



Balestra, Harr & Scherer, CPAs, Inc.

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

www.bhscpas.com

SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY

SINGLE AUDIT

For the Year Ended June 30, 2015
Fiscal Year Audited Under GAGAS: 2015



Dave Yost • Auditor of State

Board of Education
South-Western City School District
3805 Marlane Drive
Grove City, Ohio 43123

We have reviewed the *Independent Auditors' Report* of the South-Western City School District, Franklin County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period July 1, 2014 through June 30, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

February 29, 2016

This page intentionally left blank.

**SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**TABLE OF CONTENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

South-Western City School District
Franklin County
Schedule of Federal Awards Receipts and Expenditures
For the Fiscal Year Ended June 30, 2015

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
United States Department of Agriculture						
<i>Passed through Ohio Department of Education</i>						
<i>Child Nutrition Cluster:</i>						
National School Lunch Program	3L60	10.555	\$ 4,839,618	\$ 675,279	\$ 4,839,618	\$ 675,279
School Breakfast Program	3L70	10.553	1,300,510		1,300,510	-
Total Nutrition Cluster			6,140,128	675,279	6,140,128	675,279
Child and Adult Food Care Program	3L80	10.558	117,575	-	117,575	-
Total United States Department of Agriculture			6,257,703	675,279	6,257,703	675,279
United States Department of Education						
<i>Passed through Ohio Department of Education</i>						
<i>Title I, Part A Cluster:</i>						
Title I Grants to Local Educational Agencies	3M00	84.010	6,078,323	-	6,400,562	-
Total Title I, Part A Cluster			6,078,323	-	6,400,562	-
<i>Special Education Cluster (IDEA):</i>						
Special Education - Grants to States	3M20	84.027	4,004,890	-	3,996,404	-
Special Education - Preschool Grants	3C50	84.173	40,413	-	40,413	-
Total Special Education Cluster			4,045,303	-	4,036,817	-
Career and Technical Education - Basic Grants to States	3L90	84.048	392,401		375,174	-
English Language Acquisition State Grants	3Y70	84.365	518,865	-	528,300	-
Improving Teacher Quality State Grants	3Y60	84.367	612,409	-	610,485	-
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, ARRA	3FD0	84.395	99	-	-	-
<i>Total passed through Ohio Department of Education</i>			11,647,400	-	11,951,338	-
<i>Passed through the Goodman Guild Association</i>						
Adult Education - Basic Grants to States	N/A	84.002	197,044	-	118,898	-
<i>Passed through the Ohio Board of Regents</i>						
Adult Education - Basic Grants to States	N/A	84.002	40,193	-	39,661	-
			237,237	-	158,559	-
Total United States Department of Education			11,884,637	-	12,109,897	-
United States Department of Health and Human Services						
<i>Passed through Columbus Urgan League (CUL)</i>						
Head Start	N/A	93.600	1,646,140	-	1,563,594	-
<i>Passed through Ohio Department of Jobs and Family Services</i>						
Refugee and Entrant Assistance - Discretionary Grants	N/A	93.576	15,229	-	12,440	-
Total United States Department of Health and Human Services			1,661,369	-	1,576,034	-
Total Federal Financial Assistance			<u>\$19,803,709</u>	<u>\$ 675,279</u>	<u>\$ 19,943,634</u>	<u>\$ 675,279</u>

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

**SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards receipts and expenditures is a summary of the activity of the District's federal award programs. 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 in the schedule, the District assumes that the federal monies were expended first.

NOTE C - FOOD DISTRIBUTIONS

Non monetary assistance is reported in the schedule at the entitlement value of the commodities received and disbursed. Monies are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2015, the District had no significant food commodities in inventory.



Balestra, Harr & Scherer, CPAs, Inc.

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

www.bhscpas.com

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

South-Western City School District
Franklin County
3805 Marlane Drive
Grove City, Ohio 43123

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 the South-Western City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2015, 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 18, 2015, wherein we noted that the District adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Balestra, Harr & Scherer, CPAs

Balestra, Harr & Scherer, CPAs, Inc.
Piketon, Ohio
December 18, 2015



Balestra, Harr & Scherer, CPAs, Inc.

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

www.bhscpas.com

Report on Compliance With Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133

South-Western City School District
Franklin County
3805 Marlane Drive
Grove City, Ohio 43123

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the South-Western City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could directly and materially affect South-Western City School District's major federal program for the year ended June 30, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program 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 program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, the South-Western City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2015.

Report on Internal Control Over Compliance

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

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

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

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

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

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South-Western City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2015, 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 18, 2015. Our opinion also explained that the District adopted Governmental Accounting Standard No. 68 during the year. We conducted our audit to opine on the District's basic financial statements. The accompanying Schedule of Federal Awards Receipts and Expenditures presents additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Balestra, Harr & Scherer, CPAs

Balestra, Harr & Scherer, CPAs, Inc.
Piketon, Ohio
December 18, 2015

South-Western City School District
 Franklin County, Ohio
 Schedule of Findings
 OMB CIRCULAR A-133 SECTION .505
 June 30, 2015

SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under Section .510(a)?	No
(d)(1)(vii)	Major Program(s) (list):	<i>Title I, Part A Cluster: Title I Grants to Local Educational Agencies, CFDA #84.010</i>
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$618,567 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

This page intentionally left blank.



*Comprehensive Annual Financial Report
For the Year ended June 30, 2015*

South-Western City Schools
3805 Marlane Drive
Grove City, Ohio 43123
(614) 801-3047

SOUTH-WESTERN CITY SCHOOL DISTRICT

Grove City, Ohio

***COMPREHENSIVE ANNUAL FINANCIAL
REPORT***

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Issued by the Treasurer's Office

Hugh W. Garside, Jr., Treasurer
Karen K. New, Assistant Treasurer

South-Western City School District
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2015

INTRODUCTORY SECTION

Title Page 1
 Table of Contents 2
 Letter of Transmittal 5
 List of Principal Officials 13
 Treasurer’s Department Staff 14
 Organizational Chart 15
 GFOA Certificate of Achievement 16

FINANCIAL SECTION

Independent Auditors’ Report 17
 Management’s Discussion and Analysis 20

Basic Financial Statements:

Government-wide Financial Statements

Statement of Net Position 28
 Statement of Activities 29

Fund Financial Statements:

Balance Sheet – Governmental Funds 30
 Reconciliation of Total Governmental Fund Balances to Net Position of
 Governmental Activities 31
 Statement of Revenues, Expenditures, and Changes in Fund
 Balances – Governmental Funds 32
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
 Balances of Governmental Funds to the Statement of Activities 33
 Statement of Net Position – Internal Service Fund 34
 Statement of Revenues, Expenses, and Changes in Fund
 Net Position – Internal Service Fund 35
 Statement of Cash Flows – Internal Service Fund 36
 Statement of Fiduciary Assets and Liabilities – Agency Fund 37
 Notes to the Basic Financial Statements 38

Required Supplementary Information:

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP) and Actual	70
Budgetary Basis of Accounting	73
Schedule of the School District’s Proportionate Share of the Net Pension Liability School Employees Retirement System of Ohio	74
Schedule of the School District’s Proportionate Share of the Net Pension Liability State Teachers Retirement of Ohio	75
Schedule of the School District’s Contribution - School Employees Retirement System of Ohio	76
Schedule of the School District’s Contribution – State Teachers Retirement System of Ohio	78

Other Supplementary Information:

Debt Service Fund

Fund Description	81
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP) and Actual	82

Capital Improvement Funds

Fund Description	83
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP) and Actual:	
Capital Improvements	84
Building	85
Classroom Facilities	86

Combining Statements – Nonmajor Funds:

Fund Descriptions	87
Combining Balance Sheet – Nonmajor Governmental Funds	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	90
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP) and Actual:	
Public School Support	92
Other Grants	95
District Managed Student Activities	97
All State Grants	99
All Federal Grants	101
Food Service	104
Classroom Facilities Maintenance	105

Proprietary Funds:	
Internal Service Fund	
Fund Description	106
Schedule of Revenues, Expense and Changes in Fund Net Position	
– Budget (Non-GAAP) and Actual.....	107
Fiduciary Funds	
Fund Description	108
Combining Balance Sheet – All Agency Funds.....	109
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	110
STATISTICAL SECTION	
Statistical Section Description.....	111
Net Position by Component – Last Ten Fiscal Years.....	112
Changes in Net Position – Last Ten Fiscal Years	114
Fund Balances, Governmental Funds - Last Ten Fiscal Years.....	118
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years	120
Assessed and Estimated Actual Value of Taxable Property - Last Ten Collection Years	122
Property Tax Levies and Collections - Last Ten Fiscal Years	124
Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years.....	126
Principal Taxpayers – December 31, 2014 and December 31, 2005	128
Ratio of Outstanding Debt by Type - Last Ten Fiscal Years	130
Ratio of Net General Obligation Bonded Debt Outstanding - Last Ten Collection Years.....	131
Computation of Direct and Overlapping Governmental Activities Debt	
- June 30, 2015	132
Computation of Legal Debt Margin – Last Ten Fiscal Years	134
Staffing Statistics – Last Ten Fiscal Years.....	136
General Fund – Operating Expenditures Necessary to Educate a District	
Student for Graduation in June 2015.....	138
Operating Indicators by Function – Last Ten Fiscal Years.....	140
Capital Assets by Function/Program – Last Ten Fiscal Years	142
Facility Inventory	144
Educational Statistics – Last Ten Fiscal Years.....	146
Attendance Data – Last Ten Fiscal Years	148
Demographics – Last Ten Fiscal Years	149
Principal Employers – City of Grove City 2014 and 2006.....	150
Principal Employers – Greater Columbus Area 2014	151
Principal Employers – Greater Columbus Area 2005	152
Federal Awards Supplemental Information.....	issued under separate cover



District Service Center

3805 Marlane Drive
Grove City, Ohio 43133-3304
(614) 801-3000
Fax: (614) 875-1494

December 18, 2015

CITIZENS AND BOARD OF EDUCATION OF THE SOUTH-WESTERN CITY SCHOOL DISTRICT:

The twenty-sixth Comprehensive Annual Financial Report (CAFR) of the South-Western City School District (the District) Treasurer's Office contains financial statements, supplemental statements, and statistical information to provide complete and full disclosure of all material aspects of the District for the 2014-15 fiscal year. This report prepared by the Treasurer's office including the unmodified opinion of our independent auditors, Balestra, Harr & Scherer, CPA's, Inc. for the fiscal year ended June 30, 2015 is hereby submitted. Responsibility for the accuracy, completeness, and fairness of the report rests with the District. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material respects and are 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 was prepared in conformance with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

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

Copies of this report will be widely distributed throughout the District. A copy will be posted on the District's website and copies will be sent to the Southwest Public Library, Moody's Investors Services, and Standard and Poor's Financial Rating Services, banks, and any other interested parties.

SCHOOL DISTRICT ORGANIZATION

The District was established in 1959 through the consolidation of existing land areas and several smaller local school districts and is organized under Sections 2 and 3, Article VI of the constitution of the State of Ohio. Under Ohio law, there is no authority for a District to have a charter or adopt local laws. The legislative power of the District is vested in the board of education, consisting of five members elected at large for staggered four year terms.

The Superintendent is the chief administrative officer of the District, responsible for both education and support operations. The Treasurer is the chief fiscal officer of the District, responsible for maintaining records of all financial matters, issuing warrants in payment of liabilities incurred by the District, and investing idle funds as specified by Ohio law.

THE REPORTING ENTITY AND SERVICES PROVIDED

The District serves an area of approximately one hundred nineteen square miles. It encompasses most of the southwest quadrant of Franklin County, including a substantial portion of the southwest quadrant of the City of Columbus and five other cities and villages and a number of townships. In addition, a very small portion of Pickaway County is included within the District boundaries.

THE REPORTING ENTITY AND SERVICES PROVIDED – (Continued)

The District maintains thirty-six instruction/support facilities staffed by 891 non-certificated employees, 1,447 certificated full-time teaching personnel and 100 administrative employees to provide services to 20,685 students.

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

The City of Grove City; Townships of Franklin, Jackson, Pleasant and Prairie; and the Southwest Public Library have not met the established criteria for inclusion in the reporting entity, and accordingly are excluded from this report.

ECONOMIC CONDITION AND OUTLOOK

The District is an independent political subdivision characterized as a “city school district” under Ohio Law, and provides educational services as mandated by state and/or federal agencies. The District is located primarily in Franklin County, Ohio southwest of, and included in parts of the City of Columbus, the State capital. Generally speaking, the Columbus area is noted for its attractive service-based economy, cultural and educational elements. The District shares these demographic components with the resultant quality of life. Unemployment in Franklin County, as listed by the Ohio Department of Job and Family Services, was 3.6 percent for the period ending October 2015. The seasonally adjusted rate of unemployment in Ohio was 4.4 percent and the national rate was 5.0 percent for the same period.

The Columbus metropolitan area is characterized by its diverse economy and economic growth. A strong residential, commercial and industrial tax base, a very diverse labor force, and an unemployment rate below the State average have resulted in strong growth throughout the area. The District's specific economic and jurisdictional territory is comprised primarily of the City of Columbus, 38% of the District, the City of Grove City (the "City"), 34% of the District, and the townships of Jackson, Franklin, Prairie and Pleasant. The Grove City Area Community Improvement Corporation (the "Grove City CIC") was incorporated on August 8, 1979 in order to advance, encourage, and promote the industrial, economic, commercial and civic development in the City. The Grove City CIC is the agency and instrumentality of the City for industrial, commercial, distribution and research development and works to retain, expand, and attract capital investment and jobs to the City. Strategies used to implement the Grove City CIC's mission include the promotion of local, state, and federal financial assistance, tax incentives, and training/technical assistance programs. The Treasurer of the District is a member of the Grove City CIC.

Economic Development Initiatives and Incentives within the City

In the City, opportunities for residential, commercial and industrial development have been enhanced by major expansions of the City's water distribution, sanitary sewer and street systems. On August 13, 2012, the reconstructed and expanded interchange located at Interstate 71 and State Route 665 opened. The I-71/SR 665 interchange can handle 41,600 vehicles a day, more than three times the previous capacity. By using the single-point urban interchange design, this project opens up hundreds of acres for development serving as a gateway to Rickenbacker International Airport ("Rickenbacker") located only minutes from the City. This interchange has significantly improved the safety and congestion on I-71 and SR 665 and serves as the western gateway to I-71 from Rickenbacker, thereby becoming an important expansion area for logistics companies capitalizing on the area's access to Rickenbacker's intermodal terminal.

Rickenbacker is a first-class cargo airport offering high-speed logistical movement of goods and serves as the area's only U.S. Foreign Trade Zone. With improved access to major interstate highways and area airports, the new redesigned interchange is also valuable to existing companies such as FedEx and Tigerpoly Manufacturing. These infrastructure improvements are a result of a comprehensive planning process that coordinates actions of the City with area developers.

ECONOMIC CONDITION AND OUTLOOK – (Continued)

The construction of the Rickenbacker Intermodal Connector (the "Intermodal Connector"), which is within two miles of the District nearby, but not within the territory of the City or the District, is a critical part of regional economic development effort. Formerly known as the East-West Connector, the Intermodal Connector has been designed in three phases. Phase I was completed in 2014 and is funded by a various funding sources including; the Ohio Department of Development, the Ohio Department of Transportation, and other public and private funding partners. Phase II began in 2015. The Intermodal Connector, which is expected to cost \$25 million, will connect the Norfolk-Southern Intermodal Yard with U.S. Route 23 on the very northern edge of Pickaway County. The Columbus region has shaped itself as a logistics hub for the eastern United States, and the area around Rickenbacker Global Logistics Park has become the epicenter. Warehousing growth in the past ten years has been strong north of Rickenbacker. The completion of the connector is expected to increase activity and business growth in the I-71 Corridor of the District significantly.

The Pinnacle Club of Grove City ("Pinnacle"), a 597-acre master planned residential community, is one example of the successful projects that have grown out of the City's planning process and coordination. Pinnacle began development in the spring of 2004, and it is expected, when fully developed, to include approximately 1,600 homes with prices ranging from \$250,000 to \$700,000, all centered around the championship golf course designed by Lanny Watkins that opened in September 2006.

Another development currently underway which highlights the City's commitment to furthering its public-private collaborations is the revitalization of the City's Town Center (the "Town Center"). The Town Center project is expected to include new library, new streetscapes, improved pedestrian circulation, and a new parking structure. In addition, the Town Center Project is also expected to include the development of an adjacent property known as the "Old Lumberyard Site." The current plan for the Old Lumberyard Site provides for 120 one and two bedroom residential units.

The City is also embarked on a new venture by opening its first institution of higher education. Harrison College opened a 20,000 square foot facility on 3.8 acres with visibility from I-71 in September 2009. Harrison College currently operates 14 branch campuses, but the facility in the City is their first location outside of the state of Indiana. After an extensive search of 32 different sites in Central Ohio, the 5,000-student Harrison College chose the City because of its many amenities and location. The opening of Harrison College helps the City achieve its goal in securing continuing educational opportunities for its citizens.

In March 2015, Mount Carmel Health Systems announced that it would be moving its inpatient hospital and 1,500 jobs from the City of Columbus to its 110 acre site near I-71 and SR 665 in Grove City. The site has been vacant since 2005, when its former tenant, Grovebrook Golf Club, ceased operations. It is anticipated that the move will be completed by 2018 featuring: (1) a new 500,000 square foot, seven story hospital with all private patient rooms through the 210 bed facility; (2) Every convenience to engage patients and their families, from easy to navigate pathways throughout the facility to bistro style kitchen and dining and on-demand room service; (3) Expanded emergency department; intensive care, maternity, oncology and palliative care services; and 8 new state-of-the-art surgical suites for inpatient and outpatient surgeries; (4) New 120,000 square foot five story medical office building connected to the hospital, with primary care, maternal fetal medicine, outpatient oncology and women's health services; and (5) Headquarters for Mount Carmel's Graduate Medical Education program.

To accommodate industrial and commercial growth, the City has cooperated with private investors in the development of seven business and industrial parks, including: (1) Grove City Industrial Park, a 100-acre park with thirteen major buildings near the intersection of I-71 and SR 665; (2) Southpark, a 350-acre park with eighteen major buildings near the intersection of I-71 and Interstate 270; (3) Capital Park South, a 150-acre park with eight major buildings at I-270 and State Route 62; (4) Southpointe, a 53-acre park with seven major building at SR 665; (5) Gateway Business Park, 114- acre park with four major buildings at I-71 and SR 665; (6) Gateway to the City Office Park, a 35-acre park with twelve major buildings at I-71 and Stringtown Road; and (7) Gateway Business Park West, a 232-acre park that was platted in 1999.

ECONOMIC CONDITION AND OUTLOOK – (Continued)

Immediate access to I-71 and I-270 has resulted in the City's development as a travel center offering over 1,200 guest rooms with gross sales exceeding \$10 million per year. A growing list of restaurants complements the variety of accommodations found in the City.

The City offers the following economic development incentive programs:

1. Community Reinvestment Area ("CRA"): The City has four CRAs, including one in the Town Center that has recently been expanded. Properties within a CRA are eligible to receive real property tax abatement for real property improvements.
2. Tax Increment Financing ("TIF"): There are five TIF Districts within the City. Payments derived from the increased assessed value of any improvement to real property are directed towards a separate fund to finance the construction of the public infrastructure defined within the legislation approving the respective TIFs.
3. Enterprise Zones ("EZ"): In early 2004, the City passed Ordinance C-133-03 designating the territory as an EZ, which provides certain tax exemptions to certain businesses located in the EZ.

Major employers in the City include the following: Wal-Mart Distribution Center; FedEx Ground Package Distribution System; GAP Direct Inc. Distribution Systems; Manheim Ohio Auto Auction; Tigerpoly Manufacturing Inc.; Tosoh Corporation Headquarters for sales, marketing, and business development for North America; and Horton Emergency Vehicles van ambulance builders. Among those largest employers, Tigerpoly Manufacturing Inc. locates its corporate headquarters within the City, including a 32 acre manufacturing site.

Economic Development Initiatives and Incentives within the District but outside the City

Economic development and land management in the Jackson and Franklin Township portion of the District is described in great detail in the 2009 Southwest Area Plan, a joint effort completed by the Southwest Area Commission ("SWAC"), the newest Columbus City Area Commission. The boundaries of SWAC run just west of 3C highway on the west, Mound Street on the north, I-71 South on the east, and I-270 on the south. This area primarily located in the District within this territory is composed of Columbus (50%), Franklin Township (40%), and Jackson Township (10%). SWAC's goal is to identify and encourage productive land use and economic development within the territory of SWAC. SWAC worked cooperatively with the City of Columbus, Franklin County, Franklin Township, Jackson Township and groups of interested residents and stakeholders to research, develop and adopt the Southwest Area Plan in March of 2009. This comprehensive 71-page plan provides detailed plans and considerations from the point of view of land use, current and recommended, by all zoning types. It further describes existing priority development sites and action-oriented recommendations.

The most significant development in the SWAC area is the Hollywood Casino Columbus (the "Casino"), which is located in Franklin Township and in the District. The Casino opened in October, 2012, with the final construction and development costs valued at approximately \$146.5 million. The project area encompasses 133 acres while the Casino floor is 180,000 square feet. The project employed approximately 3,500 construction workers and is expected to employ approximately 2,000 permanent workers for operations. The Casino features a steakhouse, a 10,000 square-foot banquet hall, cocktail lounge and sports bar. The District commenced the receipt of property-tax revenue in calendar year 2014 associated with the Casino's final building and land value. Additionally, thirty-three percent of funds from the Casino's taxes and license fees are required to go to school districts throughout the State and are distributed on a per pupil basis, in August and January each year.

ECONOMIC CONDITION AND OUTLOOK – (Continued)

The Casino is supported by a Joint Planning and Zoning Overlay Agreement (the "JPZO Agreement") between Franklin Township, the City of Columbus and Franklin County to ensure better coordination on projects, set forth future infrastructure and public investment opportunities, jointly market economic development opportunities and pursue a seamless look along the West Broad Street corridor.

The JPZO Agreement includes the creation of a 50-year joint economic development district ("JEDD"), which splits the City of Columbus income tax rate as follows: (i) 70% revenues to a project fund, (ii) 15% of revenues to the City of Columbus, and (iii) 15% of revenues to Franklin Township. It also sets aside 2% of the total income tax revenue collected from the Casino's construction site for the first five years of operation to be used to encourage businesses to participate in the JEDD, to assist in the mobilization, creation and coordination of the business working group in their effort to enhance the economic viability of the corridor area, and to make improvements in the right-of-way and other projects to revitalize the West Broad Street corridor. The JPZO Agreement further compensates Franklin Township over the life of the agreement through additional income tax payments.

A recent study of the economic impact of the Casino reveals tremendous economic development and tax base growth potential. The study examines the 2.4 square miles surrounding the Casino, which is an area bounded by I-270 to the west, Sullivan Avenue to the south, Wilson Road to the east, and Norfolk Southern Railroad to the north. This area includes parts of the City of Columbus, Prairie Township, and Franklin Township. The study, which was released in January 2013, provides suggested guidelines for the redevelopment of the Westland area and the West Broad Street Corridor. More than 1,000 neighboring businesses and residents participated in this study through public meetings, interviews and online surveys.

The study identified the following areas for potential development:

1. 3,200 additional jobs from warehousing distribution companies
2. 273 additional jobs from restaurant, hotel, and auto retailer development
3. 333 additional jobs from destination retailers and small vendors
4. 250,000 additional square feet of retail space in the Westland area, including restaurants, automotive industries, electronic stores and lifestyle oriented businesses
5. Increased office space and hotel development

According to the study, the development of the Casino, improvements to West Broad Street, redevelopment of Havenwood Townhome Community Apartments gives the area an opportunity to capitalize on attracting additional investors. Since the announcement of the Casino's development, the City of Columbus has committed \$5,000,000 to the improvement of Georgesville Road from West Broad Street to Sullivan Avenue and the Ohio Department of Transportation sponsored the redevelopment of West Broad Street west of Wilson Road.

The northwestern most portion of the District is in Prairie Township, with 73% of township territory in the District. Prairie Township has experienced recent and ongoing economic development activity. Doctor's Hospital completed a \$25 million expansion during 2010 and 2011. In addition, Doctor's Hospital added two additional buildings to a small medical office park across West Broad Street from its main facility.

In terms of public investment, Prairie Township opened a community recreation center in June of 2015. The recreation center is financed primarily by funds generated from the area's Joint Economic Development Zone. In addition, Prairie Township began a streetscape makeover project along West Broad in the summer of 2015 with completion anticipated in early 2016. Prairie Township formed its own community improvement corporation in February 2010.

ECONOMIC CONDITION AND OUTLOOK – (Continued)

Economic Condition and Outlook of the District

On June 30, 2015 the State biennial budget bill, Ohio House Bill 64, was signed into law. Ohio House Bill 64 increased school district budgets throughout the State. Funding received from the State of Ohio represents roughly 56.0% of all General Fund revenues. Over the two year biennial budget period, the District anticipates an increase in state funding of roughly 7.5% during the 2015-16 fiscal year, with an additional 7.5% anticipated for the 2016-17 fiscal year.

The District maintained its promise to the community to make the property tax dollars received from the passage of the November 3, 2009, 7.4 mill operating levy last through calendar year 2013. In fact, the District's current five-year financial forecast projects a positive cash balance through fiscal year 2019-20.

MAJOR INITIATIVES

Strategic Planning

The District developed long-term goals through a strategic planning process. To complete the process, the District utilized a strategic performance management tool called the Balanced Scorecard to build its framework. The District's balanced scorecard is a mixture of educational and financial measures that articulates the links between both human and physical inputs, processes and desired outcomes. It focuses the importance of managing these components to achieve the organization's strategic priorities through answering the questions of: 1) Who we are; 2) What we do; 3) Where education is headed; and 4) Where we want to be in the future.

Phase I

With community input and the services of volunteer facilitators, six strategic dimensions were identified as follows:

1. Academic Achievement
2. Student Development/Extracurricular Activities
3. Innovation in Education
4. College/Vocation Preparation
5. Parent Engagement
6. Diversity of the School District

Phase II

From these six dimensions, four themes emerged as follows:

1. Access for all students to the highest quality educational opportunities
2. Instruction created to meet the individual skills of students while advancing them toward their full potential
3. Seamless and universal access to instructional, enhancement and remedial learning opportunities through the integration of technology and other forms of communication
4. Engage the community to foster a fully integrated support system that feeds the development of every child.

