



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, 2013**

FEDERAL GRANTOR <i>Pass Through Grantor</i>	Federal CFDA		
Program Title	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	\$ 46,724	\$ 46,724
<u>Child Nutrition Cluster:</u>			
School Breakfast Program			
School Breakfast Program (Non-Cash Assistance)	10.553	35,145	34,145
School Breakfast Program	10.553	2,108,698	2,108,698
<i>Total CFDA #10.553</i>		<u>2,143,843</u>	<u>2,142,843</u>
National School Lunch Program			
National School Lunch Program (Non-Cash Assistance)	10.555	140,582	140,582
National School Lunch Program	10.555	6,401,804	6,401,804
<i>Total CFDA #10.555</i>		<u>6,542,386</u>	<u>6,542,386</u>
<i>Total Child Nutrition Cluster</i>		<u>8,686,229</u>	<u>8,685,229</u>
<i>Total U.S. Department of Agriculture</i>		<u>8,732,953</u>	<u>8,731,953</u>
U.S. DEPARTMENT OF EDUCATION			
Direct Programs:			
<u>Student Financial Assistance Cluster:</u>			
Federal Pell Grant Program	84.063		
LPN Pell Grant FY-12			260,204
LPN Pell Grant FY-13		592,038	592,038
<i>Total Federal Pell Grant Program</i>		<u>592,038</u>	<u>852,242</u>
Federal Family Education Loan Program:	84.268		
Adult Education FY-13		789,519	789,519
<i>Total U.S. Department of Education - Direct Programs</i>		<u>1,381,557</u>	<u>1,641,761</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			784,156
Special Education IDEA, Part B FY13		6,548,259	5,578,296
<i>Total CFDA #84.027</i>		<u>6,548,259</u>	<u>6,362,452</u>
ARRA Special Education IDEA, Part B FY-12	84.391		(17,869)
<i>Total Special Education Grants to States</i>		<u>6,548,259</u>	<u>6,344,583</u>
Special Education Preschool Grants			
Preschool Grant FY-13	84.173	199,766	172,923
<i>Total Special Education Cluster</i>		6,748,025	6,517,506
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants			
ARRA Race to the Top FY-13	84.395	5,012,469	5,321,990

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL ENDED YEAR JUNE 30, 2013**

FEDERAL GRANTOR	Federal		
<i>Pass Through Grantor</i>	CFDA		
Program Title	Number	Receipts	Disbursements
<u>Title I Cluster:</u>			
Title I Grants to Local Educational Agencies-FY 12	84.010		2,530,729
Title I Grants to Local Educational Agencies-FY 13		16,242,599	13,327,615
<i>Total CFDA #84.010</i>		<u>16,242,599</u>	<u>15,858,344</u>
ARRA Title I Grants to Local Educational Agencies-FY 12	84.389		(51,264)
<i>Total Title I Cluster</i>		<u>16,242,599</u>	<u>15,807,080</u>
Vocational Education Basic Grants to States	84.048		
Adult FY 12			242,643
Adult FY 13		1,042,363	767,346
<i>Total Vocational Education Basic Grants to States</i>		<u>1,042,363</u>	<u>1,009,989</u>
Safe and Drug - Free Schools and Communities State Grants	84.186		
Safe and Drug Free Schools FY 13			3,961
Education for Homeless Children and Youth	84.196		
FY 12			11,569
FY 13		176,624	157,852
<i>Total Education for Homeless Children and Youth</i>		<u>176,624</u>	<u>169,421</u>
Teacher Incentive Fund	84.374		
Ohio Teacher Incentive Fund FY-13			8,945
ARRA State Fiscal Stabilization Fund	84.394		
ARRA FY 12			1,308
Improving Teacher Quality State Grants	84.367		
Improving Teacher Quality FY12			404,568
Improving Teacher Quality FY13		3,075,412	2,937,494
<i>Total Improving Teacher Quality State Grants</i>		<u>3,075,412</u>	<u>3,342,062</u>
English Language Acquisition Grants	84.365		
Limited English Grant FY 12			6,097
Limited English Grant FY 13		78,533	68,763
<i>Total English Language Acquisition Grants</i>		<u>78,533</u>	<u>74,860</u>
ARRA McKinney Vento	84.387		
ARRA McKinney Vento FY12			(8,077)
<u>School Improvement Cluster:</u>			
School Improvement Competitive	84.377	1,469,538	
ARRA - School Improvement Competitive	84.388	3,440,156	5,168,723
<i>Total School Improvement Cluster</i>		<u>4,909,694</u>	<u>5,168,723</u>
Education Technology State Grants	84.318		
Technology, Title II-D FY12		30,414	99,066
<i>Total U.S. Department of Education - Pass Through Programs</i>		<u>37,316,133</u>	<u>37,516,834</u>
Total U.S. Department of Education		<u>38,697,690</u>	<u>39,158,595</u>
Total Federal Awards Receipts and Expenditures		<u>\$ 47,477,367</u>	<u>\$ 47,890,548</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, 2013**

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 fair 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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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, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 27, 2013, wherein we noted the District implemented Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. We also noted an adjustment decreasing the governmental activities beginning net position by \$30,708,936. It was determined that no additional funding will be forthcoming from the Ohio School Facilities Commission (OSFC) due to amendments made to the project's total cost.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist. 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 2013-001 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*.

Entity's Response to Findings

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

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.



Dave Yost
Auditor of State

Columbus, Ohio

December 27, 2013



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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's, Lucas County, Ohio (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, 2013. 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 2013-004 through 2013-006 in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding the following:

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Finding #	CFDA #	Program (or Cluster) Name	Compliance Requirement
2013-005	10.553/10.555	Child Nutrition Cluster	Allowable Costs
2013-005	84.027/84.391/84.173	Special Education Cluster	Allowable Costs
2013-005	84.010/84.389	Title I	Allowable Costs
2013-005	84.367	Improving Teacher Quality	Allowable Costs
2013-005	84.395	Race to the Top	Allowable Costs
2013-005	84.377/84.388	School Improvement Cluster	Allowable Costs
2013-004	10.553/10.555	Child Nutrition Cluster	Equipment and Real Property Management
2013-006	84.027/84.391/84.173	Special Education Cluster	Equipment and Real Property Management
2013-006	84.010/84.389	Title I	Equipment and Real Property Management
2013-006	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, 2013.

Report on Internal Control over Compliance

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

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 2013-002 through 2013-006 to be material weaknesses.

The District's responses to our internal control over compliance findings are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

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, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 27, 2013. Our opinion also explained that the District adopted *Governmental Accounting Standard Numbers 63 and 65* during the year. We also noted an adjustment decreasing the governmental activities beginning net position by \$30,708,936. It was determined that no additional funding will be forthcoming from the Ohio School Facilities Commission (OSFC) due to amendments made to the project's total cost. 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 27, 2013

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TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
JUNE 30, 2013

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, 84.391, 84.173 Special Education Cluster, CFDA # 84.010, 84.389 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: > \$ 1,436,716 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 2013-001

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 District did not conduct an annual inventory for fiscal year ending June 30, 2013;
- 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 nonexistent and supporting documentation for the deletion of assets from the asset spreadsheets were incomplete.

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;
- Perform an annual asset inventory;
- Complete disposal forms for the disposal of assets with adequate documentation to support the disposal.

Officials' Response:

Implementation of the fixed asset portion of Sungard began in March 2013. The present focus is to get the capital assets in excess of \$5,000 properly accounted for. Once the assets in excess of \$5,000 are in Sungard, the project will shift to account for the capital and controlled assets for Federal and State funded programs. For those programs a lower amount of \$300 per individual item must be accounted for and tracked. While the District did have a fixed asset inventory completed in May of 2012, the information gathered was not sufficient to build the history needed to be in compliance with Board and other policies the District must adhere to. This project has an estimated completion date of June 30, 2014.

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

Finding Number	2013-002
CFDA Title and Number	Child Nutrition Cluster – CFDA # 10.553/10.555
Federal Award Number / Year	2013
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 85 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.

Officials' Response:

Toledo Public Schools is developing a plan to implement a system to accurately record student food purchases.

Child Nutrition Eligibility

Finding Number	2013-003
CFDA Title and Number	Child Nutrition Cluster – CFDA # 10.553/10.555
Federal Award Number / Year	2013
Federal Agency	U.S. Department of Agriculture
Pass-Through Agency	Ohio Department of Education

Material Weakness

To be served a free or reduced lunch, a student must have an approved application on file or be listed on a precertification list received from the state.

For 5% of students tested, the application that was submitted did not meet the eligibility requirement for the meal the student was being served.

Failure to have an eligible approved application on file could result in ineligible students being served free or reduced meals.

We recommend the District only serve free or reduced meals to the students that met the eligibility guidelines.

Officials' Response:

Toledo Public Schools will implement controls and procedures with the Director of Food Service over child nutrition and other programs to ensure free or reduced meals are provided to students eligible to receive them.

Child Nutrition Equipment Listing

Finding Number	2013-004
CFDA Title and Number	Child Nutrition Cluster – CFDA # 10.553/10.555
Federal Award Number / Year	2013
Federal Agency	U.S. Department of Agriculture
Pass-Through Agency	Ohio Department of Education

Noncompliance/Material Weakness

Part 7 CFR 3015.160 through .175 provides that:

- Title to equipment acquired by a non-Federal entity with Federal awards vests with the non-Federal entity. (7 CFR 3015.62)
- Equipment should be used in the program which acquired it or, when appropriate, other Federal programs. (7 CFR 3015.166)

- Equipment records shall be maintained, a physical inventory of equipment shall be taken at least once every two years and reconciled to the equipment records, an appropriate control system shall be used to safeguard equipment, and equipment shall be adequately maintained. (7 CFR 3015.169)
- When equipment with a current per unit fair market value in excess of \$1,000 (the A-102 Common Rule amount is \$5,000) is no longer needed for a Federal program, it may be retained or sold with the Federal agency having a right to a proportionate (percent of Federal participation in the cost of the original project) amount of the current fair market value. (7 CFR 3015.168)
- Proper sales procedures shall be used that provide for competition to the extent practicable and result in the highest possible return. (7 CFR 3015.169)

The District did not maintain the required federal equipment listing, physical inventories and related reconciliation to equipment records have not been performed, control systems to safeguard equipment has not be established, and disposal procedures have not been established.

These conditions provide for possible misappropriations of assets purchased with federal funding, and the possibility of jeopardizing future federal funding.

To correct the above conditions, we recommend the District:

- Maintain records for equipment purchased with Federal funds, which should include the following information:
 - A description of the equipment
 - Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number
 - Source of the equipment, including the award number
 - Whether the title vests in the recipient or the Federal Government
 - Acquisition date (or date received, if the equipment was furnished by the Federal Government) and cost
 - Information from which one can calculate the percentage of federal participation in the cost of the equipment (not applicable to equipment furnished by the Federal Government)
 - Location and condition of the equipment and the date the information was reported
 - Unit acquisition cost compensates the Federal awarding agency for its share
- Perform physical inventory at least once every two years and reconcile the inventory count to equipment records.
- Establish an appropriate control system to safeguard equipment
- Implement disposal procedures to ensure compliance with federal regulations. Disposition data should include date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the Federal awarding agency for its share.

Officials' Response:

Physical inventory was performed in May 2012. Formatting and implementation of fixed assets is underway in financial reporting software. The integration of fixed asset tracking into the financial software will facilitate compliance with Board policies, and increased accuracy with fixed asset tracking and reporting for both internal and external sources.

Federal Payroll Disbursements

Finding Number	2013-005
CFDA Title and Number	All Major Programs
Federal Award Number / Year	2013
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	\$2,844
Race-to-Top	84.395	4,320
Special Education Cluster	84.027/84.391	14,697
School Improvement	84.388	9,443
Title I	84.010/84.389	17,072
Improving Teacher Quality	84.367	15,666
	Total	\$64,042

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.

Officials' Response:

Toledo Public Schools has reviewed Circular A-87 and is continuing to implement a new time and effort procedure. OMB will ensure greater compliance with split funded employees through the Personnel Action forms by filling an additional Budget Analyst position. Also, with the automation of HR and Payroll systems into the Sungard accounting package compliance will increase.

Special Education, Race to the Top, and Title I Equipment Inventory Listing

Finding Number	2013-006
CFDA Title and Number	Special Education Cluster – CFDA # 84.027/84.391/84.173, Race to the Top – CFDA # 84.395, Title I – CFDA # 84.010/84.389
Federal Award Number / Year	2013
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.

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

Officials' Response:

Physical inventory was performed in May 2012. Formatting and implementation of fixed assets is underway in financial reporting software. The integration of fixed asset tracking into the financial software will facilitate compliance with Board policies, and increased accuracy with fixed asset tracking and reporting for both internal and external sources.

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2013**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2012-001	Expenditures Exceeding Appropriations	Yes	
2012-002	Budgetary Financial Statements not properly prepared	Yes	
2012-003	District did not follow Capital Asset Policy	No	Re-issued as Finding 2013-001
2012-004	Program Change Procedures not implemented	Yes	
2012-005	Signed Payroll Contracts did not exist for all employees	No	Reduced to Management Letter Comment
2012-006	Federal Non-Payroll Disbursements not supported by 2 CFR, Part 225	Yes	
2012-007	District did not maintain a federal equipment listing	No	Re-issued as Finding 2013-004 and 2013-006
2012-008	Lack of controls over Child Nutrition Program Income	No	Re-issued as Finding 2013-002
2012-009	Federal Payroll Disbursements not supported by 2 CFR, Part 225	No	Re-issued as Finding 2013-005
2012-010	District not in compliance with Highly Qualified Teachers requirements	Yes	
2012-011	District not in compliance with Level of Effort for School Attendance	No	Reduced to Management Letter Comment

**TOLEDO CITY SCHOOL DISTRICT
LUCAS COUNTY**

**CORRECTIVE ACTION PLAN
OMB CIRCULAR A -133 § .315 (c)
JUNE 30, 2013**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2013-002	The District intends to implement a Point of Sale system in all cafeterias.	6/30/14	James Gant, Business Manager
2013-003	The Director of Food Service has been charged with ensuring greater compliance with regards to applications for free or reduced meals being complete and accurate.	6/30/14	Reynald Debroas, Director Food Service
2013-004	Continue implementation of Fixed Asset module in Sungard accounting package.	6/30/14	Eric Shreve, Director of Finance/Acct.
2013-005	OMB will ensure greater compliance with split funded employees through the Personnel Action forms by filling an additional Budget Analyst position. Also, with the automation of HR and Payroll systems into the Sungard accounting package compliance will increase.	12/19/13 1/1/15	Angela Nowak, Director OMB
2013-006	Continue implementation of Fixed Asset module in Sungard accounting package.	6/30/14	Eric Shreve, Director of Finance/Acct.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURE

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

To the Board of Education:

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

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

We noted the Board amended its anti-harassment policy at its meeting on April 24, 2012 to include prohibiting harassment, intimidation, or bullying of any student "on a school bus" or by an "electronic act".

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

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

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

Dave Yost
Auditor of State

December 27, 2013

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Lucas County, Ohio



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2013



Toledo Public Schools

Lucas County, Ohio

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2013**

Prepared by:
Mr. Matthew J. Cleland, Treasurer



Toledo Public Schools

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LUCAS COUNTY, OHIO**

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INTRODUCTORY SECTION



Toledo Public Schools

*Letter of Transmittal
For the Fiscal Year Ended June 30, 2013*



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 27, 2013

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, 2013, 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.

As of October 2013, the School District had 21,478 students (compared to 22,397 as of October 2012) 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, 2013

The District employs (full- and part-time) 1,973 professional staff members and 1,188 nonteaching and support staff employees. Approximately 54% of the members of the teaching staff have master's degrees, and 1% have doctorates. The District's faculty has an average of 17.4 years' teaching experience. The District also operates a central office facility, a maintenance center, a central kitchen, a warehouse and a transportation depot.

In fiscal year 2012, the District has 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. Two assistant superintendents 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 gyms 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, 2013

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

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 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 the assistant superintendent.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2013

In February 2011, District leaders introduced a transformation plan, to be implemented in July, that was designed to "right size" the District and ensure efficiencies and effectiveness in the classroom and in overall operations. Attributes of the plan range from establishing K-8 neighborhood schools across the District, to distance learning labs in each comprehensive high school, to offering seventh and eighth grade students the opportunity to take high school courses, to web-based credit recovery programs for students looking to finish high school. The District also secured federal funds to provide additional support and interventions to students attending underperforming schools.

Toledo Public Schools received the ranking of 'D' on the FY13 State of Ohio Annual Report Card. Further review of the report showed that 22 schools were rated as 'C' or better.

The report also indicated that 35.1 percent of TPS students are performing at proficient levels, with another 24.9 percent rated as accelerated or advanced. In addition, 22 schools met Adequate Yearly Progress, a federally required measure that focuses on each school and the district as a whole regarding established goals in the areas of reading and math proficiency, test participation, attendance and graduation rate.

MAJOR INITIATIVES FOR THE FUTURE

In December of 2012, Evergreen Solutions was awarded a contract to conduct a performance audit of the districts operations. The audit is intended to identify potential efficiencies and cost savings but will also make commendations on existing programs that operate efficiently and effectively. The audit is completed and a report was delivered in June of 2013. The report identified a potential 90 million in savings over a five year period. A committee of local businesspeople and citizens has been formed to help the District implement the findings of the performance audit.

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 \$14,103,955. Currently there are 18 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.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2013

As of June 30, 2013, the Toledo City School District has underlying debt ratings of A from Fitch Ratings, A1 from Moody's Investment Service and AA- 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, 2013

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, 2013

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, 2013. 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, 2012. 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, 2013

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-four years (1989-2012). 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, 2012. 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 fifteenth 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.

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, 2013

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
Brenda Hill, President	Appointed 2009	12/31/2015
Dr. Cecelia Adams, Vice President	01/01/2012	12/31/2013
Lisa Sobecki, Member	01/01/2007	12/31/2015
Larry Sykes, Member	01/01/2010	12/31/2013
Bob Vasquez, Member	Appointed 2008	12/31/2013

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, 2014.

