2014
25,195	24,319	22,472	21,478	21,255
457,187,002	505,439,501	432,018,739	411,575,453	368,622,221
18,146 (6.56%)	20,784 14.54%	19,225 (7.50%)	19,163 (0.32%)	17,343 (9.50%)
416,809,918	418,375,808	376,617,161	394,222,180	385,722,176
16,543 (2.19%)	17,204 3.99%	16,759 (2.58%)	18,355 9.52%	18,147 (1.13%)
2,116	1,927	1,750	1,764	1,740
N/A	N/A	N/A	N/A	12.2
N/A	N/A	N/A	N/A	N/A

Toledo Public School District

Operating Indicators by Function Last Ten Years

	2005	2006	2007	2008
Governmental Activities				
Instruction				
Regular	27,529	24,953	23,767	22,995
Special	5,456	5,343	5,292	5,254
Support Services				
Pupils				
Enrollment	32,985	30,296	29,059	28,249
Graduates	1,171	1,348	1,519	1,284
Percent of Students with Disabilities	17.40%	18.30%	17.90%	18.60%
Percent of Students with English as Second Language	0.50%	0.30%	0.50%	1.80%
Administration				
School Attendance Rate	93.20%	93.20%	92.30%	95.20%
Fiscal Services				
Purchase Orders Processed	25,745	25,218	23,753	23,998
Checks Issued (non payroll)	26,321	26,058	26,369	26,306
Operation and Maintenance of Plant				
District Square Footage Maintained	6,634,127	6,271,055	5,533,138	5,449,806
District Square Acreage Maintained	152	144	127	125
Pupil Transportation				
Average Daily Students Transported	8,642	9,229	11,182	10,323
Average Daily Bus Fleet Miles	11,598	10,348	10,711	10,892
Number of Buses	167	171	172	162
Operation of Noninstructional Services				
Food Service				
Students Meals Served Daily	13,523	12,667	12,833	14,290
Free/Reduced Price Meals Daily	11,944	11,181	11,247	12,977
Extracurricular Activities				
High School Varsity Teams	115	115	115	115

Source: District Treasurer's Office

Toledo Public School District

2009	2010	2011	2012	2013	2014
21,020	20,358	19,671	19,034	18,050	17,382
4,771	4,837	4,648	4,140	3,698	3,873
25,792	25,195	24,319	23,174	21,748	21,255
1,267	1,303	1,272	1,075	1,026	922
18.50%	19.20%	19.10%	18.00%	20.49%	18.22%
1.40%	1.50%	2.26%	1.61%	1.88%	1.97%
94.90%	94.90%	94.70%	94.30%	94.10%	93.02%
23,998	20,917	19,867	16,759	17,424	16,043
26,825	27,187	15,650	19,312	17,232	18,460
5,588,049	5,588,049	6,263,196	5,183,088	5,183,088	5,183,088
128	128	144	144	144	144
11,114	13,269	2,893	3,517	3,327	3,025
10,392	10,125	8,300	8,190	2,783	3,224
166	160	124	120	122	115
14,643	15,089	14,952	18,652	22,939	19,061
13,400	13,206	13,750	17,428	20,692	17,155
115	115	48	48	48	48

Toledo Public School District

*Operating Indicators - Teacher Base Salaries
Last Ten Years*

Fiscal Year	2005	2006	2007	2008	2009
Minimum Salary	32,697	32,697	32,697	32,697	34,351
Maximum Salary	65,520	65,520	65,520	65,520	68,836
District Average Salary	48,274	49,862	50,294	50,083	52,735
County Average Salary	51,376	53,411	54,696	56,228	59,210
State Average Salary	49,436	50,771	53,534	53,410	54,656

Source: District Treasurer's Office and Ohio Department of Education

*Operating Indicators - Teacher by Education
Last Ten Years*

Fiscal Year	2005	2006	2007	2008	2009
Bachelor's Degree	1,635	1,101	1,033	1,010	933
Master's Degree	1,624	1,254	1,202	1,180	1,115
Doctorate	17	13	13	11	10
Total	3,276	2,368	2,248	2,201	2,058