Phase III

Through this process, we have been able to identify five long-term goals for the district:

1. Students can enter college without remediation
2. Parents actively receive communication
3. Students graduate on time
4. Students exit emotionally, socially and physically prepared
5. Families are vested in planning their future

Data measurement and collection and systems alignment are significant parts of this process to fully meet the needs of the District's students.

MAJOR INITIATIVES – (Continued)

Capital Improvements

On March 6, 2012, the District passed a \$148,000,000 bond issue to secure its local share to participate in a classroom facilities assistance program with the Ohio School Facilities Commission with a total project cost of \$249,235,700. The project, co-funded by the State of Ohio, will replace thirteen of the District's sixteen elementary buildings and one high school building. Two of the remaining three elementary buildings will receive significant renovations, while the final elementary building will be subject to demolition. The thirteen replacement elementary buildings will be constructed in three phases. The first phase began in the spring of 2013 and resulted in the opening of four new elementary buildings in the fall of 2014. Five more elementary buildings are anticipated to open in the fall of 2015, with the remaining four anticipated to open in the fall of 2016. The replacement high school began construction in the spring of 2014. The two elementary renovations began in the summer of 2013 and were completed in the summer of 2014. The entire construction project is anticipated to be complete by the late summer of 2017.

The elementary buildings were designed using a prototypical design process to create three separate enrollment capacities of 400, 520 and 600, respectively. The prototypical designs provide an equitable and repeatable design throughout the District while saving architectural design fees in the process. Additionally, the replacement buildings will provide instructional space designed for twenty-first century learning that will serve students for years to come.

FINANCIAL INFORMATION

Long-term Financial Planning – The District annually prepares a five-year financial forecast to ensure long-term financial success. The five-year financial forecast is prepared in October of each year and amended, if necessary, in May. The five-year financial forecast provides actual data on each major revenue and expenditure category for the past three fiscal years and forecasts these same categories for an additional five years. The five-year financial forecast is a planning tool used to certify if funds are available for future expenditures and additionally to strategize when the District will need to return to voters for additional funds or reduce expenditures accordingly. The five-year financial forecast is published on the Ohio Department of Education website for public use.

Internal and Budgetary Controls - In developing the District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensure that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted by law no later than October 1 or once the County Auditor has completed the tax duplicate for the upcoming calendar year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriations measures, including any supplements or amendments, do not exceed the amount set forth in the latest of these official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board of Education. The Board of Education has established the legal level of control at the fund level, however, management controls budgets at the object level within a function and fund. All requisition requests must

FINANCIAL INFORMATION– (Continued)

be approved by the individual program managers and be certified by the Business Manager and the Treasurer; necessary funds are then encumbered and purchase orders are created and released to vendors.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each program manager is furnished daily reports showing the status of the budget account for which he or she is responsible.

As an additional safeguard, a blanket bond covers all employees involved with receiving and depositing funds, and a separate higher bond covers certain individuals in policy making roles. The basis of accounting and the various funds utilized by the District are fully described in the notes to the basic financial statements. Additional information on the District’s budgetary accounts can also be found in the notes to the basic financial statements.

OTHER INFORMATION

Independent Audit - Provisions of State statute require an annual audit by independent accountants. Those provisions have been satisfied, and the opinion of Balestra, Harr & Scherer, CPAs, Inc. is included herein.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and has been in conformance with that system for many years.

In addition to the financial audit, a single audit was performed as required by the Federal Single Audit Act Amendments of 1996 and the provisions of OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”. The single audit report is not included in the CAFR.

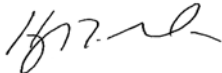
Award - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to South-Western City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This was the twenty-fifth consecutive year that the District has received this prestigious award. We believe our current report continues to conform to the standards required by the Certificate of Achievement Program, and we are submitting it to the GFOA for review.

Acknowledgments – Appreciation is extended to Karen New, Assistant Treasurer, and the Treasurer’s office staff for their dedication and support in publishing the Fiscal Year 2014-15 Comprehensive Annual Financial Report on a timely basis. Sincere thanks are also extended to various administrators and employees of the School District, the Franklin County Auditor’s office staff and other outside agencies whose efforts assisted us with the fair presentation of the statistical information. Additionally, appreciation is expressed to the South-Western City School District Board of Education for their support, commitment and leadership to which the preparation of this report would not be possible.

Respectfully submitted,



Hugh W. Garside Jr., Treasurer



William H. Wise, Ph.D., Superintendent

PRINCIPAL OFFICIALS

Board of Education

Randy Reisling	President
Cathy Johnson	Vice President
Karen Dover	Member
Mindy Garverick	Member
Lee Schreiner	Member

Central Office Administrative Staff

William H. Wise, Ph.D.	Superintendent
David J. Stewart	Deputy Superintendent
Hugh W. Garside Jr.	Treasurer
Karen K. New	Assistant Treasurer
Carl R. Metzger	Assistant Superintendent - Human Resources
Bradford W. Faust	Assistant Superintendent - Curriculum
Bryan J. Mulvany	Executive Director Data and Information Services
Sandra C. Nekoloff	Executive Director of Communications
Erik D. Shuey, Ph.D.	Executive Director of Secondary Education
Brian R. Bowser	Executive Director of Elementary Education
Linda C. Kuhn	Executive Director of Middle Grades and Achievement Data
Kevin D. Laffin	Director – Personnel, Certified
Kevin R. Scott	Director – Personnel, Classified
Ken R. Stark	Business Manager
Amy L. Schakat	Coordinator - Career and Technical Programs
Amber N. Hufford	Coordinator – Pupil Services

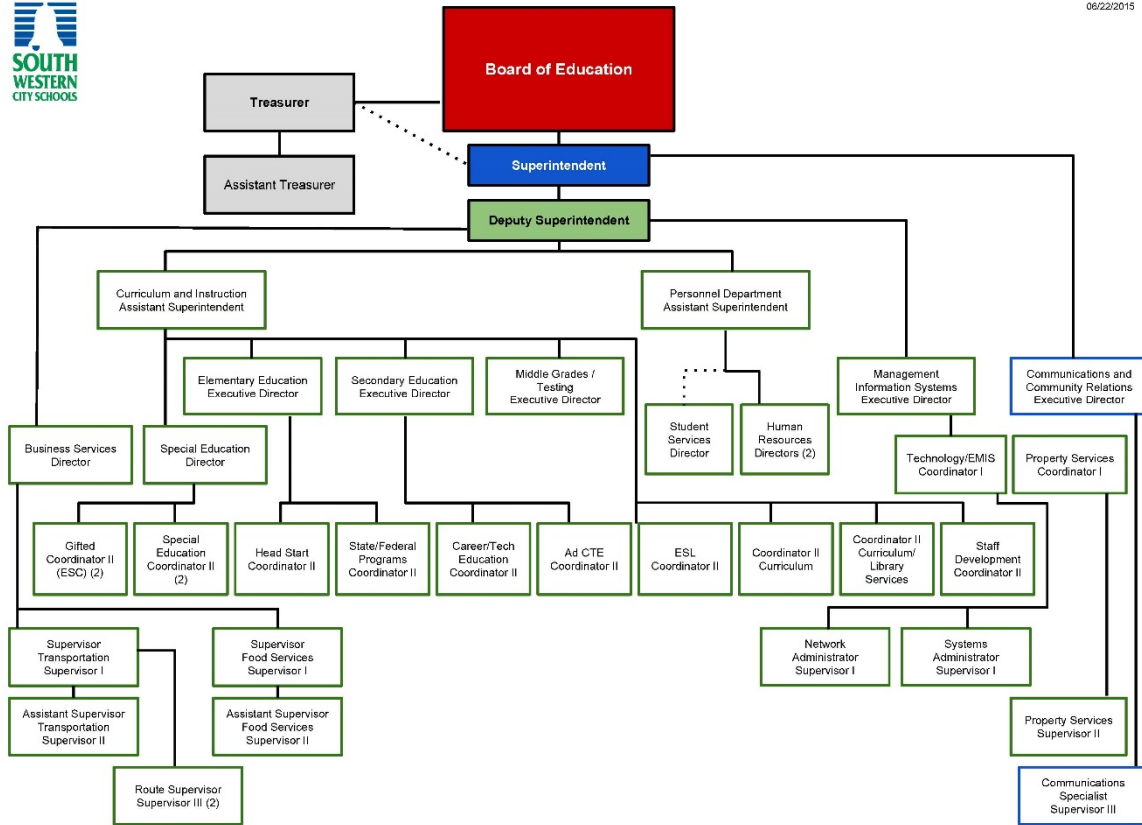
TREASURER'S DEPARTMENT STAFF

Hugh W. Garside Jr.	Treasurer
Karen K. New	Assistant Treasurer
Todd A. Griffith	Payroll Supervisor
Debra L. Makarius	Payroll
Nanette F. Spears	Payroll
Terese M. Flautt	Accounts Receivable
Kathy D. Adams	Accounts Payable
Julie A. Babbert	Accounts Payable
Lisa L. Lee	Accounts Payable
Sue A. Mulford	Accounts Payable
Dawn M. Bowling	Employee Benefits
Nancie A. Bevilacqua	Accountant
Anita M. McCreary	Accountant



South-Western City Schools

09/22/2015





Government Finance Officers Association

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

Presented to

**South-Western City
School District, Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO



Balestra, Harr & Scherer, CPAs, Inc.

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

www.bhscpas.com

Independent Auditors' Report

South-Western City School District
Franklin County
3805 Marlane Drive
Grove City, Ohio 43123

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 South-Western City School District, Franklin County, Ohio, (the District) as of and for the year ended June 30, 2015, 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 South-Western City School District, Franklin County, Ohio, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standard No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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 18, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Balestra, Harr & Scherer, CPAs

Balestra, Harr & Scherer, CPAs, Inc.
Piketon, Ohio
December 18, 2015

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

This section of the South-Western City District's (the District) annual financial report presents the discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2015. Please read it in conjunction with the District's financial statements, which immediately follow this section.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District financially as a whole. The district-wide financial statements provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements look at the District's operations in more detail than the government-wide financial statements by providing information about the District's most significant funds - the General, Debt Service, Capital Improvements, Building and Classroom Facilities Funds with all other funds presented in one column as non-major funds. The District has an Internal Service Proprietary Fund which accounts for the District's health self-insurance program. The remaining statement, the statement of fiduciary assets and liabilities, presents financial information about activities for which the District acts solely as an agent for the benefit of students and parents and also employee payroll administration.

Reporting the District as a Whole - District-wide Financial Statements

One of the most important questions asked about the District is, "As a whole, what is the District's financial condition as a result of the year's activities?" The statement of net position and the statement of activities, which appear first in the District's financial statements, report information on the District as a whole and its activities in a way that helps you answer this question. The statements were prepared to include all assets and deferred outflows of resources, liabilities and deferred inflows of resources, using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position, as reported in the statement of net position, as one way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net position, as reported in the statement of activities, are indicators of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the District's operating results. However, the District's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the District.

The statement of net position and the statement of activities report the governmental activities for the District, which encompass all of the District's services, including instruction, support services, food service, community services, extracurricular activities, and interest and fiscal charges. Property taxes, grants and entitlements finance most of these activities.

Reporting the District's Most Significant Funds - Fund Financial Statements

The District's fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District establishes many other funds to help it control and manage money for particular purposes (the Food Service and District Managed Student Activity Funds are examples) or to show that it's meeting legal responsibilities for using certain taxes, grants, and other money (like bond-funded construction funds used for voter-approved capital projects). The governmental funds of the District use the following accounting approach:

Governmental funds - All of the District's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They 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 operations of the District and the services it provides.

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

Using this Annual Report – (Continued)

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation.

Proprietary fund – The District maintains an Internal Service Proprietary Fund to account for and accumulate costs internally among the District's various functions. The District's Internal Service Fund accounts for a health self-insurance program which provides health and dental benefits to employees. The District does not have any enterprise funds.

The District as Trustee - Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its student activity funds, and various payroll deductions. All of the District's fiduciary activities are reported in a separate statement of assets and liabilities. These activities are excluded from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The District as a Whole

Recall that the Statement of Net Position provides the perspective of the District as a whole. Table 1 provides a summary of the District's net position as of June 30, 2015 and as of June 30, 2014 for comparison purposes:

Table 1
Net Position
Governmental Activities
(in thousands)

	<u>2015</u>	<u>2014*</u>	<u>Change</u>
Assets			
Current Assets	\$ 387,993	\$476,701	\$ (88,708)
Capital Assets	<u>290,104</u>	<u>196,775</u>	<u>93,329</u>
Total Assets	<u>678,097</u>	<u>673,476</u>	<u>4,621</u>
Deferred Outflows of Resources			
Pension	<u>21,766</u>	<u>16,431</u>	<u>5,335</u>
Total Deferred Outflows of Resources	<u>21,766</u>	<u>16,431</u>	<u>5,335</u>
Liabilities			
Current Liabilities	37,888	37,602	286
Net Pension Liability	297,079	353,023	(55,944)
Long-term Liabilities	<u>212,095</u>	<u>219,721</u>	<u>(7,626)</u>
Total Liabilities	<u>547,062</u>	<u>610,346</u>	<u>(63,284)</u>
Deferred Inflows of Resources			
Property Taxes	68,811	66,686	2,125
Pension	<u>56,705</u>	<u>-</u>	<u>56,705</u>
Total Deferred Inflows of Resources	<u>125,516</u>	<u>66,686</u>	<u>58,830</u>
Net Position			
Net Investment in Capital Assets	143,338	101,583	41,755
Restricted	67,799	115,914	(48,115)
Unrestricted	<u>(183,852)</u>	<u>(204,622)</u>	<u>20,770</u>
Total Net Position	<u>\$ 27,285</u>	<u>\$ 12,875</u>	<u>\$ 14,410</u>

*As restated, see Note 3

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

The District as a Whole – (Continued)

The above analysis focuses on the net position (see Table 1). The change in net position (see Table 2) of the District's governmental activities is discussed on the following page.

During 2015, the District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the District's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

The District as a Whole – (Continued)

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, from \$349,466,735 to \$12,875,289.

The District's net position was \$27,285 thousand at June 30, 2015. Net investment in capital assets totaling \$143,338 thousand, compares the original cost, less depreciation of the District's capital assets to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net position are reported separately to show legal constraints from debt covenants and enabling legislation that limit the District's ability to use that net position for day-to-day operations.

The results of this year's operations for the District as a whole are reported in the statement of activities (Table 2), which shows the changes in net position as of June 30, 2015 and as of June 30, 2014, for comparison purposes.

Table 2
Changes in Net Position
Governmental Activities
(in thousands)

	<u>2015</u>	<u>2014</u>	<u>Change</u>
Revenues			
Program Revenue			
Charges for Services	\$ 4,563	\$ 4,240	\$ 323
Operating Grants, Contributions and Interest	<u>40,157</u>	<u>36,624</u>	<u>3,533</u>
Total Program Revenue	<u>44,720</u>	<u>40,864</u>	<u>3,856</u>
General Revenue			
Property Taxes	115,689	119,314	(3,625)
Payment in Lieu of Taxes	2,268	2,571	(303)
Grants and Entitlements	116,135	107,655	8,480
Interest	640	905	(265)
Other Local Revenue	<u>1,047</u>	<u>8,689</u>	<u>(7,642)</u>
Total General Revenue	<u>235,779</u>	<u>239,134</u>	<u>(3,355)</u>
Total Revenues	<u>280,499</u>	<u>279,998</u>	<u>501</u>
Functions/Program Expenses			
Instruction	163,896	153,045	10,851
Support Services	78,544	77,150	1,394
Food Services	9,020	8,596	424
Community Services	2,255	1,464	791
Extracurricular Activities	4,350	4,216	134
Shared Services	306	303	3
Interest and Fiscal Charges	<u>7,718</u>	<u>7,895</u>	<u>(177)</u>
Total Expenses	<u>266,089</u>	<u>252,669</u>	<u>13,420</u>
Change in Net Position	14,410	27,329	(12,919)
Net Position Beginning of Year	12,875	N/A	
Net Position End of Year	<u>\$ 27,285</u>	<u>\$ 12,875</u>	<u>\$ 14,410</u>

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

The District as a Whole – (Continued)

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$16,431,407 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$14,391,308. Consequently, in order to compare 2015 total program expense to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68	\$266,089,492
Pension expense under GASB 68	(14,391,308)
2015 contractually required contribution	<u>18,964,962</u>
Adjusted 2015 program expenses	270,663,146
Total 2014 program expenses under GASB 27	<u>252,670,479</u>
Increase in program expenses not related to pension	<u>\$ 17,992,667</u>

As reported in the statement of activities, the cost of all of the governmental activities this fiscal year is \$266,089 thousand. Certain activities were partially funded from those who benefited from the programs in the amount of \$4,563 thousand or by other governments and organizations that subsidized certain programs with grants and contributions in the amount of \$40,157 thousand. The remaining "public benefit" portion of the governmental activities was paid for with \$115,689 thousand in taxes, \$116,135 thousand in grants and entitlements, and with other revenues.

The District experienced an increase in net position of \$14,410 thousand. This increase was realized primarily due to the increase in Property Taxes and Grants and Entitlements not associated with the capital project initiative.

As discussed above, the net cost shows the financial burden that was placed on the State and the District's taxpayers by each of these functions. Since property taxes for operations and grants and entitlements constitute the vast majority of district operating revenue sources, the Board of Education and Administration must annually evaluate the needs of the District and balance those needs with available unrestricted resources.

The District's Funds

As noted earlier, the District uses funds to help it control and manage money for particular purposes. Looking at funds helps the reader consider whether the District is being accountable for the resources taxpayers and others provide to it and may provide more insight into the District's overall financial health.

As of June 30, 2015, the governmental funds reported a combined fund balance of \$238,651 thousand, which is an decrease of \$40,389 thousand from previous fiscal year. Additional detail regarding the increase is provided by fund type as follows:

The General Fund balance increased \$20,557 thousand to \$141,772 thousand. The increase is attributed to an overall increase in revenues, with the most significant increase attributed to Intergovernmental-State revenue related.

The Debt Service Fund balance increased \$1,129 thousand to \$16,183 thousand. This increase is attributed to tax collections slightly exceeding the amount required for the retirement of debt. The Debt Service Fund balance, which is sufficient to meet future obligations, is reserved to pay debt service obligations of the District.

The Capital Improvement Fund balance decreased \$845 thousand to \$9,842 thousand due to the reduced need for capital expenditures related to buildings being replaced through the capital project initiative.

The Building Fund and Classroom Facilities Fund balances decreased \$13,003 and \$49,369 thousand, respectively, to \$6,950 and \$57,687 thousand, respectively, due to the progress of capital project initiative. Four replacement buildings opened in the fall of 2014. Additionally, as of June 30, 2015, five of the nine remaining replacement elementary buildings and replacement high school were substantially complete.

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

The District's Funds – (Continued)

The Other Governmental Funds balance increased \$1,142 thousand to \$6,218 thousand. This increase is insignificant and can be attributed to the timing of state and federal grants.

General Fund Budgetary Highlights

Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was adopted prior to June 30, 2015.

Revisions were made to the original General Fund budget for fiscal year 2015 based on current needs. Budgeted revenues and other financing sources increased by \$3,365 thousand while budgeted expenditures and other financing uses increased by \$17,328 thousand due to minor variations which are insignificant compared to the scope of the entire budget.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2015, the District had \$290,104 thousand invested in a broad range of capital assets, including land, construction in progress, improvements to land, buildings, furniture and equipment, vehicles, and buses. This amount represents a net increase (including additions, deductions, and depreciation) of \$93,329 thousand, or 47.4 percent, from last year.

<u>Description of Capital Asset</u>	<u>2015</u>	<u>2014</u>
Land	\$ 8,679	\$ 8,679
Improvements to Land	8,558	1,867
Buildings	152,736	103,667
Furniture and Equipment	2,248	1,784
Vehicles	336	238
Buses	4,692	4,226
Construction in Progress	<u>112,855</u>	<u>76,314</u>
Total Capital Assets	<u>\$ 290,104</u>	<u>\$ 196,775</u>

This fiscal year's additions of \$106,889 thousand included costs associated construction in progress related to the construction project, and equipment and technology purchases. A more detailed explanation of the District's capital assets can be located in Note 7 to the basic financial statements.

Debt

At June 30, 2015, the District had \$199,204 thousand in bonds and notes outstanding versus \$206,820 thousand in the previous fiscal year, which is a decrease of 3.7 percent. Those bonds and notes consisted of the following: (in thousands)

<u>Description of G.O. Bonds and Note</u>	<u>2015</u>	<u>2014</u>
2002 Energy Conservation	\$ -	\$ 470
2000 Vocational Construction	133	200
2006 Refunding School Facilities	47,159	50,405
2006 Refunding Capital Appreciation Bonds	1,748	1,531
2012 Qualified School Construction Bonds	6,670	6,670
2012 School Facilities	<u>143,494</u>	<u>147,544</u>
Total Long-term Bonds and Note Payable	<u>\$ 199,204</u>	<u>\$ 206,820</u>

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

Capital Assets and Debt Administration – (Continued)

The District's general obligation bond rating is periodically reviewed by two independent rating firms; Moody's Investors Service and Standard and Poor's. Moody's Investors Services reaffirmed the District's Aa2 credit rating on August 2, 2012. Standard and Poor's affirmed the District's AA- credit rating on October 20, 2015 due to the District's stable financial and academic position. The state limits the amount of general obligation debt that schools can issue to nine percent of the assessed value of all taxable property within the District's boundaries. The District's outstanding general obligation debt of \$188,095 thousand is below the \$219,018 thousand statutorily imposed limit.

Other obligations include accrued vacation pay, sick leave, and capital leases. A more detailed explanation of the long-term liabilities is presented in Note 12 to Basic Financial Statements.

Current Issues Affecting Financial Conditions

The District has three bargaining units. The teaching and certificated staffs are represented by the South-Western Education Association (S.W.E.A.). The classified staff is represented by Chapter 211 of the Ohio Association of Public School Employees (O.A.P.S.E.). The administrative staff is represented by the South-Western Schools Administrators Association (S.W.A.A.).

S.W.E.A. is affiliated with the Ohio Education Association (O.E.A), and the National Education Association (N.E.A.). The Board has bargained with the S.W.E.A. since 1968. On November 18, 2013, the Board and S.W.E.A. signed a three year contract effective July 1, 2013 through June 30, 2016. The Board and S.W.E.A. agreed to provide a 2.0% base salary increase in each year of the contract.

Chapter 211 of the Ohio Association of Public School employees (O.A.P.S.E.) is affiliated with A.F.S.C.M.E. On September 9, 2013, the Board and O.A.P.S.E. signed a three year contract effective July 1, 2013 through June 30, 2016. The Board and O.A.P.S.E. agreed to provide a 2.0% base salary increase in each year of the contract.

On September 9, 2013, the Board and S.W.A.A. signed a three year contract effective July 1, 2013 through June 30, 2016. The Board and S.W.A.A. agreed to provide a 2.0% base salary increase in each year of the contract.

On June 30, 2015 the State biennial budget bill, Ohio House Bill 64, was signed into law. Ohio House Bill 64 increased school district budgets throughout the State. Funding received from the State of Ohio represents roughly 56.0% of all General Fund revenues. Over the two year biennial budget period, the District is expected to receive increases in state funding of roughly 7.5% during the 2015-16 fiscal year, and an additional 7.5% increase in the 2016-17 fiscal year. The District's current five-year financial forecast projects a positive cash balance through fiscal year 2019-20.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions or need additional financial information, please feel free to contact:

Hugh W. Garside Jr.
Treasurer/Chief Fiscal Officer
Voice: (614) 801-3047
Email: hugh.garside@swcsd.us

South-Western City Schools
3805 Marlane Drive
Grove City, Ohio 43123

South-Western City School District
Statement of Net Position
June 30, 2015

	Governmental Activities
<u>Assets</u>	
Equity in Pooled Cash and Cash	
Equivalents	\$ 195,732,297
Investments	36,573,965
Restricted Cash and Cash Equivalents	2,032,007
Receivables:	
Taxes - Current	116,033,442
Taxes - Delinquent	9,088,416
Payment in Lieu of Taxes	2,150,744
Accounts	65,197
Interest	65,971
Intergovernmental	25,822,401
Materials and Supplies Inventory	428,125
Capital Assets:	
Land	8,678,711
Construction in Progress	112,855,105
Depreciable Capital Assets, Net of Accumulated Depreciation	168,570,521
Total Capital Assets, Net of Accumulated Depreciation	<u>290,104,337</u>
Total Assets	<u>\$ 678,096,902</u>
 <u>Deferred Outflows of Resources</u>	
Pension	<u>21,765,989</u>
Total Deferred Outflows of Resources	<u>\$ 21,765,989</u>
 <u>Liabilities</u>	
Accounts Payable	\$ 4,471,953
Contracts Payable	8,843,067
Restricted Assets: Contracts Payable Retainage	2,032,007
Claims Payable	2,541,000
Accrued Wages and Benefits	19,373,345
Accrued Interest Payable	627,413
Long-Term Liabilities:	
Due within One Year	11,252,193
Due in More than One Year	
Net Pension Liability	297,078,643
Other Amounts Due in More than One Year	200,842,404
Total Liabilities	<u>\$ 547,062,025</u>
 <u>Deferred Inflows of Resources</u>	
Property Taxes not Levied to Finance Current Year Operations	68,810,488
Pension	56,705,138
Total Deferred Inflows of Resources	<u>\$ 125,515,626</u>
 <u>Net Position</u>	
Net Investment in Capital Assets	143,338,358
Restricted for:	
Debt Service	17,105,190
Capital Projects	44,321,499
District Managed Student Activities	693,447
State Grants	323,353
Federal Grants	2,601,286
Food Service	2,430,419
Other Purposes	323,320
Unrestricted	(183,851,632)
Total Net Position	<u>\$ 27,285,240</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2015

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$ 116,295,000	\$ 174,543	\$ 2,511,248	\$ (113,609,209)
Special	43,404,819	-	20,407,359	(22,997,460)
Vocational	3,750,926	100,919	1,759,542	(1,890,465)
Other	446,347	17,125	152,942	(276,280)
Support Services:				
Pupil	10,425,013	-	1,275,219	(9,149,794)
Instructional Staff	7,245,057	-	3,562,149	(3,682,908)
Board of Education	39,662	-	-	(39,662)
Administration	18,266,211	-	983,431	(17,282,780)
Fiscal	3,743,700	-	202,295	(3,541,405)
Business	1,216,693	-	-	(1,216,693)
Operations and Maintenance	17,579,641	-	241,974	(17,337,667)
Pupil Transportation	12,758,549	493,670	1,122,566	(11,142,313)
Central	7,269,139	-	54,000	(7,215,139)
Food Service	9,019,672	2,442,209	6,577,463	-
Community Services	2,254,820	15,682	1,306,896	(932,242)
Extracurricular Activities	4,350,089	1,023,969	-	(3,326,120)
Shared Services	306,413	294,460	-	(11,953)
Interest and Fiscal Charges	7,717,741	-	-	(7,717,741)
Total Governmental Activities	\$ 266,089,492	\$ 4,562,577	\$ 40,157,084	(221,369,831)
General Revenues:				
Property Taxes Levied for:				
General Purposes				98,141,046
Debt Service				13,270,413
Capital Projects				3,816,149
Classroom Facility Maintenance				461,791
Payment in Lieu of Taxes				2,268,035
Grants and Entitlements not Restricted to Specific Programs				116,135,086
Interest				640,471
Other Local Revenues				1,046,791
Total General Revenues				235,779,782
Changes in Net Position				14,409,951
Net Position Beginning of Year (Restated See Note 3)				12,875,289
Net Position End of Year				\$ 27,285,240

The notes to the basic financial statement are an integral part of this statement.