TOLEDO CITY SCHOOL DISTRICT

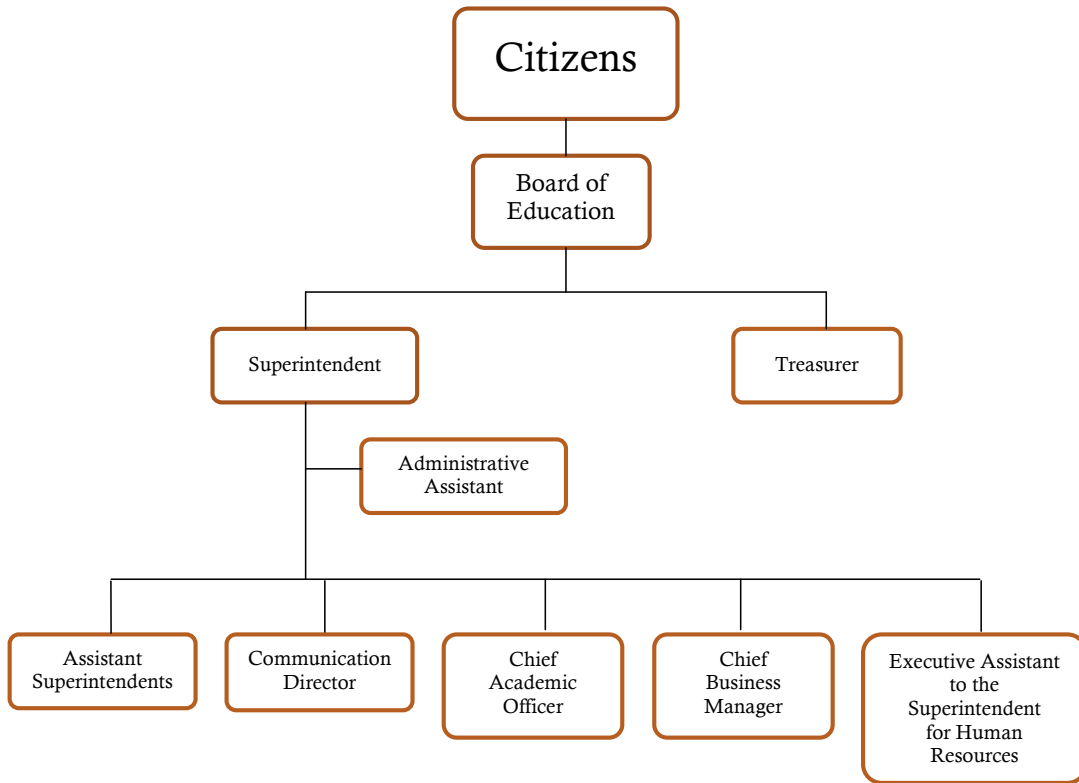
***School District Organizational Chart
For the Fiscal Year Ended June, 30, 2013***

Management Team Members

Dr. Jerome Pecko	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
Brian Murphy	Assistant Superintendent
Dr. Romulus Durant	Assistant Superintendent

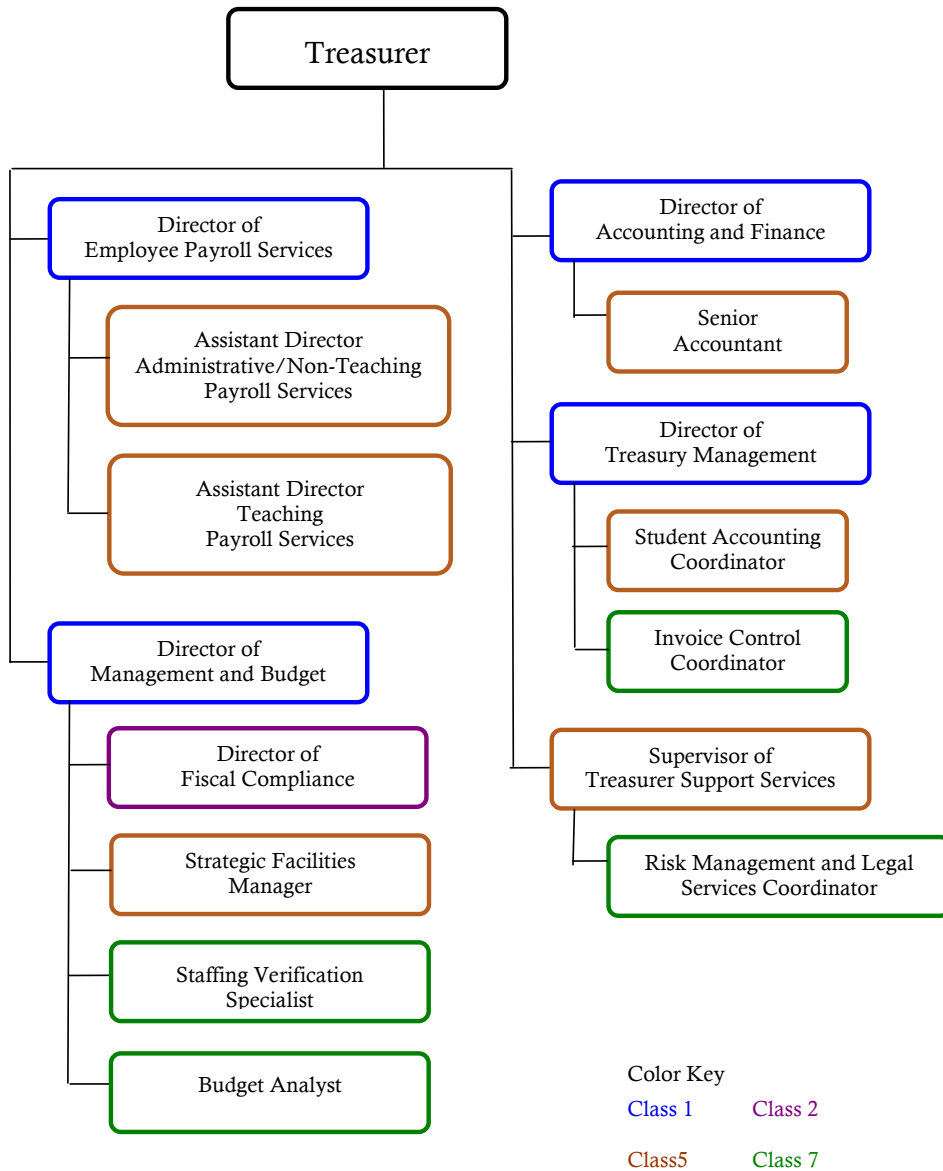
TOLEDO CITY SCHOOL DISTRICT

**School District Organizational Chart
For the Fiscal Year Ended June, 30, 2013**



TOLEDO CITY SCHOOL DISTRICT

**Treasurer's Division Organizational Chart
For the Fiscal Year Ended June, 30, 2013**





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, 2012



Executive Director/CEO

Association of School Business Officials International



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

Toledo City School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2012*

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



Ron McCulley, CPPB, RSBO
President

John D. Musso, CAE, RSBA
Executive Director

FINANCIAL SECTION



Toledo Public Schools



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, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Emphasis of Matters

As discussed in Note 2 to the financial statements, during the year ended June 30, 2013, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*. We did not modify our opinion regarding this matter.

As also discussed in Note 2 to the financial statements, during the year ended June 30, 2012, it was determined that no additional funding will be forthcoming from the Ohio School Facilities Commission (OSFC) due to amendments made to the project's total cost. All of the segments of the OSFC project are now complete. This adjustment decreased the governmental activities beginning net position by \$30,708,936.

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 27, 2013, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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 27, 2013

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TOLEDO CITY SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2013***

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, 2013. 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 2013 are as follows:

- ❑ General revenues accounted for \$314,690,619 in revenue or 83.4% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$62,736,169 or 16.6% of total revenues of \$377,426,788. 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 District had \$394,222,180 in expenses related to governmental activities; only \$62,736,169 of these expenses were offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$93,916,226 and unrestricted state and federal revenues totaling \$220,217,972, plus prior year carry over revenues) were adequate to provide for these programs.
- ❑ The assets of the District exceeded its liabilities at June 30, 2013 by \$473,202,507 (net position). The District's total net position decreased by \$16,795,392 in fiscal year 2013. The net decrease is largely due to the completion of the OSFC building project and the elimination of the funding associated with it.
- ❑ Among major funds, the general fund had \$307,060,604 in revenue, \$305,247,372 in expenditures and (\$525,022) in transfers out, resulting in the general fund balance increasing by \$1,288,210 to \$124,257. This increase is attributable to cuts in expenditures for instructional and supporting services along with decreased transfers out of monies to other funds during 2013.

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.

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, 2013**

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.

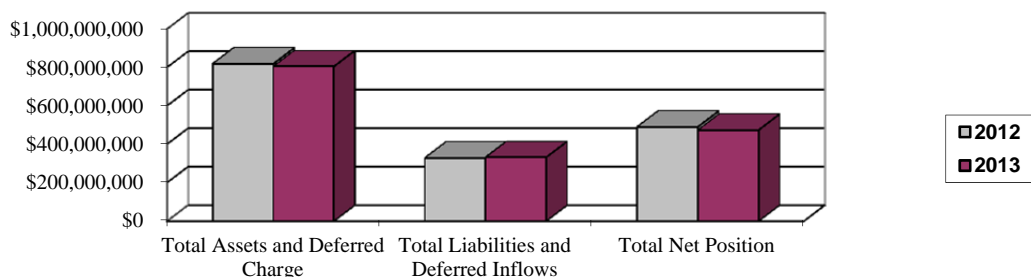
Fiduciary Funds – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. 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 2013 compared to 2012:

	Governmental Activities	Restated 2012	Increase (Decrease)
	2013	2012	
Current and other assets	\$235,790,407	\$263,140,560	(\$27,350,153)
Capital assets, Net	562,642,930	554,905,656	7,737,274
Total assets	<u>798,433,337</u>	<u>818,046,216</u>	<u>(19,612,879)</u>
Deferred Charge on Debt Refunding	5,993,299	0	5,993,299
Long-term debt outstanding	186,872,615	189,083,534	(2,210,919)
Other liabilities	62,710,923	138,964,783	(76,253,860)
Total liabilities	<u>249,583,538</u>	<u>328,048,317</u>	<u>(78,464,779)</u>
Unavailable Amounts			
Property Tax Levy for Next Fiscal Year	252,624 81,387,967	0 0	252,624 81,387,967
Total Deferred Inflows of Resources	<u>81,640,591</u>	<u>0</u>	<u>81,640,591</u>
Net position:			
Net Investment in Capital Assets	403,716,045	391,566,146	12,149,899
Restricted	58,268,199	94,240,978	(35,972,779)
Unrestricted	11,218,263	4,190,775	7,027,488
Total Net Position	<u>\$473,202,507</u>	<u>\$489,997,899</u>	<u>(\$16,795,392)</u>

Toledo City Schools Governmental Activities



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

Changes in Net Position – The following table shows the net position for the fiscal year 2013 compared to 2012:

	Governmental Activities		Increase (Decrease)
	2013	Restated 2012	
Revenues			
Program revenues:			
Charges for Services	\$12,363,199	\$12,034,686	\$328,513
Operating Grants	49,415,641	46,905,184	2,510,457
Capital Grants	957,329	13,271,422	(12,314,093)
General revenues:			
Property Taxes	93,916,226	84,538,443	9,377,783
Grants and Entitlements	220,217,972	200,779,485	19,438,487
Other	556,421	346,720	209,701
Total revenues	<u>377,426,788</u>	<u>357,875,940</u>	<u>19,550,848</u>
Program Expenses			
Instruction	253,504,953	236,207,897	17,297,056
Support Services	113,119,827	114,249,054	(1,129,227)
Non-Instructional Services	18,046,982	16,957,213	1,089,769
Extracurricular Activities	2,245,368	2,387,172	(141,804)
Interest and Fiscal Charges	7,305,050	6,815,825	489,225
Total expenses	<u>394,222,180</u>	<u>376,617,161</u>	<u>17,605,019</u>
Total Change in Net Position	(16,795,392)	(18,741,221)	1,945,829
Restated Beginning Net Position	<u>489,997,899</u>	<u>508,739,120</u>	<u>(18,741,221)</u>
Ending Net Position	<u>\$473,202,507</u>	<u>\$489,997,899</u>	<u>(\$16,795,392)</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.

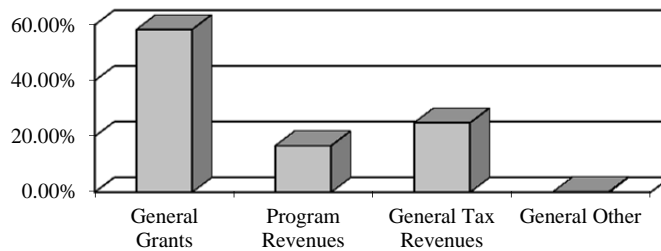
Property taxes made up approximately 24.88% of revenues for governmental activities for the Toledo City School District in fiscal year 2013. The District's reliance upon tax revenues is demonstrated by the following graph indicating 24.88% of total revenues from general tax revenues:

TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2013**

Unaudited

Revenue Sources	2013	Percent of Total
General Grants	\$220,217,972	58.34%
Program Revenues	62,736,169	16.62%
General Tax Revenues	93,916,226	24.88%
General Other	556,421	0.16%
Total Revenue	<u>\$377,426,788</u>	<u>100.00%</u>



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$49,483,801, which is a decrease from last year's total of \$85,296,857. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2013 and 2012.

	Fund Balance June 30, 2013	Fund Balance June 30, 2012	Increase (Decrease)
General	\$124,257	(\$1,163,953)	\$1,288,210
Debt Service	3,766,879	4,314,875	(547,996)
Locally Funded Initiative	11,562,243	21,936,360	(10,374,117)
Classroom Facilities Capital Projects	9,630,546	35,173,568	(25,543,022)
Other Governmental	24,399,876	25,036,007	(636,131)
Total	<u>\$49,483,801</u>	<u>\$85,296,857</u>	<u>(\$35,813,056)</u>

The General Fund State Foundation payments continued to decrease due to a decline in student enrollment and the elimination of personal property tax reimbursement; however, the District offset this reduction by decreasing expenditures related to instructional and supporting services in the General Fund. 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, 2013**

Unaudited

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

	2013	2012	Increase
	<u>Revenues</u>	<u>Revenues</u>	<u>(Decrease)</u>
Taxes	\$83,399,751	\$82,838,427	\$561,324
Tuition	2,000,243	1,866,478	133,765
Transportation Fees	528,656	380,291	148,365
Investment Earnings	80,188	73,578	6,610
Extracurricular Activities	232,237	218,727	13,510
Class Materials and Fees	63,854	52,358	11,496
Intergovernmental - State	213,157,949	218,511,455	(5,353,506)
Intergovernmental - Federal	895,882	834,989	60,893
All Other Revenue	6,701,844	6,769,499	(67,655)
Total	<u>\$307,060,604</u>	<u>\$311,545,802</u>	<u>(\$4,485,198)</u>

During fiscal year 2013 total General Fund revenues decreased by approximately 1%. The material make up of this decrease is as follows:

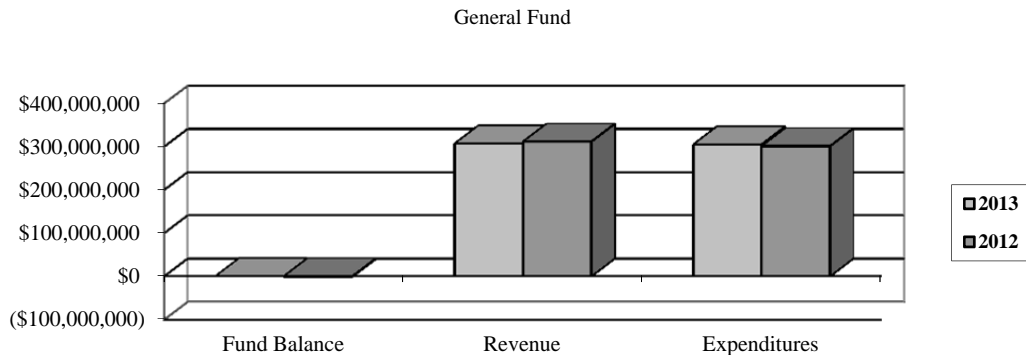
- Reduction in State support due to declining enrollment.
- Personal Property Tax Reimbursement phase out.

	2013	2012	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Instruction	\$201,584,119	\$191,919,663	\$9,664,456
Supporting Services	94,993,655	91,133,393	3,860,262
Non-Instructional Services	6,123,392	15,757,614	(9,634,222)
Extracurricular Activities	2,256,644	1,833,162	423,482
Capital Outlay	289,562	283,498	6,064
Total	<u>\$305,247,372</u>	<u>\$300,927,330</u>	<u>\$4,320,042</u>

TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2013**

Unaudited



During fiscal year 2013 total General Fund expenditures increased by about 1.4%. The material make up of this increase is as follows:

- The increase in spending is largely due to increased deductions from State support to fund Community Schools, and Ed Choice scholarships.

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 2013, 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:

	Original Budget	Final Budget	Percent of Change
General Fund			
Revenue	\$315,070,166	\$315,025,166	-0.01%
Expenditures	312,385,327	320,979,861	2.75%

TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2013**

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At the end of fiscal 2013 the District had \$562,642,930 net of accumulated depreciation invested in land, land improvements, buildings, building additions, equipment, vehicles and construction in progress. The following table shows fiscal year 2013 and 2012 balances:

	Governmental Activities		Increase (Decrease)
	2013	2012	
Land	\$13,856,745	\$13,856,745	\$0
Construction in Progress	339,735	10,865,779	(10,526,044)
Land Improvements	8,533,154	8,533,154	0
Buildings	611,371,589	588,410,975	22,960,614
Building Improvements	21,536,494	21,536,494	0
Machinery and Equipment	11,484,614	11,158,903	325,711
Vehicles	11,090,251	10,327,508	762,743
Less: Accumulated Depreciation	(115,569,652)	(109,783,902)	(5,785,750)
Totals	<u>\$562,642,930</u>	<u>\$554,905,656</u>	<u>\$7,737,274</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, 2013, the District had \$152,564,995 in General Obligation Bonds outstanding, \$4,805,000 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2013 and 2012:

	2013	2012
Governmental Activities:		
General Obligation Bonds	\$152,564,995	\$160,069,995
Premium on G.O. Bonds	12,355,189	8,888,782
Compensated Absences	21,952,431	24,482,999
Totals	<u>\$186,872,615</u>	<u>\$193,441,776</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, 2013, 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).

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 2013.

The District is self-insured for the medical, dental and prescription drug care benefits provided to its employees under current contracts with their collective bargaining units and with the individual employees who are not represented by those units. As part of contract negotiations, the insurance benefit plan and employee contributions changed to create an estimated annual savings of \$9,500,000. The Board and the Administration continually explore methods available to reduce the District's costs for these employee health care benefits.

Fiscal Year 2013 was substantially different from prior years with the implementation of the TPS transformation plan. Substantial savings came through this plan and its neighborhood K-8 schools and inclusion of special education students in regular classrooms. In addition changes in health benefit plan design and employee salary concessions further reduced expenditures. The current collective bargaining agreements and associated levels of expense extend through Fiscal Year 2013. As of the October 2013 five-year forecast, the district still maintains the projected balance through Fiscal Year 2014 and an improved projection for Fiscal Year 2015 of -\$2,428,159 net of encumbrance.