Source: District Treasurer's Office

N/A - not available

Toledo Public School District

2010	2011	2012	2013	2014
35,313	34,960	34,086	34,086	34,427
70,763	72,867	71,045	70,871	71,580
54,568	56,585	53,613	52,143	50,848
61,490	NA	41,949	41,949	41,556
55,958	56,715	48,071	48,071	48,308

2010	2011	2012	2013	2014
945	824	759	789	735
1,161	1,095	980	956	984
10	8	11	19	21
2,116	1,927	1,750	1,764	1,740

Toledo Public School District

*Capital Asset Statistics by Building
Last Ten Years*

	2005	2006	2007	2008
School Buildings				
High Schools				
Number of Buildings	7	7	7	7
Square Footage	1,977,346	1,977,346	1,793,255	1,943,186
Enrollment	9,452	9,092	8,685	8,272
Junior High Schools *				
Number of Buildings	7	7	6	0
Square Footage	725,903	725,903	634,563	0
Enrollment	4,886	4,498	5,353	0
Middle Schools *				
Number of Buildings	0	1	2	7
Square Footage	0	83,299	179,743	652,097
Enrollment	0	521	1,206	4,346
Elementary Schools				
Number of Buildings	44	44	37	37
Square Footage	2,581,410	2,376,163	2,327,553	2,290,095
Enrollment	18,275	16,668	15,468	12,860
Special Schools				
Number of Buildings	14	11	8	8
Square Footage	823,914	582,790	372,463	358,143
Enrollment	385	313	359	2,770
All Other				
Central Administration Building				
Square Footage	79,354	79,354	79,354	79,354
Transportation Building				
Square Footage	10,950	10,950	10,950	10,950
Maintenance Building				
Square Footage	119,986	119,986	115,981	115,981

Source: District Treasurer's Office

* Restructuring program began in 2006, completed in 2008.

Toledo Public School District

2009	2010	2011	2012	2013	2014
7	7	7	7	7	7
1,947,738	1,947,738	1,947,738	1,798,771	1,798,771	1,798,771
7,079	6,809	6,680	6,187	6,187	6,187
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
7	7	7	0	0	0
622,321	622,321	622,321	0	0	0
4,312	3,856	3,249	0	0	0
37	37	37	42	42	42
2,453,562	2,453,562	2,453,562	2,530,620	2,530,620	2,530,620
13,196	13,321	13,748	15,685	15,685	15,685
8	8	8	8	8	8
358,143	358,143	358,143	358,143	358,143	358,143
1,204	1,209	642	600	600	600
79,354	79,354	79,354	79,354	79,354	79,354
10,950	10,950	10,950	10,950	10,950	10,950
115,981	115,981	115,981	115,981	115,981	115,981

Toledo Public School District

*Capital Asset Statistics by Function
Last Ten Years*

	2005	2006	2007	2008
Governmental Activities				
Instruction				
Land and Improvements	\$21,401,277	\$21,237,747	\$21,206,948	\$21,221,762
Buildings and Improvements	98,448,522	124,467,992	180,471,518	303,328,623
Machinery and Equipment	1,080,631	1,422,417	1,679,106	2,026,764
Vehicles	372,411	372,411	372,412	372,412
Construction In Progress	45,957,833	84,155,459	151,589,221	96,291,759
Administration				
Land and Improvements	565,488	207,367	207,367	207,367
Buildings and Improvements	4,228,050	1,028,140	4,001,663	8,943,955
Machinery and Equipment	3,705,058	3,690,836	3,849,683	4,043,960
Vehicles	0	0	0	0
Operations and Maintenance of Plant				
Land and Improvements	411,953	411,953	411,952	411,952
Buildings and Improvements	1,502,625	1,502,625	1,502,625	1,502,625
Machinery and Equipment	1,731,391	2,212,966	2,316,700	2,391,276
Vehicles	1,530,343	1,575,448	1,643,155	1,789,849
Transportation Services				
Land and Improvements	584,422	584,422	584,422	584,422
Buildings and Improvements	207,077	207,077	207,077	207,077
Machinery and Equipment	42,700	42,700	42,700	42,700
Vehicles	7,552,128	7,552,128	7,912,620	8,053,881
Non-Instructional Activities				
Land and Improvements	127,175	127,175	127,175	127,175
Buildings and Improvements	4,046,820	3,199,962	4,046,820	4,046,820
Machinery and Equipment	1,316,505	1,261,155	1,251,855	1,168,102
Extracurricular Activities				
Land and Improvements	0	140,221	140,221	140,221
Buildings and Improvements	0	4,046,768	3,199,910	3,199,910
Machinery and Equipment	5,204	284,226	284,226	284,226