South-Western City School District
 Balance Sheet
 Governmental Funds
 June 30, 2015

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>Building</u>	<u>Classroom Facilities</u>
<u>Assets</u>					
Equity in Pooled Cash and Cash					
Equivalents	\$ 103,446,442	\$ 10,623,908	\$ 9,623,314	\$ 8,594,637	\$ 46,608,703
Investments	-	-	-	6,188,315	30,385,650
Restricted Assets:					
Cash and Cash Equivalents with Fiscal Agent	-	-	-	-	2,032,007
Receivable:					
Taxes - Current	98,005,531	13,630,853	3,713,979	-	-
Taxes - Delinquent	7,766,417	1,000,592	321,407	-	-
Payment in Lieu of Taxes	2,150,744	-	-	-	-
Accounts	63,669	-	-	-	-
Interest	47,612	-	-	3,106	15,253
Intergovernmental	361,031	-	-	-	19,117,044
Interfund Loan Receivable	18,852,122	-	-	-	-
Materials and Supplies Inventory	341,812	-	-	-	-
Total Assets	<u>\$ 231,035,380</u>	<u>\$ 25,255,353</u>	<u>\$ 13,658,700</u>	<u>\$ 14,786,058</u>	<u>\$ 98,158,657</u>
<u>Liabilities:</u>					
Accounts Payable	\$ 1,039,231	\$ -	\$ 1,161,184	\$ 1,059,584	\$ 237,397
Contracts Payable	-	-	404,151	867,375	7,571,541
Restricted Asset:					
Contracts Payable - Retainage	-	-	-	-	2,032,007
Accrued Wages and Benefits	17,492,957	-	-	-	-
Compensated Absences Payable	2,595,288	-	-	-	-
Interfund Loans Payable	-	-	-	5,909,538	11,513,886
Total Liabilities	<u>21,127,476</u>	<u>-</u>	<u>1,565,335</u>	<u>7,836,497</u>	<u>21,354,831</u>
<u>Deferred Inflows of Resources:</u>					
Property Taxes not Levied to Finance					
Current Year Operations	58,125,377	8,072,005	1,930,027	-	-
Delinquent Taxes	7,766,417	1,000,592	321,407	-	-
State and Federal Grant Revenue Not Received	200,000	-	-	-	19,117,044
Payment in Lieu of Taxes Not Received	2,044,000	-	-	-	-
Total Deferred Inflows of Resources	<u>68,135,794</u>	<u>9,072,597</u>	<u>2,251,434</u>	<u>-</u>	<u>19,117,044</u>
<u>Fund Balance:</u>					
Nonspendable	341,812	-	-	-	-
Restricted	-	16,182,756	9,841,931	6,949,561	57,686,782
Committed	1,168,748	-	-	-	-
Assigned	1,013,339	-	-	-	-
Unassigned	139,248,211	-	-	-	-
Total Fund Balances	<u>141,772,110</u>	<u>16,182,756</u>	<u>9,841,931</u>	<u>6,949,561</u>	<u>57,686,782</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 231,035,380</u>	<u>\$ 25,255,353</u>	<u>\$ 13,658,700</u>	<u>\$ 14,786,058</u>	<u>\$ 98,158,657</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2015

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>		
		Total Governmental Fund Balances	\$ 238,651,497
<p>\$ 6,074,631</p> <p style="text-align: center;">-</p> <p style="text-align: center;">-</p> <p style="text-align: center;">683,079</p> <p style="text-align: center;">-</p> <p style="text-align: center;">1,528</p> <p style="text-align: center;">-</p> <p style="text-align: center;">6,344,326</p> <p style="text-align: center;">-</p> <p style="text-align: center;">86,313</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">\$ 13,189,877</p>	<p>\$ 184,971,635</p> <p style="text-align: center;">36,573,965</p> <p style="text-align: center;">2,032,007</p> <p style="text-align: center;">116,033,442</p> <p style="text-align: center;">9,088,416</p> <p style="text-align: center;">2,150,744</p> <p style="text-align: center;">65,197</p> <p style="text-align: center;">65,971</p> <p style="text-align: center;">25,822,401</p> <p style="text-align: center;">18,852,122</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">428,125</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">\$ 396,084,025</p>	<p>Amounts reported for governmental activities in the statement of net position are different because:</p> <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p> <p>Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:</p> <p style="padding-left: 20px;">Delinquent Property Taxes</p> <p style="padding-left: 20px;">State and Federal Grant Revenue</p> <p style="padding-left: 20px;">Payment in Lieu of Taxes</p> <p>Unamortized premiums on bond and long-term note issuances are not recognized in the funds.</p> <p>The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds</p> <p style="padding-left: 20px;">Deferred Outflows - Pension</p> <p style="padding-left: 20px;">Deferred Inflows - Pension</p> <p style="padding-left: 20px;">Net Pension Liability</p> <p>An internal service fund is used by management to charge the cost of health and dental insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.</p> <p>Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds:</p> <p style="padding-left: 20px;">Interest Payable</p> <p style="padding-left: 20px;">Compensated Absences Payable</p> <p style="padding-left: 20px;">General Obligation Debt</p> <p style="padding-left: 20px;">Energy Conservation Debt</p> <p style="padding-left: 20px;">Vocational Construction Loan</p> <p style="padding-left: 20px;">Capital Appreciation Accretion</p> <p>Net Position of Governmental Activities</p>	<p></p> <p></p> <p>290,104,337</p> <p></p> <p>9,088,416</p> <p>21,519,749</p> <p>2,044,000</p> <p>(9,227,369)</p> <p></p> <p></p> <p>21,765,989</p> <p>(56,705,138)</p> <p>(297,078,643)</p> <p></p> <p>8,021,755</p> <p></p> <p>(627,413)</p> <p>(10,295,432)</p> <p>(181,424,989)</p> <p>(6,670,000)</p> <p>(133,332)</p> <p>(1,748,187)</p> <hr style="border: 1px solid black;"/> <p style="text-align: right;">\$ 27,285,240</p> <hr style="border: 1px solid black;"/>
<p style="text-align: center;">683,079</p> <p style="text-align: center;">-</p> <p style="text-align: center;">2,202,705</p> <p style="text-align: center;">-</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">2,885,784</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">86,313</p> <p style="text-align: center;">6,138,324</p> <p style="text-align: center;">-</p> <p style="text-align: center;">-</p> <p style="text-align: center;">(6,280)</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">6,218,357</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">\$ 13,189,877</p>	<p style="text-align: center;">68,810,488</p> <p style="text-align: center;">9,088,416</p> <p style="text-align: center;">21,519,749</p> <p style="text-align: center;">2,044,000</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">101,462,653</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">428,125</p> <p style="text-align: center;">96,799,354</p> <p style="text-align: center;">1,168,748</p> <p style="text-align: center;">1,013,339</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">139,241,931</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">238,651,497</p> <hr style="border: 1px solid black;"/> <p style="text-align: center;">\$ 396,084,025</p>		

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>Building</u>	<u>Classroom Facilities</u>
Revenues:					
Local:					
Taxes	\$ 98,906,741	\$ 13,383,528	\$ 3,849,974	\$ -	\$ -
Tuition	1,587,475	-	-	-	-
Interest	408,982	531	-	39,841	190,072
Other Local Revenue	3,685,799	-	-	-	-
Payment in Lieu of Taxes	2,299,411	-	75,000	-	-
Intergovernmental - State	130,142,004	1,995,391	1,010,796	-	46,973,576
Intergovernmental - Federal	496,141	325,231	-	-	-
Total Revenues	<u>237,526,553</u>	<u>15,704,681</u>	<u>4,935,770</u>	<u>39,841</u>	<u>47,163,648</u>
Expenditures:					
Current:					
Instruction:					
Regular	104,823,959	-	2,097,729	1,577,300	-
Special	34,207,971	-	-	-	-
Vocational	5,047,646	-	-	-	-
Other	840,710	-	-	-	-
Support Services:					
Pupil	9,811,973	-	-	-	-
Instructional Staff	3,579,229	-	-	-	-
Board of Education	39,662	-	-	-	-
Administration	17,444,367	-	-	-	-
Fiscal	3,282,059	244,988	78,505	-	-
Business	876,752	-	126,053	-	-
Operations and Maintenance	16,347,097	-	-	-	-
Pupil Transportation	12,328,854	-	-	-	-
Central	3,464,512	-	14,841	-	-
Food Service	-	-	-	-	-
Community Services	114,211	-	-	-	-
Shared Services	322,229	-	-	-	-
Extracurricular Activities	2,910,288	-	-	-	-
Capital Outlay	236,906	-	3,397,225	11,465,829	96,532,744
Debt Services:					
Principal Retirement	-	7,360,000	66,666	-	-
Interest and Fiscal Charges	-	7,918,034	-	-	-
Total Expenditures	<u>215,678,425</u>	<u>15,523,022</u>	<u>5,781,019</u>	<u>13,043,129</u>	<u>96,532,744</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,848,128	181,659	(845,249)	(13,003,288)	(49,369,096)
Other Financing Sources (Uses):					
Transfers - In	-	946,958	-	-	-
Transfers - Out	(1,291,078)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(1,291,078)</u>	<u>946,958</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	20,557,050	1,128,617	(845,249)	(13,003,288)	(49,369,096)
Fund Balances at Beginning of Year	121,215,060	15,054,139	10,687,180	19,952,849	107,055,878
Fund Balances at End of Year	<u>\$ 141,772,110</u>	<u>\$ 16,182,756</u>	<u>\$ 9,841,931</u>	<u>\$ 6,949,561</u>	<u>\$ 57,686,782</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western 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, 2015

<u>Other</u> Governmental <u>Funds</u>	<u>Total</u> Governmental <u>Funds</u>		
		Net Change in Fund Balances - Total Governmental Funds	\$ (40,389,686)
		Amounts reported for governmental activities in the statement of activities are different because:	
\$ 461,791	\$ 116,602,034		
6,695	1,594,170	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 and reported as depreciation expense.	
1,045	640,471		
3,963,437	7,649,236		
-	2,374,411		
4,206,554	184,328,321	This is the amount by which capital outlay, which met the capitalization criteria (\$106,888,638) exceeds depreciation (\$8,455,839) in the current period.	98,432,799
<u>20,449,572</u>	<u>21,270,944</u>		
<u>29,089,094</u>	<u>334,459,587</u>		
		In the statement of activities, only the gain and loss on the disposal of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the cost of the assets disposed.	(5,103,480)
2,106,927	110,605,915		
7,244,158	41,452,129	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
497,919	5,545,565	Tax Revenue	(912,635)
175,628	1,016,338	State and Federal Grant Revenue	(49,307,095)
		Payment in Lieu of Tax Revenue	(106,376)
864,019	10,675,992		
3,778,542	7,357,771		
-	39,662	Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	7,426,666
987,252	18,431,619		
174,033	3,779,585		
-	1,002,805		
263,443	16,610,540	Premiums on debt issuances are recognized as revenues in the governmental funds, however, they are amortized over the life of the issuance on the statement of activities.	406,807
4,769	12,333,623		
54,000	3,533,353		
8,973,023	8,973,023		
1,366,976	1,481,187	Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows	18,964,962
-	322,229		
1,105,564	4,015,852		
694,681	112,327,385		
-	7,426,666	Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expenses in the statement of activities	(14,391,308)
-	7,918,034		
<u>28,290,934</u>	<u>374,849,273</u>		
798,160	(40,389,686)	Accretion on capital appreciation bonds is an expenditures in the governmental funds but is allocated as an expense over the life of the bonds.	(217,285)
344,120	1,291,078	Governmental Funds report expenditures for interest when it is due. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. The additional interest report in the statement of activities is due to the accrued interest on bonds.	10,771
-	(1,291,078)		
<u>344,120</u>	<u>-</u>		
1,142,280	(40,389,686)	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 governmental funds.	867,707
<u>5,076,077</u>	<u>279,041,183</u>		
<u>\$ 6,218,357</u>	<u>\$ 238,651,497</u>		
		Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The net revenue (expense) of internal services funds is reported with governmental activities.	(1,271,896)
		Changes in Net Position of Governmental Activities	<u>\$ 14,409,951</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Net Position
Internal Service Fund
June 30, 2015

Current Assets:

Equity in Pooled Cash and Cash	
Equivalents	\$ 10,760,662
Total Current Assets	<u>\$ 10,760,662</u>

Current Liabilities:

Accounts Payable	\$ 197,907
Claims Payable	<u>2,541,000</u>
Total Current Liabilities	<u>2,738,907</u>

Net Position

Unrestricted	<u>8,021,755</u>
Total Net Position	<u>\$ 8,021,755</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Revenues, Expenses and
Changes in Fund Net Position
Internal Service Fund
For the Fiscal Year Ended June 30, 2015

Operating Revenues:	
Charges for Services	\$ 22,861,690
Charges to Employees	<u>5,579,746</u>
Total Operating Revenues	<u>28,441,436</u>
Operating Expenses:	
Salaries and Wages	557,687
Fringe Benefits	13,539
Claims	26,971,994
Purchased Services	<u>2,170,112</u>
Total Operating Expenses	<u>29,713,332</u>
Operating Loss	(1,271,896)
Net Position Beginning of Year	<u>9,293,651</u>
Net Position End of Year	<u>\$ 8,021,755</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2015

Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 22,861,690
Cash Received from Employees	5,579,746
Cash Payments for Claims	(26,351,994)
Cash Payments for Salaries and Fringe Benefits	(571,226)
Cash Payments to Suppliers for Goods and Services	<u>(2,154,261)</u>
Net Cash Used in Operating Activities	<u>(636,045)</u>

Net Decrease in Cash and Cash Equivalents	(636,045)
Cash and Cash Equivalents Beginning of Year	<u>11,396,707</u>
Cash and Cash Equivalents End of Year	<u>\$ 10,760,662</u>

Reconciliation of Operating Loss to Net Cash

<u>Used in Operating Activities:</u>	
Operating Loss	\$ (1,271,896)

Adjustments to Reconcile Operating Loss to Net

Cash Used in Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Accounts Payable	15,851
Increase in Claims Payable	<u>620,000</u>
Net Cash Used in Operating Activities	<u>\$ (636,045)</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Fiduciary Assets and Liabilities
Agency Fund
June 30, 2015

Assets:

Equity in Pooled Cash and Cash Equivalents	\$ 5,537,638
Receivables:	
Accounts	<u>167,017</u>
Total Assets	<u><u>\$ 5,704,655</u></u>

Liabilities:

Accounts Payable	\$ 53,956
Due to Other Governments	890,267
Undistributed Money	<u>4,760,432</u>
Total Liabilities	<u><u>\$ 5,704,655</u></u>

The notes to the basic financial statements are an integral part of this statement.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 1 - DESCRIPTION OF THE DISTRICT

The South-Western City School District (the "District") operates under a locally elected five-member board and provides educational services as authorized by its charter or further mandated by state/or federal agencies. The Board controls the District's thirty-six instructional/support facilities staffed by 891 non-certificated employees, 1,447 certificated full time teaching personnel and 100 administrative employees to provide approximately 20,685 students and other community members.

The District was established in 1959 through the consolidation of existing land areas and school districts and is organized under Sections 2 and 3, Article VI of the constitution of the State of Ohio. Under the law, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

The District serves an area of approximately one hundred nineteen (119) square miles. It encompasses most of the southwestern quadrant of Franklin County, including a substantial portion of the southwestern quadrant of the City of Columbus, Ohio, the state capital, and five other cities and townships. In addition, a very small portion of Pickaway County is included within the District boundaries.

The District is the sixth largest in the state of Ohio (among 612 school districts) in terms of enrollment and the second largest (behind the Columbus City School District) in Franklin County. During fiscal year 2015 the District operated 16 elementary schools, five intermediate schools, five middle schools, four comprehensive high schools and one career academy high school.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the South-Western City School District, this includes general operations, food service, head start, student guidance, extracurricular activities and care and upkeep of grounds and buildings of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has assumed responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the levying of taxes or the issuance of debt. The District has no component units.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation

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

Government - Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used. Internal Service Fund operating activity is eliminated to avoid doubling-up of revenues and expenses. The statements distinguish between governmental and business-type activities of the District. The District has no business-type activities.

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

Fund Financial Statements

Fund financial statements report detailed information about the 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, and all nonmajor funds are aggregated and presented in one column. The Internal Service fund is presented on the proprietary fund statements. Fiduciary funds are reported by fund type.

B. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities, deferred inflows of resources and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Governmental Funds

Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities plus deferred inflows of resources is reported as fund balance. Below is a description of the funds presented in the financial statements:

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting (continued)

Major Governmental Funds

General Fund - The General Fund is the general operating fund of the District and is used to account for and report all financial resources except those required to be accounted for in another fund.

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

Capital Improvements Fund - The Capital Improvements Fund is used to account for and report financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by bond proceeds, proprietary funds and trust funds).

Building Fund - The Building fund is used to account for the Locally Funded Initiatives (LFI) as they relate to the Ohio Facility Construction Commission projects.

Classroom Facilities Fund - The Classroom Facilities Fund is used to account for and the grants and debt restricted for Ohio Facility Construction Commission projects.

The other governmental funds of the District account for grants and other resources.

Proprietary Fund

The proprietary fund focuses on the determination of the changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the District has no enterprise funds.

Internal Service Fund - The Health Self Insurance Internal Service fund is used to account for and report dental insurance claims and health insurance claims.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other governmental units and/or other funds. This includes agency funds. Agency funds are purely custodial and thus do not involve measurement of results of operation.

Agency Funds - Agency Funds are used to account for and report student activities and internal processing of employee health insurances and retirement.

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statement is prepared using the economic resources measurement focus. All assets, deferred outflows of resources, all liabilities and deferred inflows of resources associated with the operation of the District are included on the Statement of Net Position.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus (continued)

Fund Financial Statements

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for proprietary and agency funds. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, deferred outflows of resources and the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after fiscal year end.

Non-exchange 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.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues – Exchange and Non-exchange Transactions (continued)

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

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenses/expenditure) until then. The District has deferred outflows of resources on the government-wide statement of net position for pension which is explained in Note 8.

In addition to liabilities, the statement of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District these amounts consist of taxes, unavailable revenue and pension. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenues are reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District, unavailable revenue includes delinquent property taxes, intergovernmental grants and miscellaneous revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (Note 8)

Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Health Self Insurance Fund are charges to the District and employees for insurance premiums. Operating expenses for the Internal Service Fund include payments of claims and administrative costs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expense.

Expenditures/Expenses

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

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

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budgetary Data

The District is required by state statute to adopt an annual appropriation cash basis budget for all funds, except agency funds. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution. The timeline is explained below.

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose for this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the board-adopted budget is filed with the Franklin County Budget Commission for tax rate determination.

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect the amounts set forth in the original and final Amended Certificate issued for fiscal year 2015, respectively.

By July 1, the Annual Appropriation Resolution is legally enacted by the Board of Education at the fund level, which is the legal level of budgetary control. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals. Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present the general fund's budgetary statement comparisons at the fund, function and object level.

Any revisions that alter the total of any fund appropriations must be approved by the Board of Education.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized cash basis appropriation.

Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, increased or decreased the original appropriation amounts. All supplemental appropriations were legally enacted by the Board during fiscal year 2015.

Unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated. Cash disbursements may not legally exceed budgeted appropriations at the fund level.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash and Cash Equivalents/Investments

The District maintains a cash and investment pool used by all funds except the Building Fund and the Classroom Facilities Fund, representing bond proceeds and Ohio Facility Construction Commission Grant proceeds. The cash and investment pool has the same characteristics as demand deposits. Each fund’s interest in the pooled bank account is presented as “Equity in Pooled Cash and Cash Equivalents” on the financial statements.

During fiscal year 2015, the District invested in a variety of instruments as allowed in the Ohio Revised Code. Except for investment contracts and money market investments that had a remaining maturity of three years or less at the time of purchase, investments are reported at fair value which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

Under existing Ohio statutes, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during fiscal year 2015 amounted to \$408,982, which includes \$61,815 assigned from other District Funds.

The District utilizes a financial institution to service bonded debt as principal and interest payments come due.

For presentation on the financial statements, investments of the cash management pool and investments with maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. During the fiscal year, all investments in the cash management pool had a maturity of thirty months or less.

G. Inventory

Inventories of governmental funds are stated at cost. The cost is determined on a first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental funds when used by using the consumption method.

H. Capital Assets and Depreciation

Capital assets are reported in the government-wide statement of net position but are not reported in the fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000 and a useful life of at least 5 years. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized.

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

Land Improvements	10 to 20 years
Buildings	5 to 45 years
Furniture and Equipment	5 to 20 years
Vehicles	8 to 10 years
Buses	13 years

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Compensated Absences

Vacation and personal leave benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. An accrual for earned sick leave is made to the extent it is probable that the benefits will result in termination payments. The District records a liability for accumulated unused sick leave for all employees after fifteen years of service. A bonus payment is available to employees who retire at their first retirement eligibility date, which is based on the number of years experience they have earned. A liability is recorded for those employees that have declared their retirement date as of June 30, 2015.

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

The total liability for vacation and severance payments has been calculated using pay rates in effect at June 30, 2015, and reduced to the maximum payment allowed by labor contracts and/or statute, plus any additional salary related payments.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

K. Interfund Transactions

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. These amounts are eliminated in the Statement in Activities.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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” includes items that are not expected to be converted to cash.

Restricted

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 or enabling legislation (District resolutions).

Enabling legislation authorizes the District to assess, levy, charge, or otherwise mandates payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the District can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specific by the legislation.

Committed

The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Governing Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. 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 Board of Education. The Treasurer has been given authority to assign amounts for these purposes by the School 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 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.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Fund Balance (continued)

The District does not have a formal minimum fund balance policy.

M. Net Position

Net position represents the difference between assets and liabilities and deferred inflows/outflows of resources. 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. Any unspent borrowings used for the acquisition, construction or improvement of those assets do not reduce net investment in capital assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include activities for other grants and vocational rotary programs restricted to cash disbursements for specified purposes.

The District applies restricted resources first when an expense is incurred for purposes of which both restricted and unrestricted net position is available. The District did not have net position restricted by enabling legislation at June 30, 2015.

N. Parochial Schools

Within the District boundaries are various parochial schools operated through the Catholic Diocese and local churches. Current state legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The fiduciary responsibility of the District for these monies is reflected in a special revenue fund (a nonmajor governmental fund) for financial reporting purposes.

O. Estimates

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

P. 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 2015.

Q. Bond Premiums, Bond Discounts and 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 when incurred in the government-wide financial statements.

Bond premiums on the capital appreciation bonds 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.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Bond Premiums, Bond Discounts and Gains on Refunding and Issuance Costs (continued)

On the governmental fund financial statements, governmental fund types recognize 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 expenditures.

R. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For fiscal year 2015, the District implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions” and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68.” GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported June 30, 2014:

Net Position June 30, 2014		\$ 349,466,735
Adjustments:		
Net Pension Liability		(353,022,853)
Deferred Outflow - Payments Subsequent to Measurement Date		16,431,407
Restated Net Position June 30, 2014		\$ 12,875,289

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

NOTE 4 – CASH AND CASH EQUIVALENTS/INVESTMENTS

Deposits

At fiscal year-end, the carrying amount of the District’s deposits was \$149,273,846 and the bank balance was \$145,577,145. Of the bank balance, \$22,250,000 was covered by federal deposit insurance coverage. The remaining amounts were uninsured and uncollateralized as defined by the GASB because the collateral pledged by the financial institution or their trust department or agents is not in the District’s name. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 4 – CASH AND CASH EQUIVALENTS/INVESTMENTS (continued)

Deposits (continued)

Investment Type	Fair Value	Investment Maturities		
		Less than 1 year	1-2 years	2-3 years
Municipal Bonds	\$ 21,043,645	\$ 18,092,792	\$ 2,228,313	\$ 722,540
FNMA	\$ 14,020,760	5,003,550	9,017,210	-
FFCB	\$ 16,969,193	15,017,750	-	1,951,443
FHLMC	\$ 19,269,853	15,013,200	1,759,241	2,497,413
FHLB	\$ 17,266,603	-	17,266,603	-
	<u>\$ 88,570,054</u>	<u>\$ 53,127,292</u>	<u>\$ 30,271,366</u>	<u>\$ 5,171,396</u>

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

Credit Risk: Credit risk is the risk that an issue or other counterparty to an investment will not fulfill its obligations. The District’s policy places limitations on the types of investments the District may invest in. The District’s policy authorizes investment in allowable securities as outlined by Ohio Revised Code Section 135. The District’s repurchase agreement is secured by underlying securities granted by the United States Government. The District’s investments in FNMA, FFCB, FHLMC and FHLB were each rated AAA or Aaa by Standard & Poor’s or Moody’s Investor Services, respectively. The District’s investment in municipal bonds were rated AA+ or AA and Aa1 or Aa2 by Standard & Poor’s or Moody’s Investor Services, respectively.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2015:

Investment Type	Fair Value	% of Total
Municipal		
Bonds	\$ 21,043,645	23.76%
FNMA	14,020,760	15.83%
FFCB	16,969,193	19.16%
FHLMC	19,269,853	21.76%
FHLB	17,266,603	19.49%
	<u>\$ 88,570,054</u>	<u>100.00%</u>

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits may not be returned. The District has no deposit policy for custodial credit risk beyond the requirements of state statute. According to state law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State laws does not require security for public deposits and investments to be maintained in the District’s name. During 2015, the District and public depositories complied with the provisions of these statutes.