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, 2013

	Governmental Activities
Assets:	
Cash and Cash Equivalents	\$ 115,131,218
Cash with Fiscal Agent	252,624
Receivables:	
Taxes	105,808,490
Accounts	820,176
Intergovernmental	13,296,686
Interest	229,891
Inventory Held for Resale	251,322
Restricted Assets:	
Capital Assets Not Being Depreciated	14,196,480
Capital Assets Being Depreciated, Net	548,446,450
Total Assets	798,433,337
Deferred Outflows of Resources:	
Deferred Charge on Debt Refunding	5,993,299
Liabilities:	
Accounts Payable	28,209,076
Accrued Wages and Benefits	27,788,399
Intergovernmental Payable	6,134,046
Accrued Interest Payable	579,402
Long Term Liabilities:	
Due Within One Year	6,301,652
Due in More Than One Year	180,570,963
Total Liabilities	249,583,538
Deferred Inflows of Resources:	
Unavailable Amounts	252,624
Property Tax for Next Fiscal Year	81,387,967
Total Deferred Inflows of Resources	81,640,591
Net Position:	
Net Investment in Capital Assets	403,716,045
Restricted For:	
Capital Projects	25,562,136
Debt Service	5,033,770
Permanent Fund:	
Expendable	264,040
Nonexpendable	503,291
School Facilities Maintenance	16,518,710
Auxiliary Services	480,503
Stimulus ARRA	574,568
Student Activities	264,138
Race to the Top	405,658
Title I	5,544,434
Improving Teacher Quality	923,909
Other Purposes	2,193,042
Unrestricted	11,218,263
Total Net Position	\$ 473,202,507

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

**Statement of Activities
For the Fiscal Year Ended June 30, 2013**

	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	\$ 253,504,953	\$ 2,868,817	\$ 23,815,107	\$ 351,197	\$ (226,469,832)
Support Services	113,119,827	7,956,396	20,169,147	606,132	(84,388,152)
Non-Instructional Services	18,046,982	0	4,578,685	0	(13,468,297)
Extracurricular Activities	2,245,368	1,537,986	852,702	0	145,320
Interest and Fiscal Charges	7,305,050	0	0	0	(7,305,050)
Totals	\$ 394,222,180	\$ 12,363,199	\$ 49,415,641	\$ 957,329	(331,486,011)
General Revenues					
Property Taxes Levied for:					
					83,422,448
					971,092
					9,522,686
					220,217,972
					261,490
					294,931
					<u>314,690,619</u>
					(16,795,392)
					<u>489,997,899</u>
					<u>\$ 473,202,507</u>

See accompanying notes to the basic financial statements

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TOLEDO CITY SCHOOL DISTRICT

**Balance Sheet
Governmental Funds
June 30, 2013**

	General	Debt Service	Locally Funded Initiative	Classroom Facilities
Assets:				
Cash and Cash Equivalents	\$ 20,235,689	\$ 3,034,170	\$ 15,138,925	\$ 27,480,329
Cash with Fiscal Agent	0	0	0	0
Receivables:				
Taxes	94,405,459	10,539,282	0	0
Accounts	701,403	0	0	0
Intergovernmental	250,159	0	0	0
Interest	60,396	0	33,206	57,136
Interfund Loan Receivable	1,252,635	0	0	0
Inventory Held for Resale	64,409	0	0	0
Total Assets	\$ 116,970,150	\$ 13,573,452	\$ 15,172,131	\$ 27,537,465
Liabilities:				
Accounts Payable	\$ 3,369,161	\$ 0	\$ 3,609,888	\$ 17,906,919
Accrued Wages and Benefits	20,146,143	0	0	0
Intergovernmental Payable	4,863,898	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	28,379,202	0	3,609,888	17,906,919
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	0
Property Tax for Next Fiscal Year	88,466,691	9,806,573	0	0
Total Deferred Inflows of Resources	88,466,691	9,806,573	0	0
Fund Balances:				
Nonspendable	64,409	0	0	0
Restricted	0	3,766,879	11,562,243	9,630,546
Assigned	59,848	0	0	0
Unassigned	0	0	0	0
Total Fund Balances	124,257	3,766,879	11,562,243	9,630,546
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 116,970,150	\$ 13,573,452	\$ 15,172,131	\$ 27,537,465

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 26,871,249	\$ 92,760,362
252,624	252,624
863,749	105,808,490
13,796	715,199
12,321,573	12,571,732
44,730	195,468
0	1,252,635
186,913	251,322
<u>\$ 40,554,634</u>	<u>\$ 213,807,832</u>
\$ 1,691,945	\$ 26,577,913
3,063,056	23,209,199
1,037,314	5,901,212
1,252,635	1,252,635
<u>7,044,950</u>	<u>56,940,959</u>
8,316,514	8,316,514
793,294	99,066,558
<u>9,109,808</u>	<u>107,383,072</u>
503,291	567,700
23,989,560	48,949,228
0	59,848
(92,975)	(92,975)
<u>24,399,876</u>	<u>49,483,801</u>
<u>\$ 40,554,634</u>	<u>\$ 213,807,832</u>

TOLEDO CITY SCHOOL DISTRICT

***Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2013***

Total Governmental Fund Balances	\$ 49,483,801
<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.	562,642,930
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	25,742,481
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.	16,792,013
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(181,458,718)</u>
<i>Net Position of Governmental Activities</i>	<u><u>\$ 473,202,507</u></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, 2013**

	General	Debt Service	Locally Funded Initiative	Classroom Facilities
Revenues:				
Taxes	\$ 83,399,751	\$ 9,522,686	\$ 0	\$ 0
Tuition	2,000,243	0	0	0
Transportation Fees	528,656	0	0	0
Food Services	0	0	0	0
Investment Earnings	80,188	0	36,957	67,346
Extracurricular Activities	232,237	0	0	0
Class Materials and Fees	63,854	0	0	0
Intergovernmental - State	213,157,949	2,082,642	0	957,329
Intergovernmental - Federal	895,882	0	0	0
All Other Revenue	6,701,844	0	0	285,955
Total Revenue	307,060,604	11,605,328	36,957	1,310,630
Expenditures:				
Current:				
Instruction	201,584,119	0	0	0
Supporting Services	94,993,655	547,354	114,041	170,211
Non-Instructional Services	6,123,392	0	0	0
Extracurricular Activities	2,256,644	0	0	0
Capital Outlay	289,562	0	10,386,261	26,594,213
Debt Service:				
Principal Retirement	0	4,760,000	0	0
Interest and Fiscal Charges	0	6,388,271	0	0
Total Expenditures	305,247,372	11,695,625	10,500,302	26,764,424
Excess (Deficiency) of Revenues Over Expenditures	1,813,232	(90,297)	(10,463,345)	(25,453,794)
Other Financing Sources (Uses):				
Payments to Refunding Bonds Escrow Agent	0	(39,717,581)	0	0
General Obligation Bonds Issued	0	34,265,000	0	0
Premiums on Bonds Issued	0	4,994,882	0	0
Transfers In	0	0	89,228	0
Transfers Out	(525,022)	0	0	(89,228)
Total Other Financing Sources (Uses)	(525,022)	(457,699)	89,228	(89,228)
Net Change in Fund Balance	1,288,210	(547,996)	(10,374,117)	(25,543,022)
Fund Balances (Deficit) at Beginning of Year	(1,163,953)	4,314,875	21,936,360	35,173,568
Fund Balances End of Year	\$ 124,257	\$ 3,766,879	\$ 11,562,243	\$ 9,630,546

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

Other Governmental Funds	Total Governmental Funds
\$ 971,092	\$ 93,893,529
349,567	2,349,810
0	528,656
769,247	769,247
57,160	241,651
293,896	526,133
4,475	68,329
5,265,686	221,463,606
47,104,683	48,000,565
1,390,771	8,378,570
<u>56,206,577</u>	<u>376,220,096</u>
20,218,211	221,802,330
20,874,727	116,699,988
14,355,434	20,478,826
548,666	2,805,310
1,370,692	38,640,728
0	4,760,000
0	6,388,271
<u>57,367,730</u>	<u>411,575,453</u>
(1,161,153)	(35,355,357)
0	(39,717,581)
0	34,265,000
0	4,994,882
1,161,623	1,250,851
(636,601)	(1,250,851)
<u>525,022</u>	<u>(457,699)</u>
(636,131)	(35,813,056)
<u>25,036,007</u>	<u>85,296,857</u>
<u>\$ 24,399,876</u>	<u>\$ 49,483,801</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, 2013***

Net Change in Fund Balances - Total Governmental Funds \$ (35,813,056)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	7,374,649
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the gain on the disposal of capital assets net of proceeds received.	362,625
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,149,468
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.	5,673,650
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(111,705)
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.	1,269,543
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.	<u>3,299,434</u>
<i>Change in Net Position of Governmental Activities</i>	<u>\$ (16,795,392)</u>

See accompanying notes to the basic financial statements



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, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Revenue from Local Sources	\$ 93,933,008	\$ 93,888,008	\$ 92,574,481	\$ (1,313,527)
Revenue from State Sources	215,637,158	215,637,158	213,157,949	(2,479,209)
Revenue from Federal Sources	2,500,000	2,500,000	895,882	(1,604,118)
Total Revenues	<u>312,070,166</u>	<u>312,025,166</u>	<u>306,628,312</u>	<u>(5,396,854)</u>
Expenditures:				
Current:				
Instructional Services:				
Regular	85,867,279	86,539,803	82,717,698	3,822,105
Special	29,831,732	27,197,135	26,870,046	327,089
Vocational Education	7,204,618	7,711,924	7,243,837	468,087
Other	81,345,000	85,745,353	84,860,446	884,907
Support Services:				
Pupils	14,910,099	14,521,556	13,900,577	620,979
Instructional Staff	11,055,038	15,887,588	15,887,588	0
Board of Education	63,740	564,221	56,247	507,974
Administration	15,430,520	17,017,409	16,273,608	743,801
Fiscal Services	6,150,988	5,711,695	5,711,461	234
Business	2,119,846	2,392,306	2,289,261	103,045
Operation and Maintenance of Plant	28,020,634	29,650,461	29,650,461	0
Pupil Transportation	10,326,738	10,082,157	10,082,157	0
Central	5,009,087	6,046,872	6,046,872	0
Other Services:				
Food Service Operations	36,396	12,845	12,469	376
Community Services	728,993	304,967	242,745	62,222
Other Operation of Non-Instructional Services.	8,678,760	6,207,485	6,133,519	73,966
Academic and Subject Oriented Activities	146,965	122,686	101,146	21,540
Occupation Oriented Activities	65,979	88,347	81,745	6,602
Sport Oriented Activities	1,866,256	1,981,246	1,805,216	176,030
School and Public Service Co-Curricular. Activities	72,419	47,251	46,077	1,174
Site Improvement Services	275,000	273,543	273,543	0
Total Expenditures	<u>309,206,087</u>	<u>318,106,850</u>	<u>310,286,719</u>	<u>7,820,131</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	2,864,079	(6,081,684)	(3,658,407)	2,423,277

TOLEDO CITY SCHOOL DISTRICT

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers In	0	0	77,554	77,554
Transfers Out	(1,679,240)	(1,355,046)	(716,582)	638,464
Advances In	1,500,000	1,500,000	2,114,379	614,379
Advances Out	(1,500,000)	(1,500,000)	(1,248,277)	251,723
Refund of Prior Year's Expenditures	1,500,000	1,500,000	(663,114)	(2,163,114)
Refund of Prior Year's Receipts	0	(17,965)	(934)	17,031
Total Other Financing Sources (Uses):	<u>(179,240)</u>	<u>126,989</u>	<u>(436,974)</u>	<u>(563,963)</u>
Net Change in Fund Balances	2,684,839	(5,954,695)	(4,095,381)	1,859,314
Fund Balance at Beginning of Year	12,145,874	12,145,874	12,145,874	0
Prior Year Encumbrances	<u>3,038,645</u>	<u>3,038,645</u>	<u>3,038,645</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 17,869,358</u>	<u>\$ 9,229,824</u>	<u>\$ 11,089,138</u>	<u>\$ 1,859,314</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Statement of Net Position
Proprietary Funds
June 30, 2013***

	Governmental Activities - Internal Service Funds
Assets:	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 22,370,856
Receivables:	
Accounts	104,977
Intergovernmental	724,954
Interest	34,423
Total Assets	<u>23,235,210</u>
Liabilities:	
<i>Current Liabilities:</i>	
Accounts Payable	1,631,163
Accrued Wages and Benefits	4,579,200
Intergovernmental Payable	232,834
Total Liabilities	<u>6,443,197</u>
Net Position:	
Unrestricted	<u>16,792,013</u>
Total Net Position	<u>\$ 16,792,013</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, 2013**

	Governmental Activities - Internal Service Funds
Operating Revenues:	
Interfund Charges	\$ 44,694,232
Total Operating Revenues	<u>44,694,232</u>
Operating Expenses:	
Personal Services	903,444
Purchased Services	40,316,497
Supplies and Materials	208,043
Miscellaneous	11,704
Total Operating Expenses	<u>41,439,688</u>
Operating Income	3,254,544
Nonoperating Revenue (Expenses):	
Investment Earnings	44,890
Change in Net Position	3,299,434
Net Position Beginning of Year	<u>13,492,579</u>
Net Position End of Year	<u>\$ 16,792,013</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, 2013**

	Governmental Activities - Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$44,697,306
Cash Payments to Employees for Services and Benefits	(41,998,494)
Net Cash Provided by Operating Activities	<u>2,698,812</u>
<u>Cash Flows from Investing Activities:</u>	
Receipts of Interest	25,051
Net Cash Provided by Investing Activities	<u>25,051</u>
Net Increase in Cash and Cash Equivalents	2,723,863
Cash and Cash Equivalents at Beginning of Year	19,652,281
Cash and Cash Equivalents at End of Year	<u><u>\$22,376,144</u></u>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income	\$3,254,544
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	2,960
Increase in Intergovernmental Receivables	(713,843)
Increase in Accounts Payable	984,866
Decrease in Accrued Wages and Benefits	(600,600)
Decrease in Intergovernmental Payables	(229,115)
Total Adjustments	<u>(555,732)</u>
Net Cash Provided by Operating Activities	<u><u>\$2,698,812</u></u>

During 2013 the fair value of investments decreased by \$4,224 and \$1,064 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, 2013**

	Private Purpose Trust Special Trust Fund	Agency
Assets:		
Cash and Cash Equivalents	\$ 1,716,066	\$ 240,936
Receivables:		
Accounts	0	17,773
Interest	2,119	648
Total Assets	<u>1,718,185</u>	<u>259,357</u>
Liabilities:		
Accounts Payable	1,198	5,116
Intergovernmental Payable	0	414
Due to Students	0	253,827
Total Liabilities	<u>1,198</u>	<u>259,357</u>
Net Position:		
Unrestricted	<u>1,716,987</u>	<u>0</u>
Total Net Position	<u>\$ 1,716,987</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, 2013**

	<u>Private Purpose Trust Special Trust Fund</u>
Additions:	
Contributions:	
Sales	\$ 4,466
Private Donations	<u>45,736</u>
Total Contributions	<u>50,202</u>
Investment Earnings:	
Interest	<u>3,025</u>
Total Investment Earnings	<u>3,025</u>
Total Additions	<u>53,227</u>
Deductions:	
Administrative Expenses	<u>43,582</u>
Total Deductions	<u>43,582</u>
Change in Net Position	9,645
Net Position at Beginning of Year	<u>1,707,342</u>
Net Position End of Year	<u>\$ 1,716,987</u>

See accompanying notes to the basic financial statements

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

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 1,123 noncertified and approximately 2,038 certified teaching personnel and administrative employees providing education to 21,478 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.

TOLEDO CITY SCHOOL DISTRICT

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

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, 2013***

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, 2013***

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, 2013***

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, 2013, and which are not intended to finance fiscal 2013 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, 2013 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, 2013***

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 2013.

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

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 2013 the Board of Education passed the annual certification on June 23, 2012.

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, 2013**

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)	\$1,288,210
Increase (Decrease):	
Accrued Revenues at June 30, 2013, received during FY 2014	(8,267,770)
Accrued Revenues at June 30, 2012, received during FY 2013	10,369,376
Accrued Expenditures at June 30, 2012, paid during FY 2013	28,379,202
Accrued Expenditures at June 30, 2012, paid during FY 2013	(28,027,617)
Perspective Difference:	
2012 Advance to Fiduciary Fund	40,848
2013 Advance to Fiduciary Fund	(51,036)
Activity of Funds Reclassified For GAAP Reporting Purposes	40,831
2012 Adjustment to Fair Value	0
2013 Adjustment to Fair Value	10,412
Encumbrances Outstanding	(7,877,837)
Budget Basis	<u>(\$4,095,381)</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, 2013, there were no investment balances as defined under section 2450.106 of the 2004 GASB Codification.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Investments (Continued)

During fiscal year 2013, 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 2013 amounted to \$80,188, which includes \$66,353 assigned from other funds.

The District has invested funds in the STAR Ohio during 2013. 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, 2013.

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, 2012 the investment portfolio exhibited a decrease in fair value of approximately \$15.8 million, while the average maturity increased by 144 days and the average yield increased by 3 basis points (.03%). 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, 2012, were down approximately 68% as the interest rate environment continued to decline and there were significantly less dollars available for investment due to increased expenditures in the Project fund and a declining General Fund balance due to budgetary measures.

TOLEDO CITY SCHOOL DISTRICT

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

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, 2013***

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 District's 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 City 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, 2013**

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. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the District Board of Education.

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, 2013***

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 2013.

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

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, 2013***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE/RESTATEMENT OF NET POSITION

For 2013 the District implemented GASB Statement No. 63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*” and GASB Statement No. 65, “*Items Previously Reported as Assets and Liabilities*”.

Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. GASB 63 standardizes the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government’s net position.

Statement No. 65 provides guidance on how to properly classify items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. In addition, guidance is provided on recognizing certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).

The implementation of these GASB Statements had no impact on beginning of year fund balance/net position.

During the year ended June 30, 2012, it was determined that no additional funding will be forthcoming from the Ohio School Facilities Commission (OSFC) due to amendments made to the project’s total cost. All of the segments of the OSFC project are now complete. The adjustment had the following effect on the governmental activities beginning net position:

	<u>Governmental Activities</u>
Net Position June 30, 2012 as reported	\$520,706,835
Adjustment:	
Correction of Receivable from OSFC	<u>(30,708,936)</u>
Net Position June 30, 2012 as restated	<u><u>\$489,997,899</u></u>

TOLEDO CITY SCHOOL DISTRICT

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

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	\$64,409	\$0	\$0	\$0	\$0	\$64,409
Corpus	0	0	0	0	503,291	503,291
Total Nonspendable	<u>64,409</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>503,291</u>	<u>567,700</u>
Restricted:						
Endowments	0	0	0	0	264,040	264,040
Food Services	0	0	0	0	83,687	83,687
School Facilities Maintenance	0	0	0	0	16,518,710	16,518,710
Staff Development and Support	0	0	0	0	165,319	165,319
Auxiliary Services	0	0	0	0	484,722	484,722
Extracurricular Activities	0	0	0	0	264,138	264,138
Technology Improvements	0	0	0	0	41,875	41,875
Targeted Academic Assistance	0	0	0	0	1,797,722	1,797,722
Debt Service Payments	0	3,766,879	0	0	0	3,766,879
Capital Acquisition and Improvement	0	0	11,562,243	9,630,546	4,369,347	25,562,136
Total Restricted	<u>0</u>	<u>3,766,879</u>	<u>11,562,243</u>	<u>9,630,546</u>	<u>23,989,560</u>	<u>48,949,228</u>
Assigned to Other Purposes	59,848	0	0	0	0	59,848
Unassigned (Deficits):	0	0	0	0	(92,975)	(92,975)
Total Fund Balances (Deficits)	<u>\$124,257</u>	<u>\$3,766,879</u>	<u>\$11,562,243</u>	<u>\$9,630,546</u>	<u>\$24,399,876</u>	<u>\$49,483,801</u>

TOLEDO CITY SCHOOL DISTRICT

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

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	\$17,678,591
Grants Receivable	8,063,890
	<hr/>
	\$25,742,481

Long-Term liabilities not reported in the funds:

Accrued Interest Payable on G.O. Bond Payable	(\$579,402)
G.O. Bonds Payable	(164,920,184)
Deferred Charge on Debt Refunding	5,993,299
Compensated Absences Payable	(21,952,431)
	<hr/>
	(\$181,458,718)

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TOLEDO CITY SCHOOL DISTRICT

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

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	\$21,308,895
Depreciation Expense	<u>(13,934,246)</u>
	\$7,374,649

Governmental revenues not reported in the funds:

Increase in Delinquent Tax Revenue	\$22,697
Increase in Grants Receivable	<u>1,126,771</u>
	\$1,149,468

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

G.O. Bond Principal Payment	\$41,770,000
G.O. Bonds Issued	(34,265,000)
Premium on New Bonds Issued	(4,994,882)
Deferred Loss on New Bonds Issued	2,013,243
Amortization of Deferred Loss on G.O. Bonds	(378,186)
Amortization of Premium on G.O. Bonds	<u>1,528,475</u>
	\$5,673,650

Expenses not requiring the use of current financial resources:

Decrease in Compensated Absences Payable	\$2,530,568
Amortization of Bond Issuance Costs	<u>(1,261,025)</u>
	\$1,269,543

TOLEDO CITY SCHOOL DISTRICT

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

NOTE 5 - COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficits

The fund deficits at June 30, 2013 of \$2,299 in the Alternative Schools Fund, \$4,581 in the Title VII Bilingual Education Program Fund, \$2,892 in the Drug Free School Grants Fund, \$1,894 in the Preschool Grants for the Handicapped Fund and \$81,309 in the Miscellaneous Federal Grants 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 Auxiliary Services Fund by \$445,201, the Public School Preschool Fund by \$18,389, the Miscellaneous State Grants Fund by \$38,473, the Drug Free Schools Grant Fund by \$44,245 and the Miscellaneous Federal Grants Fund by \$54,858. 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, 2013, the carrying amount of all District deposits was \$44,030,350. 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, 2013 the bank balance of cash concentration accounts, savings accounts and certificates of deposit totaled \$46,988,024. Of this amount, \$44,455,285 was exposed to custodial risk as discussed below, while \$2,532,739 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, 2013, 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, 2013**

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

Investments

As of June 30, 2013, the District had the following investments and maturities.