Source: District Treasurer's Office

Toledo Public School District

2009	2010	2011	2012	2013	2014
\$20,918,762	\$20,918,761	\$20,918,761	\$21,444,762	\$21,444,762	\$21,484,812
392,702,165	452,882,180	480,007,471	590,026,000	612,986,614	616,457,334
2,226,144	2,772,922	2,954,554	3,245,394	3,571,105	4,128,195
421,335	421,335	421,335	465,344	522,526	522,526
75,436,367	41,441,727	94,921,281	10,865,779	339,735	0
207,367	207,367	207,367	207,367	207,367	207,367
16,073,559	9,609,275	10,963,164	10,963,164	10,963,164	10,963,164
4,181,127	4,382,103	4,416,260	4,482,758	4,482,758	4,482,758
0	28,631	157,931	157,931	157,931	157,931
411,952	411,952	411,952	411,952	411,952	411,952
1,502,625	1,502,625	1,504,498	1,504,498	1,504,498	1,504,498
2,017,143	2,031,520	2,109,652	2,109,652	2,109,652	2,109,652
1,790,269	1,816,428	1,488,754	1,143,127	1,476,022	1,476,022
584,422	584,422	584,422	58,422	58,422	58,422
207,077	207,077	207,077	207,077	207,077	207,077
54,943	54,943	54,943	54,943	54,943	54,943
8,551,578	8,710,085	8,303,498	8,561,106	8,933,772	8,988,924
127,175	127,175	127,175	127,175	127,175	127,715
4,046,820	4,046,820	4,046,820	4,046,820	4,046,820	4,046,820
1,176,061	1,069,348	981,930	981,930	981,930	981,930
140,221	140,221	140,221	140,221	140,221	140,221
3,199,910	3,199,910	3,199,910	3,199,910	3,199,910	3,199,910
284,226	284,226	284,226	284,226	284,226	284,226

Toledo Public School District

*Educational and Operating Statistics
Last Ten Years*

	2005	2006	2007	2008	2009
Cost per Student (ODE)					
Toledo	10,604	11,202	11,209	10,770	12,008
Ohio (Average)	9,048	9,356	9,586	9,939	10,184
Attendance Rate					
Toledo	93.20%	93.20%	92.30%	95.20%	94.90%
Ohio (Average)	95.20%	94.10%	94.10%	94.20%	94.30%
Graduation Rate					
Toledo	80.20%	90.40%	87.60%	N/A	N/A
Ohio (Average)	85.90%	86.20%	86.90%	N/A	84.60%

Source:

District's Student Records and Ohio Department of Education

N/A = Not available

Toledo Public School District

2010	2011	2012	2013	2014
13,544	13,859	12,471	N/A	N/A
10,512	10,571	10,508	10,508	N/A
N/A	94.70%	94.30%	N/A	93.02%
94.30%	94.50%	94.50%	94.20%	93.00%
N/A	80.50%	N/A	N/A	64.50%
84.60%	84.30%	81.30%	81.30%	82.20%





Dave Yost • Auditor of State

TOLEDO CITY SCHOOL DISTRICT

LUCAS 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 10, 2015**