The District has adopted a formal investment policy. There are two investment objectives: safety of principal and compliance with all federal and state laws.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 4 – CASH AND CASH EQUIVALENTS/INVESTMENTS (continued)

Reconciliation of Cash and Investment to the Statement of Net Position: The following is a reconciliation of cash and investments to the Statement of Net Position as of June 30, 2015:

Investments (summarized above)	\$ 88,570,054
Carrying Amount of District's Deposits	149,273,846
Agency Fund - Cash and Cash Equivalents	(5,537,638)
Total Governmental Activities - Cash and Cash Equivalents and Investments	<hr/> <u>\$232,306,262</u>

NOTE 5 – PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility property, and tangible personal property (used in business) located in the District. Real property tax revenues received in calendar year 2015 represent the collection of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed values as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2015 represent the collection of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien on December 31, 2013, were levied after October 1, 2014, and are collected in 2015 with real property taxes. Public utility real property is assessed at twenty-five percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Franklin County. The County Auditor periodically advances to the District its portion of the taxes collected. Second half real property tax payments collected by the County by June 30, 2015, are available to finance fiscal year 2015 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes personal property and public utility taxes, which are measurable as of June 30, 2015 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 and the late personal property tax settlement were levied to finance current fiscal year operations.

On a full accrual basis, collectible delinquent property taxes and the amount available as an advance have been recorded as a receivable and revenue while the rest of the receivable is recorded as a deferred inflow of resources. On a modified accrual basis, only the amount available as an advance is recognized as revenue.

The amount available as an advance at June 30 was \$39,799,574 in the General Fund, \$5,547,616 in the Debt Service Fund and \$1,875,764 in the Capital Improvements Fund, which is recognized as revenue. The assessed values upon which the fiscal year 2015 taxes were collected are:

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 5 – PROPERTY TAXES (continued)

	<u>2014 Second Half Collection</u>		<u>2015 First Half Collection</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 2,343,813,690	96.16%	\$ 2,324,059,180	95.50%
Public Utility Real and Personal	<u>93,711,540</u>	<u>3.84%</u>	<u>109,471,420</u>	<u>4.50%</u>
Total Assessed Value	<u>\$ 2,437,525,230</u>	<u>100.00%</u>	<u>\$ 2,433,530,600</u>	<u>100.00%</u>
Tax rate per \$1,000 of Assessed Valuation	\$	73.25	\$	73.25

NOTE 6 – RECEIVABLES

Receivables at June 30, 2015 consisted of taxes, payment in lieu of taxes, accounts (rent and student fees), interest and intergovernmental grants and entitlements. All receivables are considered collectible in full in one year with the exception of the Ohio Facilities Construction Commission grant (OFCC) and property taxes. The OFCC Grant awarded in August 2012 for \$124,047,645 is being collected over the life of the construction of new facilities. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. A summary of receivables reported on the statement of net position follows:

Governmental Activities:	
Property Taxes – Current	\$ 116,033,442
Property Taxes – Delinquent	9,088,416
Payment in Lieu of Taxes	2,150,744
Accounts	65,197
Interest	65,971
Intergovernmental	<u>25,822,401</u>
Total	<u>\$ 153,226,171</u>

South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 7 – CAPITAL ASSETS

A summary of capital asset activity during the fiscal year follows:

	Balance <u>6/30/2014</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/2015</u>
Governmental Activities				
Non-Depreciable:				
Land	\$ 8,678,711	\$ -	\$ -	\$ 8,678,711
Construction in Progress	76,314,397	106,235,001	(69,694,293)	112,855,105
Total Non-Depreciable	<u>84,993,108</u>	<u>106,235,001</u>	<u>(69,694,293)</u>	<u>121,533,816</u>
Depreciable:				
Improvements to Land	6,526,585	7,871,769	(2,224,033)	12,174,321
Buildings	207,191,827	60,553,860	(18,437,429)	249,308,258
Furniture and Equipment	8,243,840	736,128	(298,452)	8,681,516
Vehicles	1,673,515	174,453	(21,416)	1,826,552
Buses	13,804,273	1,011,720	-	14,815,993
Total Depreciable	<u>237,440,040</u>	<u>70,347,930</u>	<u>(20,981,330)</u>	<u>286,806,640</u>
Accumulated Depreciation:				
Improvements to Land	(4,659,619)	(424,525)	1,467,354	(3,616,790)
Buildings	(103,524,365)	(7,143,546)	14,096,108	(96,571,803)
Furniture and Equipment	(6,460,205)	(265,853)	292,972	(6,433,086)
Vehicles	(1,435,337)	(76,955)	21,416	(1,490,876)
Buses	(9,578,604)	(544,960)	-	(10,123,564)
Total Accumulated Depreciation	<u>(125,658,130)</u>	<u>(8,455,839)</u>	<u>15,877,850</u>	<u>(118,236,119)</u>
Net Depreciable Capital Assets	<u>111,781,910</u>	<u>61,892,091</u>	<u>(5,103,480)</u>	<u>168,570,521</u>
Net Governmental Activities Capital Assets	<u>\$ 196,775,018</u>	<u>\$ 168,127,092</u>	<u>\$ (74,797,773)</u>	<u>\$ 290,104,337</u>

Depreciation Expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 5,801,045
Special	37,921
Vocational	523,150
Support Services:	
Instructional Staff	3,417
Administration	228,957
Operations and	
Maintenance	92,633
Transportation	595,214
Central	757,576
Food Service	47,893
Community Services	145,631
Extracurricular	222,402
Total Depreciation Expense	<u>\$ 8,455,839</u>

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 8 - DEFINED BENEFIT PENSION PLANS

A. Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the District’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the South-Western City School District’s obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions are financed; however, the District does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

B. School Employees Retirement System

Plan Description – District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 8 - DEFINED BENEFIT PENSION PLANS (continued)

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before <u>August 1, 2017*</u>	Eligible to Retire on or after <u>August 1, 2017*</u>
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

*Members with 25 years of service credit as of August 1, 2017, will be included in this plan

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

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, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$4,066,079 for fiscal year 2015. The entire amount was paid to SERS.

C. State Teachers Retirement System

Plan Description – District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS’ fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 8 - DEFINED BENEFIT PENSION PLANS (continued)

C. 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. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. 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 DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability 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 – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased by one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The South-Western City School was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$14,898,883 for fiscal year 2015. The entire amount was paid to STRS.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 8 - DEFINED BENEFIT PENSION PLANS (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$ 52,862,360	\$ 244,216,283	\$ 297,078,643
Proportion of the Net Pension Liability	1.044516%	1.00403592%	
Pension Expense	\$ 3,108,740	\$ 11,282,568	\$ 14,391,308

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 449,915	\$ 2,351,112	\$ 2,801,027
School District contributions subsequent to the measurement date	4,066,079	14,898,883	18,964,962
Total Deferred Outflows of Resources	<u>\$ 4,515,994</u>	<u>\$ 17,249,995</u>	<u>\$ 21,765,989</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$ 8,579,710	\$ 45,180,938	\$ 53,760,648
Differences between School District contributions and proportionate share of contributions	23,873	2,920,617	2,944,490
Total Deferred Inflows of Resources	<u>\$ 8,603,583</u>	<u>\$ 48,101,555</u>	<u>\$ 56,705,138</u>

\$18,964,962 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30			
2016	\$ (2,038,417)	\$ (11,437,611)	\$ (13,476,028)
2017	(2,038,417)	(11,437,611)	(13,476,028)
2018	(2,038,417)	(11,437,611)	(13,476,028)
2019	(2,038,417)	(11,437,610)	(13,476,027)
Total	<u>\$ (8,153,668)</u>	<u>\$ (45,750,443)</u>	<u>\$ (53,904,111)</u>

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 8 - DEFINED BENEFIT PENSION PLANS (continued)

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 8 - DEFINED BENEFIT PENSION PLANS (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00%	0.00%
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	<u>15.00</u>	7.50
Total	<u>100.00%</u>	

Discount Rate The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	<u>(6.75%)</u>	<u>(7.75%)</u>	<u>(8.75%)</u>
School District's proportionate share of net pension liability	\$ 75,418,881	\$ 52,862,360	\$ 33,890,377

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2.00 percent simple applied as follows: for members retiring before August 1, 2013, 2.00 percent per year, for members retiring August 1, 2013, or later, 2.00 percent COLA paid on fifth anniversary of retirement date.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 8 - DEFINED BENEFIT PENSION PLANS (continued)

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	31.00%	8.00%
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	<u>1.00</u>	3.00
Total	<u>100.00%</u>	

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease <u>(6.75%)</u>	Current Discount Rate <u>(7.75%)</u>	1% Increase <u>(8.75%)</u>
School District's proportionate share of net pension liability	\$ 349,622,237	\$ 244,216,283	\$ 155,078,315

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 9 – POST EMPLOYMENT BENEFITS

A. School Employees Retirement System

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) 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 financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. 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.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the School District's surcharge obligation was \$401,805.

The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$654,778, \$469,244, and \$476,132, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

B. State Teachers Retirement System

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

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 9 – POST EMPLOYMENT 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. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The School District’s contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$1,035,953, and \$1,020,007 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to property loss, torts, errors and omissions, workers’ compensation as well as medical benefits provided to employees. The District has purchased commercial insurance for property loss, torts, errors and omissions, workers’ compensation, health, life and vision insurance claims. The District is self-insured for health and dental claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

As of January 1, 2008, the District switched to self-insurance program for health and dental programs administered by Aetna and Delta Dental, respectively. Payments are made to Aetna and Delta Dental for the actual amounts of claims processed, monthly stop-loss premiums, and administrative charges. Operating revenues of the internal service fund consist of charges to other funds for an amount expected to be needed to cover claims and to provide for future catastrophe losses, policy, stop-loss premiums, and other operating expenses. The portion of the charge relating to the cost needed to cover claims is calculated annually based on historical and trend information.

The claims liability is \$2,541,000 reported in the internal service fund at June 30, 2015 is based on actual claims paid and estimates provide by the third party administrators and the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, as amended by GASB statement No. 30. “Risk Financing Omnibus”, which requires that a liability for unpaid claims costs, including estimates of costs related to incurred by not reported claims, be accrued at the estimated ultimate cost of settling the claims. The District anticipates paying these claims within one year. Changes in claims activity for the past two fiscal years are as follows:

	Balance at July 1	Current Year Claims	Claim Payments	Balance at June 30
Fiscal Year 2014	\$ 1,885,000	\$ 23,138,849	\$ 23,102,849	\$ 1,921,000
Fiscal Year 2015	1,921,000	26,971,994	26,351,994	2,541,000

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 11 - COMPENSATED ABSENCES

The criteria for determining vested vacation, personal and sick leave are derived from negotiated agreements and State laws. Twelve month classified employees and administrators earn ten to twenty days of vacation per year, depending upon length of service. Teachers do not earn vacation time. Accumulated, unused vacation time is paid upon termination of employment. All employees considered full-time earn three days of personal leave each year. Each employee is allowed to carry a maximum balance of five days. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave is paid at the rate of one-third the employees accumulated but unused sick leave balance up to various maximums depending upon the union contract. A bonus payment is available for employees who retire at their first eligibility date. This amount is calculated based on the actual individuals who have applied for retirement.

The entire compensated absence liability is reported on the entity-wide financial statements. For governmental fund financial statements, the amount of accumulated sick leave and bonus pay for those employees who have certified their retirement has been recorded as a current liability to extent the amounts are considered due.

NOTE 12- LONG-TERM DEBT

The District issues bonds, notes and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the District. Long-term obligations also include notes and compensated absences.

The following is a description of the District's Bonds and Long-Term Note outstanding at June 30, 2015:

<u>Issue</u>	Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Amount</u>	Retired/Accreted <u>in 2015</u>	Bonds Outstanding <u>6/30/2015</u>
2002 Energy Conservation	3.86%	12/1/2014	\$ 4,775,000	\$ (470,000)	\$ -
2000 Vocational Construction	0%	12/31/2016	1,000,000	(66,666)	133,332
2006 Refunding School Facilities	4.02%	12/1/2027	77,988,782	(3,246,440)	47,159,043
2006 Refunding Capital Appreciation Bonds	4.02%	12/1/2016	1,254,989	217,285	1,748,187
2011 Qualified School Construction Bonds	5.60%	12/1/2025	6,670,000	-	6,670,000
2012 School Facilities	4.00%	12/1/2042	140,250,000	(4,050,367)	143,493,315
Total Long-Term Bonds and Notes Payable			<u>\$ 231,938,771</u>	<u>\$ (7,616,188)</u>	<u>\$ 199,203,877</u>

Amortization of premium on the 2006 Refunding School Facilities Bonds for fiscal year 2015 was \$116,440. The balance of unamortized premium on the bonds is \$1,339,054 and is included in the total bonds outstanding at June 30, 2015.

Amortization of premium on the 2012 School Facilities Bonds for fiscal year 2015 was \$290,367. The balance of unamortized premium on the bonds is \$7,888,315 and is included in the total bonds outstanding at June 30, 2015.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 12- LONG-TERM DEBT (continued)

Annual debt service requirements to maturity for the General Obligation Bonds, Energy Conservation Bonds and Long-Term Notes are as follows:

Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 7,201,666	\$ 7,665,251	\$ 14,866,917
2017	5,311,655	9,612,088	14,923,743
2018	7,500,000	7,272,226	14,772,226
2019	8,000,000	6,962,226	14,962,226
2020	8,320,000	6,635,826	14,955,826
2021-2025	33,490,000	28,747,324	62,237,324
2026-2030	35,865,000	19,960,986	55,825,986
2031-2035	26,905,000	14,383,253	41,288,253
2036-2040	33,345,000	7,823,913	41,168,913
2041-2043	22,290,000	1,319,400	23,609,400
Total	\$ 188,228,321	\$ 110,382,493	\$ 298,610,814

The above amortization schedule (principal payments) does not include the \$9,227,369 in unamortized premium on the 2006 and 2012 bond issues. The accretion of \$1,748,187 on the 2006 Refunding School Facilities Capital Appreciation Bonds is also not accounted for in this schedule.

The unexpended balance of the 2012 School Facilities Bond as of June 30, 2015 was \$51,644,463.

The District's voted legal debt margin was \$30,922,765 with an unvoted debt margin of \$2,433,531 at June 30, 2015.

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid with the General Fund being the most significant fund.

South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 12- LONG-TERM DEBT (continued)

A summary of Long-Term obligation activity during the fiscal year is summarized below:

Issue	Balance at June 30, 2014 *	Additions	Deductions	Balance at June 30, 2015	Due within 1 year
General Obligation Bonds					
Refunding Bonds 2006					
Serial Bonds 4.00% - 4.75%	\$ 33,340,000	\$ -	\$ 3,130,000	\$ 30,210,000	\$ 3,260,000
Term Bonds 4.25%	14,355,000	-	-	14,355,000	-
Serial/Term Bonds Premium	1,455,494	-	116,440	1,339,054	-
Capital Appreciation Bonds					
Refunding 2006 4.02%	1,254,989	-	-	1,254,989	-
Capital Appreciation Accretion	1,530,902	217,285	-	1,748,187	-
School Facilities 2012					
Serial Bonds 3.00%-4.5%	72,325,000	-	3,760,000	68,565,000	3,875,000
Term Bonds 3.5% - 5.0%	67,040,000	-	-	67,040,000	-
Serial/Term Bonds Premium	8,178,682	-	290,367	7,888,315	-
Total General Obligation Bonds	199,480,067	217,285	7,296,807	192,400,545	7,135,000
Energy Conservation Bonds					
Energy Conservation 2002 3.00% - 4.45%	470,000	-	470,000	-	-
Qualified School Construction Bonds 2011					
Serial Bonds 5.60%	6,670,000	-	-	6,670,000	-
Total Energy Conservation Bonds	7,140,000	-	470,000	6,670,000	-
Long-Term Notes Payable					
Technical Equipment Loan 2000 0%	199,998	-	66,666	133,332	66,666
Total Long-term Notes Payable	199,998	-	66,666	133,332	66,666
Net Pension Liability					
STRS	290,908,839	-	46,692,556	244,216,283	-
SERS	62,114,014	-	9,251,654	52,862,360	-
Total Net Pension Liability	353,022,853	-	55,944,210	297,078,643	-
Compensated Absences	12,900,499	1,986,682	1,996,461	12,890,720	4,050,527
Total	\$ 572,743,417	\$ 2,203,967	\$ 65,774,144	\$ 509,173,240	\$ 11,252,193

* Restated

Compensated absences of \$4,050,527 include \$1,455,239 for vacation and personal leave, which is estimated to be used in the next fiscal year. Compensated absences are liquidated by the General and nonmajor special revenue funds.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 13 - INTERFUND TRANSACTIONS

Interfund Balances at June 30, 2015 consist of the following individual fund receivable and payables:

<u>Interfund</u> <u>Receivable/Payable</u>	<u>Receivable</u>	<u>Payable</u>
Major Funds		
General Fund	\$ 18,852,122	\$ -
Building Fund	-	5,909,538
Classroom Facilities Fund	-	11,513,886
Non-Major Funds		
State Grants	-	676,232
Federal Grants	-	752,466
Total	<u>\$ 18,852,122</u>	<u>\$ 18,852,122</u>

The primary purpose of the interfund balances is to cover anticipated negative cash balances in specific funds where revenues were not received or to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements; no internal balances at June 30, 2015 are reported on the statement of net position.

Interfund transfers for the fiscal year ended June 30, 2015 consisted of the following, as reported on the fund statements:

	Amount
Transfers from general fund to debt service major fund:	\$ 946,958
Transfers from general fund to nonmajor governmental funds:	344,120

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 14 – FUND BALANCE

Fund balances are nonspendable, restricted, committed, unassigned, or assigned for the following purposes:

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>Building</u>	<u>Classroom Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balance:							
Nonspendable							
Inventory	\$ 341,812	\$ -	\$ -	\$ -	\$ -	\$ 86,313	\$ 428,125
Total Nonspendable	341,812	-	-	-	-	86,313	428,125
Restricted for:							
Debt Service	-	16,182,756	-	-	-	-	16,182,756
Capital Projects	-	-	9,841,931	6,949,561	57,686,782	-	74,478,274
Regular Instruction	-	-	-	-	-	639,908	639,908
Special Education	-	-	-	-	-	379,124	379,124
Vocational Education	-	-	-	-	-	12,082	12,082
Adult Basic Education	-	-	-	-	-	7,807	7,807
Targeted Academic Assistance	-	-	-	-	-	12,613	12,613
Extracurricular Activities	-	-	-	-	-	679,938	679,938
Maintenance of Buildings	-	-	-	-	-	2,049,237	2,049,237
Food Service	-	-	-	-	-	2,357,615	2,357,615
Total Restricted	-	16,182,756	9,841,931	6,949,561	57,686,782	6,138,324	96,799,354
Committed							
Public School Support	1,168,748	-	-	-	-	-	1,168,748
Total Committed	1,168,748	-	-	-	-	-	1,168,748
Assigned:							
Unpaid Obligations	831,772	-	-	-	-	-	831,772
Regular Instruction	179,928	-	-	-	-	-	179,928
Vocational Education	1,639	-	-	-	-	-	1,639
Total Assigned	1,013,339	-	-	-	-	-	1,013,339
Unassigned	139,248,211	-	-	-	-	(6,280)	139,241,931
Total Fund Balance	\$ 141,772,110	\$ 16,182,756	\$ 9,841,931	\$ 6,949,561	\$ 57,686,782	\$ 6,218,357	\$ 238,651,497

NOTE 15 – CONTINGENCIES

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits should 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, 2015.

B. Litigation

There are currently several matters in litigation with the District as defendant. Based upon the facts and circumstances, as they currently exist, management believes that the remaining cases will have no material effect on the financial statements of the District.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 15 – CONTINGENCIES (continued)

C. Full Time Equivalency

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts must comply with minimum hours of instruction, instead of minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the school district; therefore, the financial statements impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the School District.

NOTE 16 - SIGNIFICANT CONTRACTUAL OBLIGATIONS

The District had significant contractual obligation as of June 30, 2015 which are listed below:

<u>Contractor</u>	<u>Project</u>	<u>Amount</u>
Barton Malow Company	Construction of Highland Park Elementary	\$ 13,121,657
Barton Malow Company	Construction of Prairie Lincoln Elementary	11,196,431
Monarch	Construction of West Franklin Elementary	11,144,536
Smoot Construction Co. of Ohio	Construction of Franklin Heights High School	10,716,801
Monarch	Construction of Richard Ave. Elementary	9,955,912
Robertson Construction	Construction of JC Sommer Elementary	2,793,022
Zimmerman School Equipment	Furniture for New Buildings	1,949,409
Ruscilli Construction Co.	Construction Management OFCC Projects	2,078,365
Barton Malow Company	Construction of Finland Elementary	1,222,741
Barton Malow Company	Construction of Darbydale Elementary	1,180,700
Barton Malow Company	Construction of Bolton Crossing Elementary	1,114,626
SHP	Architect Services for Entire OFCC Project	901,442
Altman Company	Construction of Stiles Elementary	774,092
Strawser Paving	Road Improvements at Bolton Crossing Elementary and Finland Elementary	576,502
Library Design	Furniture for New Buildings	415,312
Farnham Equipment Company	Replace Bleachers in Gymnasium at Grove City High School and Westland High School	368,985
Robertson Construction	Construction of Harmon Elementary	292,068
Folding Equipment Company	Replace Lockers at Grove City High School and Westland High School	250,866
Brewer-Garrett Co.	Commissioning OFCC Buildings	246,581
Heiberger Paving	Track Renovation at Franklin Heights High School and Jackson Middle School	246,120
Summit Construction Co.	Construction of Prairie Norton Elementary	237,784
CDW-Government, Inc	Technology for New Buildings	213,115
Robertson Construction	Construction of Monterey Elementary	210,948

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015*

NOTE 17 - SUBSTITUTE HOUSE BILL 412

The District is required by State statute to annually set aside in the General Fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purpose in future years.

The District had qualifying disbursements that reduced the capital improvements set aside amount below zero. This excess may not be carried forward to offset future year set aside requirements. Disclosure of this information is required by State Statute.

	<u>Capital Acquisition</u>
Set aside Cash Balance as of June 30, 2014	\$ -
Current Year Set-aside Requirement	3,367,095
Qualifying Offset - Capital Improvements Fund	(3,871,969)
Qualifying Offset - Classroom Facilities Maintenance Fund	(683,079)
Qualifying Disbursements	<u>(2,518,491)</u>
Total	<u><u>\$ (3,706,444)</u></u>

NOTE 18 – JOINTLY GOVERNED ORGANIZATION

Metropolitan Educational Technology Association (META)

The District is a participant in the META. META is an association of public school districts within the boundaries of Franklin, Delaware, Union, Pickaway, Madison and Fairfield counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The governing board of META consists of one representative from each of the member school districts. Financial information can be obtained from Scott Armstrong, who serves as fiscal officer, at 2100 Citygate, Columbus, Ohio 43219.