Investment Type	June 30, 2013 Adjusted Cost	June 30, 2013 Fair Value	Investment Maturities (in Years)		
			less than 1	1-2	2-5
Star Ohio	\$1,321	\$1,321	\$1,321	\$0	\$0
Commercial Paper	7,387,674	7,389,811	7,389,811	0	0
US Treasury Securities	39,028,322	39,059,093	18,899,843	10,023,125	10,136,125
Non-Callable US Agency Securities	26,604,812	26,607,645	26,607,645	0	0
Total Investments	<u>\$73,022,129</u>	<u>\$73,057,870</u>	<u>\$52,898,620</u>	<u>\$10,023,125</u>	<u>\$10,136,125</u>
			<u>72.41%</u>	<u>13.72%</u>	<u>13.87%</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:	215
The Remaining Life (in Days) of the Entire Investment Portfolio From Year End to Maturity Date is:	153
The Average Duration of the Entire Investment Portfolio is:	0.4
The Weighted Average Coupon of the Entire Portfolio is:	0.153%
The Weighted Average Yield of the Entire Portfolio is:	0.107%

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, 2013, seventy-two percent (72.41%) of the investment portfolio matures within one year.

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

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, 2013**

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, 2013:

Concentration of Credit Risk by Investment Type

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$1,321	0.00%
Commercial Paper	7,389,811	10.12%
Non-Callable US Agency Securities	26,607,645	36.42%
Callable US Agency Securities	39,059,093	53.46%
Total Investments	<u>\$73,057,870</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, 2013:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$1,321	0.01%
General Electric Capital Corporation	2,214,970	3.03%
Union Bank NA	2,599,910	3.56%
Prudential Funding LLC	2,574,932	3.52%
United States Treasury Securities	39,059,093	53.46%
Federal Home Loan Bank System	20,297,665	27.78%
Federal National Mortgage Association	6,309,979	8.64%
Total Investments	<u>\$73,057,870</u>	<u>100.00%</u>

TOLEDO CITY SCHOOL DISTRICT

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

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 2013 were levied after April 1, 2012 on assessed values as of January 1, 2012, 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 2013, upon which the 2012 levies were based, were as follows:

	2012 Second Half Collections	2013 First Half Collections
Real Estate	\$2,573,582,270	\$2,188,402,530
Tangible Personal and Public Utility Property	114,194,810	122,237,470
Total Assessed Value	<u>\$2,687,777,080</u>	<u>\$2,310,640,000</u>
Tax rate per \$1,000 of assessed valuation	\$65.70	\$67.40

TOLEDO CITY SCHOOL DISTRICT

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

NOTE 8 - RECEIVABLES

Receivables at June 30, 2013 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, 2013 from one individual fund to another are as follows:

	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$1,252,635	\$0
Other Governmental Funds	0	1,252,635
Totals	<u>\$1,252,635</u>	<u>\$1,252,635</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, 2013:

	Transfers In:		Total
	Locally Funded Initiative Fund	Other Governmental Funds	
<u>Transfers Out:</u>			
General Fund	\$0	\$525,022	\$525,022
Classroom Facilities Fund	89,228	0	89,228
Other Governmental Funds	0	636,601	636,601
	<u>\$89,228</u>	<u>\$1,161,623</u>	<u>\$1,250,851</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, 2013**

NOTE 11 - CAPITAL ASSETS

Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at June 30, 2013:

Historical Cost:

Class	June 30, 2012	Additions	Deletions	June 30, 2013
<i>Capital assets not being depreciated:</i>				
Land	\$13,856,745	\$0	\$0	\$13,856,745
Construction in Progress	10,865,779	19,507,511	(30,033,555)	339,735
<i>Capital assets being depreciated:</i>				
Land Improvements	8,533,154	0	0	8,533,154
Buildings	588,410,975	30,033,555	(7,072,941)	611,371,589
Building Improvements	21,536,494	0	0	21,536,494
Machinery and Equipment	11,158,903	325,711	0	11,484,614
Vehicles	10,327,508	1,475,673	(712,930)	11,090,251
Total Cost	<u>\$664,689,558</u>	<u>\$51,342,450</u>	<u>(\$37,819,426)</u>	<u>\$678,212,582</u>

Accumulated Depreciation:

Class	June 30, 2012	Additions	Deletions	June 30, 2013
Land Improvements	(\$8,165,738)	(\$99,972)	\$0	(\$8,265,710)
Buildings	(64,664,021)	(12,209,731)	6,718,626	(70,155,126)
Building Improvements	(18,462,256)	(679,097)	655,627	(18,485,726)
Machinery and Equipment	(9,665,239)	(339,975)	0	(10,005,214)
Vehicles	(8,826,648)	(605,471)	774,243	(8,657,876)
Total Depreciation	<u>(\$109,783,902)</u>	<u>(\$13,934,246) *</u>	<u>\$8,148,496</u>	<u>(\$115,569,652)</u>
<i>Net Value:</i>	<u>\$554,905,656</u>			<u>\$562,642,930</u>

* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$12,449,715
Support Services	1,217,276
Non-Instructional Services	171,570
Extracurricular Activities	95,685
Total Depreciation Expense	<u>\$13,934,246</u>

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

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, 2013, 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, 2013, 2012 and 2011 were \$6,786,840, \$4,435,526 and \$4,769,037 respectively, 62.9% has been contributed for fiscal year 2013 and 100% for fiscal years 2012 and 2011.

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, 2013***

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, 2013, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2012, 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 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2013, 2012, and 2011 were \$15,535,008, \$11,793,968, and \$15,853,676 respectively; 84.7% has been contributed for fiscal year 2013 and 100% for fiscal years 2012 and 2011.

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

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 2013, 0.16 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 2013, 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, 2013, 2012, and 2011 were \$799,780, \$874,532, and \$963,051 respectively; 62.9% has been contributed for fiscal year 2013 and 100% for fiscal years 2012 and 2011.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2013, this actuarially required allocation was 0.74 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2013, 2012, and 2011 were \$358,733, \$263,772, and \$283,605 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, 2013***

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 2013, 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, 2013, 2012, and 2011 were \$1,109,643, \$907,228, and \$1,219,514 respectively; 84.7% has been contributed for fiscal year 2013 and 100% for fiscal years 2012 and 2011.

TOLEDO CITY SCHOOL DISTRICT

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

NOTE 14 - LONG-TERM DEBT

Long-term debt of the District at June 30, 2013 was as follows:

Description	Balance June 30, 2012	Issued	(Retired)	Balance June 30, 2013	Amount Due Within One Year
Governmental Activities:					
<u>General Obligation Bond:</u>					
School Facility Improvement 2003					
G.O. Bond (2.00% - 5.00%)	\$21,430,000	\$0	(\$1,545,000)	\$19,885,000	\$1,610,000
Premium General Obligation Bond	467,534	0	(25,974)	441,560	25,974
School Facility Improvement 2003B					
G.O. Bond (2.00% - 5.00%)	59,720,000	0	(39,335,000)	20,385,000	2,420,000
Premium General Obligation Bond	1,121,709	0	(714,689)	407,020	20,351
School Facility Improvement 2009					
G.O. Bond (2.00% - 5.375%)	26,364,995	0	(680,000)	25,684,995	700,000
Premium General Obligation Bond	327,423	0	(13,643)	313,780	13,643
School Facility Improvement 2012					
G.O. Bond (2.00% - 5.375%)	52,555,000	0	(210,000)	52,345,000	25,000
Premium General Obligation Bond	6,972,116	0	(536,317)	6,435,799	536,317
School Facility Improvement 2012B					
G.O. Bond (2.00% - 5.375%)	0	34,265,000	0	34,265,000	50,000
Premium General Obligation Bond	0	4,994,882	(237,852)	4,757,030	237,852
Total General Obligation Bond	<u>168,958,777</u>	<u>39,259,882</u>	<u>(43,298,475)</u>	<u>164,920,184</u>	<u>5,639,137</u>
<u>Other Obligations:</u>					
Compensated Absences	<u>24,482,999</u>	<u>2,903,760</u>	<u>(5,434,328)</u>	<u>21,952,431</u>	<u>662,515</u>
Long-Term Debt and Other Long-Term Obligations	<u>\$193,441,776</u>	<u>\$42,163,642</u>	<u>(\$48,732,803)</u>	<u>\$186,872,615</u>	<u>\$6,301,652</u>

During fiscal years 2003, 2004, 2009, 2012 and 2013 the District issued General Obligation Bonds in the amounts of \$72,500,000, \$103,600,000, \$31,999,995, \$52,555,000 and \$34,265,000 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, 2013**

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, 2013, follows:

<u>General Obligation Bonds Payable</u>			
<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	4,805,000	6,861,016	11,666,016
2015	4,760,000	6,680,319	11,440,319
2016	5,155,000	6,468,150	11,623,150
2017	5,400,000	6,215,650	11,615,650
2018	5,173,783	6,435,524	11,609,306
2019-2023	31,556,212	26,400,566	57,956,778
2024-2028	40,010,000	17,792,306	57,802,306
2029-2033	50,170,000	7,490,928	57,660,928
2034-2036	5,535,000	457,009	5,992,009
Totals	<u>\$152,564,995</u>	<u>\$84,801,469</u>	<u>\$237,366,464</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. A portion of the principal amount of the 2003 bonds was paid off during 2012. 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 \$6,052,038 in debt service payments and an economic gain of \$5,016,321.

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%. A portion of the principal amount of the 2003B bonds was paid off during 2013. 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 \$7,586,915 in debt service payments and an economic gain of \$6,019,721.

TOLEDO CITY SCHOOL DISTRICT

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

TE 15 - CONSTRUCTION COMMITMENTS

The School District and the Ohio School Facilities Commission (OSFC) entered into a Master Facilities Plan that calls for (1) the construction of 39 new elementary schools, 12 new middle schools, 5 new high schools and 1 combined elementary/middle school and (2) the renovation of 3 elementary schools, a combined middle school/high school, 2 high schools and an aviation education center. The remaining cost associated with this plan is \$339,735 as of June 30, 2013.

NOTE 16 - 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, 2013, the net appreciation on investments of donor-restricted endowments was (\$28,739). 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, 2013, accumulated available net appreciation of \$264,040 is reported in restricted Net Position.

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

NOTE 17 - 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 \$4,579,200 (Accrued Wages and Benefits) reported in the Employee Benefit Self - Insurance Fund and \$232,834 (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 2012 and 2013 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>
2012	\$5,927,402	42,143,502	(42,429,155)	\$5,641,749
2013	5,641,749	40,984,128	(41,813,843)	4,812,034

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, 2013**

NOTE 18 – 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, 2013, the reserve activity (cash-basis) was as follows:

	<u>Capital Maintenance</u>
Set-aside Balance as of June 30, 2012	\$0
Current Year Set-Aside Requirement	3,858,893
Current Year Offset Credits	2,541,219
Qualifying Disbursements	<u>(14,670,058)</u>
Total	<u>(\$8,269,946)</u>
Set-aside Balance Carried Forward to FY 2013	<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 19 – SIGNIFICANT COMMITMENTS

Significant encumbrances outstanding at year-end in the General Fund are \$4,515,252 and are reported as assigned fund balance. Also, in the Locally Funded Initiative Fund (capital projects fund) there are significant encumbrances outstanding in the amount of \$5,848,031. This amount is reported as part of the restricted fund balance.

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

NOTE 20 - 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, 2013.

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, 2013. 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.

C. Full Time Equivalency

The Auditor of State (AOS) issued its Statewide Audit of Student Attendance Data and Accountability System on February 11, 2013, a statewide assessment of school year 2010-11 student attendance and enrollment practices for select Ohio schools. AOS has referred the Toledo City School District as a district with evidence of scrubbing to the Ohio Department of Education (ODE) and U.S. Department of Education Office of the Inspector General (IG) for further investigation and recalculation of the school report cards. The ODE and IG have not yet determined the impact of these results.

*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 Schools 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.

Educational Research and Development Fund

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

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, 2013**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 21,714,372	\$ 4,389,102	\$ 767,775	\$ 26,871,249
Cash with Fiscal Agent	0	252,624	0	252,624
Receivables:				
Taxes	863,749	0	0	863,749
Accounts	11,596	2,200	0	13,796
Intergovernmental	12,321,573	0	0	12,321,573
Interest	32,522	10,782	1,426	44,730
Inventory Held for Resale	186,913	0	0	186,913
Total Assets	\$ 35,130,725	\$ 4,654,708	\$ 769,201	\$ 40,554,634
Liabilities:				
Accounts Payable	\$ 1,657,338	\$ 32,737	\$ 1,870	\$ 1,691,945
Accrued Wages and Benefits	3,063,056	0	0	3,063,056
Intergovernmental Payable	1,037,314	0	0	1,037,314
Interfund Loans Payable	1,252,635	0	0	1,252,635
Total Liabilities	7,010,343	32,737	1,870	7,044,950
Deferred Inflows of Resources:				
Unavailable Amounts	8,063,890	252,624	0	8,316,514
Property Tax for Next Fiscal Year	793,294	0	0	793,294
Total Deferred Inflows of Resources	8,857,184	252,624	0	9,109,808
Fund Balances:				
Nonspendable	0	0	503,291	503,291
Restricted	19,356,173	4,369,347	264,040	23,989,560
Unassigned	(92,975)	0	0	(92,975)
Total Fund Balances	19,263,198	4,369,347	767,331	24,399,876
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 35,130,725	\$ 4,654,708	\$ 769,201	\$ 40,554,634

TOLEDO CITY SCHOOL DISTRICT

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 971,092	\$ 0	\$ 0	\$ 971,092
Tuition	349,567	0	0	349,567
Food Services	769,247	0	0	769,247
Investment Earnings	42,093	13,057	2,010	57,160
Extracurricular Activities	293,196	0	700	293,896
Class Materials and Fees	4,475	0	0	4,475
Intergovernmental - State	5,265,686	0	0	5,265,686
Intergovernmental - Federal	47,104,683	0	0	47,104,683
All Other Revenue	1,098,105	292,666	0	1,390,771
Total Revenue	55,898,144	305,723	2,710	56,206,577
Expenditures:				
Current:				
Instruction	19,951,860	265,816	535	20,218,211
Supporting Services	19,199,653	1,642,920	32,154	20,874,727
Operation of Non-Instructional Services	14,355,434	0	0	14,355,434
Extracurricular Activities	548,082	0	584	548,666
Capital Outlay	146,764	1,223,928	0	1,370,692
Total Expenditures	54,201,793	3,132,664	33,273	57,367,730
Excess (Deficiency) of Revenues Over Expenditures	1,696,351	(2,826,941)	(30,563)	(1,161,153)
Other Financing Sources (Uses):				
Transfers In	1,160,623	0	1,000	1,161,623
Transfers Out	(636,601)	0	0	(636,601)
Total Other Financing Sources (Uses)	524,022	0	1,000	525,022
Net Change in Fund Balance	2,220,373	(2,826,941)	(29,563)	(636,131)
Fund Balances at Beginning of Year	17,042,825	7,196,288	796,894	25,036,007
Fund Balances End of Year	\$ 19,263,198	\$ 4,369,347	\$ 767,331	\$ 24,399,876



TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013**

	Food Service	Adult Education	Other Grants	School Facilities Maintenance
Assets:				
Cash and Cash Equivalents	\$ 386,999	\$ 693,027	\$ 387,017	\$ 16,913,043
Receivables:				
Taxes	0	0	0	863,749
Accounts	1,574	0	0	0
Intergovernmental	0	36,054	0	0
Interest	0	0	0	29,333
Inventory Held for Resale	186,913	0	0	0
Total Assets	\$ 575,486	\$ 729,081	\$ 387,017	\$ 17,806,125
Liabilities:				
Accounts Payable	\$ 102,262	\$ 19,466	\$ 38,047	\$ 488,813
Accrued Wages and Benefits	20,462	37,654	6,909	0
Intergovernmental Payable	369,075	28,888	18,370	5,308
Interfund Loans Payable	0	9,240	121,826	0
Total Liabilities	491,799	95,248	185,152	494,121
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	0
Property Tax for Next Fiscal Year	0	0	0	793,294
Total Deferred Inflows of Resources	0	0	0	793,294
Fund Balances:				
Restricted	83,687	633,833	201,865	16,518,710
Unassigned	0	0	0	0
Total Fund Balances (Deficit)	83,687	633,833	201,865	16,518,710
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 575,486	\$ 729,081	\$ 387,017	\$ 17,806,125

TOLEDO CITY SCHOOL DISTRICT

Administratively Managed Student Activity	Auxiliary Services Program	Management Information System	Public School Preschool	Data Communication	Vocational Education Enhancement
\$ 277,801	\$ 1,307,493	\$ 29,530	\$ 23,301	\$ 21,036	\$ 9,454
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	1,482	6,537
614	2,575	0	0	0	0
0	0	0	0	0	0
<u>\$ 278,415</u>	<u>\$ 1,310,068</u>	<u>\$ 29,530</u>	<u>\$ 23,301</u>	<u>\$ 22,518</u>	<u>\$ 15,991</u>
\$ 13,311	\$ 390,380	\$ 0	\$ 859	\$ 10,173	\$ 54
0	61,212	0	0	0	0
966	52,371	0	9,248	0	0
0	321,383	0	622	0	5,470
<u>14,277</u>	<u>825,346</u>	<u>0</u>	<u>10,729</u>	<u>10,173</u>	<u>5,524</u>
0	0	0	0	0	1,683
0	0	0	0	0	0
0	0	0	0	0	1,683
264,138	484,722	29,530	12,572	12,345	8,784
0	0	0	0	0	0
<u>264,138</u>	<u>484,722</u>	<u>29,530</u>	<u>12,572</u>	<u>12,345</u>	<u>8,784</u>
<u>\$ 278,415</u>	<u>\$ 1,310,068</u>	<u>\$ 29,530</u>	<u>\$ 23,301</u>	<u>\$ 22,518</u>	<u>\$ 15,991</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013**

	Alternative Schools	Miscellaneous State	Race to the Top	Special Education Handicapped
Assets:				
Cash and Cash Equivalents	\$ 7,033	\$ 14,249	\$ 205,662	\$ 303,633
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	8,480	222
Intergovernmental	3,970	2,943	933,572	1,304,290
Interest	0	0	0	0
Inventory Held for Resale	0	0	0	0
Total Assets	\$ 11,003	\$ 17,192	\$ 1,147,714	\$ 1,608,145
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 138,351	\$ 14,770
Accrued Wages and Benefits	6,849	334	309,264	689,022
Intergovernmental Payable	2,483	663	71,837	144,973
Interfund Loans Payable	0	4,699	222,604	131,007
Total Liabilities	9,332	5,696	742,056	979,772
Deferred Inflows of Resources:				
Unavailable Amounts	3,970	956	241,357	609,290
Property Tax for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	3,970	956	241,357	609,290
Fund Balances:				
Restricted	0	10,540	164,301	19,083
Unassigned	(2,299)	0	0	0
Total Fund Balances (Deficit)	(2,299)	10,540	164,301	19,083
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 11,003	\$ 17,192	\$ 1,147,714	\$ 1,608,145

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
\$ 44,524	\$ 6,057	\$ 645,936	\$ 41,353	\$ 6,070	\$ 68,257
0	0	0	0	0	0
0	0	1,320	0	0	0
85,006	50,508	6,529,694	0	48,752	1,268,891
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 129,530</u>	<u>\$ 56,565</u>	<u>\$ 7,176,950</u>	<u>\$ 41,353</u>	<u>\$ 54,822</u>	<u>\$ 1,337,148</u>
\$ 120	\$ 1,469	\$ 155,399	\$ 0	\$ 0	\$ 35,135
46,318	11,822	1,275,072	0	12,107	287,559
23,253	1,326	198,754	0	5,879	41,140
34,841	0	23	44,245	0	49,405
<u>104,532</u>	<u>14,617</u>	<u>1,629,248</u>	<u>44,245</u>	<u>17,986</u>	<u>413,239</u>
22,725	46,529	5,132,494	0	38,730	922,891
0	0	0	0	0	0
<u>22,725</u>	<u>46,529</u>	<u>5,132,494</u>	<u>0</u>	<u>38,730</u>	<u>922,891</u>
2,273	0	415,208	0	0	1,018
0	(4,581)	0	(2,892)	(1,894)	0
<u>2,273</u>	<u>(4,581)</u>	<u>415,208</u>	<u>(2,892)</u>	<u>(1,894)</u>	<u>1,018</u>
<u>\$ 129,530</u>	<u>\$ 56,565</u>	<u>\$ 7,176,950</u>	<u>\$ 41,353</u>	<u>\$ 54,822</u>	<u>\$ 1,337,148</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013**

	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	\$ 69,413	\$ 253,484	\$ 21,714,372
Receivables:				
Taxes	0	0	0	863,749
Accounts	0	0	0	11,596
Intergovernmental	0	908,800	1,141,074	12,321,573
Interest	0	0	0	32,522
Inventory Held for Resale	0	0	0	186,913
Total Assets	\$ 0	\$ 978,213	\$ 1,394,558	\$ 35,130,725
Liabilities:				
Accounts Payable	\$ 0	\$ 10,539	\$ 238,190	\$ 1,657,338
Accrued Wages and Benefits	0	2,844	295,628	3,063,056
Intergovernmental Payable	0	2,569	60,211	1,037,314
Interfund Loans Payable	81,309	0	225,961	1,252,635
Total Liabilities	81,309	15,952	819,990	7,010,343
Deferred Inflows of Resources:				
Unavailable Amounts	0	908,800	134,465	8,063,890
Property Tax for Next Fiscal Year	0	0	0	793,294
Total Deferred Inflows of Resources	0	908,800	134,465	8,857,184
Fund Balances:				
Restricted	0	53,461	440,103	19,356,173
Unassigned	(81,309)	0	0	(92,975)
Total Fund Balances (Deficit)	(81,309)	53,461	440,103	19,263,198
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 0	\$ 978,213	\$ 1,394,558	\$ 35,130,725



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, 2013**

	Food Service	Adult Education	Other Grants	School Facilities Maintenance
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 971,092
Tuition	0	318,612	0	0
Food Service	769,247	0	0	0
Investment Earnings	0	0	0	38,056
Extracurricular Activities	0	0	0	0
Classroom Materials and Fees	0	0	0	0
State Sources	206,072	132,294	0	1,249,719
Federal Sources	8,666,650	1,362,806	0	0
Miscellaneous Revenue	42,015	0	1,029,355	0
Total Revenue	<u>9,683,984</u>	<u>1,813,712</u>	<u>1,029,355</u>	<u>2,258,867</u>
Expenditures:				
Current:				
Instruction	0	1,125,264	3,167	0
Support Services	90,184	(17,624)	0	1,619,829
Non-Instructional Services	10,125,998	0	0	0
Extracurricular Activities	0	0	94,143	0
Capital Outlay	0	0	146,764	0
Total Expenditures	<u>10,216,182</u>	<u>1,107,640</u>	<u>244,074</u>	<u>1,619,829</u>
Excess (Deficiency) of Revenues Over Expenditures	(532,198)	706,072	785,281	639,038
Other Financing Sources (Uses):				
Transfers In	440,820	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>440,820</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(91,378)	706,072	785,281	639,038
Fund Balances (Deficit) at Beginning of Year	<u>175,065</u>	<u>(72,239)</u>	<u>(583,416)</u>	<u>15,879,672</u>
Fund Balances (Deficit) End of Year	<u>\$ 83,687</u>	<u>\$ 633,833</u>	<u>\$ 201,865</u>	<u>\$ 16,518,710</u>

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	30,955	0	0
0	0	0	0	0	0
869	3,168	0	0	0	0
293,196	0	0	0	0	0
4,475	0	0	0	0	0
0	3,203,811	0	136,000	96,018	21,315
0	0	0	0	0	0
23,735	0	0	0	0	3,000
<u>322,275</u>	<u>3,206,979</u>	<u>0</u>	<u>166,955</u>	<u>96,018</u>	<u>24,315</u>
2,474	(47,225)	0	7,555	0	0
0	111,286	0	113,333	117,780	21,581
0	3,196,197	0	0	0	0
453,939	0	0	0	0	0
0	0	0	0	0	0
<u>456,413</u>	<u>3,260,258</u>	<u>0</u>	<u>120,888</u>	<u>117,780</u>	<u>21,581</u>
(134,138)	(53,279)	0	46,067	(21,762)	2,734
148,027	558,250	0	0	0	0
(47,058)	(589,543)	0	0	0	0
<u>100,969</u>	<u>(31,293)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(33,169)	(84,572)	0	46,067	(21,762)	2,734
297,307	569,294	29,530	(33,495)	34,107	6,050
<u>\$ 264,138</u>	<u>\$ 484,722</u>	<u>\$ 29,530</u>	<u>\$ 12,572</u>	<u>\$ 12,345</u>	<u>\$ 8,784</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, 2013**

	Alternative Schools	Miscellaneous State	Race to the Top	Special Education Handicapped
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	202,396	18,061	0	0
Federal Sources	0	0	5,471,984	6,446,934
Miscellaneous Revenue	0	0	0	0
Total Revenue	<u>202,396</u>	<u>18,061</u>	<u>5,471,984</u>	<u>6,446,934</u>
Expenditures:				
Current:				
Instruction	113,679	187	363,988	3,331,909
Support Services	94,763	19,447	5,093,694	2,939,778
Non-Instructional Services	0	0	0	417,882
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	<u>208,442</u>	<u>19,634</u>	<u>5,457,682</u>	<u>6,689,569</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,046)	(1,573)	14,302	(242,635)
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	(6,046)	(1,573)	14,302	(242,635)
Fund Balances (Deficit) at Beginning of Year	<u>3,747</u>	<u>12,113</u>	<u>149,999</u>	<u>261,718</u>
Fund Balances (Deficit) End of Year	<u>\$ (2,299)</u>	<u>\$ 10,540</u>	<u>\$ 164,301</u>	<u>\$ 19,083</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	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
0	0	0	0	0	0	0
874,069	78,796	14,578,964	0	171,087	3,302,346	0
0	0	0	0	0	0	0
<u>874,069</u>	<u>78,796</u>	<u>14,578,964</u>	<u>0</u>	<u>171,087</u>	<u>3,302,346</u>	<u>0</u>
224,131	68,777	11,037,475	3,961	122	1,104,368	6,544
671,742	18,357	2,484,893	0	175,442	2,213,797	0
0	0	579,617	0	0	35,740	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>895,873</u>	<u>87,134</u>	<u>14,101,985</u>	<u>3,961</u>	<u>175,564</u>	<u>3,353,905</u>	<u>6,544</u>
(21,804)	(8,338)	476,979	(3,961)	(4,477)	(51,559)	(6,544)
0	0	13,338	0	0	159	29
0	0	0	0	0	0	0
0	0	13,338	0	0	159	29
(21,804)	(8,338)	490,317	(3,961)	(4,477)	(51,400)	(6,515)
24,077	3,757	(75,109)	1,069	2,583	52,418	(74,794)
<u>\$ 2,273</u>	<u>\$ (4,581)</u>	<u>\$ 415,208</u>	<u>\$ (2,892)</u>	<u>\$ (1,894)</u>	<u>\$ 1,018</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, 2013**

	Educational Research and Development	Title I School Improvement Stimulus A	Title I School Improvement Stimulus G	Total Nonmajor Special Revenue Funds
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 971,092
Tuition	0	0	0	349,567
Food Service	0	0	0	769,247
Investment Earnings	0	0	0	42,093
Extracurricular Activities	0	0	0	293,196
Classroom Materials and Fees	0	0	0	4,475
State Sources	0	0	0	5,265,686
Federal Sources	26,358	953,072	5,171,617	47,104,683
Miscellaneous Revenue	0	0	0	1,098,105
Total Revenue	<u>26,358</u>	<u>953,072</u>	<u>5,171,617</u>	<u>55,898,144</u>
Expenditures:				
Current:				
Instruction	(1,044)	0	2,606,528	19,951,860
Support Services	99,580	889,360	2,442,431	19,199,653
Non-Instructional Services	0	0	0	14,355,434
Extracurricular Activities	0	0	0	548,082
Capital Outlay	0	0	0	146,764
Total Expenditures	<u>98,536</u>	<u>889,360</u>	<u>5,048,959</u>	<u>54,201,793</u>
Excess (Deficiency) of Revenues Over Expenditures	(72,178)	63,712	122,658	1,696,351
Other Financing Sources (Uses):				
Transfers In	0	0	0	1,160,623
Transfers Out	0	0	0	(636,601)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>524,022</u>
Net Change in Fund Balance	(72,178)	63,712	122,658	2,220,373
Fund Balances (Deficit) at Beginning of Year	<u>72,178</u>	<u>(10,251)</u>	<u>317,445</u>	<u>17,042,825</u>
Fund Balances (Deficit) End of Year	<u>\$ 0</u>	<u>\$ 53,461</u>	<u>\$ 440,103</u>	<u>\$ 19,263,198</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, 2013***

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 315,070,166</u>	<u>\$ 315,025,166</u>	<u>\$ 308,157,131</u>	<u>\$ (6,868,035)</u>
Total Expenditures and Other Financing Uses	<u>312,385,327</u>	<u>320,979,861</u>	<u>312,252,512</u>	<u>8,727,349</u>
Net Change in Fund Balances	2,684,839	(5,954,695)	(4,095,381)	1,859,314
Fund Balance at Beginning of Year	12,145,874	12,145,874	12,145,874	0
Prior Year Encumbrances	<u>3,038,645</u>	<u>3,038,645</u>	<u>3,038,645</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 17,869,358</u>	<u>\$ 9,229,824</u>	<u>\$ 11,089,138</u>	<u>\$ 1,859,314</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 89,084,890</u>	<u>\$ 49,954,225</u>	<u>\$ 50,757,636</u>	<u>\$ 803,411</u>
Total Expenditures and Other Financing Uses	<u>90,857,514</u>	<u>52,116,857</u>	<u>51,413,206</u>	<u>703,651</u>
Net Change in Fund Balances	(1,772,624)	(2,162,632)	(655,570)	1,507,062
Fund Balance at Beginning of Year	<u>3,689,740</u>	<u>3,689,740</u>	<u>3,689,740</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,917,116</u>	<u>\$ 1,527,108</u>	<u>\$ 3,034,170</u>	<u>\$ 1,507,062</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 16,523,381</u>	<u>\$ 16,523,381</u>	<u>\$ 113,393</u>	<u>\$ (16,409,988)</u>
Total Expenditures and Other Financing Uses	<u>16,488,560</u>	<u>23,447,605</u>	<u>14,050,480</u>	<u>9,397,125</u>
Net Change in Fund Balances	34,821	(6,924,224)	(13,937,087)	(7,012,863)
Fund Balance at Beginning of Year	16,274,035	16,274,035	16,274,035	0
Prior Year Encumbrances	<u>6,959,046</u>	<u>6,959,046</u>	<u>6,959,046</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 23,267,902</u>	<u>\$ 16,308,857</u>	<u>\$ 9,295,994</u>	<u>\$ (7,012,863)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 27,427,051</u>	<u>\$ 27,428,632</u>	<u>\$ 1,284,865</u>	<u>\$ (26,143,767)</u>
Total Expenditures and Other Financing Uses	<u>23,269,302</u>	<u>35,255,911</u>	<u>11,406,895</u>	<u>23,849,016</u>
Net Change in Fund Balances	4,157,749	(7,827,279)	(10,122,030)	(2,294,751)
Fund Balance at Beginning of Year	25,404,528	25,404,528	25,404,528	0
Prior Year Encumbrances	<u>11,991,869</u>	<u>11,991,869</u>	<u>11,991,869</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 41,554,146</u>	<u>\$ 29,569,118</u>	<u>\$ 27,274,367</u>	<u>\$ (2,294,751)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 7,812,435</u>	<u>\$ 10,616,757</u>	<u>\$ 10,023,345</u>	<u>\$ (593,412)</u>
Total Expenditures and Other Financing Uses	<u>10,591,494</u>	<u>10,616,757</u>	<u>10,253,742</u>	<u>363,015</u>
Net Change in Fund Balances	(2,779,059)	0	(230,397)	(230,397)
Fund Balance at Beginning of Year	1	1	1	0
Prior Year Encumbrances	<u>230,396</u>	<u>230,396</u>	<u>230,396</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (2,548,662)</u>	<u>\$ 230,397</u>	<u>\$ 0</u>	<u>\$ (230,397)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 592,884</u>	<u>\$ 610,134</u>	<u>\$ 172,617</u>	<u>\$ (437,517)</u>
Total Expenditures and Other Financing Uses	<u>740,689</u>	<u>760,957</u>	<u>199,357</u>	<u>561,600</u>
Net Change in Fund Balances	(147,805)	(150,823)	(26,740)	124,083
Fund Balance at Beginning of Year	521,247	521,247	521,247	0
Prior Year Encumbrances	<u>3,018</u>	<u>3,018</u>	<u>3,018</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 376,460</u>	<u>\$ 373,442</u>	<u>\$ 497,525</u>	<u>\$ 124,083</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 200,299</u>	<u>\$ 224,899</u>	<u>\$ 55,860</u>	<u>\$ (169,039)</u>
Total Expenditures and Other Financing Uses	<u>338,271</u>	<u>372,382</u>	<u>76,461</u>	<u>295,921</u>
Net Change in Fund Balances	(137,972)	(147,483)	(20,601)	126,882
Fund Balance at Beginning of Year	150,135	150,135	150,135	0
Prior Year Encumbrances	<u>11,350</u>	<u>11,350</u>	<u>11,350</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 23,513</u>	<u>\$ 14,002</u>	<u>\$ 140,884</u>	<u>\$ 126,882</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,530,300</u>	<u>\$ 1,700,870</u>	<u>\$ 1,782,383</u>	<u>\$ 81,513</u>
Total Expenditures and Other Financing Uses	<u>1,359,516</u>	<u>1,144,425</u>	<u>1,124,897</u>	<u>19,528</u>
Net Change in Fund Balances	170,784	556,445	657,486	101,041
Fund Balance at Beginning of Year	2	2	2	0
Prior Year Encumbrances	<u>9,237</u>	<u>9,237</u>	<u>9,237</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 180,023</u>	<u>\$ 565,684</u>	<u>\$ 666,725</u>	<u>\$ 101,041</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 874,068</u>	<u>\$ 921,018</u>	<u>\$ 268,673</u>	<u>\$ (652,345)</u>
Total Expenditures and Other Financing Uses	<u>1,769,532</u>	<u>1,839,853</u>	<u>290,097</u>	<u>1,549,756</u>
Net Change in Fund Balances	(895,464)	(918,835)	(21,424)	897,411
Fund Balance at Beginning of Year	558,774	558,774	558,774	0
Prior Year Encumbrances	<u>29,321</u>	<u>29,321</u>	<u>29,321</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (307,369)</u>	<u>\$ (330,740)</u>	<u>\$ 566,671</u>	<u>\$ 897,411</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,074,269</u>	<u>\$ 2,577,021</u>	<u>\$ 1,156,181</u>	<u>\$ (1,420,840)</u>
Total Expenditures and Other Financing Uses	<u>700,000</u>	<u>1,471,970</u>	<u>1,117,629</u>	<u>354,341</u>
Net Change in Fund Balances	1,374,269	1,105,051	38,552	(1,066,499)
Fund Balance at Beginning of Year	258,720	258,720	258,720	0
Prior Year Encumbrances	<u>7,941</u>	<u>7,941</u>	<u>7,941</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,640,930</u>	<u>\$ 1,371,712</u>	<u>\$ 305,213</u>	<u>\$ (1,066,499)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 12,331,850</u>	<u>\$ 12,294,850</u>	<u>\$ 2,240,707</u>	<u>\$ (10,054,143)</u>
Total Expenditures and Other Financing Uses	<u>1,500,000</u>	<u>1,991,364</u>	<u>1,914,224</u>	<u>77,140</u>
Net Change in Fund Balances	10,831,850	10,303,486	326,483	(9,977,003)
Fund Balance at Beginning of Year	15,752,332	15,752,332	15,752,332	0
Prior Year Encumbrances	<u>125,083</u>	<u>125,083</u>	<u>125,083</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 26,709,265</u>	<u>\$ 26,180,901</u>	<u>\$ 16,203,898</u>	<u>\$ (9,977,003)</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, 2013***

ADMINISTRATIVELY MANAGED STUDENT ACTIVITY FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 632,861</u>	<u>\$ 683,661</u>	<u>\$ 469,880</u>	<u>\$ (213,781)</u>
Total Expenditures and Other Financing Uses	<u>1,371,965</u>	<u>1,416,271</u>	<u>513,785</u>	<u>902,486</u>
Net Change in Fund Balances	(739,104)	(732,610)	(43,905)	688,705
Fund Balance at Beginning of Year	290,028	290,028	290,028	0
Prior Year Encumbrances	<u>7,356</u>	<u>7,356</u>	<u>7,356</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (441,720)</u>	<u>\$ (435,226)</u>	<u>\$ 253,479</u>	<u>\$ 688,705</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,290,128</u>	<u>\$ 3,765,312</u>	<u>\$ 4,085,017</u>	<u>\$ 319,705</u>
Total Expenditures and Other Financing Uses	<u>3,786,230</u>	<u>4,125,784</u>	<u>4,570,985</u>	<u>(445,201)</u>
Net Change in Fund Balances	(496,102)	(360,472)	(485,968)	(125,496)
Fund Balance at Beginning of Year	1,042,915	1,042,915	1,042,915	0
Prior Year Encumbrances	<u>210,149</u>	<u>210,149</u>	<u>210,149</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 756,962</u>	<u>\$ 892,592</u>	<u>\$ 767,096</u>	<u>\$ (125,496)</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, 2013***

MANAGEMENT INFORMATION SYSTEM FUND

	<u>Original Budget</u>	<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>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	0	0	0
Fund Balance at Beginning of Year	<u>29,530</u>	<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>\$ 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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 187,176</u>	<u>\$ 187,176</u>	<u>\$ 170,887</u>	<u>\$ (16,289)</u>
Total Expenditures and Other Financing Uses	<u>146,600</u>	<u>136,000</u>	<u>154,389</u>	<u>(18,389)</u>
Net Change in Fund Balances	40,576	51,176	16,498	(34,678)
Fund Balance at Beginning of Year	2	2	2	0
Prior Year Encumbrances	<u>4,600</u>	<u>4,600</u>	<u>4,600</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 45,178</u>	<u>\$ 55,778</u>	<u>\$ 21,100</u>	<u>\$ (34,678)</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, 2013***

DATA COMMUNICATION FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 93,028</u>	<u>\$ 94,536</u>	<u>\$ 1,508</u>
Total Expenditures and Other Financing Uses	<u>95,400</u>	<u>151,047</u>	<u>150,945</u>	<u>102</u>
Net Change in Fund Balances	(95,400)	(58,019)	(56,409)	1,610
Fund Balance at Beginning of Year	34,107	34,107	34,107	0
Prior Year Encumbrances	<u>32,875</u>	<u>32,875</u>	<u>32,875</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (28,418)</u>	<u>\$ 8,963</u>	<u>\$ 10,573</u>	<u>\$ 1,610</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 42,990</u>	<u>\$ 46,990</u>	<u>\$ 25,313</u>	<u>\$ (21,677)</u>
Total Expenditures and Other Financing Uses	<u>22,000</u>	<u>26,252</u>	<u>25,994</u>	<u>258</u>
Net Change in Fund Balances	20,990	20,738	(681)	(21,419)
Fund Balance at Beginning of Year	9,141	9,141	9,141	0
Prior Year Encumbrances	<u>200</u>	<u>200</u>	<u>200</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 30,331</u>	<u>\$ 30,079</u>	<u>\$ 8,660</u>	<u>\$ (21,419)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 202,580</u>	<u>\$ 206,550</u>	<u>\$ 202,396</u>	<u>\$ (4,154)</u>
Total Expenditures and Other Financing Uses	<u>222,263</u>	<u>220,337</u>	<u>211,015</u>	<u>9,322</u>
Net Change in Fund Balances	(19,683)	(13,787)	(8,619)	5,168
Fund Balance at Beginning of Year	13,544	13,544	13,544	0
Prior Year Encumbrances	<u>2,108</u>	<u>2,108</u>	<u>2,108</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (4,031)</u>	<u>\$ 1,865</u>	<u>\$ 7,033</u>	<u>\$ 5,168</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 128,333</u>	<u>\$ 110,538</u>	<u>\$ 63,112</u>	<u>\$ (47,426)</u>
Total Expenditures and Other Financing Uses	<u>53,759</u>	<u>26,383</u>	<u>64,856</u>	<u>(38,473)</u>
Net Change in Fund Balances	74,574	84,155	(1,744)	(85,899)
Fund Balance at Beginning of Year	<u>15,993</u>	<u>15,993</u>	<u>15,993</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 90,567</u>	<u>\$ 100,148</u>	<u>\$ 14,249</u>	<u>\$ (85,899)</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, 2013***