NOTE 19 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Fiscal Year - End Encumbrances</u>
General Fund	\$ 831,772
Capital Improvement Funds	73,768,909
Other Governmental Funds	<u>128,459</u>
Total	<u><u>\$ 74,729,140</u></u>

REQUIRED SUPPLEMENTAL INFORMATION

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Local:				
Taxes	\$ 95,609,540	\$ 98,963,398	\$ 98,963,398	\$ -
Tuition	1,206,900	1,206,900	1,585,710	378,810
Interest	321,910	321,910	297,069	(24,841)
Other Local Revenue	3,024,240	3,075,058	4,850,946	1,775,888
Intergovernmental - State	125,559,000	125,559,000	130,046,049	4,487,049
Intergovernmental - Federal	554,300	554,300	495,442	(58,858)
Total Revenues	<u>226,275,890</u>	<u>229,680,566</u>	<u>236,238,614</u>	<u>6,558,048</u>
Expenditures:				
Current:				
Instruction:				
Regular				
Salaries and Wages	67,477,210	65,523,396	64,880,793	642,603
Fringe Benefits	20,684,370	20,390,737	20,345,582	45,155
Purchased Services	17,606,845	18,004,410	17,935,709	68,701
Supplies and Materials	1,571,002	1,291,877	1,197,340	94,537
Miscellaneous	2,037	1,437	-	1,437
Total Regular	<u>107,341,464</u>	<u>105,211,857</u>	<u>104,359,424</u>	<u>852,433</u>
Special				
Salaries and Wages	19,335,080	19,791,405	19,416,495	374,910
Fringe Benefits	6,488,550	6,732,602	6,655,548	77,054
Purchased Services	7,295,090	7,977,891	7,903,348	74,543
Supplies and Materials	121,684	153,969	127,182	26,787
Total Special	<u>33,240,404</u>	<u>34,655,867</u>	<u>34,102,573</u>	<u>553,294</u>
Vocational				
Salaries and Wages	3,329,500	3,271,635	3,228,798	42,837
Fringe Benefits	1,013,500	992,943	973,867	19,076
Purchased Services	236,585	344,045	291,023	53,022
Supplies and Materials	648,805	521,509	440,424	81,085
Miscellaneous	4,238	2,497	-	2,497
Total Vocational	<u>5,232,628</u>	<u>5,132,629</u>	<u>4,934,112</u>	<u>198,517</u>
Other				
Salaries and Wages	611,400	627,753	615,275	12,478
Fringe Benefits	184,000	185,951	183,021	2,930
Purchased Services	880	880	103	777
Supplies and Materials	16,560	16,361	16,361	-
Total Other	<u>812,840</u>	<u>830,945</u>	<u>814,760</u>	<u>16,185</u>
Total Instruction	<u>146,627,336</u>	<u>145,831,298</u>	<u>144,210,869</u>	<u>1,620,429</u>
Support Services:				
Pupil				
Salaries and Wages	6,490,800	6,669,675	6,566,747	102,928
Fringe Benefits	1,891,430	1,907,700	1,883,160	24,540
Purchased Services	1,496,396	1,366,579	1,340,555	26,024
Supplies and Materials	123,122	114,533	112,995	1,538
Total Pupil	<u>10,001,748</u>	<u>10,058,487</u>	<u>9,903,457</u>	<u>155,030</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2015
(continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Instructional Staff				
Salaries and Wages	\$ 2,222,100	\$ 2,175,521	\$ 2,102,880	\$ 72,641
Fringe Benefits	959,780	873,939	846,467	27,472
Purchased Services	86,015	99,614	66,643	32,971
Supplies and Materials	391,263	351,061	318,923	32,138
Miscellaneous	3,600	3,960	1,805	2,155
Total Instructional Staff	<u>3,662,758</u>	<u>3,504,095</u>	<u>3,336,718</u>	<u>167,377</u>
Board of Education				
Salaries and Wages	16,300	16,300	14,840	1,460
Fringe Benefits	3,300	3,300	2,570	730
Purchased Services	6,695	6,500	4,482	2,018
Supplies and Materials	3,000	3,000	-	3,000
Miscellaneous	25,500	25,500	18,065	7,435
Total Board of Education	<u>54,795</u>	<u>54,600</u>	<u>39,957</u>	<u>14,643</u>
Administration				
Salaries and Wages	10,575,100	10,591,579	10,305,688	285,891
Fringe Benefits	4,237,620	4,427,120	4,364,763	62,357
Purchased Services	1,014,475	1,161,628	1,092,977	68,651
Supplies and Materials	94,094	100,367	83,285	17,082
Miscellaneous	1,584,446	1,243,506	1,241,036	2,470
Total Administration	<u>17,505,735</u>	<u>17,524,200</u>	<u>17,087,749</u>	<u>436,451</u>
Fiscal				
Salaries and Wages	809,600	869,277	847,888	21,389
Fringe Benefits	395,745	382,045	380,266	1,779
Purchased Services	350,375	296,954	283,270	13,684
Supplies and Materials	9,199	8,153	6,292	1,861
Miscellaneous	2,159,519	1,923,942	1,888,535	35,407
Total Fiscal	<u>3,724,438</u>	<u>3,480,371</u>	<u>3,406,251</u>	<u>74,120</u>
Business				
Salaries and Wages	172,400	172,400	171,664	736
Fringe Benefits	77,720	72,996	71,597	1,399
Purchased Services	696,079	620,849	584,237	36,612
Supplies and Materials	65,856	65,656	44,555	21,101
Miscellaneous	74,852	75,352	71,292	4,060
Total Business	<u>1,086,907</u>	<u>1,007,253</u>	<u>943,345</u>	<u>63,908</u>
Operations and Maintenance				
Salaries and Wages	7,117,800	7,468,111	7,308,388	159,723
Fringe Benefits	2,902,270	2,858,547	2,830,470	28,077
Purchased Services	5,529,531	5,991,590	5,392,672	598,918
Supplies and Materials	1,262,733	1,336,983	1,277,443	59,540
Miscellaneous	93,047	304,000	304,000	-
Total Operations and Maintenance	<u>16,905,381</u>	<u>17,959,231</u>	<u>17,112,973</u>	<u>846,258</u>
Pupil Transportation				
Salaries and Wages	6,735,500	6,959,346	6,936,143	23,203
Fringe Benefits	3,031,540	3,031,288	3,028,195	3,093
Purchased Services	961,282	1,080,486	1,016,594	63,892
Supplies and Materials	2,044,735	1,649,249	1,607,411	41,838
Miscellaneous	11,850	11,850	-	11,850
Total Pupil Transportation	<u>12,784,907</u>	<u>12,732,219</u>	<u>12,588,343</u>	<u>143,876</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2015
(continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Central				
Salaries and Wages	\$ 1,530,500	\$ 1,484,699	\$ 1,459,888	\$ 24,811
Fringe Benefits	643,740	627,097	621,395	5,702
Purchased Services	1,480,987	1,564,449	1,453,516	110,933
Supplies and Materials	51,334	51,561	45,545	6,016
Miscellaneous	7,504	7,042	4,671	2,371
Total Central	<u>3,714,065</u>	<u>3,734,848</u>	<u>3,585,015</u>	<u>149,833</u>
Total Support Services	<u>69,440,734</u>	<u>70,055,304</u>	<u>68,003,808</u>	<u>2,051,496</u>
Food Service				
Purchased Services	25,000	-	-	-
Total Food Service	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Community Services				
Salaries and Wages	115,000	128,234	121,592	6,642
Fringe Benefits	20,400	22,864	21,573	1,291
Purchased Services	500	500	-	500
Supplies and Materials	3,700	3,700	319	3,381
Total Community Services	<u>139,600</u>	<u>155,298</u>	<u>143,484</u>	<u>11,814</u>
Shared Services				
Salaries and Wages	235,700	247,512	245,869	1,643
Fringe Benefits	80,800	83,832	82,277	1,555
Total Shared Services	<u>316,500</u>	<u>331,344</u>	<u>328,146</u>	<u>3,198</u>
Extracurricular Activities				
Salaries and Wages	2,097,000	2,357,901	1,977,836	380,065
Fringe Benefits	419,340	439,308	391,311	47,997
Purchased Services	73,000	447,049	444,034	3,015
Supplies and Materials	-	1,300	1,130	170
Total Extracurricular Activities	<u>2,589,340</u>	<u>3,245,558</u>	<u>2,814,311</u>	<u>431,247</u>
Miscellaneous	-	7,690	7,689	1
Capital Outlay	839,577	476,413	438,559	37,854
Total Expenditures	<u>219,978,087</u>	<u>220,102,905</u>	<u>215,946,866</u>	<u>4,156,039</u>
Excess of Revenues Over Expenditures	6,297,803	9,577,661	20,291,748	10,714,087
Other Financing Sources (Uses):				
Transfers - In	-	98,055	100,863	2,808
Transfers - Out	(2,050,000)	(1,901,113)	(1,901,113)	-
Advances - In	1,637,410	1,500,000	755,575	(744,425)
Advances - Out	(1,500,000)	(18,852,122)	(18,852,122)	-
Total Other Financing Sources (Uses)	<u>(1,912,590)</u>	<u>(19,155,180)</u>	<u>(19,896,797)</u>	<u>(741,617)</u>
Net Change in Fund Balances	4,385,213	(9,577,519)	394,951	9,972,470
Fund Balance at Beginning of Year	97,313,574	97,313,574	97,313,574	-
Prior Year Encumbrances Appropriated	2,660,169	2,660,169	2,660,169	-
Fund Balance at End of Year	<u>\$ 104,358,956</u>	<u>\$ 90,396,224</u>	<u>\$ 100,368,694</u>	<u>\$ 9,972,470</u>

*South-Western City School District, Ohio
Required Supplemental Information
For the Fiscal Year Ended June 30, 2015*

BUDGETARY BASIS OF ACCOUNTING

While the District is reporting financial position, results of operations and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis, as provided by law and described below is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP) and Actual is presented for the General Fund to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
4. Advances are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Due to the implementation of GASB 54, the Public School Support Fund was reclassified to the General Fund. This fund is not required to be included in the General Fund Budgetary Schedule. Therefore, the activity from this fund is excluded with an adjustment for the change in fund balance.

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

	<u>General</u>
GAAP Basis	\$ 20,557,050
Adjustments:	
Revenue Accruals	(284,918)
Expenditure Accruals	(3,392,645)
Encumbrances	1,804,956
Activity of Fund Reclassified for	
GAAP Reporting Purposes	111,327
Operating Transfers	(304,272)
Advances	(18,096,547)
Budget Basis	<u>\$ 394,951</u>

South-Western City School District
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 School Employees Retirement System of Ohio
 Last Two Fiscal Years (1)

	<u>2014</u>	<u>2013</u>
Total plan pension liability	\$ 17,881,827,171	\$ 17,247,161,078
Plan net position	<u>12,820,884,107</u>	<u>11,300,482,029</u>
Net pension liability	<u>5,060,943,064</u>	<u>5,946,679,049</u>
School District's proportion of the net pension liability	1.044516%	1.044516%
School District's proportionate share of the net pension liability	\$ 52,862,360	\$ 62,114,014
School District's covered-employee payroll	\$ 28,682,886	\$ 27,992,298
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	184.30%	221.90%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	65.52%

(1) Information prior to 2013 is not available

South-Western City School District
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 State Teachers Retirement of Ohio
 Last Two Fiscal Years (1)

	<u>2014</u>	<u>2013</u>
Total plan pension liability	\$ 96,167,057,104	\$ 94,366,693,720
Plan net position	<u>71,843,596,331</u>	<u>65,392,746,348</u>
Net pension liability	<u>24,323,460,773</u>	<u>28,973,947,372</u>
School District's proportion of the net pension liability	1.00403592%	1.00403592%
School District's proportionate share of the net pension liability	\$ 244,216,283	\$ 290,908,839
School District's covered-employee payroll	\$ 103,595,331	\$ 102,000,677
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	235.74%	285.20%
Plan fiduciary net position as a percentage of the total pension liability	74.71%	69.30%

(1) Information prior to 2013 is not available

South-Western City School District
 Required Supplementary Information
 Schedule of the School District's Contribution
 School Employees Retirement System of Ohio
 Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 4,066,079	\$ 3,975,448	\$ 3,864,446	\$ 3,663,149
Contributions in relation to the contractually required contribution	<u>(4,066,079)</u>	<u>(3,975,448)</u>	<u>(3,864,446)</u>	<u>(3,663,149)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered employee payroll	<u>\$ 30,850,372</u>	<u>\$ 28,682,886</u>	<u>\$ 27,922,298</u>	<u>\$ 27,235,309</u>
Contributions as a percentage of covered employee payroll	-13.18%	-13.86%	-13.84%	-13.45%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 3,829,383	\$ 3,973,899	\$ 3,581,183	\$ 3,453,512	\$ 3,522,869	\$ 3,788,649
(3,829,383)	(3,973,899)	(3,581,183)	(3,453,512)	(3,522,869)	(3,788,649)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 30,464,462</u>	<u>\$ 29,349,325</u>	<u>\$ 36,394,138</u>	<u>\$ 35,168,143</u>	<u>\$ 32,985,662</u>	<u>\$ 35,809,538</u>
-12.57%	-13.54%	-9.84%	-9.82%	-10.68%	-10.58%

South-Western City School District
 Required Supplementary Information
 Schedule of the School District's Contribution
 State Teachers Retirement of Ohio
 Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 14,898,883	\$ 13,467,393	\$ 13,260,088
Contributions in relation to the contractually required contribution	<u>(14,898,883)</u>	<u>(13,467,393)</u>	<u>(13,260,088)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered employee payroll	<u>\$ 106,420,593</u>	<u>\$ 103,595,331</u>	<u>\$ 102,000,677</u>
Contributions as a percentage of covered employee payroll	-14.00%	-13.00%	-13.00%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 13,533,644	\$ 13,467,018	\$ 13,485,148	\$ 12,979,173	\$ 12,689,830	\$ 13,150,608
<u>(13,533,644)</u>	<u>(13,467,018)</u>	<u>(13,485,148)</u>	<u>(12,979,173)</u>	<u>(12,689,830)</u>	<u>(13,150,608)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 104,104,957</u>	<u>\$ 103,592,443</u>	<u>\$ 103,731,909</u>	<u>\$ 99,839,791</u>	<u>\$ 97,614,078</u>	<u>\$ 101,158,522</u>
-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%

OTHER SUPPLEMENTAL INFORMATION

DEBT SERVICE FUND

The Debt Service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment.

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Taxes	\$ 13,500,819	\$ 13,500,819	\$ -
Interest	800	531	(269)
Intergovernmental - State	2,009,860	1,995,391	(14,469)
Intergovernmental - Federal	<u>325,580</u>	<u>325,231</u>	<u>(349)</u>
Total Revenues	<u>15,837,059</u>	<u>15,821,972</u>	<u>(15,087)</u>
Expenditures:			
Current:			
Support Services:			
Fiscal			
Miscellaneous	<u>285,042</u>	<u>244,988</u>	<u>40,054</u>
Total Fiscal	<u>285,042</u>	<u>244,988</u>	<u>40,054</u>
Total Support Services	<u>285,042</u>	<u>244,988</u>	<u>40,054</u>
Debt Service:			
Principal Retirement	7,360,000	7,360,000	-
Interest and Fiscal Charges	<u>7,918,078</u>	<u>7,918,034</u>	<u>44</u>
Total Expenditures	<u>15,563,120</u>	<u>15,523,022</u>	<u>40,098</u>
Excess of Revenues Over Expenditures	273,939	298,950	25,011
Other Financing Sources:			
Transfers - In	<u>946,958</u>	<u>946,958</u>	<u>-</u>
Total Other Financing Sources	<u>946,958</u>	<u>946,958</u>	<u>-</u>
Net Change in Fund Balances	1,220,897	1,245,908	25,011
Fund Balance at Beginning of Year	<u>9,378,000</u>	<u>9,378,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 10,598,897</u>	<u>\$ 10,623,908</u>	<u>\$ 25,011</u>

CAPITAL IMPROVEMENTS FUNDS

The Capital Improvement funds are established to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets. The following are descriptions of each Capital Improvement Fund:

Capital Improvements

To account for and report all resources assigned to permanent improvements as authorized by Section 5705, Revised Code.

Building Fund

To account for the bond proceeds issued to fund the Locally Funded Initiative related to the Ohio Facilities Construction Commission project.

Classroom Facilities

To account for the bond and state grant proceeds in connection with contracts entered into by the District and the Ohio Construction Commission.

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Capital Improvements Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Taxes	\$ 3,871,969	\$ 3,871,969	\$ -
Other Local Revenue	75,000	75,000	-
Intergovernmental - State	789,150	1,010,796	221,646
Total Revenues	<u>4,736,119</u>	<u>4,957,765</u>	<u>221,646</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Supplies and Materials	3,327,152	2,922,895	404,257
Total Regular	<u>3,327,152</u>	<u>2,922,895</u>	<u>404,257</u>
Vocational			
Purchased Services	66,666	66,666	-
Total Vocational	<u>66,666</u>	<u>66,666</u>	<u>-</u>
Total Instruction	<u>3,393,818</u>	<u>2,989,561</u>	<u>404,257</u>
Support Services:			
Fiscal			
Miscellaneous	78,505	78,505	-
Total Fiscal	<u>78,505</u>	<u>78,505</u>	<u>-</u>
Business			
Purchased Services	134,734	127,447	7,287
Total Business	<u>134,734</u>	<u>127,447</u>	<u>7,287</u>
Central			
Supplies and Materials	15,311	14,841	470
Total Central	<u>15,311</u>	<u>14,841</u>	<u>470</u>
Total Support Services	<u>228,550</u>	<u>220,793</u>	<u>7,757</u>
Capital Outlay	7,490,627	4,893,161	2,597,466
Total Expenditures	<u>11,112,995</u>	<u>8,103,515</u>	<u>3,009,480</u>
Net Change in Fund Balances	(6,376,876)	(3,145,750)	3,231,126
Fund Balance at Beginning of Year	7,924,155	7,924,155	-
Prior Year Encumbrances Appropriated	1,039,481	1,039,481	-
Fund Balance at End of Year	<u>\$ 2,586,760</u>	<u>\$ 5,817,886</u>	<u>\$ 3,231,126</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Interest	\$ 80,000	\$ 39,027	\$ (40,973)
Total Revenues	<u>80,000</u>	<u>39,027</u>	<u>(40,973)</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Supplies and Materials	1,668,613	1,668,613	-
Total Regular	<u>1,668,613</u>	<u>1,668,613</u>	<u>-</u>
Total Instruction	<u>1,668,613</u>	<u>1,668,613</u>	<u>-</u>
Capital Outlay	<u>26,078,266</u>	<u>24,981,509</u>	<u>1,096,757</u>
Total Expenditures	<u>27,746,879</u>	<u>26,650,122</u>	<u>1,096,757</u>
Excess of Revenues Under Expenditures	(27,666,879)	(26,611,095)	(1,137,730)
Other Financing Sources:			
Advances - In	<u>6,821,418</u>	<u>5,909,538</u>	<u>(911,880)</u>
Total Other Financing Sources	<u>6,821,418</u>	<u>5,909,538</u>	<u>(911,880)</u>
Net Change in Fund Balances	(20,845,461)	(20,701,557)	1,055,784
Fund Balance at Beginning of Year	3,742,636	3,742,636	-
Prior Year Encumbrances Appropriated	<u>17,102,825</u>	<u>17,102,825</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 143,904</u>	<u>\$ 1,055,784</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Classroom Facilities Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Interest	\$ 312,040	\$ 188,904	\$ (123,136)
Intergovernmental - State	68,090,620	46,973,576	(21,117,044)
Total Revenues	<u>68,402,660</u>	<u>47,162,480</u>	<u>(21,240,180)</u>
Expenditures:			
Capital Outlay	186,341,342	67,137,773	119,203,569
Total Expenditures	<u>186,341,342</u>	<u>67,137,773</u>	<u>119,203,569</u>
Excess of Revenues Under Expenditures	(117,938,682)	(19,975,293)	97,963,389
Other Financing Sources:			
Advances - In	-	11,513,886	11,513,886
Total Other Financing Sources	<u>-</u>	<u>11,513,886</u>	<u>11,513,886</u>
Net Change in Fund Balances	(117,938,682)	(8,461,407)	109,477,275
Fund Balance at Beginning of Year	8,571,410	8,571,410	-
Prior Year Encumbrances Appropriated	110,211,094	110,211,094	-
Fund Balance at End of Year	<u>\$ 843,822</u>	<u>\$ 110,321,097</u>	<u>\$ 109,477,275</u>

NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for revenue sources (other than capital projects or debt service) that are legally or third party restricted to expenditures for specified purposes. The following are descriptions of each Special Revenue Fund:

Public School Support

To account for specific local revenue sources, other than taxes or expendable trusts, (i.e. profits from vending machines, sale of pictures, etc.), that are restricted to expenditures of specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases. These funds have been established at each school and at certain administrative centers for the purposes described above. For GAAP reporting purposes, this fund is reported as part of the General Fund in accordance with GASB Statement No. 54; however, for budgetary reporting purposes this fund is included with the Special Revenue Funds.

Other Grants

To account for the proceeds of specific revenue sources, except state and federal grants that are legally restricted to expenditures for specified purposes.

District Managed Student Activities

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 and other similar types of activities.

All State Grants

To account for all state grant programs which include Auxiliary Services, Early Childhood Education, Alternative Education and Straight A.

Federal Grants

To account for federal grant programs which include: Adult Basic Education, Title I, Title I-School Improvement, Title II-A, Title II-D, Title III, Title IV, Title V, IDEA B, IDEA, Perkins, Head Start, and Refugee Children.

Food Service

To account for the financial transactions related to the food service operations of the District.

Classroom Facilities Maintenance

To account for and report property taxes restricted to expenditures for the maintenance and upkeep of classroom facilities.

South-Western City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	<u>Other Grants</u>	<u>District Managed Student Activities</u>	<u>All State Grants</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash			
Equivalents	\$ 344,513	\$ 695,351	\$ 927,744
Receivable:			
Taxes - Current	-	-	-
Accounts	-	766	-
Intergovernmental	-	-	812,444
Materials and Supplies Inventory	-	13,509	-
Total Assets	<u>\$ 344,513</u>	<u>\$ 709,626</u>	<u>\$ 1,740,188</u>
 <u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts Payable	\$ 21,193	\$ 16,179	\$ 649,155
Accrued Wages and Benefits	-	-	91,448
Interfund Loans Payable	-	-	676,232
Total Liabilities	<u>21,193</u>	<u>16,179</u>	<u>1,416,835</u>
 Deferred Inflows of Resources:			
Property Taxes not Levied to Finance			
Current Year Operations	-	-	-
State and Federal Grant Revenue Not Received	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
 Fund Balance:			
Nonspendable	-	13,509	-
Restricted	323,320	679,938	323,353
Unassigned (Deficit)	-	-	-
Total Fund Balances	<u>323,320</u>	<u>693,447</u>	<u>323,353</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 344,513</u>	<u>\$ 709,626</u>	<u>\$ 1,740,188</u>

<u>Federal Grants</u>	<u>Food Service</u>	<u>Classroom Facilities Maintenance</u>	<u>Total Nonmajor Funds</u>
\$ 246,491	\$ 1,811,295	\$ 2,049,237	\$ 6,074,631
-	-	683,079	683,079
-	762	-	1,528
4,605,224	926,658	-	6,344,326
-	72,804	-	86,313
<u>\$ 4,851,715</u>	<u>\$ 2,811,519</u>	<u>\$ 2,732,316</u>	<u>\$ 13,189,877</u>
\$ 84,090	\$ 6,033	\$ -	\$ 776,650
1,413,873	375,067	-	1,880,388
752,466	-	-	1,428,698
<u>2,250,429</u>	<u>381,100</u>	<u>-</u>	<u>4,085,736</u>
-	-	683,079	683,079
2,202,705	-	-	2,202,705
<u>2,202,705</u>	<u>-</u>	<u>683,079</u>	<u>2,885,784</u>
-	72,804	-	86,313
404,861	2,357,615	2,049,237	6,138,324
(6,280)	-	-	(6,280)
<u>398,581</u>	<u>2,430,419</u>	<u>2,049,237</u>	<u>6,218,357</u>
<u>\$ 4,851,715</u>	<u>\$ 2,811,519</u>	<u>\$ 2,732,316</u>	<u>\$ 13,189,877</u>

-

South-Western City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	<u>Other Grants</u>	<u>District Managed Student Activities</u>	<u>All State Grants</u>
Revenues:			
Local:			
Taxes	\$ -	\$ -	\$ -
Tuition	6,695	-	-
Interest	-	-	203
Other Local Revenue	82,600	1,121,969	-
Intergovernmental - State	-	-	3,846,881
Intergovernmental - Federal	-	-	-
Total Revenues	<u>89,295</u>	<u>1,121,969</u>	<u>3,847,084</u>
Current:			
Instruction:			
Regular	94,173	430	2,011,965
Special	16,557	-	116,402
Vocational	-	257	-
Other	40,402	-	-
Support Services:			
Pupil	45,065	-	6,032
Instructional Staff	171,630	36,631	19,793
Administration	26	883	8,065
Fiscal	-	-	49,044
Operations and Maintenance	-	-	-
Pupil Transportation	-	-	-
Central	-	-	54,000
Food Service	-	-	-
Community Services	38,740	-	1,015,610
Extracurricular Activities	10,856	1,094,708	-
Capital Outlay	17,231	38,496	481,233
Total Expenditures	<u>434,680</u>	<u>1,171,405</u>	<u>3,762,144</u>
Excess of Revenues Over (Under) Expenditures	(345,385)	(49,436)	84,940
Other Financing Sources:			
Transfers - In	325,000	19,120	-
Total Other Financing Sources	<u>325,000</u>	<u>19,120</u>	<u>-</u>
Net Change in Fund Balance	(20,385)	(30,316)	84,940
Fund Balances at Beginning of Year	343,705	723,763	238,413
Fund Balances at End of Year	<u>\$ 323,320</u>	<u>\$ 693,447</u>	<u>\$ 323,353</u>

<u>Federal Grants</u>	<u>Food Service</u>	<u>Classroom Facilities Maintenance</u>	<u>Total Nonmajor Funds</u>
\$ -	\$ -	\$ 461,791	\$ 461,791
-	-	-	6,695
-	842	-	1,045
-	2,758,868	-	3,963,437
-	138,385	221,288	4,206,554
<u>14,011,336</u>	<u>6,438,236</u>	<u>-</u>	<u>20,449,572</u>
<u>14,011,336</u>	<u>9,336,331</u>	<u>683,079</u>	<u>29,089,094</u>
359	-	-	2,106,927
7,111,199	-	-	7,244,158
497,662	-	-	497,919
135,226	-	-	175,628
812,922	-	-	864,019
3,550,488	-	-	3,778,542
975,366	2,912	-	987,252
124,989	-	-	174,033
105,357	158,086	-	263,443
4,769	-	-	4,769
-	-	-	54,000
-	8,973,023	-	8,973,023
312,626	-	-	1,366,976
-	-	-	1,105,564
<u>80,743</u>	<u>76,978</u>	<u>-</u>	<u>694,681</u>
<u>13,711,706</u>	<u>9,210,999</u>	<u>-</u>	<u>28,290,934</u>
299,630	125,332	683,079	798,160
-	-	-	344,120
<u>-</u>	<u>-</u>	<u>-</u>	<u>344,120</u>
299,630	125,332	683,079	1,142,280
<u>98,951</u>	<u>2,305,087</u>	<u>1,366,158</u>	<u>5,076,077</u>
<u>\$ 398,581</u>	<u>\$ 2,430,419</u>	<u>\$ 2,049,237</u>	<u>\$ 6,218,357</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Other Local Revenue	\$ 1,047,740	\$ 1,003,021	\$ (44,719)
Intergovernmental - State	14,690	-	(14,690)
Total Revenues	<u>1,062,430</u>	<u>1,003,021</u>	<u>(59,409)</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Salaries and Wages	15,743	13,442	2,301
Fringe Benefits	4,159	2,209	1,950
Purchased Services	97,049	83,898	13,151
Supplies and Materials	940,322	603,014	337,308
Total Regular	<u>1,057,273</u>	<u>702,563</u>	<u>354,710</u>
Special			
Purchased Services	1,400	196	1,204
Supplies and Materials	241,699	115,715	125,984
Total Special	<u>243,099</u>	<u>115,911</u>	<u>127,188</u>
Vocational			
Salaries and Wages	539	355	184
Fringe Benefits	187	58	129
Purchased Services	3,709	1,862	1,847
Supplies and Materials	16,818	12,630	4,188
Total Vocational	<u>21,253</u>	<u>14,905</u>	<u>6,348</u>
Other			
Salaries and Wages	9,948	8,691	1,257
Fringe Benefits	1,800	1,426	374
Supplies and Materials	11,600	452	11,148
Total Other	<u>23,348</u>	<u>10,569</u>	<u>12,779</u>
Total Instruction	<u>1,344,973</u>	<u>843,948</u>	<u>501,025</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2015
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Support Services:			
Pupil			
Salaries and Wages	\$ 62	\$ 62	\$ -
Fringe Benefits	10	10	-
Purchased Services	20,834	18,166	2,668
Supplies and Materials	139,223	116,853	22,370
Total Pupil	<u>160,129</u>	<u>135,091</u>	<u>25,038</u>
Instructional Staff			
Salaries and Wages	34,691	22,252	12,439
Fringe Benefits	7,029	3,596	3,433
Purchased Services	38,447	20,951	17,496
Supplies and Materials	50,636	27,103	23,533
Total Instructional Staff	<u>130,803</u>	<u>73,902</u>	<u>56,901</u>
Administration			
Salaries and Wages	7,860	5,850	2,010
Fringe Benefits	1,282	958	324
Purchased Services	73,973	46,556	27,417
Supplies and Materials	147,282	100,448	46,834
Miscellaneous	5,595	1,905	3,690
Total Administration	<u>235,992</u>	<u>155,717</u>	<u>80,275</u>
Operations and Maintenance			
Purchased Services	55	55	-
Total Operations and Maintenance	<u>55</u>	<u>55</u>	<u>-</u>
Total Support Services	<u>526,979</u>	<u>364,765</u>	<u>162,214</u>
Community Services			
Supplies and Materials	1,100	-	1,100
Total Community Services	<u>1,100</u>	<u>-</u>	<u>1,100</u>
Extracurricular Activities			
Salaries and Wages	20,760	19,310	1,450
Fringe Benefits	3,508	3,196	312
Purchased Services	19,142	13,147	5,995
Supplies and Materials	35,001	27,742	7,259
Miscellaneous	2,350	1,250	1,100
Total Extracurricular Activities	<u>80,761</u>	<u>64,645</u>	<u>16,116</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2015
(continued)