RACE TO THE TOP FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 5,864,890</u>	<u>\$ 8,105,091</u>	<u>\$ 5,235,072</u>	<u>\$ (2,870,019)</u>
Total Expenditures and Other Financing Uses	<u>4,021,163</u>	<u>6,256,998</u>	<u>5,550,976</u>	<u>706,022</u>
Net Change in Fund Balances	1,843,727	1,848,093	(315,904)	(2,163,997)
Fund Balance at Beginning of Year	181,538	181,538	181,538	0
Prior Year Encumbrances	<u>138,359</u>	<u>138,359</u>	<u>138,359</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,163,624</u>	<u>\$ 2,167,990</u>	<u>\$ 3,993</u>	<u>\$ (2,163,997)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 7,852,262</u>	<u>\$ 8,104,623</u>	<u>\$ 6,678,755</u>	<u>\$ (1,425,868)</u>
Total Expenditures and Other Financing Uses	<u>8,810,896</u>	<u>7,852,779</u>	<u>6,571,314</u>	<u>1,281,465</u>
Net Change in Fund Balances	(958,634)	251,844	107,441	(144,403)
Fund Balance at Beginning of Year	73,188	73,188	73,188	0
Prior Year Encumbrances	<u>56,927</u>	<u>56,927</u>	<u>56,927</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (828,519)</u>	<u>\$ 381,959</u>	<u>\$ 237,556</u>	<u>\$ (144,403)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,769,544</u>	<u>\$ 1,782,689</u>	<u>\$ 1,042,363</u>	<u>\$ (740,326)</u>
Total Expenditures and Other Financing Uses	<u>943,844</u>	<u>1,141,869</u>	<u>1,125,041</u>	<u>16,828</u>
Net Change in Fund Balances	825,700	640,820	(82,678)	(723,498)
Fund Balance at Beginning of Year	1	1	1	0
Prior Year Encumbrances	<u>125,803</u>	<u>125,803</u>	<u>125,803</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 951,504</u>	<u>\$ 766,624</u>	<u>\$ 43,126</u>	<u>\$ (723,498)</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, 2013***

TITLE VII BILINGUAL EDUCATION PROGRAM FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 129,042</u>	<u>\$ 181,242</u>	<u>\$ 78,534</u>	<u>\$ (102,708)</u>
Total Expenditures and Other Financing Uses	<u>144,482</u>	<u>133,886</u>	<u>81,926</u>	<u>51,960</u>
Net Change in Fund Balances	(15,440)	47,356	(3,392)	(50,748)
Fund Balance at Beginning of Year	730	730	730	0
Prior Year Encumbrances	<u>4,117</u>	<u>4,117</u>	<u>4,117</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (10,593)</u>	<u>\$ 52,203</u>	<u>\$ 1,455</u>	<u>\$ (50,748)</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, 2013***

	TITLE I 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>\$ 22,917,123</u>	<u>\$ 24,447,164</u>	<u>\$ 15,429,513</u>	<u>\$ (9,017,651)</u>
Total Expenditures and Other Financing Uses	<u>21,105,833</u>	<u>22,406,063</u>	<u>15,830,336</u>	<u>6,575,727</u>
Net Change in Fund Balances	1,811,290	2,041,101	(400,823)	(2,441,924)
Fund Balance at Beginning of Year	12,568	12,568	12,568	0
Prior Year Encumbrances	<u>522,921</u>	<u>522,921</u>	<u>522,921</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,346,779</u>	<u>\$ 2,576,590</u>	<u>\$ 134,666</u>	<u>\$ (2,441,924)</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, 2013***

	<u>Original Budget</u>	<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>\$ 44,245</u>	<u>\$ 44,245</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>44,245</u>	<u>(44,245)</u>
Net Change in Fund Balances	0	0	0	0
Fund Balance at Beginning of Year	<u>41,353</u>	<u>41,353</u>	<u>41,353</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 41,353</u>	<u>\$ 41,353</u>	<u>\$ 41,353</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 272,125</u>	<u>\$ 276,816</u>	<u>\$ 199,767</u>	<u>\$ (77,049)</u>
Total Expenditures and Other Financing Uses	<u>234,675</u>	<u>224,839</u>	<u>196,610</u>	<u>28,229</u>
Net Change in Fund Balances	37,450	51,977	3,157	(48,820)
Fund Balance at Beginning of Year	<u>2,913</u>	<u>2,913</u>	<u>2,913</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 40,363</u>	<u>\$ 54,890</u>	<u>\$ 6,070</u>	<u>\$ (48,820)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 4,388,171</u>	<u>\$ 5,579,776</u>	<u>\$ 3,124,975</u>	<u>\$ (2,454,801)</u>
Total Expenditures and Other Financing Uses	<u>3,105,784</u>	<u>4,647,038</u>	<u>3,427,531</u>	<u>1,219,507</u>
Net Change in Fund Balances	1,282,387	932,738	(302,556)	(1,235,294)
Fund Balance at Beginning of Year	159,894	159,894	159,894	0
Prior Year Encumbrances	<u>142,662</u>	<u>142,662</u>	<u>142,662</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,584,943</u>	<u>\$ 1,235,294</u>	<u>\$ 0</u>	<u>\$ (1,235,294)</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, 2013***

MISCELLANEOUS FEDERAL GRANTS FUND

	<u>Original Budget</u>	<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>\$ 54,823</u>	<u>\$ 54,823</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>54,858</u>	<u>(54,858)</u>
Net Change in Fund Balances	0	0	(35)	(35)
Fund Balance at Beginning of Year	<u>35</u>	<u>35</u>	<u>35</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 35</u>	<u>\$ 35</u>	<u>\$ 0</u>	<u>\$ (35)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 394,777</u>	<u>\$ 45,207</u>	<u>\$ 30,414</u>	<u>\$ (14,793)</u>
Total Expenditures and Other Financing Uses	<u>381,726</u>	<u>103,550</u>	<u>102,120</u>	<u>1,430</u>
Net Change in Fund Balances	13,051	(58,343)	(71,706)	(13,363)
Fund Balance at Beginning of Year	68,582	68,582	68,582	0
Prior Year Encumbrances	<u>3,124</u>	<u>3,124</u>	<u>3,124</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 84,757</u>	<u>\$ 13,363</u>	<u>\$ 0</u>	<u>\$ (13,363)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,494,791</u>	<u>\$ 2,262,041</u>	<u>\$ 1,003,072</u>	<u>\$ (1,258,969)</u>
Total Expenditures and Other Financing Uses	<u>961,118</u>	<u>1,984,477</u>	<u>1,020,461</u>	<u>964,016</u>
Net Change in Fund Balances	533,673	277,564	(17,389)	(294,953)
Fund Balance at Beginning of Year	48,866	48,866	48,866	0
Prior Year Encumbrances	<u>24,451</u>	<u>24,451</u>	<u>24,451</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 606,990</u>	<u>\$ 350,881</u>	<u>\$ 55,928</u>	<u>\$ (294,953)</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, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 5,603,342</u>	<u>\$ 6,528,192</u>	<u>\$ 5,135,655</u>	<u>\$ (1,392,537)</u>
Total Expenditures and Other Financing Uses	<u>5,334,553</u>	<u>6,335,958</u>	<u>5,421,790</u>	<u>914,168</u>
Net Change in Fund Balances	268,789	192,234	(286,135)	(478,369)
Fund Balance at Beginning of Year	23,904	23,904	23,904	0
Prior Year Encumbrances	<u>262,231</u>	<u>262,231</u>	<u>262,231</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 554,924</u>	<u>\$ 478,369</u>	<u>\$ 0</u>	<u>\$ (478,369)</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, 2013***

	PERMANENT IMPROVEMENT 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>\$ 20,000</u>	<u>\$ 10,500</u>	<u>\$ 298,312</u>	<u>\$ 287,812</u>
Total Expenditures and Other Financing Uses	<u>4,639,000</u>	<u>7,617,603</u>	<u>3,790,391</u>	<u>3,827,212</u>
Net Change in Fund Balances	(4,619,000)	(7,607,103)	(3,492,079)	4,115,024
Fund Balance at Beginning of Year	6,422,507	6,422,507	6,422,507	0
Prior Year Encumbrances	<u>1,188,116</u>	<u>1,188,116</u>	<u>1,188,116</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,991,623</u>	<u>\$ 3,520</u>	<u>\$ 4,118,544</u>	<u>\$ 4,115,024</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, 2013***

	ENDOWMENTS 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>\$ 16,600</u>	<u>\$ 17,280</u>	<u>\$ 2,721</u>	<u>\$ (14,559)</u>
Total Expenditures and Other Financing Uses	<u>57,900</u>	<u>58,700</u>	<u>33,291</u>	<u>25,409</u>
Net Change in Fund Balances	(41,300)	(41,420)	(30,570)	10,850
Fund Balance at Beginning of Year	<u>796,457</u>	<u>796,457</u>	<u>796,457</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 755,157</u>	<u>\$ 755,037</u>	<u>\$ 765,887</u>	<u>\$ 10,850</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, 2013***

	Rotary	Intra-District Services	Health Insurance	Computer Network-Class A
Assets:				
Cash and Cash Equivalents	\$ 6,020	\$ 1,012,980	\$ 18,434,550	\$ 9,202
Receivables:				
Accounts	0	103,368	1,609	0
Intergovernmental	0	22,759	0	0
Interest	0	0	27,494	0
Total Assets	<u>6,020</u>	<u>1,139,107</u>	<u>18,463,653</u>	<u>9,202</u>
Liabilities:				
Accounts Payable	0	17,212	1,586,126	0
Accrued Wages and Benefits	0	0	4,579,200	0
Intergovernmental Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>17,212</u>	<u>6,165,326</u>	<u>0</u>
Net Position:				
Unrestricted	6,020	1,121,895	12,298,327	9,202
Total Net Position	<u>\$ 6,020</u>	<u>\$ 1,121,895</u>	<u>\$ 12,298,327</u>	<u>\$ 9,202</u>

TOLEDO CITY SCHOOL DISTRICT

<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$ 2,908,104	\$ 22,370,856
0	104,977
702,195	724,954
<u>6,929</u>	<u>34,423</u>
<u>3,617,228</u>	<u>23,235,210</u>
27,825	1,631,163
0	4,579,200
<u>232,834</u>	<u>232,834</u>
<u>260,659</u>	<u>6,443,197</u>
<u>3,356,569</u>	<u>16,792,013</u>
<u>\$ 3,356,569</u>	<u>\$ 16,792,013</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, 2013**

	Rotary	Intra-District Services	Health Insurance	Computer Network-Class A
Operating Revenues:				
Interfund Charges	\$ 2,382	\$ 192,622	\$ 44,499,228	\$ 0
Total Operating Revenues	<u>2,382</u>	<u>192,622</u>	<u>44,499,228</u>	<u>0</u>
Operating Expenses:				
Personal Services	0	0	411,790	0
Purchased Services	0	(28,037)	40,335,209	0
Supplies and Materials	0	208,043	0	0
Miscellaneous	11,704	0	0	0
Total Operating Expenses	<u>11,704</u>	<u>180,006</u>	<u>40,746,999</u>	<u>0</u>
Operating Income (Loss)	(9,322)	12,616	3,752,229	0
Nonoperating Revenue (Expenses):				
Investment Earnings	0	0	36,467	0
Total Nonoperating Revenues (Expenses)	<u>0</u>	<u>0</u>	<u>36,467</u>	<u>0</u>
Change in Net Position	(9,322)	12,616	3,788,696	0
Net Position Beginning of Year	15,342	1,109,279	8,509,631	9,202
Net Position End of Year	<u>\$ 6,020</u>	<u>\$ 1,121,895</u>	<u>\$ 12,298,327</u>	<u>\$ 9,202</u>

TOLEDO CITY SCHOOL DISTRICT

<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$ 0	\$ 44,694,232
<u>0</u>	<u>44,694,232</u>
491,654	903,444
9,325	40,316,497
0	208,043
<u>0</u>	<u>11,704</u>
<u>500,979</u>	<u>41,439,688</u>
(500,979)	3,254,544
<u>8,423</u>	<u>44,890</u>
<u>8,423</u>	<u>44,890</u>
(492,556)	3,299,434
<u>3,849,125</u>	<u>13,492,579</u>
<u>\$ 3,356,569</u>	<u>\$ 16,792,013</u>

TOLEDO CITY SCHOOL DISTRICT

***Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2013***

	Rotary	Intra- District Services	Health Insurance	Computer Network- Class A
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Interfund Charges	\$2,382	\$195,696	\$44,499,228	\$0
Cash Payments to Employees for Services and Benefits	(11,704)	(172,947)	(40,407,469)	0
Net Cash Provided (Used) by Operating Activities	(9,322)	22,749	4,091,759	0
<u>Cash Flows from Investing Activities:</u>				
Receipts of Interest	0	0	20,009	0
Net Cash Provided by Investing Activities	0	0	20,009	0
Net Increase (Decrease) in Cash and Cash Equivalents	(9,322)	22,749	4,111,768	0
Cash and Cash Equivalents at Beginning of Year	15,342	990,231	14,327,006	9,202
Cash and Cash Equivalents at End of Year	\$6,020	\$1,012,980	\$18,438,774	\$9,202
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	(\$9,322)	\$12,616	\$3,752,229	\$0
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
Decrease (Increase) in Accounts Receivable	0	4,569	(1,609)	0
Increase in Intergovernmental Receivables	0	(11,648)	0	0
Increase in Accounts Payable	0	17,212	941,739	0
Decrease in Accrued Wages and Benefits	0	0	(600,600)	0
Decrease in Intergovernmental Payables	0	0	0	0
Total Adjustments	0	10,133	339,530	0
Net Cash Provided (Used) by Operating Activities	(9,322)	\$22,749	\$4,091,759	\$0

TOLEDO CITY SCHOOL DISTRICT

<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$0	\$44,697,306
(1,406,374)	(41,998,494)
<u>(1,406,374)</u>	<u>2,698,812</u>
5,042	25,051
<u>5,042</u>	<u>25,051</u>
(1,401,332)	2,723,863
4,310,500	19,652,281
<u>\$2,909,168</u>	<u>\$22,376,144</u>
(\$500,979)	\$3,254,544
0	2,960
(702,195)	(713,843)
25,915	984,866
0	(600,600)
(229,115)	(229,115)
<u>(905,395)</u>	<u>(555,732)</u>
<u>(\$1,406,374)</u>	<u>\$2,698,812</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, 2013***

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
<i>Student Managed Activity Fund</i>				
Assets:				
Cash and Cash Equivalents	\$365,952	\$240,936	(\$365,952)	\$240,936
Accounts Receivable	0	17,773	0	17,773
Interest Receivable	214	648	(214)	648
Total Assets	<u>\$366,166</u>	<u>\$259,357</u>	<u>(\$366,166)</u>	<u>\$259,357</u>
Liabilities:				
Accounts Payable	\$17,493	\$5,116	(\$17,493)	\$5,116
Intergovernmental Payable	1,070	414	(1,070)	414
Due to Students	347,603	253,827	(347,603)	253,827
Total Liabilities	<u>\$366,166</u>	<u>\$259,357</u>	<u>(\$366,166)</u>	<u>\$259,357</u>



STATISTICAL SECTION



Toledo Public Schools

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)*

	2004	2005	2006	2007
Governmental Activities				
Net Investment in Capital Assets	\$46,451,090	\$44,598,478	\$48,695,909	\$248,239,325
Restricted for:				
Capital Projects	602,514,840	583,303,915	513,286,796	361,944,025
Debt Service	7,914,287	5,845,920	8,823,771	12,115,936
Permanent Funds:				
Expendable	328,848	313,819	328,736	341,333
Nonexpendable	502,291	502,291	502,291	502,291
Other Purposes	12,150,959	10,644,859	17,127,362	17,864,571
Unrestricted (Deficit)	(37,951,094)	(35,477,065)	(27,004,696)	(15,174,793)
Total Governmental Activities Net Position	<u>\$631,911,221</u>	<u>\$609,732,217</u>	<u>\$561,760,169</u>	<u>\$625,832,688</u>
Primary Government				
Net Investment in Capital Assets	\$46,451,090	\$44,598,478	\$48,695,909	\$248,239,325
Restricted	623,411,225	600,610,804	540,068,956	392,768,156
Unrestricted (Deficit)	(37,951,094)	(35,477,065)	(27,004,696)	(15,174,793)
Total Primary Government Net Position	<u>\$631,911,221</u>	<u>\$609,732,217</u>	<u>\$561,760,169</u>	<u>\$625,832,688</u>

Source: District Treasurer's Office

Toledo Public School District

2008	2009	2010	2011	2012	2013
\$273,164,202	\$319,887,466	\$295,429,243	\$356,044,033	\$391,566,146	\$403,716,045
317,693,258	169,137,197	217,877,292	135,580,227	64,306,216	25,562,136
14,372,972	11,705,745	5,725,901	6,055,588	5,413,569	5,033,770
350,204	343,688	330,522	309,119	293,603	264,040
503,291	503,291	503,291	503,291	503,291	503,291
18,876,850	39,034,091	18,185,213	15,138,459	23,724,299	26,904,962
(19,858,790)	(56,323,121)	(39,755,783)	(4,891,597)	4,190,775	11,218,263
<u>\$605,101,987</u>	<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>
\$273,164,202	\$319,887,466	\$295,429,243	\$356,044,033	\$391,566,146	\$403,716,045
351,796,575	220,724,012	242,622,219	157,586,684	94,240,978	58,268,199
(19,858,790)	(56,323,121)	(39,755,783)	(4,891,597)	4,190,775	11,218,263
<u>\$605,101,987</u>	<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>

Toledo Public School District

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

	2004	2005	2006	2007
Expenses				
Governmental Activities				
Instruction	\$248,417,336	\$270,471,446	\$292,680,197	\$189,552,656
Support Services	134,366,560	135,099,356	138,761,857	133,079,110
Non-Instructional Services	25,815,679	27,827,829	19,816,003	27,648,071
Extracurricular Activities	5,362,388	5,262,095	6,333,665	4,242,542
Interest and Fiscal Charges	5,148,505	7,162,151	7,229,719	6,991,726
<i>Total Primary Government Expenses</i>	<u>\$419,110,468</u>	<u>\$445,822,877</u>	<u>\$464,821,441</u>	<u>\$361,514,105</u>
Program Revenues				
Charges for Services				
Instruction	\$5,213,123	\$6,691,740	\$3,461,903	\$6,053,787
Support Services	6,121,179	5,891,099	9,122,667	13,630,186
Extracurricular Activities	1,488,661	4,722,931	3,515,022	3,042,679
Operating Grants and Contributions	69,932,639	63,212,833	72,027,628	89,840,113
Capital Grants and Contributions	5,746,926	1,403,910	577,516	241,467
<i>Total Primary Government Program Revenues</i>	<u>88,502,528</u>	<u>81,922,513</u>	<u>88,704,736</u>	<u>112,808,232</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(330,607,940)</u>	<u>(363,900,364)</u>	<u>(376,116,705)</u>	<u>(248,705,873)</u>
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$330,607,940)</u>	<u>(\$363,900,364)</u>	<u>(\$376,116,705)</u>	<u>(\$248,705,873)</u>

Toledo Public School District

2008	2009	2010	2011	2012	2013
\$263,193,272	\$261,800,004	\$247,655,446	\$260,842,406	\$236,207,897	\$253,504,953
133,764,377	135,291,670	132,178,983	121,820,020	114,249,054	113,119,827
25,644,073	26,726,017	23,329,071	25,822,082	16,957,213	18,046,982
5,107,505	5,471,234	5,397,381	3,563,783	2,387,172	2,245,368
6,919,481	6,958,983	8,249,037	6,327,517	6,815,825	7,305,050
<u>\$434,628,708</u>	<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>
\$5,290,951	\$4,023,645	\$2,818,840	\$2,738,592	\$2,153,120	\$2,868,817
13,775,626	16,187,742	11,539,081	10,155,473	8,424,558	7,956,396
2,777,125	2,731,369	2,467,675	1,973,018	1,457,008	1,537,986
95,387,363	102,234,262	71,728,806	74,429,919	46,905,184	49,415,641
0	0	0	0	13,271,422	957,329
<u>117,231,065</u>	<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>(317,397,643)</u>	<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>(\$317,397,643)</u>	<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>

Toledo Public School District

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

	2004	2005	2006	2007
General Revenues and Other Changes in Net Position				
Governmental Activities				
Property Taxes Levied for				
General Purposes	\$107,245,398	\$106,736,207	\$104,775,512	\$99,468,836
Special Purposes	1,152,249	1,258,083	1,196,205	1,196,598
Debt Service	10,924,204	11,700,649	11,621,405	12,429,284
Capital Outlay	4,244,528	4,460,168	4,380,783	4,410,854
Grants and Entitlements not				
Restricted to Specific Programs	202,381,204	210,387,487	197,630,604	183,776,457
Investment Earnings	2,088,128	5,983,334	8,437,563	11,334,119
Miscellaneous	638,024	1,195,432	102,585	162,244
Total Primary Government	\$328,673,735	\$341,721,360	\$328,144,657	\$312,778,392
Change in Net Assets				
Governmental Activities	(\$1,934,205)	(\$22,179,004)	(\$47,972,048)	\$64,072,519
Total Primary				
Government Change in Net Position	(\$1,934,205)	(\$22,179,004)	(\$47,972,048)	\$64,072,519

Source: District Treasurer's Office

Toledo Public School District

2008	2009	2010	2011	2012	2013
\$89,303,614	\$93,183,415	\$91,408,483	\$95,606,344	\$74,414,156	\$83,422,448
1,099,423	1,151,977	1,062,637	1,002,932	1,026,037	971,092
11,056,591	11,305,429	8,089,438	9,129,011	9,098,250	9,522,686
3,984,819	4,034,149	5,586,245	1,432,954	0	0
181,133,225	193,207,018	233,261,864	232,087,828	200,779,485	220,217,972
9,683,086	4,587,198	2,590,626	(398,979)	336,955	261,490
406,184	102,225	263,545	662,157	9,765	294,931
<u>\$296,666,942</u>	<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>(\$20,730,701)</u>	<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>(\$20,730,701)</u>	<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>

Toledo Public School District

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

	2004	2005	2006	2007
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	14,681,804	16,147,477	8,391,654	13,272,327
Unreserved	(24,015,732)	(28,005,685)	(20,963,268)	(7,561,390)
Total General Fund	(9,333,928)	(11,858,208)	(12,571,614)	5,710,937
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Unassigned	0	0	0	0
Reserved	24,704,088	61,721,921	11,261,152	58,835,147
Unreserved, Undesignated in:				
Special Revenue Funds	(3,246,820)	(1,804,134)	(1,438,040)	3,671,750
Debt Service Fund	7,145,076	4,438,435	7,129,305	10,450,742
Capital Projects Funds	147,612,524	88,974,476	77,119,622	51,056,444
Permanent Fund	328,848	313,819	328,736	341,333
Total All Other Governmental Funds	176,543,716	153,644,517	94,400,775	124,355,416
Total Governmental Funds	\$167,209,788	\$141,786,309	\$81,829,161	\$130,066,353

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

2008	2009	2010	2011	2012	2013
\$0	\$0	\$0	\$62,902	\$65,468	\$64,409
0	0	0	0	0	59,848
0	0	0	(10,868,218)	(1,229,421)	0
13,719,985	13,008,918	12,554,700	0	0	0
1,776	(17,195,736)	(25,259,943)	0	0	0
<u>13,721,761</u>	<u>(4,186,818)</u>	<u>(12,705,243)</u>	<u>(10,805,316)</u>	<u>(1,163,953)</u>	<u>124,257</u>
0	0	0	503,291	503,291	503,291
0	0	0	121,037,616	86,806,823	48,949,228
0	0	0	(3,538,516)	(849,304)	(92,975)
69,496,216	38,678,072	79,947,256	0	0	0
(1,834,973)	7,135,876	10,188,787	0	0	0
13,863,182	10,920,852	4,797,338	0	0	0
9,668,289	67,224,903	70,492,241	0	0	0
350,204	341,588	326,522	0	0	0
<u>91,542,918</u>	<u>124,301,291</u>	<u>165,752,144</u>	<u>118,002,391</u>	<u>86,460,810</u>	<u>49,359,544</u>
<u>\$105,264,679</u>	<u>\$120,114,473</u>	<u>\$153,046,901</u>	<u>\$107,197,075</u>	<u>\$85,296,857</u>	<u>\$49,483,801</u>

Toledo Public School District

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

	2004	2005	2006	2007
Revenues:				
Taxes	\$116,690,772	\$119,358,742	\$118,721,351	\$120,520,408
Tuition	5,197,293	3,266,058	3,447,124	3,708,191
Transportation Fees	469,959	502,116	561,991	783,273
Food Services	2,355,774	2,061,867	1,975,570	1,869,705
Investment Earnings	2,078,065	5,955,187	8,344,735	11,340,272
Extracurricular Activities	1,546,319	1,592,106	1,519,804	1,298,006
Class Materials and Fees	400,782	412,727	378,202	390,068
Intermediate Sources	35,239	20,932	0	30,000
Intergovernmental - State	243,734,658	282,962,791	298,841,914	325,177,344
Intergovernmental - Federal	44,480,898	48,193,022	42,192,049	50,008,540
All Other Revenue	3,479,842	10,673,605	8,309,077	14,795,783
Total Revenue	420,469,601	474,999,153	484,291,817	529,921,590
Expenditures:				
Current:				
Instruction	224,080,604	229,062,862	224,652,834	223,368,191
Supporting Services	136,780,343	144,862,597	142,938,752	132,585,876
Non-Instructional Services	27,486,263	27,795,462	23,196,032	26,451,093
Extracurricular Activities	5,149,254	5,166,323	6,326,677	4,064,556
Capital Outlay	37,290,845	77,944,609	136,541,555	84,731,327
Debt Service:				
Principal Retirement	8,393,000	8,293,000	3,240,506	3,265,000
Interest and Fiscal Charges	5,769,497	7,297,779	7,357,013	7,119,129
Total Expenditures	444,949,806	500,422,632	544,253,369	481,585,172
Excess (Deficiency) of Revenues Over Expenditures	(24,480,205)	(25,423,479)	(59,961,552)	48,336,418
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	4,404	30,142
Payments to Refunding Bonds Escrow Agent	0	0	0	0
General Obligation Bonds Issued	103,600,000	0	0	0
Premium on Issuance of General Obligation Bonds	2,554,815	0	0	0
New Capital Leases	0	0	0	0
Transfers In	3,684,025	3,186,555	3,556,661	11,650,611
Transfers Out	(3,684,025)	(3,186,555)	(3,556,661)	(11,779,979)
Total Other Financing Sources (Uses)	106,154,815	0	4,404	(99,226)
Net Change in Fund Balance	\$81,674,610	(\$25,423,479)	(\$59,957,148)	\$48,237,192
Debt Service as a Percentage of Noncapital Expenditures	3.28%	3.38%	2.24%	2.94%

Source: District Treasurer's Office

Toledo Public School District

2008	2009	2010	2011	2012	2013
\$114,312,225	\$105,699,938	\$101,918,154	\$96,848,838	\$92,962,714	\$93,893,529
4,130,667	2,889,694	1,882,544	1,996,903	2,139,162	2,349,810
764,427	809,245	789,969	512,767	380,291	528,656
1,791,657	1,664,852	1,402,139	1,053,241	753,334	769,247
9,779,617	4,916,848	2,458,103	(359,695)	343,334	241,651
1,236,132	1,096,809	1,114,890	875,047	487,122	526,133
331,134	309,764	328,486	120,999	58,356	68,329
60,000	20,000	0	0	10,200	0
295,700,158	295,597,310	288,513,123	274,473,871	245,334,613	221,463,606
38,934,570	54,073,343	80,117,268	73,165,870	58,919,333	48,000,565
13,948,465	16,274,444	11,481,474	10,238,626	8,262,528	8,378,570
<u>480,989,052</u>	<u>483,352,247</u>	<u>490,006,150</u>	<u>458,926,467</u>	<u>409,650,987</u>	<u>376,220,096</u>
226,968,624	252,993,864	251,020,566	237,995,598	221,413,444	221,802,330
141,432,307	143,794,427	138,912,335	126,115,598	116,235,381	116,699,988
24,870,693	23,917,955	25,184,615	31,025,845	29,646,355	20,478,826
4,871,994	5,282,257	5,289,492	3,467,440	2,282,608	2,805,310
97,176,358	64,251,427	20,583,735	96,128,614	50,477,831	38,640,728
3,330,000	3,415,000	7,835,000	4,260,000	4,395,000	4,760,000
7,047,876	7,229,513	8,361,259	6,446,406	7,568,120	6,388,271
<u>505,697,852</u>	<u>500,884,443</u>	<u>457,187,002</u>	<u>505,439,501</u>	<u>432,018,739</u>	<u>411,575,453</u>
(24,708,800)	(17,532,196)	32,819,148	(46,513,034)	(22,367,752)	(35,355,357)
46,765	0	113,280	663,208	0	0
0	0	0	0	(59,595,899)	(39,717,581)
0	31,999,995	0	0	52,555,000	34,265,000
0	381,995	0	0	7,508,433	4,994,882
0	0	0	0	0	0
7,277,303	10,417,146	8,429,486	3,575,875	1,282,460	1,250,851
(7,416,942)	(10,417,146)	(8,429,486)	(3,575,875)	(1,282,460)	(1,250,851)
<u>(92,874)</u>	<u>32,381,990</u>	<u>113,280</u>	<u>663,208</u>	<u>467,534</u>	<u>(457,699)</u>
<u>(\$24,801,674)</u>	<u>\$14,849,794</u>	<u>\$32,932,428</u>	<u>(\$45,849,826)</u>	<u>(\$21,900,218)</u>	<u>(\$35,813,056)</u>
2.45%	2.51%	3.90%	2.56%	3.12%	2.86%

Toledo Public School District

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

Tax year	2003	2004	2005	2006	2007
Real Property					
Assessed	2,314,937	2,658,992	2,693,299	2,675,627	3,025,038
Actual	6,614,106	7,597,120	7,695,140	7,644,649	8,642,966
Public Utility					
Assessed	177,375	152,422	144,678	136,918	137,134
Actual	177,375	152,422	144,678	136,918	137,134
Tangible Personal Property					
Assessed	345,046	322,160	295,642	281,399	210,923
Actual	1,380,184	1,288,640	1,182,568	1,125,596	1,687,384
Total					
Assessed	2,837,358	3,133,574	3,133,619	3,093,944	3,373,095
Actual	8,171,665	9,038,182	9,022,386	8,907,163	10,467,484
Assessed Value as a Percentage of Actual Value	34.72%	34.67%	34.73%	34.74%	32.22%
Total Direct Tax Rate	\$68.00	\$67.60	\$67.35	\$67.35	\$67.10

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

2008	2009	2010	2011	2012
2,980,687	2,973,109	2,667,357	2,573,582	2,188,403
8,516,249	8,494,597	7,621,020	7,353,091	6,252,580
138,071	97,072	107,158	114,195	122,237
138,071	97,072	107,158	114,195	122,237
153,551	15,315	7,407	0	0
2,456,816	153,150	74,070	0	0
3,272,309	3,085,496	2,781,922	2,687,777	2,310,640
11,111,136	8,744,819	7,802,248	7,467,286	6,374,817
29.45%	35.28%	35.66%	35.99%	36.25%
\$66.90	\$67.70	\$65.70	\$65.70	\$67.40

Toledo Public School District

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Direct District Rates					
General Fund	60.50	60.30	60.05	60.05	59.80
Permanent Improvement Fund	3.00	3.00	3.00	3.00	3.00
Bond Retirement Fund	4.50	4.30	4.30	4.30	4.30
Total	<u>68.00</u>	<u>67.60</u>	<u>67.35</u>	<u>67.35</u>	<u>67.10</u>
Overlapping Rates					
Townships:					
Harding	3.60	3.30	3.00	3.00	3.00
Spencer	6.00	6.00	6.00	6.00	6.00
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	17.45	18.30	18.00	18.00	18.00
Total	<u>103.55</u>	<u>103.70</u>	<u>102.85</u>	<u>102.85</u>	<u>102.60</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>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
59.80	60.60	61.20	61.20	61.70
3.00	3.00	0.50	0.50	0.50
<u>4.10</u>	<u>4.10</u>	<u>4.00</u>	<u>4.00</u>	<u>5.20</u>
66.90	67.70	65.70	65.70	67.40
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
<u>18.17</u>	<u>18.17</u>	<u>16.17</u>	<u>16.17</u>	<u>17.77</u>
<u>106.37</u>	<u>107.17</u>	<u>103.17</u>	<u>103.17</u>	<u>106.47</u>

Toledo Public School District

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

Name of Taxpayer	Nature of Business	Calendar Year 2012		
		Assessed Value	Rank	Percent of Total Assessed Value
Toledo Gaming Ventures	Casino	\$56,525,460	1	2.58%
One Seagate Partners	Realty	14,000,000	2	0.64%
University Resided at Westwood	Realty	5,377,190	3	0.25%
Airport Square Investments	Realty	5,075,010	4	0.23%
Toledo VA Company	Realty	4,952,360	5	0.23%
ERT Southland	Realty	4,641,350	6	0.21%
Greystone Country Club	Realty	4,462,510	7	0.20%
Brixmor Miracle Mile	Realty	4,266,200	8	0.19%
Toledo Edison	Utility	3,712,430	9	0.17%
Dredging Toledo	Realty	3,620,750	10	0.17%
	Subtotal	106,633,260		4.87%
	All Others	2,081,769,270		95.13%
	Total	\$2,188,402,530		100.00%

Name of Taxpayer	Nature of Business	Calendar Year 2003		
		Assessed Value	Rank	Percent of Total Assessed Value
Owens-Illinois	Manufacturing	\$19,250,000	1	0.83%
S-S-C Company	Manufacturing	9,560,000	2	0.41%
St. Vincent Medical Center	Healthcare	8,042,000	3	0.35%
A.E.R.C	Realty	7,712,000	4	0.33%
Toledo Hospital	Healthcare	6,952,000	5	0.30%
Medical College of Ohio	Healthcare	6,403,000	6	0.28%
Toledo Edison	Utility	5,729,000	7	0.25%
Dana Corporation	Manufacturing	5,516,000	8	0.24%
Reed Holdings	Realty	5,145,000	9	0.22%
Toledo Town and Country	Realty	4,736,000	10	0.20%
	Subtotal	79,045,000		3.41%
	All Others	2,235,892,000		96.59%
	Total	\$2,314,937,000		100.00%

Source: Lucas County Auditor - Land and Buildings
Based on valuation of property in 2012 and 2003

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*

		<u>Calendar Year 2012</u>		
<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>
Toledo Edison	Electrical Distribution	\$93,347	1	67.13%
Columbia Gas	Utility	29,430	2	21.16%
American Transmission, Inc.	Utility	12,519	3	9.00%
Subtotal		135,296		97.29%
All Others		3,763		2.71%
Total		<u>\$139,059</u>		<u>100.00%</u>
		<u>Calendar Year 2003</u>		
<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>
Toledo Edison	Electrical Distribution	\$60,861	1	35.69%
Ohio Bell	Utility	40,457	2	23.72%
General Mills	Manufacturing	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 2012 and 2003

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>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Total Tax Levy (1)	\$129,385	\$127,874	\$126,939	\$120,463
Collections within the Fiscal Year of the Levy				
Current Tax Collections (2)	122,349	125,522	124,222	117,366
Percent of Levy Collected	94.56%	98.16%	97.86%	97.43%
Delinquent Tax Collections (3)	<u>6,778</u>	<u>6,563</u>	<u>6,183</u>	<u>7,589</u>
Total Tax Collections	129,127	132,085	130,405	124,955
Percent of Total Tax Collections To Tax Levy	99.80%	103.29%	102.73%	103.73%
Accumulated Outstanding Delinquent Taxes (4)	16,946	19,187	21,979	24,532
Percentage of Accumulated				
Delinquent Taxes to Total Tax Levy	13.10%	15.00%	17.31%	20.36%

(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.

(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

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$121,796	\$125,132	\$117,731	\$113,750	\$113,232	\$112,645
116,283	117,843	99,431	98,171	95,804	96,711
95.47%	94.17%	84.46%	86.30%	84.61%	85.85%
<u>11,023</u>	<u>8,449</u>	<u>8,215</u>	<u>9,032</u>	<u>8,510</u>	<u>9,845</u>
127,306	126,292	107,646	107,203	104,314	106,556
104.52%	100.93%	91.43%	94.24%	92.12%	94.59%
14,411	21,234	20,721	21,545	27,716	22,089
11.83%	16.97%	17.60%	18.94%	24.48%	19.61%

Toledo Public School District

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2004	2005	2006	2007
Governmental Activities (1)				
EPA Long-Term Note Payable	\$133,506	\$40,506	\$0	\$0
General Obligation Bonds Payable	171,679,762	163,339,963	160,000,164	156,595,365
Capital Leases	828,655	421,765	221,896	0
Total Primary Government	<u>\$172,641,923</u>	<u>\$163,802,234</u>	<u>\$160,222,060</u>	<u>\$156,595,365</u>
Population (2)				
City of Toledo	313,619	313,619	313,619	313,619
Outstanding Debt Per Capita	\$550	\$522	\$511	\$499
Income				
Personal (in thousands)	9,964,616	9,856,732	9,917,574	10,135,852
Percentage of Personal Income	1.73%	1.66%	1.62%	1.54%

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

2008	2009	2010	2011	2012	2013
\$0	\$0	\$0	\$0	\$0	\$0
153,125,566	181,939,114	173,950,672	169,537,230	168,958,777	164,920,184
0	0	0	0	0	0
<u>\$153,125,566</u>	<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>
313,619	313,619	287,208	286,038	286,208	284,012
\$488	\$580	\$606	\$593	\$590	\$581
10,298,307	10,095,709	6,887,535	5,380,089	5,383,286	4,897,787
1.49%	1.80%	2.53%	3.15%	3.14%	3.37%

Toledo Public School District

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

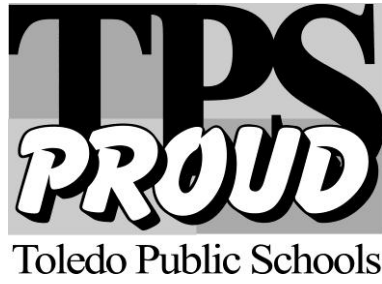
Year	2004	2005	2006	2007
Population (1)	313,619	313,619	313,619	313,619
Assessed Value (2)	\$3,133,574	\$3,133,619	\$3,093,946	\$3,373,095
General Bonded Debt (3)				
General Obligation Bonds	\$171,680	\$163,340	\$160,000	\$156,595
Resources Available to Pay Principal (4)	\$7,611	\$5,070	\$7,669	\$11,268
Net General Bonded Debt	\$164,069	\$158,270	\$152,331	\$145,327
Ratio of Net Bonded Debt to Assessed Actual Value	5.24%	5.05%	4.92%	4.31%
Net Bonded Debt per Capita	\$523	\$505	\$486	\$463