	Final <u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Miscellaneous	\$ 523	\$ 523	\$ -
Capital Outlay	120,280	45,367	74,913
Total Expenditures	<u>2,074,616</u>	<u>1,319,248</u>	<u>755,368</u>
Excess of Revenues Over (Under) Expenditures	(1,012,186)	(316,227)	695,959
Other Financing Sources:			
Transfers - In	196,640	204,900	8,260
Total Other Financing Sources	<u>196,640</u>	<u>204,900</u>	<u>8,260</u>
Net Change in Fund Balance	(815,546)	(111,327)	704,219
Fund Balance at Beginning of Year	1,214,782	1,214,782	-
Prior Year Encumbrances Appropriated	50,748	50,748	-
Fund Balance at End of Year	<u>\$ 449,984</u>	<u>\$ 1,154,203</u>	<u>\$ 704,219</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Tuition	\$ 8,160	\$ 6,695	\$ (1,465)
Other Local Revenue	339,705	85,441	(254,264)
Total Revenues	<u>347,865</u>	<u>92,136</u>	<u>(255,729)</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Purchased Services	36,563	12,369	24,194
Supplies and Materials	192,776	88,840	103,936
Total Regular	<u>229,339</u>	<u>101,209</u>	<u>128,130</u>
Special			
Salaries and Wages	18,514	1,083	17,431
Fringe Benefits	6,508	398	6,110
Purchased Services	1,000	285	715
Supplies and Materials	26,299	16,380	9,919
Total Special	<u>52,321</u>	<u>18,146</u>	<u>34,175</u>
Vocational			
Supplies and Materials	1,043	-	1,043
Total Vocational	<u>1,043</u>	<u>-</u>	<u>1,043</u>
Other			
Salaries and Wages	125,919	32,862	93,057
Fringe Benefits	23,653	5,361	18,292
Purchased Services	2,000	-	2,000
Supplies and Materials	26,599	2,179	24,420
Total Other	<u>178,171</u>	<u>40,402</u>	<u>137,769</u>
Total Instruction	<u>460,874</u>	<u>159,757</u>	<u>301,117</u>
Support Services:			
Pupil			
Salaries and Wages	39,261	26,059	13,202
Fringe Benefits	7,736	4,272	3,464
Purchased Services	2,426	1,821	605
Supplies and Materials	28,155	14,215	13,940
Total Pupil	<u>77,578</u>	<u>46,367</u>	<u>31,211</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2015
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Instructional Staff			
Salaries and Wages	\$ 188,929	\$ 130,332	\$ 58,597
Fringe Benefits	30,426	21,403	9,023
Purchased Services	30,401	10,286	20,115
Supplies and Materials	11,052	9,770	1,282
Total Instructional Staff	<u>260,808</u>	<u>171,791</u>	<u>89,017</u>
Pupil Transportation			
Purchased Services	75,000	-	75,000
Total Pupil Transportation	<u>75,000</u>	<u>-</u>	<u>75,000</u>
Total Support Services	<u>413,386</u>	<u>218,158</u>	<u>195,228</u>
Community Services			
Salaries and Wages	13,595	4,274	9,321
Fringe Benefits	2,236	698	1,538
Purchased Services	18,700	18,700	-
Supplies and Materials	15,470	15,362	108
Total Community Services	<u>50,001</u>	<u>39,034</u>	<u>10,967</u>
Extracurricular Activities			
Salaries and Wages	12,350	6,587	5,763
Fringe Benefits	2,122	1,081	1,041
Supplies and Materials	7,368	4,946	2,422
Total Extracurricular Activities	<u>21,840</u>	<u>12,614</u>	<u>9,226</u>
Capital Outlay	32,610	17,231	15,379
Total Expenditures	<u>978,711</u>	<u>446,794</u>	<u>531,917</u>
Excess of Revenues Over (Under) Expenditures	(630,846)	(354,658)	276,188
Other Financing Sources:			
Transfer - In	325,000	325,000	-
Total Other Financing Sources	<u>325,000</u>	<u>325,000</u>	<u>-</u>
Net Change in Fund Balance	(305,846)	(29,658)	276,188
Fund Balance at Beginning of Year	326,711	326,711	-
Prior Year Encumbrances Appropriated	19,686	19,686	-
Fund Balance at End of Year	<u>\$ 40,551</u>	<u>\$ 316,739</u>	<u>\$ 276,188</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Other Local Revenue	\$ 1,175,896	\$ 1,126,194	\$ (49,702)
Total Revenues	<u>1,175,896</u>	<u>1,126,194</u>	<u>(49,702)</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Supplies and Materials	610	430	180
Total Regular	<u>610</u>	<u>430</u>	<u>180</u>
Vocational			
Supplies and Materials	750	257	493
Total Vocational	<u>750</u>	<u>257</u>	<u>493</u>
Total Instruction	<u>1,360</u>	<u>687</u>	<u>673</u>
Support Services:			
Instructional Staff			
Purchased Services	6,340	5,840	500
Supplies and Materials	44,873	30,791	14,082
Total Instructional Staff	<u>51,213</u>	<u>36,631</u>	<u>14,582</u>
Administration			
Purchased Services	1,594	1,594	-
Total Administration	<u>1,594</u>	<u>1,594</u>	<u>-</u>
Total Support Services	<u>52,807</u>	<u>38,225</u>	<u>14,582</u>
Extracurricular Activities			
Salaries and Wages	49,611	44,889	4,722
Fringe Benefits	8,178	7,613	565
Purchased Services	425,704	357,421	68,283
Supplies and Materials	996,192	715,007	281,185
Miscellaneous	4,205	2,721	1,484
Total Extracurricular Activities	<u>1,483,890</u>	<u>1,127,651</u>	<u>356,239</u>
Capital Outlay	350,429	39,465	310,964
Total Expenditures	<u>1,888,486</u>	<u>1,206,028</u>	<u>682,458</u>

(continued)

South-Western City School District
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget (Non-GAAP) and Actual
 District Managed Student Activities Fund
 For the Fiscal Year Ended June 30, 2015
 (continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Excess of Revenues Over (Under) Expenditures	\$ (712,590)	\$ (79,834)	\$ 632,756
Other Financing Sources:			
Transfers - In	19,050	19,120	70
Total Other Financing Sources	<u>19,050</u>	<u>19,120</u>	<u>70</u>
Net Change in Fund Balances	(693,540)	(60,714)	632,826
Fund Balance at Beginning of Year	673,675	673,675	-
Prior Year Encumbrances Appropriated	40,705	40,705	-
Fund Balance at End of Year	<u>\$ 20,840</u>	<u>\$ 653,666</u>	<u>\$ 632,826</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
All State Grants Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Interest	\$ 203	\$ 203	-
Intergovernmental - State	3,865,589	3,053,145	(812,444)
Total Revenues	<u>3,865,792</u>	<u>3,053,348</u>	<u>(812,444)</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Purchased Services	181,814	181,814	-
Supplies and Materials	1,833,072	1,832,951	121
Total Regular	<u>2,014,886</u>	<u>2,014,765</u>	<u>121</u>
Special			
Salaries and Wages	98,487	84,422	14,065
Fringe Benefits	28,035	24,112	3,923
Purchased Services	66	66	-
Supplies and Materials	5,648	5,464	184
Total Special	<u>132,236</u>	<u>114,064</u>	<u>18,172</u>
Total Instruction	<u>2,147,122</u>	<u>2,128,829</u>	<u>18,293</u>
Support Services:			
Pupil			
Salaries and Wages	5,700	5,529	171
Fringe Benefits	991	962	29
Purchased Services	390	390	-
Supplies and Materials	45	45	-
Total Pupil	<u>7,126</u>	<u>6,926</u>	<u>200</u>
Instructional Staff			
Salaries and Wages	113,810	13,732	100,078
Fringe Benefits	19,321	2,587	16,734
Purchased Services	3,560	3,560	-
Total Instructional Staff	<u>136,691</u>	<u>19,879</u>	<u>116,812</u>
Administration			
Salaries and Wages	5,233	4,549	684
Fringe Benefits	2,141	1,926	215
Purchased Services	517	516	1
Supplies and Materials	2,882	2,873	9
Total Administration	<u>10,773</u>	<u>9,864</u>	<u>909</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
All State Grants Fund
For the Fiscal Year Ended June 30, 2015
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Fiscal			
Miscellaneous	\$ 49,813	\$ 49,044	\$ 769
Total Fiscal	<u>49,813</u>	<u>49,044</u>	<u>769</u>
Central			
Purchased Services	54,000	54,000	-
Total Central	<u>54,000</u>	<u>54,000</u>	<u>-</u>
Total Support Services	<u>258,403</u>	<u>139,713</u>	<u>118,690</u>
Community Services			
Salaries and Wages	483,024	389,972	93,052
Fringe Benefits	114,639	89,736	24,903
Purchased Services	80,679	62,219	18,460
Supplies and Materials	580,359	479,649	100,710
Total Community Services	<u>1,258,701</u>	<u>1,021,576</u>	<u>237,125</u>
Capital Outlay	511,620	499,360	12,260
Total Expenditures	<u>4,175,846</u>	<u>3,789,478</u>	<u>386,368</u>
Excess of Revenues Under Expenditures	(310,054)	(736,130)	(426,076)
Other Financing Sources (Uses):			
Advances - In	-	676,232	676,232
Advances - Out	-	(150,816)	(150,816)
Total Other Financing Sources (Uses)	<u>-</u>	<u>525,416</u>	<u>525,416</u>
Net Change in Fund Balances	(310,054)	(210,714)	99,340
Fund Balance at Beginning of Year	281,823	281,823	-
Prior Year Encumbrances Appropriated	179,048	179,048	-
Fund Balance at End of Year	<u>\$ 150,817</u>	<u>\$ 250,157</u>	<u>\$ 99,340</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
All Federal Grants Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Other Local Revenue	\$ 1,923	\$ 1,923	\$ -
Intergovernmental - Federal	18,109,440	13,545,917	(4,563,523)
Total Revenues	<u>18,111,363</u>	<u>13,547,840</u>	<u>(4,563,523)</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Supplies and Materials	359	359	-
Total Regular	<u>359</u>	<u>359</u>	<u>-</u>
Special			
Salaries and Wages	5,829,228	4,993,383	835,845
Fringe Benefits	2,121,156	1,833,995	287,161
Purchased Services	72,827	72,722	105
Supplies and Materials	189,019	178,314	10,705
Total Special	<u>8,212,230</u>	<u>7,078,414</u>	<u>1,133,816</u>
Vocational			
Salaries and Wages	412,979	356,490	56,489
Fringe Benefits	125,775	108,125	17,650
Purchased Services	13,423	13,423	-
Supplies and Materials	8,360	3,585	4,775
Total Vocational	<u>560,537</u>	<u>481,623</u>	<u>78,914</u>
Other			
Salaries and Wages	125,492	108,311	17,181
Fringe Benefits	20,635	17,802	2,833
Supplies and Materials	10,284	9,494	790
Total Other	<u>156,411</u>	<u>135,607</u>	<u>20,804</u>
Total Instruction	<u>8,929,537</u>	<u>7,696,003</u>	<u>1,233,534</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
All Federal Grants Fund
For the Fiscal Year Ended June 30, 2015
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Support Services:			
Pupil			
Salaries and Wages	\$ 554,240	\$ 443,950	\$ 110,290
Fringe Benefits	215,574	171,195	44,379
Purchased Services	138,721	135,112	3,609
Supplies and Materials	89,909	85,683	4,226
Total Pupil	<u>998,444</u>	<u>835,940</u>	<u>162,504</u>
Instructional Staff			
Salaries and Wages	4,057,738	2,528,906	1,528,832
Fringe Benefits	1,058,669	730,661	328,008
Purchased Services	246,554	197,439	49,115
Supplies and Materials	180,464	164,549	15,915
Miscellaneous	3,500	3,400	100
Total Instructional Staff	<u>5,546,925</u>	<u>3,624,955</u>	<u>1,921,970</u>
Administration			
Salaries and Wages	796,421	691,689	104,732
Fringe Benefits	301,433	262,032	39,401
Purchased Services	15,345	11,514	3,831
Supplies and Materials	20,058	18,823	1,235
Miscellaneous	3,500	-	3,500
Total Administration	<u>1,136,757</u>	<u>984,058</u>	<u>152,699</u>
Fiscal			
Miscellaneous	313,971	124,989	188,982
Total Fiscal	<u>313,971</u>	<u>124,989</u>	<u>188,982</u>
Operations and Maintenance			
Salaries and Wages	130,665	67,543	63,122
Fringe Benefits	50,448	25,581	24,867
Purchased Services	32,951	13,905	19,046
Supplies and Materials	3,393	2,278	1,115
Total Operations and Maintenance	<u>217,457</u>	<u>109,307</u>	<u>108,150</u>
Pupil Transportation			
Purchased Services	5,300	4,769	531
Total Pupil Transportation	<u>5,300</u>	<u>4,769</u>	<u>531</u>
Total Support Services	<u>8,218,854</u>	<u>5,684,018</u>	<u>2,534,836</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
All Federal Grants Fund
For the Fiscal Year Ended June 30, 2015
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Community Services			
Salaries and Wages	\$ 154,877	\$ 139,248	\$ 15,629
Fringe Benefits	35,313	32,666	2,647
Purchased Services	119,759	85,360	34,399
Supplies and Materials	83,349	81,258	2,091
Total Community Services	<u>393,298</u>	<u>338,532</u>	<u>54,766</u>
Capital Outlay	<u>80,855</u>	<u>80,743</u>	<u>112</u>
Total Expenditures	<u>17,622,544</u>	<u>13,799,296</u>	<u>3,823,248</u>
Excess of Revenues Over (Under) Expenditures	488,819	(251,456)	(740,275)
Other Financing Sources (Uses):			
Advances - In	-	752,466	752,466
Advances - Out	-	(604,759)	(604,759)
Total Other Financing Sources (Uses)	<u>-</u>	<u>147,707</u>	<u>147,707</u>
Net Change in Fund Balances	488,819	(103,749)	(592,568)
Fund Balance at Beginning of Year	2,744	2,744	-
Prior Year Encumbrances Appropriated	113,195	113,195	-
Fund Balance at End of Year	<u>\$ 604,758</u>	<u>\$ 12,190</u>	<u>\$ (592,568)</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Interest	\$ 1,610	\$ 842	\$ (768)
Other Local Revenue	2,168,440	2,125,197	(43,243)
Intergovernmental - State	134,580	138,385	3,805
Intergovernmental - Federal	<u>6,231,490</u>	<u>6,257,703</u>	<u>26,213</u>
Total Revenues	<u>8,536,120</u>	<u>8,522,127</u>	<u>(13,993)</u>
Expenditures:			
Current:			
Support Services:			
Administration			
Purchased Services	<u>4,478</u>	<u>2,691</u>	<u>1,787</u>
Total Administration	<u>4,478</u>	<u>2,691</u>	<u>1,787</u>
Operations and Maintenance			
Purchased Services	<u>165,990</u>	<u>158,086</u>	<u>7,904</u>
Total Operations and Maintenance	<u>165,990</u>	<u>158,086</u>	<u>7,904</u>
Total Support Services	<u>170,468</u>	<u>160,777</u>	<u>9,691</u>
Community Services			
Salaries and Wages	3,385,979	3,303,931	82,048
Fringe Benefits	1,536,443	1,481,066	55,377
Purchased Services	262,907	212,930	49,977
Supplies and Materials	3,644,118	3,261,913	382,205
Miscellaneous	<u>600</u>	<u>422</u>	<u>178</u>
Total Community Services	<u>8,830,047</u>	<u>8,260,262</u>	<u>569,785</u>
Capital Outlay	<u>90,000</u>	<u>76,978</u>	<u>13,022</u>
Total Expenditures	<u>9,090,515</u>	<u>8,498,017</u>	<u>592,498</u>
Net Change in Fund Balances	(554,395)	24,110	578,505
Fund Balance at Beginning of Year	1,712,401	1,712,401	-
Prior Year Encumbrances Appropriated	<u>28,484</u>	<u>28,484</u>	-
Fund Balance at End of Year	<u>\$ 1,186,490</u>	<u>\$ 1,764,995</u>	<u>\$ 578,505</u>

South-Western City School District
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget (Non-GAAP) and Actual
 Classroom Facilities Maintenance Fund
 For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Taxes	\$ 683,079	\$ 461,791	\$ (221,288)
Intergovernmental - State	-	221,288	221,288
Total Revenues	<u>683,079</u>	<u>683,079</u>	<u>-</u>
Expenditures:			
Current:			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	683,079	683,079	-
Fund Balance at Beginning of Year	<u>1,366,158</u>	<u>1,366,158</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,049,237</u>	<u>\$ 2,049,237</u>	<u>\$ -</u>

INTERNAL SERVICE FUND

To account for the financing of services provided by one department or agency to another department or agency of the district on a cost-reimbursement basis. A description of the District's internal service fund follows:

Health Self Insurance

To account for monies received from other funds as payment for providing health and dental insurance. This fund reimburses for service provided to employees, for reimbursements to employees who have paid providers, to third party administrators for claims payment or administration, for stop-loss coverage, or any other reinsurance or other similar purposes.

South-Western City School District
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget (Non-GAAP) and Actual
Health Self Insurance Fund
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	Variance
Revenues:			
Charges for Services	\$ 21,360,000	\$ 22,861,690	\$ 1,501,690
Charges for Employees	5,340,000	5,579,746	239,746
Total Revenues	<u>26,700,000</u>	<u>28,441,436</u>	<u>1,741,436</u>
Expenses:			
Salaries and Wages	557,687	557,687	-
Fringe Benefits	13,954	13,539	415
Purchased Services	<u>30,227,640</u>	<u>28,733,019</u>	<u>1,494,621</u>
Total Expenses	<u>30,799,281</u>	<u>29,304,245</u>	<u>1,495,036</u>
Changes in Net Position	(4,099,281)	(862,809)	3,236,472
Net Position at Beginning of Year	11,285,915	11,285,915	-
Prior Year Encumbrances Appropriated	<u>503,281</u>	<u>503,281</u>	<u>-</u>
Net Position at End of Year	<u>\$ 7,689,915</u>	<u>\$ 10,926,387</u>	<u>\$ 3,236,472</u>

FIDUCIARY FUND TYPES

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. This includes Agency Funds. The following are descriptions of each Agency Fund.

AGENCY FUNDS

Student Activity

To account for those student activity programs, which have student participation in the activity and have students involved in the management of the programs.

District Agency

To account for payments from all other funds for their contributions to the two retirement systems and the medical, vision, life insurance program and workers' compensation. This agency fund disburses payments to the appropriate vendors when payments are due.

South-Western City School District
 Combining Balance Sheet
 All Agency Funds
 June 30, 2015

	<u>Student Activity</u>	<u>District Agency</u>	<u>Total</u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 292,641	\$ 5,244,997	\$ 5,537,638
Receivables:			
Accounts	616	166,401	167,017
Total Assets	<u>\$ 293,257</u>	<u>\$ 5,411,398</u>	<u>\$ 5,704,655</u>
<u>Liabilities:</u>			
Accounts Payable	\$ 26,266	\$ 27,690	\$ 53,956
Due to Other Governments	-	890,267	890,267
Undistributed Money	266,991	4,493,441	4,760,432
Total Liabilities	<u>\$ 293,257</u>	<u>\$ 5,411,398</u>	<u>\$ 5,704,655</u>

South-Western City School District
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Fiscal Year Ended June 30, 2015

	Beginning Balance <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2015</u>
<u>Student Activity:</u>				
Assets:				
Equity in Pooled Cash and Cash				
Equivalents	\$ 291,906	\$ 359,288	\$ 358,553	\$ 292,641
Receivable:				
Accounts	-	616	-	616
Total Assets	<u>\$ 291,906</u>	<u>\$ 359,904</u>	<u>\$ 358,553</u>	<u>\$ 293,257</u>
Liabilities:				
Accounts Payable	\$ 29,126	\$ 26,266	\$ 29,126	\$ 26,266
Undistributed Money	262,780	333,638	329,427	266,991
Total Liabilities	<u>\$ 291,906</u>	<u>\$ 359,904</u>	<u>\$ 358,553</u>	<u>\$ 293,257</u>
<u>District Agency</u>				
Assets:				
Equity in Pooled Cash and Cash				
Equivalents	\$ 3,766,221	\$ 17,782,874	\$ 16,304,098	\$ 5,244,997
Receivable:				
Accounts	167,536	166,401	167,536	166,401
Total Assets	<u>\$ 3,933,757</u>	<u>\$ 17,949,275</u>	<u>\$ 16,471,634</u>	<u>\$ 5,411,398</u>
Liabilities:				
Accounts Payable	\$ 24,007	\$ 27,690	\$ 24,007	\$ 27,690
Due to Other Governments	863,135	890,267	863,135	890,267
Undistributed Money	3,046,615	17,031,318	15,584,492	4,493,441
Total Liabilities	<u>\$ 3,933,757</u>	<u>\$ 17,949,275</u>	<u>\$ 16,471,634</u>	<u>\$ 5,411,398</u>
<u>All Agency Funds</u>				
Assets:				
Equity in Pooled Cash and Cash				
Equivalents	\$ 4,058,127	\$ 18,142,162	\$ 16,662,651	\$ 5,537,638
Receivable:				
Accounts	167,536	167,017	167,536	167,017
Total Assets	<u>\$ 4,225,663</u>	<u>\$ 18,309,179</u>	<u>\$ 16,830,187</u>	<u>\$ 5,704,655</u>
Liabilities:				
Accounts Payable	\$ 53,133	\$ 53,956	\$ 53,133	\$ 53,956
Due to Other Governments	863,135	890,267	863,135	890,267
Undistributed Money	3,309,395	17,364,956	15,913,919	4,760,432
Total Liabilities	<u>\$ 4,225,663</u>	<u>\$ 18,309,179</u>	<u>\$ 16,830,187</u>	<u>\$ 5,704,655</u>

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	112
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	122
<u>Debt Capacity</u> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	130
<u>Operating Information</u> These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	136
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	148

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

South-Western City School District
 Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal 2015	Fiscal 2014 (1)	Fiscal 2013*	Fiscal 2012
Governmental Activities				
Net Investment in Capital Assets	\$ 143,338,358	\$ 101,583,123	\$ 73,224,817	\$ 59,024,319
Restricted	67,798,514	115,914,055	144,401,093	38,270,638
Unrestricted	(183,851,632)	(204,621,889)	104,511,925	102,607,157
Total Governmental Activities Net Position	<u>\$ 27,285,240</u>	<u>\$ 12,875,289</u>	<u>\$ 322,137,835</u>	<u>\$ 199,902,114</u>

Source: School District Comprehensive Annual Financial Report

* Reclassified to conform to 2014 presentation.

(1) Restated due to implementation of GASB 68 in 2015.

Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
\$ 50,483,110	\$ 44,612,781	\$ 40,527,577	\$ 34,413,508	\$ 27,802,364	\$ 29,644,575
45,063,166	28,128,813	23,493,846	22,761,533	17,692,309	12,886,527
72,890,740	57,067,078	32,825,649	22,787,305	23,853,095	(8,326,148)
<u>\$ 168,437,016</u>	<u>\$ 129,808,672</u>	<u>\$ 96,847,072</u>	<u>\$ 79,962,346</u>	<u>\$ 69,347,768</u>	<u>\$ 34,204,954</u>

South-Western City School District
 Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal 2015	Fiscal 2014	Fiscal 2013	Fiscal 2012
Governmental Activities:				
Instruction:				
Regular	\$ 116,295,000	\$ 107,731,469	\$ 102,766,386	\$ 101,677,915
Special	43,404,819	38,522,065	32,721,653	31,207,794
Vocational	3,750,926	5,803,760	6,268,512	6,069,817
Other	446,347	988,572	983,567	917,499
Support Services:				
Pupil	10,425,013	10,214,045	10,582,567	10,258,396
Instructional Staff	7,245,057	7,541,449	14,851,375	15,611,841
Board of Education	39,662	42,800	38,433	35,875
Administration	18,266,211	17,395,756	15,025,637	15,677,734
Fiscal	3,743,700	3,959,922	3,970,157	3,634,551
Business	1,216,693	947,722	820,483	883,314
Operations and Maintenance	17,579,641	15,507,439	16,488,459	16,496,886
Pupil Transportation	12,758,549	12,790,060	12,706,181	12,371,791
Central	7,269,139	8,751,099	7,983,879	6,659,541
Food Service	9,019,672	8,595,582	8,404,080	8,388,222
Community Services	2,254,820	1,463,694	1,620,950	1,520,689
Extracurricular Activities	4,350,089	4,216,439	4,604,650	4,052,430
Shared Services	306,413	303,374	101,502	-
Interest and Fiscal Charges	7,717,741	7,895,232	8,241,288	3,568,207
Total Governmental Activities Expenses	<u>\$ 266,089,492</u>	<u>\$ 252,670,479</u>	<u>\$ 248,179,759</u>	<u>\$ 239,032,502</u>

Source: School District Comprehensive Annual Financial Report

(1) Restated to reflect change in accounting principal. Capitalization criteria changed from \$1,000 to \$5,000. Information is not available to restate previous years.