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

2008	2009	2010	2011	2012	2013
313,619	313,619	287,208	286,038	286,208	284,012
\$3,272,309	\$3,085,496	\$2,781,922	\$2,729,775	\$2,687,777	\$2,188,403
\$153,126	\$181,939	\$173,951	\$169,537	\$168,959	\$164,920
\$13,863	\$11,526	\$5,293	\$5,193	\$4,314	\$3,767
\$139,263	\$170,413	\$168,658	\$164,344	\$164,645	\$161,153
4.26%	5.52%	6.06%	6.02%	6.13%	7.36%
\$444	\$543	\$587	\$575	\$575	\$567



Toledo Public School District

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
(amounts in thousands)
June 30, 2013*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to Toledo Public School District	Amount Applicable to Toledo Public School District
Direct:			
Toledo Public School District	\$152,565	100.00%	\$152,565
Overlapping:			
Lucas County	54,555	41.59%	22,687
City of Toledo	76,632	58.41%	44,764
		Subtotal	67,451
		Total	\$220,016

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*

	2003	2004	2005	2006
Net Assessed Valuation	\$2,837,358	\$3,133,574	\$3,133,619	\$3,093,944
Overall Direct Debt Limitation				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	255,362	282,022	282,026	278,455
Applicable District Debt Outstanding	145,227	167,934	159,600	156,400
Less: Applicable Debt Service Fund Amounts (2)	(6,926)	(7,612)	(5,070)	(7,669)
Net Indebtedness Subject to Limitation	<u>138,301</u>	<u>160,322</u>	<u>154,530</u>	<u>148,731</u>
Overall Legal Debt Margin	<u>\$117,061</u>	<u>\$121,700</u>	<u>\$127,496</u>	<u>\$129,724</u>
Unvoted Direct Debt Limitation				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	2,837	3,134	3,134	3,094
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$2,837</u>	<u>\$3,134</u>	<u>\$3,134</u>	<u>\$3,094</u>
Energy Conservation Bond Limitation				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	25,536	28,202	28,203	27,845
Authorized by the Board	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation Bond Legal Debt Margin	<u>\$25,536</u>	<u>\$28,202</u>	<u>\$28,203</u>	<u>\$27,845</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

2007	2008	2009	2010	2011	2012
\$3,373,095	\$3,272,309	\$3,085,496	\$2,781,922	\$2,687,777	\$2,310,640
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
303,579	294,508	277,695	250,373	241,900	207,958
153,135	149,805	178,389	170,555	160,070	152,565
(11,268)	(13,863)	(11,526)	(5,293)	(5,193)	(4,315)
<u>141,867</u>	<u>135,942</u>	<u>166,863</u>	<u>165,262</u>	<u>154,877</u>	<u>148,250</u>
<u>\$161,712</u>	<u>\$158,566</u>	<u>\$110,832</u>	<u>\$85,111</u>	<u>\$87,023</u>	<u>\$59,708</u>
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
3,373	3,272	3,085	2,782	2,688	2,311
0	0	0	0	0	0
<u>\$3,373</u>	<u>\$3,272</u>	<u>\$3,085</u>	<u>\$2,782</u>	<u>\$2,688</u>	<u>\$2,311</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
30,358	29,451	27,769	25,037	24,190	20,796
0	0	0	0	0	0
<u>\$30,358</u>	<u>\$29,451</u>	<u>\$27,769</u>	<u>\$25,037</u>	<u>\$24,190</u>	<u>\$20,796</u>

Toledo Public School District

Demographic and Economic Statistics Last Ten Years

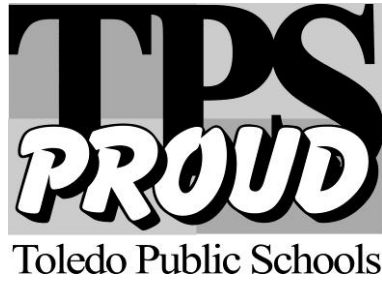
Calendar Year	2003	2004	2005	2006
Population (1)				
City of Toledo	313,619	313,619	313,619	313,619
Lucas County	455,054	455,054	437,901	437,901
Income (2) (a)				
Total Personal (in thousands)	9,654,447	9,964,616	9,856,732	9,917,574
Per Capita	30,784	31,773	31,429	31,623
Unemployment Rate (3)				
Federal	6.0%	5.5%	5.0%	4.6%
State	6.1%	6.0%	5.9%	5.5%
Lucas County	7.8%	7.4%	6.9%	6.3%
Fiscal Year	2004	2005	2006	2007
School Enrollment (4)				
Elementary School (K-5 & K-6 configuration)	19,230	18,275	16,668	13,305
Middle School (6-8 & 7-8 configuration)	5,324	4,886	4,498	6,717
High School (9-12)	9,485	9,452	9,092	8,685
Special (5)	277	385	38	352
Total	<u>34,316</u>	<u>32,998</u>	<u>30,296</u>	<u>29,059</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

2007	2008	2009	2010	2011	2012
313,619	313,619	313,619	287,208	286,038	284,012
437,901	437,901	437,901	441,815	440,005	437,998
10,135,852	10,298,307	10,095,709	6,887,535	5,380,089	5,383,286
32,319	32,837	32,191	23,981	18,809	17,245
4.6%	5.8%	9.3%	9.6%	8.9%	7.8%
5.6%	6.6%	10.2%	10.1%	8.6%	6.7%
6.7%	8.3%	12.2%	11.3%	9.7%	8.5%
2008	2009	2010	2011	2012	2013
13,100	13,197	13,321	13,748	11,512	12,364
6,297	4,312	3,856	3,249	4,742	3,013
8,269	7,079	6,809	6,680	6,187	6,061
583	1,204	1,209	642	31	40
28,249	25,792	25,195	24,319	22,472	21,478



Toledo Public School District

Principal Employers Current Year and Nine Years Ago

		Fiscal Year 2013		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
Promedica	Medical Facilities	12,414	1	3.65%
University of Toledo	Education	6,538	2	1.92%
Mercy Health Partners	Medical Facilities	6,533	3	1.92%
Lucas County	Government	3,700	4	1.09%
Toledo Public Schools	Education	3,161	5	0.93%
Kroger Company	Grocery	2,786	6	0.82%
City of Toledo	Government	2,614	7	0.77%
Walmart	Retail	2,470	8	0.73%
State of Ohio	Government	1,809	9	0.53%
Andersons, Inc	Retail	1,796	10	0.52%
Total		43,821		12.88%
Total Employment within the District		296,500		87.12%
		<u>340,321</u>		<u>100.00%</u>
		2004		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
Promedica	Medical Facilities	11,000	1	3.08%
Mercy Health Partners	Medical Facilities	6,825	2	1.91%
Toledo Public Schools	Education	5,302	3	1.48%
University of Toledo	Education	5,000	4	1.40%
Lucas County	Government	4,312	5	1.21%
General Motors	Automotive	4,092	6	1.15%
Chrysler	Manufacturing	3,800	7	1.06%
Andersons	Retail	3,500	8	0.98%
Medical College of Ohio	Medical Facilities	3,477	9	0.97%
City of Toledo	Government	3,020	10	0.84%
Total		50,328		14.08%
Total Employment within the District		307,000		85.92%
		<u>357,328</u>		<u>100.00%</u>

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*

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Supervisory					
Instructional Administrators	49	44	40	38	44
Noninstructional Administrators	61	71	67	63	62
Principals	61	66	60	56	51
Assistant Principals	55	46	45	42	51
Instruction					
Classroom Teachers					
Elementary	1,456	1,405	1,253	1,188	1,057
Middle	354	365	340	262	299
High	618	659	638	597	655
Other	152	141	151	156	169
Student Services					
Guidance Counselors	71	71	68	64	67
Psychologists	24	26	25	24	23
Other Professionals (noninstructional)	35	36	36	34	31
Support Services					
Clerical/Secretaries	347	333	312	297	311
Tutors/Aides	414	370	373	345	358
Food Service	265	253	233	219	243
Maintenance/Grounds	349	354	333	326	346
Transportation	206	205	205	202	212
<i>Total Employees</i>	<u>4,517</u>	<u>4,445</u>	<u>4,179</u>	<u>3,913</u>	<u>3,979</u>

Source: District Treasurer's Office

Toledo Public School District

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
45	49	42	29	29
59	68	66	59	65
55	61	52	48	49
39	45	33	33	42
1,051	1,249	987	976	940
324	378	321	224	223
540	614	524	484	477
143	175	95	66	124
60	68	63	48	47
28	27	22	25	25
19	38	17	17	17
271	319	235	202	203
324	376	313	310	334
222	253	208	183	179
304	366	299	254	251
194	232	176	168	156
<u>3,678</u>	<u>4,318</u>	<u>3,453</u>	<u>3,126</u>	<u>3,161</u>

Toledo Public School District

*Operating Indicators - Cost per Pupil
Last Ten Years*

Fiscal Year	2004	2005	2006	2007	2008
Enrollment	34,316	32,998	30,296	29,059	28,249
Modified Accrual Basis					
Operating Expenditures	444,949,806	500,422,632	544,253,369	481,585,172	505,697,852
Cost per Pupil	12,966	15,165	17,965	16,573	17,901
Percentage of Change	15.7%	17.0%	18.5%	(7.75%)	8.02%
Accrual Basis					
Expenses	419,110,468	445,822,877	464,821,441	361,514,105	434,628,708
Cost per Pupil	12,213	13,511	15,343	12,441	15,386
Percentage of Change	10.3%	10.6%	13.6%	(18.91%)	23.67%
Teaching Staff	3,348	3,276	2,368	2,248	2,201
Pupil to Teacher Ratio					
Toledo	14.1	18.3	18.6	19.5	18.0
State Average	18.5	18.5	18.5	18.5	18.6

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

N/A = Not available

Toledo Public School District

2009	2010	2011	2012	2013
25,792	25,195	24,319	22,472	21,478
500,884,443	457,187,002	505,439,501	432,018,739	411,575,453
19,420	18,146	20,784	19,225	19,163
8.48%	(6.56%)	14.54%	(7.50%)	(0.32%)
436,247,908	416,809,918	418,375,808	376,617,161	394,222,180
16,914	16,543	17,204	16,759	18,355
9.93%	(2.19%)	3.99%	(2.58%)	9.52%
2,058	2,116	1,927	1,750	1,764
18.0	N/A	N/A	N/A	N/A
18.6	N/A	N/A	N/A	N/A

Toledo Public School District

Operating Indicators by Function Last Ten Years

	2004	2005	2006	2007
Governmental Activities				
Instruction				
Regular	28,540	27,529	24,953	23,767
Special	5,809	5,456	5,343	5,292
Support Services				
Pupils				
Enrollment	34,349	32,985	30,296	29,059
Graduates	1,041	1,171	1,348	1,519
Percent of Students with Disabilities	16.60%	17.40%	18.30%	17.90%
Percent of Students with English as Second Language	0.30%	0.50%	0.30%	0.50%
Administration				
School Attendance Rate	93.10%	93.20%	93.20%	92.30%
Fiscal Services				
Purchase Orders Processed	26,053	25,745	25,218	23,753
Checks Issued (non payroll)	29,349	26,321	26,058	26,369
Operation and Maintenance of Plant				
District Square Footage Maintained	6,318,863	6,634,127	6,271,055	5,533,138
District Square Acreage Maintained	145	152	144	127
Pupil Transportation				
Average Daily Students Transported	7,756	8,642	9,229	11,182
Average Daily Bus Fleet Miles	11,043	11,598	10,348	10,711
Number of Buses	178	167	171	172
Operation of Noninstructional Services				
Food Service				
Students Meals Served Daily	14,368	13,523	12,667	12,833
Free/Reduced Price Meals Daily	12,550	11,944	11,181	11,247
Extracurricular Activities				
High School Varsity Teams	114	115	115	115

Source: District Treasurer's Office

Toledo Public School District

2008	2009	2010	2011	2012	2013
22,995	21,020	20,358	19,671	19,034	18,050
5,254	4,771	4,837	4,648	4,140	3,698
28,249	25,792	25,195	24,319	23,174	21,748
1,284	1,267	1,303	1,272	1,075	1,026
18.60%	18.50%	19.20%	19.10%	18.00%	20.49%
1.80%	1.40%	1.50%	2.26%	1.61%	1.88%
95.20%	94.90%	94.90%	94.70%	94.30%	94.10%
23,998	23,998	20,917	19,867	16,759	17,424
26,306	26,825	27,187	15,650	19,312	17,232
5,449,806	5,588,049	5,588,049	6,263,196	5,183,088	5,183,088
125	128	128	144	144	144
10,323	11,114	13,269	2,893	3,517	3,327
10,892	10,392	10,125	8,300	8,190	2,783
162	166	160	124	120	122
14,290	14,643	15,089	14,952	18,652	22,939
12,977	13,400	13,206	13,750	17,428	20,692
115	115	115	48	48	48

Toledo Public School District

Operating Indicators - Teacher Base Salaries Last Ten Years

Fiscal Year	2004	2005	2006	2007	2008
Minimum Salary	32,697	32,697	32,697	32,697	32,697
Maximum Salary	65,520	65,520	65,520	65,520	65,520
District Average Salary	45,949	48,274	49,862	50,294	50,083
County Average Salary	41,964	51,376	53,411	54,696	56,228
State Average Salary	47,495	49,436	50,771	53,534	53,410

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

Operating Indicators - Teacher by Education Last Ten Years

Fiscal Year	2004	2005	2006	2007	2008
Bachelor's Degree	1,785	1,635	1,101	1,033	1,010
Master's Degree	1,550	1,624	1,254	1,202	1,180
Doctorate	13	17	13	13	11
Total	3,348	3,276	2,368	2,248	2,201

Source: District Treasurer's Office

N/A - not available

Toledo Public School District

2009	2010	2011	2012	2013
34,351	35,313	34,960	34,086	34,086
68,836	70,763	72,867	71,045	70,871
52,735	54,568	56,585	53,613	52,143
59,210	61,490	NA	41,949	41,949
54,656	55,958	56,715	48,071	48,071

2009	2010	2011	2012	2013
933	945	824	759	789
1,115	1,161	1,095	980	956
10	10	8	11	19
2,058	2,116	1,927	1,750	1,764

Toledo Public School District

Capital Asset Statistics by Building Last Ten Years

	2004	2005	2006	2007
School Buildings				
High Schools				
Number of Buildings	7	7	7	7
Square Footage	1,977,346	1,977,346	1,977,346	1,793,255
Enrollment	9,485	9,452	9,092	8,685
Junior High Schools *				
Number of Buildings	7	7	7	6
Square Footage	725,903	725,903	725,903	634,563
Enrollment	5,324	4,886	4,498	5,353
Middle Schools *				
Number of Buildings	0	0	1	2
Square Footage	0	0	83,299	179,743
Enrollment	0	0	521	1,206
Elementary Schools				
Number of Buildings	44	44	44	37
Square Footage	2,581,410	2,581,410	2,376,163	2,327,553
Enrollment	19,230	18,275	16,668	15,468
Special Schools				
Number of Buildings	14	14	11	8
Square Footage	823,914	823,914	582,790	372,463
Enrollment	277	385	313	359
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	119,986	115,981

Source: District Treasurer's Office

* Restructuring program began in 2006, completed in 2008.

Toledo Public School District

2008	2009	2010	2011	2012	2013
7	7	7	7	7	7
1,943,186	1,947,738	1,947,738	1,947,738	1,798,771	1,798,771
8,272	7,079	6,809	6,680	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	7	0	0
652,097	622,321	622,321	622,321	0	0
4,346	4,312	3,856	3,249	0	0
37	37	37	37	42	42
2,290,095	2,453,562	2,453,562	2,453,562	2,530,620	2,530,620
12,860	13,196	13,321	13,748	15,685	15,685
8	8	8	8	8	8
358,143	358,143	358,143	358,143	358,143	358,143
2,770	1,204	1,209	642	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

	2004	2005	2006	2007
Governmental Activities				
Instruction				
Land and Improvements	\$17,930,709	\$21,401,277	\$21,237,747	\$21,206,948
Buildings and Improvements	98,807,735	98,448,522	124,467,992	180,471,518
Machinery and Equipment	820,189	1,080,631	1,422,417	1,679,106
Vehicles	265,561	372,411	372,411	372,412
Construction In Progress	12,191,262	45,957,833	84,155,459	151,589,221
Administration				
Land and Improvements	565,488	565,488	207,367	207,367
Buildings and Improvements	4,228,050	4,228,050	1,028,140	4,001,663
Machinery and Equipment	2,348,835	3,705,058	3,690,836	3,849,683
Vehicles	0	0	0	0
Operations and Maintenance of Plant				
Land and Improvements	411,953	411,953	411,953	411,952
Buildings and Improvements	1,502,625	1,502,625	1,502,625	1,502,625
Machinery and Equipment	1,398,411	1,731,391	2,212,966	2,316,700
Vehicles	1,530,343	1,530,343	1,575,448	1,643,155
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	7,552,128	7,912,620
Non-Instructional Activities				
Land and Improvements	127,175	127,175	127,175	127,175
Buildings and Improvements	4,046,820	4,046,820	3,199,962	4,046,820
Machinery and Equipment	1,316,505	1,316,505	1,261,155	1,251,855
Extracurricular Activities				
Land and Improvements	0	0	140,221	140,221
Buildings and Improvements	0	0	4,046,768	3,199,910
Machinery and Equipment	0	5,204	284,226	284,226

Source: District Treasurer's Office

Toledo Public School District

2008	2009	2010	2011	2012	2013
\$21,221,762	\$20,918,762	\$20,918,761	\$20,918,761	\$21,444,762	\$21,444,762
303,328,623	392,702,165	452,882,180	480,007,471	590,026,000	612,986,614
2,026,764	2,226,144	2,772,922	2,954,554	3,245,394	3,571,105
372,412	421,335	421,335	421,335	465,344	522,526
96,291,759	75,436,367	41,441,727	94,921,281	10,865,779	339,735
207,367	207,367	207,367	207,367	207,367	207,367
8,943,955	16,073,559	9,609,275	10,963,164	10,963,164	10,963,164
4,043,960	4,181,127	4,382,103	4,416,260	4,482,758	4,482,758
0	0	28,631	157,931	157,931	157,931
411,952	411,952	411,952	411,952	411,952	411,952
1,502,625	1,502,625	1,502,625	1,504,498	1,504,498	1,504,498
2,391,276	2,017,143	2,031,520	2,109,652	2,109,652	2,109,652
1,789,849	1,790,269	1,816,428	1,488,754	1,143,127	1,476,022
584,422	584,422	584,422	584,422	58,422	58,422
207,077	207,077	207,077	207,077	207,077	207,077
42,700	54,943	54,943	54,943	54,943	54,943
8,053,881	8,551,578	8,710,085	8,303,498	8,561,106	8,933,772
127,175	127,175	127,175	127,175	127,175	127,175
4,046,820	4,046,820	4,046,820	4,046,820	4,046,820	4,046,820
1,168,102	1,176,061	1,069,348	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

	2004	2005	2006	2007	2008
Cost per Student (ODE)					
Toledo	10,279	10,604	11,202	11,209	10,770
Ohio (Average)	8,768	9,048	9,356	9,586	9,939
Attendance Rate					
Toledo	93.10%	93.20%	93.20%	92.30%	95.20%
Ohio (Average)	95.30%	95.20%	94.10%	94.10%	94.20%
Graduation Rate					
Toledo	70.40%	80.20%	90.40%	87.60%	N/A
Ohio (Average)	84.30%	85.90%	86.20%	86.90%	N/A

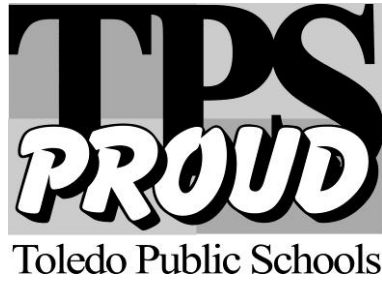
Source:

District's Student Records and Ohio Department of Education

N/A = Not available

Toledo Public School District

2009	2010	2011	2012	2013
12,008	13,544	13,859	12,471	N/A
10,184	10,512	10,571	10,508	10,508
94.90%	N/A	94.70%	94.30%	N/A
94.30%	94.30%	94.50%	94.50%	94.20%
N/A	N/A	80.50%	N/A	N/A
84.60%	84.60%	84.30%	81.30%	81.30%





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 11, 2014**