					(Restated) (1)
Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
\$ 98,991,909	\$ 99,541,915	\$ 99,472,506	\$ 92,884,468	\$ 91,155,349	\$ 96,226,789
30,607,426	28,566,712	26,318,268	24,665,611	25,337,011	23,014,050
6,508,952	6,387,286	6,386,202	6,229,106	6,283,046	7,170,672
997,663	971,222	2,835,918	2,521,547	1,054,636	1,058,537
10,440,174	10,157,786	9,255,581	8,423,846	8,011,862	8,057,563
16,956,180	17,532,453	14,963,463	14,006,287	13,972,865	19,252,242
36,274	43,974	53,816	59,840	51,971	268,724
16,031,146	15,717,538	15,407,715	15,895,145	15,618,324	15,667,633
3,505,319	3,498,071	3,460,086	3,326,319	3,626,102	3,321,790
862,888	861,465	961,685	920,806	666,937	1,203,141
16,023,962	17,219,782	16,666,018	15,983,374	14,711,400	16,144,129
11,832,057	11,466,296	11,894,384	11,398,807	10,908,037	12,957,996
4,584,027	6,094,728	8,723,626	4,002,153	3,517,936	4,364,987
8,395,557	8,340,945	8,609,997	8,084,601	7,769,587	8,143,737
1,842,104	1,498,385	1,803,117	1,316,649	1,926,744	1,445,270
4,331,911	2,376,629	3,878,853	3,897,530	3,996,761	3,826,852
-	-	-	-	-	-
3,601,621	4,032,517	4,692,127	5,468,524	5,486,093	7,271,315
<u>\$ 235,549,170</u>	<u>\$ 234,307,704</u>	<u>\$ 235,383,362</u>	<u>\$ 219,084,613</u>	<u>\$ 214,094,661</u>	<u>\$ 229,395,427</u>

South-Western City School District
Changes in Net Position (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal 2015	Fiscal 2014	Fiscal 2013
Program Revenue:			
Governmental Activities:			
Charges for Services and Sales			
Instruction:			
Regular	\$ 174,543	\$ 119,849	\$ 127,137
Special		-	-
Vocational	100,919	62,016	77,472
Other	17,125	16,642	19,098
Support Services:			
Instructional Staff	-	-	-
Administration	-	-	953
Operations and Maintenance	-	-	157,119
Pupil Transportation	493,670	533,664	566,411
Food Service	2,442,209	2,140,284	2,160,948
Community Services	15,682	14,238	16,907
Extracurricular Activities	1,023,969	1,050,317	939,040
Shared Services	294,460	303,374	-
Operating Grants, Contributions and Interest	40,157,084	36,623,684	32,737,457
Total Governmental Activities Program Revenues	<u>\$ 44,719,661</u>	<u>\$ 40,864,068</u>	<u>\$ 36,802,542</u>
Net (Expenses)/Revenue			
Governmental Activities	<u>\$ (221,369,831)</u>	<u>\$ (211,806,411)</u>	<u>\$ (211,377,217)</u>
General Revenues and Other Changes in Net Position			
General Revenues:			
Property Taxes Levied for:			
General Purposes	98,141,046	100,918,408	81,312,729
Debt Service	13,270,413	13,915,812	11,717,816
Capital Improvement	3,816,149	3,797,717	3,155,717
Classroom Facilities	461,791	683,079	461,791
Payments in Lieu of Taxes	2,268,035	2,571,069	2,039,592
Ohio Facility Construction Commission Grant	-	-	124,047,645
Grants and Entitlements not Restricted to Specific Programs	116,135,086	107,655,463	102,290,500
Interest	640,471	904,617	266,483
Other Local Revenues	1,046,791	8,689,146	10,206,218
Total Governmental Activities	<u>235,779,782</u>	<u>239,135,311</u>	<u>335,498,491</u>
Changes in Net Position	<u>\$ 14,409,951</u>	<u>\$ 27,328,900</u>	<u>\$ 124,121,274</u>

Source: School District Comprehensive Annual Financial Report

(1) Restated to reflect change in accounting principal. Capitalization criteria changed from \$1,000 to \$5,000. Information is not available to restate previous years.

Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	(Restated) (1) Fiscal 2006
\$ 161,894	\$ 165,561	\$ 137,446	\$ 165,213	\$ 134,405	\$ 111,180	\$ 102,094
-	-	-	-	-	-	-
114,619	116,529	91,031	185,043	149,010	133,119	119,795
17,457	17,486	23,880	24,165	-	-	-
-	-	-	-	-	467	200
958	1,037	-	140	-	-	-
165,620	163,785	-	-	-	-	-
414,153	435,277	252,500	432,111	365,920	326,268	151,725
2,468,329	2,914,191	3,070,970	3,242,294	3,256,780	3,425,763	3,868,230
15,808	15,317	12,245	16,668	13,573	10,484	8,163
904,857	1,115,825	606,324	756,351	738,167	743,352	719,363
-	-	-	-	-	-	-
33,141,879	36,908,180	35,369,286	33,841,376	30,260,222	28,441,279	26,766,874
<u>\$ 37,405,574</u>	<u>\$ 41,853,188</u>	<u>\$ 39,563,682</u>	<u>\$ 38,663,361</u>	<u>\$ 34,918,077</u>	<u>\$ 33,191,912</u>	<u>\$ 31,736,444</u>
<u>\$ (201,626,928)</u>	<u>\$ (193,695,982)</u>	<u>\$ (194,744,022)</u>	<u>\$ (196,720,001)</u>	<u>\$ (184,166,536)</u>	<u>\$ (180,902,749)</u>	<u>\$ (197,658,983)</u>
95,303,398	95,084,630	92,055,343	85,257,556	80,492,369	100,123,160	79,877,444
13,722,961	12,143,490	13,130,296	12,884,620	14,888,794	19,774,851	12,848,845
4,177,603	3,954,430	4,207,501	4,343,741	168,056	-	1,787,078
-	-	-	-	-	-	-
1,021,635	2,446,398	1,360,937	-	-	-	-
-	-	-	-	-	-	-
109,682,717	111,373,088	109,993,005	101,900,997	91,935,545	91,398,564	85,381,816
287,852	344,720	335,983	974,009	2,011,085	3,135,902	1,787,222
8,895,860	6,977,570	6,622,557	8,243,804	5,285,265	3,819,982	4,124,726
<u>233,092,026</u>	<u>232,324,326</u>	<u>227,705,622</u>	<u>213,604,727</u>	<u>194,781,114</u>	<u>218,252,459</u>	<u>185,807,131</u>
<u>\$ 31,465,098</u>	<u>\$ 38,628,344</u>	<u>\$ 32,961,600</u>	<u>\$ 16,884,726</u>	<u>\$ 10,614,578</u>	<u>\$ 37,349,710</u>	<u>\$ (11,851,852)</u>

South-Western City School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal 2015	Fiscal 2014	Fiscal 2013	Fiscal 2012
General Fund				
Nonspendable	\$ 341,812	\$ 361,926	\$ 309,149	\$ 328,594
Committed	1,168,748	1,223,619	1,121,869	-
Assigned	1,013,339	1,533,580	1,045,417	2,740,409
Unassigned	139,248,211	118,095,935	98,265,212	98,023,668
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	<u>\$ 141,772,110</u>	<u>\$ 121,215,060</u>	<u>\$ 100,741,647</u>	<u>\$ 101,092,671</u>
All Other Governmental Funds				
Nonspendable	\$ 86,313	\$ 191,264	\$ 132,074	\$ 89,877
Restricted	96,799,354	157,782,334	174,866,472	29,426,667
Committed	-	-	-	1,022,557
Unassigned (Deficit)	(6,280)	(147,475)	(211,500)	(58,696)
Reserved	-	-	-	-
Unreserved, reported in:				
Special Revenue Funds	-	-	-	-
Capital Projects Fund	-	-	-	-
Total All Other Governmental Funds	<u>\$ 96,879,387</u>	<u>\$ 157,826,123</u>	<u>\$ 174,787,046</u>	<u>\$ 30,480,405</u>

Source: School District Comprehensive Annual Financial Report

Note: The School District Implemented GASB 54 in 2011.

Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
\$ 321,417	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,849,870	-	-	-	-	-
77,917,544	-	-	-	-	-
-	43,789,311	34,702,439	31,646,062	34,795,213	23,115,605
-	11,527,828	(1,474,986)	(7,646,791)	(12,754,310)	(26,952,311)
<u>\$ 80,088,831</u>	<u>\$ 55,317,139</u>	<u>\$ 33,227,453</u>	<u>\$ 23,999,271</u>	<u>\$ 22,040,903</u>	<u>\$ (3,836,706)</u>
\$ 181,384	\$ -	\$ -	\$ -	\$ -	\$ -
32,856,497	-	-	-	-	-
1,038,265	-	-	-	-	-
(1,077)	-	-	-	-	-
-	18,140,962	16,169,375	16,783,696	16,762,052	10,589,657
-	2,913,891	2,849,640	3,315,826	2,895,628	2,293,939
-	3,947,443	853,201	1,458,916	6,146,880	10,189,703
<u>\$ 34,075,069</u>	<u>\$ 25,002,296</u>	<u>\$ 19,872,216</u>	<u>\$ 21,558,438</u>	<u>\$ 25,804,560</u>	<u>\$ 23,073,299</u>

South-Western City School District
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified Accrual Basis of accounting)

	Fiscal 2015	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011
Revenues:					
Local:					
Taxes	\$ 116,602,034	\$ 119,400,543	\$ 100,740,561	\$ 111,448,896	\$ 110,043,274
Tuition	1,594,170	1,553,110	1,603,675	1,193,855	860,270
Interest	640,471	904,617	266,483	289,075	344,720
Other Local Revenue	7,649,236	7,136,565	7,854,701	7,546,155	7,312,531
Payments in Lieu of Taxes	2,374,411	2,294,221	655,252	2,631,269	1,821,006
Intergovernmental - State	184,328,321	164,649,247	128,467,786	116,429,306	114,911,159
Intergovernmental - Federal	21,270,944	21,043,645	21,542,648	26,234,348	33,103,360
Total Revenues	\$ 334,459,587	\$ 316,981,948	\$ 261,131,106	\$ 265,772,904	\$ 268,396,320
Expenditures:					
Current:					
Instruction:					
Regular	110,605,915	102,693,606	98,271,137	96,470,472	94,405,014
Special	41,452,129	38,262,981	32,808,231	31,076,201	30,555,128
Vocational	5,545,565	5,090,568	5,372,204	5,356,704	5,516,509
Other	1,016,338	990,848	988,051	889,683	982,579
Support Services:					
Pupil	10,675,992	10,064,950	10,595,108	10,298,499	10,525,586
Instructional Staff	7,357,771	7,649,659	14,990,657	15,628,160	16,577,081
Board of Education	39,662	42,800	38,433	35,875	36,274
Administration	18,431,619	17,076,332	14,968,530	15,348,771	15,833,157
Fiscal	3,779,585	3,940,769	3,969,374	3,625,358	3,497,286
Business	1,002,805	943,096	865,860	881,525	861,320
Operations and Maintenance	16,610,540	15,296,454	14,877,670	15,911,738	15,625,581
Pupil Transportation	12,333,623	12,078,155	11,733,590	11,476,850	10,780,268
Central	3,533,353	3,538,546	3,583,087	3,196,388	3,085,766
Food Service	8,973,023	8,569,909	8,365,996	8,383,343	8,356,991
Community Services	1,481,187	1,233,929	1,298,989	1,198,527	1,250,783
Shared Services	322,229	273,182	68,734	-	-
Extracurricular Activities	4,015,852	4,009,264	4,394,019	3,829,207	4,077,017
Capital Outlay	112,327,385	67,044,316	18,589,048	10,216,416	5,321,337
Pass Through Grants	-	-	-	-	-
Debt Services:					
Principal Retirement	7,426,666	6,511,666	12,256,667	11,081,667	13,876,667
Interest and Fiscal Charges	7,918,034	8,183,116	7,205,069	3,458,344	3,679,030
Issuance Costs for Bonds and Notes	-	-	367,123	-	-
Underwriter's Discount on Bonds	-	-	593,899	-	-
Total Expenditures	374,849,273	313,494,146	266,201,476	248,363,728	244,843,374
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,389,686)	3,487,802	(5,070,370)	17,409,176	23,552,946
Other Financing Sources (Uses):					
Transfers - In	1,291,078	1,291,140	1,290,220	1,462,976	1,003,065
Transfers - Out	(1,291,078)	(1,291,140)	(1,290,220)	(1,462,976)	(1,003,065)
Issuance of Refunding Bonds	-	-	-	-	3,490,000
Issuance of Qualifying School Construction Bonds	-	-	-	-	6,670,000
Issuance of General Obligation Bonds	-	-	140,250,000	-	-
Issuance of Tax Anticipation Notes	-	-	-	-	-
Premium on the Sale of Refunding Bonds	-	-	-	-	32,666
Premium on the Sale of Tax Anticipation Notes	-	-	-	-	-
Premium on the Sale of General Obligation Bonds	-	-	8,711,022	-	-
Principal Payment to Refunding Bonds Escrow Agent	-	-	-	-	-
Sale of Capital Assets	-	24,688	64,965	-	98,853
Total Other Financing Sources (Uses)	-	24,688	149,025,987	-	10,291,519
Net Change in Fund Balances	\$ (40,389,686)	\$ 3,512,490	\$ 143,955,617	\$ 17,409,176	\$ 33,844,465
Debt Service as a Percentage of Noncapital Expenditures	5.73%	5.94%	7.77%	6.05%	7.24%

Source: School District Comprehensive Annual Financial Report

Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
\$ 108,946,272	\$ 99,222,737	\$ 94,345,111	\$ 117,228,444	\$ 97,704,539
974,692	834,944	450,502	475,386	375,050
336,732	974,009	2,011,085	3,135,902	2,131,626
6,080,996	10,037,234	7,627,835	8,422,523	8,880,015
1,678,739	-	-	-	-
114,173,138	116,393,859	104,587,960	102,073,298	95,177,226
30,732,525	18,961,145	17,351,176	17,269,242	16,911,352
<u>\$ 262,923,094</u>	<u>\$ 246,423,928</u>	<u>\$ 226,373,669</u>	<u>\$ 248,604,795</u>	<u>\$ 221,179,808</u>
95,546,496	95,068,111	89,832,529	85,663,533	88,155,340
28,489,938	26,150,024	24,670,704	25,026,764	22,841,563
5,562,747	5,595,820	5,331,116	5,137,585	5,822,910
955,483	2,785,526	2,511,183	1,058,821	1,051,457
10,108,635	9,211,089	8,382,856	8,199,528	8,105,144
17,492,815	14,997,314	13,875,612	14,269,451	19,131,625
43,974	53,816	59,840	51,971	268,724
15,632,272	15,143,308	15,720,663	15,192,285	15,092,352
3,385,646	3,458,286	3,324,289	3,624,585	3,309,531
860,177	955,910	875,530	657,063	1,272,174
16,239,398	16,391,490	15,784,267	14,367,705	15,867,057
10,690,064	10,511,656	9,906,398	10,006,531	11,439,383
3,048,648	3,376,369	3,210,341	2,569,236	3,135,113
8,161,209	8,572,735	8,005,503	7,490,713	7,658,325
1,247,088	1,514,605	974,602	1,523,184	1,073,496
-	-	-	-	-
2,362,556	3,732,287	3,726,269	3,624,996	3,562,468
2,195,183	3,935,133	4,647,056	3,541,384	3,995,595
-	-	-	325,000	325,000
9,811,667	12,976,667	12,401,628	11,926,667	6,160,009
3,971,678	4,509,630	5,465,493	5,742,967	7,735,902
-	-	-	2,324,738	137,015
-	-	-	-	-
<u>235,805,674</u>	<u>238,939,776</u>	<u>228,705,879</u>	<u>222,324,707</u>	<u>226,140,183</u>
27,117,420	7,484,152	(2,332,210)	26,280,088	(4,960,375)
1,069,376	1,022,766	866,306	828,359	1,160,563
(1,069,376)	(1,022,766)	(866,306)	(828,359)	(1,160,563)
-	-	-	76,914,989	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	12,000,000
-	-	-	2,328,792	-
-	-	-	-	341,741
-	-	-	-	-
-	-	-	(76,914,999)	-
12,346	57,808	44,456	-	55,800
<u>12,346</u>	<u>57,808</u>	<u>44,456</u>	<u>2,328,782</u>	<u>12,397,541</u>
<u>\$ 27,129,766</u>	<u>\$ 7,541,960</u>	<u>\$ (2,287,754)</u>	<u>\$ 28,608,870</u>	<u>\$ 7,437,166</u>
5.88%	7.39%	7.91%	7.97%	6.24%

South-Western City School District
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection Years

Collection Year	Real Property (1)		Tangible Personal Property (2)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2015	\$ 2,324,059,180	\$ 6,640,169,086	-	-
2014	2,343,813,690	6,696,610,543	-	-
2013	2,291,139,940	6,546,114,114	-	-
2012	2,290,295,740	6,543,702,114	-	-
2011	2,506,723,390	7,162,066,829	13,600	-
2010	2,498,607,010	7,138,877,171	2,276,634	-
2009	2,486,984,970	7,105,671,343	4,619,246	73,907,936
2008	2,430,613,730	6,944,610,657	89,991,185	1,439,858,960
2007	2,404,642,590	6,870,407,400	169,030,582	1,352,244,656
2006	2,356,536,630	6,732,961,800	211,762,887	1,129,402,064

Source: Franklin County Auditor

- (1) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.
- (2) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and was 0% in 2009.
- (3) Assumes public utilities are assessed at true value, which is 35% of estimated actual value.
- (4) Tax rates are per \$1,000 of assessed value. The rate represents the weighted average of all the effective (assessed) rates applied by property type.

Public Utility (3)		Total		Effective Tax Rate (4)
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$ 109,471,420	\$ 312,775,486	\$ 2,433,530,600	\$ 6,952,944,572	43.49
93,711,540	267,747,257	2,437,525,230	6,964,357,800	43.30
89,546,940	255,848,400	2,380,686,880	6,801,962,514	43.27
92,684,960	264,814,171	2,382,980,700	6,808,516,285	43.31
82,904,850	236,871,000	2,589,641,840	7,398,937,829	43.10
75,388,180	215,394,800	2,576,271,824	7,354,271,971	42.98
71,470,170	204,200,486	2,563,074,386	7,383,779,765	35.43
67,032,840	191,522,400	2,587,637,755	8,575,992,017	33.73
73,945,840	211,273,829	2,647,619,012	8,433,925,885	37.01
85,570,630	244,487,514	2,653,870,147	8,106,851,378	37.79

South-Western City School District
Property Tax Levies and Collections
Last Ten Fiscal Years

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Levy</u>	<u>Current Collection</u>	<u>Percent of Current Levy Collected</u>
2013/2014	\$ 125,454,562	\$ 10,187,660	\$ 135,642,222	\$ 119,160,676	94.98%
2012/2013	127,062,231	11,872,872	138,935,103	114,648,769	90.23%
2011/2012	126,982,574	12,882,209	139,864,783	113,461,457	89.35%
2010/2011	125,930,322	12,918,261	138,848,583	114,860,051	91.21%
2009/2010	123,678,758	11,178,512	134,857,270	113,950,085	92.13%
2008/2009	103,732,433	11,099,246	114,831,679	93,169,566	89.82%
2007/2008	105,669,991	9,207,010	114,877,001	95,876,685	90.73%
2006/2007	108,335,893	9,820,143	118,156,036	102,369,887	94.49%
2005/2006	111,827,574	7,460,906	119,288,480	105,497,851	94.34%
2004/2005	87,226,531	7,222,650	94,449,181	82,722,065	94.84%

Source: Franklin County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

Information for 2014/2015 Tax Year/Collection Year was not available from the Franklin County Auditor

<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection As a Percent of Total Levy</u>	<u>Delinquent Taxes Receivable</u>	<u>Tax Year/ Collection Year</u>
\$ 4,689,183	\$ 123,849,859	91.31%	\$ 9,088,417	2013/2014
5,979,574	120,628,343	86.82%	10,001,052	2012/2013
4,482,500	117,943,957	84.33%	13,436,877	2011/2012
3,646,269	118,506,320	85.35%	14,179,086	2010/2011
4,045,044	117,995,129	87.50%	12,424,020	2009/2010
4,646,962	97,816,528	85.18%	11,284,744	2008/2009
4,127,145	100,003,830	87.05%	10,837,876	2007/2008
4,876,462	107,246,349	90.77%	9,618,966	2006/2007
6,114,565	111,612,416	93.57%	6,949,399	2005/2006
3,819,146	86,541,211	91.63%	10,140,571	2004/2005

South-Western City School District
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
(Per \$1,000 of Assessed Valuation)

Tax Year/ Collection Year	CITIES			SCHOOL DISTRICT				Total Direct Rate
	Franklin County	City of Columbus	City of Grove City	South-Western City School District			Unvoted General Fund	
				General Fund	Voted Bond Fund	Permanent Improvement		
2014/2015	18.47 (18.23) (18.47)	3.14 (3.14) (3.14)	3.50 (3.50) (3.50)	61.20 (34.79) (47.83)	6.20 (6.20) (6.20)	2.00 (2.00) (2.00)	3.85 (3.85) (3.85)	73.25 (46.84) (59.88)
2013/2014	18.47	3.14	3.50	61.20	6.20	2.00	3.85	73.25
2012/2013	18.47	3.14	3.50	61.20	6.20	2.00	3.85	73.25
2011/2012	18.07	3.14	3.50	61.20	6.50	2.00	3.85	73.55
2010/2011	18.07	3.14	3.50	61.20	5.50	2.00	3.85	72.55
2009/2010	18.07	3.14	3.50	61.20	5.40	2.00	3.85	72.45
2008/2009	18.02	3.14	3.50	53.80	5.35	2.00	3.85	65.00
2007/2008	18.49	3.14	3.50	53.80	4.80	2.00	3.85	64.45
2006/2007	18.44	3.14	3.70	53.80	4.90	2.00	3.85	64.55
2005/2006	18.44	3.14	4.20	53.80	5.02	2.00	3.85	64.67
2004/2005	18.44	3.14	4.20	46.10	5.28	0.00	3.85	55.23

Source: Franklin County Auditor - Data is presented on a collection year basis because that is the manner in which the information is maintained by the County Auditor

Figures in parenthesis reflect "effective" millage for residential/agricultural (upper) and commercial/industrial (lower) for the current collection year only.

All other figures reflect voted millage.

LIBRARY	VILLAGES		TOWNSHIPS				
<u>Southwest Public Library</u>	<u>Village of Harrisburg</u>	<u>Village of Urbancrest</u>	<u>Franklin Township</u>	<u>Jackson Township</u>	<u>Pleasant Township</u>	<u>Harrisburg- Pleasant Township</u>	<u>Prairie Township</u>
1.00 (1.00) (1.00)	1.00 (1.00) (1.00)	0.60 (0.60) (0.60)	25.20 (21.43) (25.20)	23.95 (12.82) (12.58)	21.20 (12.48) (13.39)	20.80 (12.05) (12.99)	18.20 (17.47) (16.83)
1.00	1.00	0.60	25.20	20.20	21.20	20.80	18.20
1.00	1.00	0.60	25.20	20.20	21.20	20.80	18.20
1.00	1.00	0.60	25.20	20.20	21.20	20.80	18.20
1.00	1.00	0.60	25.20	20.20	21.20	20.80	18.20
-	1.00	0.60	25.20	20.20	21.20	20.80	18.20
-	1.00	0.60	25.20	20.20	18.70	18.30	18.20
-	1.00	0.60	21.31	20.20	18.70	18.30	18.20
-	1.00	0.60	21.31	20.20	18.70	18.30	18.20
-	1.00	0.60	18.05	20.20	18.70	18.30	18.20
-	1.00	0.60	18.05	20.20	18.70	18.30	14.50

South-Western City School District
Principal Taxpayers
December 31, 2014 and December 31, 2005

	<u>December 31, 2014</u>	
	<u>Total</u> <u>Assessed</u> <u>Valuation</u>	<u>% of Total</u> <u>Assessed</u> <u>Valuation</u>
<u>Public Utilities</u>		
Ohio Power Company	\$ 80,590,340	3.31%
AEP Ohio Transmission	16,810,000	0.69%
Columbia Gas of Ohio Inc.	10,078,860	0.41%
<u>Real Estate</u>		
GLP Capital LP	\$ 55,936,730	2.30%
Wal Mart Stores Inc	10,964,350	0.45%
Big Lots Stores Inc.	9,861,370	0.41%
Distribution Funding III	8,444,600	0.35%
Security Capital	8,275,530	0.34%
American Homes 4 Rent	8,104,460	0.33%
RG Townhomes LLC	7,846,600	0.32%
Dugan Realty LLC	7,367,510	0.30%
Parkway Centre East LLC	7,236,780	0.30%
Mount Carmel Health	6,165,880	0.25%
All Others	<u>2,195,847,590</u>	<u>90.24%</u>
Total Assessed Valuation	<u><u>\$ 2,433,530,600</u></u>	<u><u>100.00%</u></u>

Source: Franklin County Auditor's Office. This is the latest information available.

Note: Personal property was phased out and therefore not presented for the current period.

	<u>December 31, 2005</u>	
	<u>Total</u>	<u>% of Total</u>
	<u>Assessed</u>	<u>Assessed</u>
	<u>Valuation</u>	<u>Valuation</u>
<u>Public Utilities</u>		
Columbus Southern Power Company	\$ 54,340,770	2.05%
Ohio Bell Telephone Co.	11,702,560	0.44%
Columbia Gas of Ohio Inc.	5,100,490	0.19%
<u>Real Estate</u>		
Big Lots Stores Inc.	\$ 14,856,000	0.56%
Wingates LLC	12,351,550	0.47%
PCCP IRG Columbus LLC	12,250,010	0.46%
Distribution Funding III	8,888,090	0.33%
Dispatch Printing Co.	8,750,000	0.33%
M/I Homes of Central Ohio	6,582,310	0.25%
Solid Waste Authority	6,092,990	0.23%
Security Capital	5,724,190	0.22%
Realty Associates Fund V	5,688,180	0.21%
Parkway Village LLC	4,970,000	0.19%
<u>Tangible Personal Property</u>		
Wal Mart Stores	\$ 13,618,185	0.51%
Masterfoods USA	12,039,750	0.45%
Big Lots Stores Inc.	11,551,673	0.44%
Dispatch Printing Company	8,293,710	0.31%
Ohio Machinery Co.	6,221,063	0.23%
Sears Roebuck & Company	6,031,545	0.23%
Delphi Automotive Systems LLC	5,965,013	0.22%
Tosoh S M D Inc.	5,549,693	0.21%
Sally Distribution of Ohio	4,208,273	0.16%
International Business Machines Corp	3,120,608	0.12%
All Others	<u>2,419,973,494</u>	<u>91.19%</u>
Total Assessed Valuation	<u>\$ 2,653,870,147</u>	<u>100.00%</u>

South-Western City School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year	(1) Net General Obligation Bonds	(1) Tax Anticipation Notes	(1) Energy Conservation Bonds	(1) Technical Equipment Loan	Total Primary Government	(2) Percentage of Personal Income	(3) Per Capita	(4) Per ADM
2015	\$ 192,400,545		\$ 6,670,000	\$ 133,332	\$ 199,203,877	not available	\$ 1,467.81	\$ 9,630.35
2014	199,480,067	-	7,140,000	199,998	206,820,065	not available	1,536.25	10,120.87
2013	205,731,014	-	7,590,000	266,664	213,587,678	7.36%	1,599.44	10,565.80
2012	68,865,329	-	8,020,000	333,331	77,218,660	2.81%	579.13	3,846.32
2011	79,586,502	-	8,435,000	399,998	88,421,500	3.34%	664.24	4,444.63
2010	89,585,321	-	2,165,000	466,665	92,216,986	3.62%	693.89	4,624.72
2009	99,051,609	-	2,550,000	533,332	102,134,941	4.10%	769.20	4,921.93
2008	107,479,693	7,505,000	2,920,000	599,999	118,504,692	4.64%	893.05	5,647.11
2007	115,600,828	14,838,913	3,275,000	666,666	134,381,407	5.24%	1,016.59	6,401.25
2006	121,199,972	21,617,827	3,620,000	733,333	147,171,132	6.08%	1,134.88	7,021.52

Sources:

(1) Per District records

(2) Personal Income provided by Ohio Department of Taxation

(3) Population estimates provided by Ohio Municipal Advisory Council and Mid Ohio Regional Planning Commission

(4) ADM per District records

South-Western City School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Collection Years

Year	(1) Assessed Value	(2) Gross Bonded Debt	(2) Less Debt Service Funds	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	(3) Net Bonded Debt Per Capita	(4) Net Bonded Debt Per ADM
2015	\$ 2,433,530,600	\$ 199,070,545	\$ 16,182,756	\$ 182,887,789	7.52%	\$ 1,347.59	\$ 8,841.57
2014	2,437,525,230	206,620,067	15,054,139	191,565,928	7.86%	1,422.94	9,374.40
2013	2,380,686,880	213,321,014	12,695,521	200,625,493	8.43%	1,502.37	9,924.59
2012	2,382,980,700	76,885,329	17,057,485	59,827,844	2.51%	448.70	2,980.07
2011	2,589,641,840	88,021,502	15,035,563	72,985,939	2.82%	548.29	3,668.74
2010	2,576,271,824	91,750,321	8,506,596	83,243,725	3.23%	626.37	4,174.71
2009	2,563,074,386	101,601,609	7,766,585	93,835,024	3.66%	706.69	4,521.95
2008	2,587,637,755	110,399,693	8,565,519	101,834,174	3.94%	767.42	4,852.71
2007	2,647,619,012	118,875,828	7,849,396	111,026,432	4.19%	839.91	5,288.74
2006	2,653,870,147	124,819,972	5,284,375	119,535,597	4.50%	921.77	5,703.03

Sources:

(1) Franklin County Auditor

(2) Per District records - Includes Energy Conservation Bonds

(3) Population estimates provided by Ohio Municipal Advisory Council and Mid Ohio Regional Planning Commission

(4) ADM per District records

South-Western City School District
 Computation of Direct and Overlapping Governmental Activities Debt
 June 30, 2015

<u>Governmental Unit</u>	<u>Gross Debt Outstanding</u>	<u>Percent Applicable to School District</u>	<u>Amount Applicable to School District</u>
Direct:			
South-Western City School District	\$ 199,203,877	100.00%	\$ 199,203,877
Indirect:			
Franklin County	\$ 390,380,000	9.22%	\$ 35,993,036
City of Columbus	<u>3,138,002,518</u>	37.21%	<u>1,167,650,737</u>
Total Overlapping Debt	<u>\$ 3,528,382,518</u>		<u>\$ 1,203,643,773</u>
Total Direct and Overlapping Debt	<u><u>\$ 3,727,586,395</u></u>		<u><u>\$ 1,402,847,650</u></u>

Note: Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivisions. The valuations used were for the 2014 collection year.

Source: Franklin County Auditor

This page intentionally left blank.

South-Western City School District
 Computation of Legal Debt Margin
 Last Ten Fiscal Years

Assessed Valuation	\$ 2,433,530,600
Bonded Debt Limit - 9% of Assessed Value	\$ 219,017,754
Amount of Debt Applicable to 9% Debt Limit:	<u>188,094,989</u>
9% Voted Debt Margin	<u>\$ 30,922,765</u>
Bonded Debt Limit - .10% of Assessed Value	\$ 2,433,531
Amount of Debt Applicable to .10% Debt Limit	<u>-</u>
.10% Unvoted Debt Margin	<u>\$ 2,433,531</u>

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 219,017,754	\$ 219,377,271	\$ 214,261,819	\$ 214,468,263
Total Net Debt Applicable to Limit	<u>188,094,989</u>	<u>195,454,989</u>	<u>201,899,989</u>	<u>73,839,989</u>
Legal Debt Margin	<u>\$ 30,922,765</u>	<u>\$ 23,922,282</u>	<u>\$ 674,141</u>	<u>\$ 137,249,603</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	85.88%	89.10%	94.23%	34.43%

Source: Franklin County Auditor and School District financial records

Note: Voted debt margins are determined without reference of applicable monies in the District's Bond Retirement Fund.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 233,067,766	\$ 231,864,464	\$ 230,676,695	\$ 232,887,398	\$ 238,285,711	\$ 238,848,313
84,854,989	88,504,989	98,249,989	106,949,989	114,018,950	125,553,305
<u>\$ 144,646,266</u>	<u>\$ 139,647,478</u>	<u>\$ 128,541,754</u>	<u>\$ 121,887,706</u>	<u>\$ 118,743,217</u>	<u>\$ 113,295,008</u>
36.41%	38.17%	42.59%	45.92%	47.85%	52.57%

South-Western City School District
 Staffing Statistics - Full Time Equivalents (FTE) by Type and Function
 Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Teaching Staff					
Regular Education	925.49	921.99	914.21	915.18	909.78
Special Education	309.30	305.50	294.30	284.30	283.25
Vocational Education	52.50	55.50	55.00	55.50	56.50
Tutors	58.50	56.50	56.50	56.40	56.40
Administrators					
Buildings/Departments	100.00	100.00	100.00	100.50	100.50
Other Positions					
Psychologists	12.80	12.80	12.30	12.30	11.30
Nurses	9.40	9.40	8.95	8.95	8.95
Speech	19.20	19.10	17.60	19.60	19.20
OT/PT	12.80	12.80	12.00	11.10	11.70
Adapted Physical Education Therapist	3.00	3.00	3.00	3.00	3.00
Sign Interpreter	3.00	1.00	2.00	3.00	3.00
Social Worker	0.50	0.50	0.50	0.50	0.50
Counselors	25.00	25.00	25.00	25.00	25.00
Library Media Specialists	3.00	4.00	4.00	4.00	4.00
Other Professionals	13.00	11.00	11.00	11.00	14.00
Support Staff					
Technology	8.00	10.00	10.00	10.00	10.00
Aides	290.00	275.50	281.03	279.08	286.28
Accounting	9.00	9.00	9.00	9.00	9.00
Clerical	109.50	108.00	108.00	109.00	108.00
Custodial	104.00	102.00	105.00	102.00	103.00
Printer	1.00	1.00	1.00	1.00	1.00
Maintenance	27.00	29.00	29.00	29.00	29.00
Mechanics	8.00	7.00	8.00	8.00	8.00
Bus Drivers	158.00	150.00	155.00	153.00	148.00
Food Service Transporters	3.00	3.00	3.00	3.00	3.00
Cooks	128.93	129.76	127.93	128.18	128.17
Hall Monitors	33.79	34.89	33.42	41.10	39.16
Recreation Center	10.50	11.50	13.50	14.00	14.00
Athletic Trainer	-	0.50	0.50	0.50	0.50
Total	<u>2,438.21</u>	<u>2,409.24</u>	<u>2,400.74</u>	<u>2,397.19</u>	<u>2,394.19</u>

Function

Instructional					
Regular and Special	1,528.99	1,506.49	1,317.69	1,310.73	1,304.93
Support Services					
Pupil	115.96	116.82	114.50	119.91	117.50
Instructional Staff	70.50	84.00	259.88	259.21	270.93
Administration	169.00	154.20	153.70	154.92	154.40
Fiscal	13.00	13.00	13.00	13.00	13.00
Business	2.00	2.00	2.00	2.00	2.00
Operation and Maintenance	154.09	154.22	156.99	157.69	158.19
Pupil Transportation	210.50	201.00	206.00	202.50	195.50
Central	19.00	20.00	20.00	20.00	20.00
Food Service	136.18	137.01	135.18	134.93	134.92
Community Services	15.00	16.00	17.30	17.80	17.82
Extracurricular Activities	4.00	4.50	4.50	4.50	5.00
Total	<u>2,438.21</u>	<u>2,409.24</u>	<u>2,400.74</u>	<u>2,397.19</u>	<u>2,394.19</u>

Source: School District Records

(1) The District converted to State Software, different reports were available. Data may not be comparable.

<u>2010</u>	<u>2009</u>	<u>2008 (1)</u>	<u>2007</u>	<u>2006</u>
926.33	934.04	936.68	956.42	1,034.20
270.75	254.75	253.19	239.25	238.83
59.00	59.50	60.00	62.00	81.20
65.75	56.00	70.23	73.10	64.00
100.00	105.00	105.00	104.00	119.00
12.80	12.80	12.80	12.50	12.50
8.90	9.40	9.40	9.40	9.40
19.70	18.80	18.80	18.00	18.00
10.40	10.30	8.20	7.90	5.80
3.00	3.00	3.00	3.00	3.00
3.00	4.00	3.00	2.00	1.00
0.50	0.50	0.50	-	0.80
25.00	24.50	24.00	24.00	29.00
4.00	4.00	4.00	4.00	4.00
13.00	12.50	12.50	10.20	10.20
11.00	13.00	13.00	13.00	13.00
288.16	290.50	275.75	285.99	329.63
8.00	8.00	8.00	8.00	9.00
108.00	115.00	117.00	115.00	126.00
116.00	116.50	116.50	122.76	141.50
1.00	1.00	1.00	1.00	1.00
30.00	31.00	31.00	31.00	31.00
8.00	8.00	9.00	9.00	10.00
152.00	160.00	154.00	156.00	181.00
3.00	3.00	3.00	3.00	3.00
134.76	132.74	128.00	134.99	138.81
38.56	43.00	39.00	42.22	45.50
13.50	14.00	16.00	14.50	15.00
0.50	1.00	1.00	1.00	1.00
<u>2,434.61</u>	<u>2,445.83</u>	<u>2,433.55</u>	<u>2,463.23</u>	<u>2,676.37</u>
1,320.08	1,322.54	1,314.30	1,334.25	1,410.76
116.76	124.47	120.00	115.61	124.05
270.31	253.35	258.00	257.99	343.93
154.35	161.15	162.00	162.75	156.50
12.00	12.00	12.00	12.00	12.00
2.00	3.00	3.00	3.00	4.00
171.64	177.08	179.00	179.00	202.75
201.00	208.00	201.00	206.00	225.00
21.00	21.50	23.00	27.00	26.00
142.26	138.74	134.00	139.98	145.23
18.21	19.75	22.50	20.90	21.40
5.00	4.25	4.75	4.75	4.75
<u>2,434.61</u>	<u>2,445.83</u>	<u>2,433.55</u>	<u>2,463.23</u>	<u>2,676.37</u>

South-Western City School District
 Operating Expenditures Necessary to Educate
 a District Student for Graduation in June, 2015
 (Actual Dollars Expended by Year)

	Grade	South-Western	State Average	Franklin County
	<u>Level</u>	<u>City School</u>	<u>for All</u>	<u>Average</u>
		<u>District</u>	<u>School Districts</u>	
2002-03	K	\$ 8,243	\$ 7,904	\$ 9,082
2003-04	1	8,515	8,287	9,384
2004-05	2	9,140	8,404	9,714
2005-06	3	10,170	8,727	10,275
2006-07	4	8,876	9,283	10,655
2007-08	5	9,336	9,388	11,079
2008-09	6	9,627	10,184	11,428
2009-10	7	9,893	10,512	11,908
2010-11	8	10,397	10,571	12,018
2011-12	9	10,273	10,508	11,998
2012-13	10	10,388	10,526	11,684
2013-14	11	10,386	10,913	11,854
2014-15	12	not available	not available	not available
Total		<u>\$ 104,858</u>	<u>\$ 104,294</u>	<u>\$ 119,225</u>

Source: District Financial Records and the Ohio Department of Education

- (1) Costs per Pupil-State of Ohio Department of Education (All Funds)
- (2) Ohio Department of Education delayed the release of information.

This page intentionally left blank.

South-Western City School District
 Operating Indicators by Function
 Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Function-Governmental Activities					
Instruction and Support Services - Pupils					
Graduates	1,522	1,281	1,250	1,305	1,263
% of Students with IEP	15.5%	14.6%	14.5%	15.3%	14.5%
% of Limited English Proficient Students	13.1%	15.6%	16.0%	12.4%	10.9%
Student Attendance	93.6%	94.3%	94.1%	94.4%	94.3%
Fiscal					
Purchase Orders Processed	15,439	15,703	16,708	16,748	17,653
Nonpayroll Checks Issued	11,329	11,815	12,661	13,152	13,319
Operations and Maintenance					
Work Orders Completed	7,150	9,850	10,349	7,151	14,955
District Square Footage Maintained by Staff (in thousands)	2,890	2,800	2,800	2,800	2,800
District Acreage Maintained by Staff	669	669	669	610	610
Pupil Transportation					
Average Number of Students Transported Each Day	14,841	13,568	13,231	12,636	12,314
Average Daily Miles driven Each Day	13,798	14,745	13,756	13,033	12,602
Food Service					
Meals Served to Students:					
Breakfast	763,187	729,398	716,094	704,846	622,072
Lunch	2,100,808	2,086,810	2,128,765	2,235,348	2,175,309
Number of Free and Reduced Students	12,527	11,638	11,405	10,996	10,605
Extracurricular Activities					
High School Varsity Teams *	66	66	65	65	64

* District Sports offered for Winter and Spring season only in Fiscal Year 2010

Source: School District Records and Ohio Department of Education Report Card Data

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
1,287	1,212	1,280	1,252	1,153
14.3%	14.4%	13.1%	14.0%	12.5%
14.1%	12.4%	11.5%	9.5%	6.6%
94.2%	93.9%	94.3%	94.3%	94.1%
16,015	17,186	16,458	14,663	15,110
13,353	15,970	14,751	15,804	17,829
8,701	7,858	7,789	7,879	7,821
2,800	2,800	2,800	2,800	2,800
610	610	610	610	610
12,134	13,823	13,737	12,926	17,337
12,886	12,958	12,355	12,243	15,702
576,270	583,161	582,650	533,690	491,958
2,181,936	2,263,668	2,231,198	2,195,163	2,180,701
10,427	10,126	9,498	9,184	10,087
37	65	65	65	65

South-Western City School District
 Capital Assets by Function/Program
 Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Activities							
Instruction							
Land	\$ 6,720,965	\$ 6,720,965	\$ 6,720,965	\$ 4,794,159	\$ 4,794,159	\$ 4,794,159	\$ 4,794,159
Buildings	182,061,641	139,654,408	141,389,904	141,582,072	138,501,697	138,702,141	138,935,001
Improvements to Land	6,768,432	1,115,928	1,044,772	1,044,772	973,718	890,517	734,182
Furniture and Equipment	1,468,616	1,315,351	1,323,658	653,992	639,032	431,640	418,678
Vehicle	-	-	-	-	-	-	-
Special							
Land	-	-	-	-	-	-	-
Buildings	942,086	942,086	942,086	942,086	1,006,835	1,006,835	1,006,835
Improvements to Land	43,595	43,595	43,595	43,595	43,595	43,595	43,595
Furniture and Equipment	218,902	236,434	225,110	334,673	334,673	202,223	202,223
Vehicle	40,796	40,796	40,796	40,796	40,796	-	-
Vocational							
Land	994,583	994,583	994,583	994,583	994,583	994,583	994,583
Buildings	18,305,935	18,305,935	18,305,935	18,178,118	18,178,118	18,178,118	18,178,118
Improvements to Land	20,555	20,555	20,555	20,555	20,555	40,880	40,880
Furniture and Equipment	1,231,929	1,246,452	1,146,172	1,023,836	1,036,056	1,040,220	955,188
Vehicle	17,151	17,151	17,151	17,151	17,151	17,151	-
Other							
Furniture and Equipment	-	-	-	-	-	-	-
Support Services:							
Pupil							
Furniture and Equipment	7,410	7,410	7,410	7,410	7,410	7,410	13,215
Instructional Staff							
Furniture and Equipment	497,691	495,351	501,410	501,410	507,010	500,121	500,121
Administration							
Land	570,242	570,242	570,242	570,242	570,242	570,242	570,242
Buildings	5,193,143	5,180,148	5,180,148	5,180,148	5,147,081	5,147,081	5,147,081
Improvements to Land	491,320	491,320	491,320	491,320	491,320	491,320	491,320
Furniture and Equipment	602,632	602,632	614,947	654,217	612,743	609,851	603,856
Fiscal							
Furniture and Equipment	10,592	10,592	10,592	10,592	10,592	10,592	10,592
Business							
Furniture and Equipment	-	-	-	-	-	-	-
Operations and Maintenance							
Land	20,375	20,375	20,375	20,375	20,375	20,375	20,375
Buildings	96,598	96,598	96,598	96,598	96,598	96,598	96,598
Improvements to Land	13,759	13,759	13,759	13,759	13,759	13,759	13,759
Furniture and Equipment	815,003	944,510	867,563	885,257	844,261	841,709	803,073
Vehicle	1,493,009	1,345,598	1,243,976	1,210,896	1,219,242	1,352,865	1,265,116
Transportation							
Land	172,546	172,546	172,546	172,546	172,546	172,546	172,546
Buildings	1,135,561	1,135,561	1,135,561	1,135,561	1,135,561	1,135,561	1,135,561
Improvements to Land	712,469	712,469	661,648	661,648	661,648	661,648	639,097
Furniture and Equipment	120,013	120,013	134,476	120,013	97,677	97,677	97,677
Vehicle	97,300	97,300	150,967	150,967	150,967	120,721	120,721
Buses	14,815,993	13,804,273	12,950,298	12,009,460	11,181,380	11,686,091	11,806,858
Central							
Land	-	-	-	-	-	-	-
Buildings	31,272,775	31,305,242	31,315,742	31,315,742	31,245,335	31,144,487	31,090,861
Improvements to Land	1,582,224	2,941,846	3,096,369	3,228,911	3,292,065	3,430,085	3,504,947
Furniture and Equipment	697,256	677,573	666,865	620,561	554,812	496,264	442,531
Vehicle	68,173	68,173	68,173	68,173	68,173	68,173	68,173
Food Service							
Buildings	22,213	22,213	22,213	22,213	22,213	22,213	22,213
Improvements to Land	8,200	8,200	8,200	8,200	8,200	8,200	-
Furniture and Equipment	2,394,959	1,978,218	1,971,016	1,993,247	1,993,247	1,998,359	1,952,329
Vehicle	104,498	104,498	104,498	104,498	104,498	99,315	71,025
Community Services							
Land	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Buildings	7,236,635	7,502,648	7,502,648	7,368,561	7,368,561	7,368,561	7,368,561
Improvements to Land	240,666	235,066	235,066	235,066	235,066	235,066	243,266
Furniture and Equipment	267,923	267,923	267,923	272,933	272,933	272,933	272,933
Extracurricular Activities							
Buildings	3,041,671	3,046,988	3,046,988	3,120,319	3,115,239	3,108,519	3,108,519
Improvements to Land	2,293,100	943,847	943,847	412,688	476,762	465,764	465,764
Furniture and Equipment	348,590	341,380	341,380	331,186	319,052	275,562	275,516
Vehicle	5,626	-	-	-	-	-	-
Total	<u>\$ 295,485,351</u>	<u>\$ 246,118,751</u>	<u>\$ 246,830,046</u>	<u>\$ 242,865,105</u>	<u>\$ 238,797,536</u>	<u>\$ 239,071,730</u>	<u>\$ 238,897,888</u>

Source: District Capital Asset Records
 Capitalization criteria changed from \$1,000 to \$5,000 July 1, 2007. Information to provide comparable data in 2006 is unavailable
 Capital Asset software changed July 1, 2008. Group assets no longer tracked in this database.

<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 4,794,159	\$ 4,794,159	\$ 4,842,386
138,399,696	137,556,467	137,839,860
572,555	401,099	361,506
2,243,336	2,236,911	7,050,728
-	-	1,287
-	-	7,417
1,006,835	1,006,835	1,012,170
43,595	43,595	45,775
216,123	202,632	725,751
-	-	-
994,583	994,583	994,583
18,178,118	18,178,118	18,182,809
40,880	40,880	40,880
1,218,476	1,253,848	2,986,434
-	-	-
-	-	3,090
13,215	13,215	52,250
604,421	604,421	1,360,235
570,242	570,242	570,242
5,147,081	5,147,081	5,152,951
491,320	491,320	491,320
725,345	703,513	2,205,930
10,592	10,592	27,456
-	-	3,846
20,375	20,375	20,376
96,598	96,598	108,584
13,759	13,759	20,508
904,913	884,183	1,300,089
1,236,471	1,146,201	1,007,864
172,546	172,546	172,546
1,135,561	1,135,561	1,129,142
474,185	474,185	477,504
107,990	107,990	197,793
120,721	120,721	120,721
11,569,581	10,568,323	12,211,575
-	-	6,635
31,090,861	31,034,110	30,426,316
3,504,946	3,504,946	3,596,310
385,726	375,069	1,190,357
68,172	68,172	68,173
22,213	22,213	22,213
-	-	1,800
1,923,556	1,921,354	3,404,810
71,025	71,025	182,712
200,000	200,000	200,000
7,342,908	7,342,908	7,345,236
243,266	243,266	256,979
340,649	328,173	443,474
3,108,519	3,108,519	3,120,490
429,927	429,927	453,502
275,516	275,516	587,061
-	-	2,075
<u>\$ 240,130,556</u>	<u>\$ 237,915,151</u>	<u>\$ 252,033,751</u>

South-Western City School District
Facility Inventory

		<u>Original Construction</u>	<u>Addition (s) Date (s)</u>	<u>Building Area (Sq. Ft.)</u>	<u>Acreage</u>	<u>Student Capacity</u>
<u>Elementary Schools</u>						
Alton Hall	Basic	2014		69,984	9.09	600
Bolton Crossing	Basic	Under Construction - August 2015 Completion			43.38	
Buckeye Woods	Basic	1995		68,000	19.11	725
Darbydale	Basic	Under Construction - August 2015 Completion			7.12	
Darby Woods	Basic	1995		68,000	8.80	725
East Franklin	Basic	1956	1963, 1997	36,638	6.28	450
Finland	Basic	Under Construction - August 2015 Completion			8.60	
Harmon	Basic	2014		69,984	16.26	600
Harrisburg	Basic	1939	1951	16,390	2.90	175
Highland Park	Basic	Under Construction - August 2016 Completion			14.59	
Monterey	Basic	2014	1995	61,615	5.60	600
North Franklin	Basic	1920	1938	38,387	2.00	425
Prairie Lincoln	Basic	Under Construction - August 2016 Completion			19.41	
Prairie Lincoln at Prairie Norton	Basic	1950		39,721	5.45	575
Prairie Norton	Basic	2014		69,984	5.45	600
Richard Ave.	Basic	Under Construction - August 2016 Completion			10.44	
Richard Avenue at Monterey	Basic	1956	1995	36,636	5.50	475
J. C. Sommer	Basic	Under Construction - August 2015 Completion			8.70	
Stiles	Basic	Under Construction - August 2015 Completion			10.77	475
West Franklin	Basic	Under Construction - August 2016 Completion			9.70	575
		<u>Original Construction</u>	<u>Addition (s) Date (s)</u>	<u>Building Area (Sq. Ft.)</u>	<u>Acreage</u>	<u>Student Capacity</u>
<u>Intermediate Schools</u>						
Franklin Woods	Basic	2000		87,981	21.45	800
Galloway Ridge	Basic	2000		87,981	6.51	800
Holt Crossing	Basic	2000		87,981	20.70	800
Park Street	Basic	2000		87,981	12.71	800
Hayes	Basic	1966	1981,1982,1986, 2003	58,677	10.85	520
	Modular	1991		4,150		
<u>Middle Schools</u>						
Brookpark	Basic	1953	1997	82,422	14.93	725
Finland	Basic	1964	1975, 1995	91,098	17.30	786
Jackson	Basic	2001		99,597	28.14	800
Norton	Basic	1953	1995	87,204	15.00	680
Pleasant View	Basic	1958	1963	138,702	39.88	924
<u>High Schools</u>						
Central Crossing	Basic	2002		260,716	63.81	1,880
Franklin Heights	Basic	Under Construction - August 2015 Completion			37.02	1,172
Grove City	Basic	1970	1976, 1983, 1985,2000	198,348	52.30	1,843
Westland	Basic	1970	1976, 1982, 1985, 2000	197,154	51.79	1,861
<u>Additional Schools</u>						
Kingston	Basic	1949		13,180	2.00	70
Preschool Center	Basic	1950	2004	10,000	0.75	60
South-Western Career Academy	Basic	2002		130,156	22.10	750

Recreation Centers

Falcons Nest	Basic	1986		37,507		
Grove City	Basic	1986		37,507		
Cougar Community	Basic	1986		37,507		

Miscellaneous

						<u>Occupancy</u>
District Service Center	Basic	1981	1989, 1995, 2002	70,000	3.30	350
Transportation	Basic	1986		16,594	13.00	109
2 Houses - offices	Basic	1960 est		5,000	1.00	8
Norton Road Head Start	Basic	1975		4,300	0.70	46
Stiles Family Center	Basic	1994		4,510	1.20	206
Tech Services - Garage	Basic	1960 est		2,000	0.50	3
Bostic Center - Head Start	Basic	1973	2003	13,105	1.61	115

South-Western City School District
 Educational Statistics
 Last Ten Fiscal Years *

Percentage of Students Passing:	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011	Fiscal 2010
<u>3rd Grade</u>					
Mathematics	79.7%	74.1%	78.2%	79.8%	70.5%
Reading	78.2%	72.6%	74.3%	75.2%	70.1%
<u>4th Grade</u>					
Mathematics	75.1%	78.7%	79.9%	78.3%	73.3%
Reading	80.7%	85.0%	79.3%	80.9%	74.7%
Writing	N/A	N/A	N/A	N/A	N/A
<u>5th Grade</u>					
Mathematics	68.1%	64.9%	67.4%	66.2%	68.1%
Reading	66.5%	69.2%	73.1%	71.1%	69.1%
Science	58.3%	60.5%	65.3%	65.5%	63.6%
Social Studies	N/A	N/A	N/A	N/A	N/A
<u>6th Grade</u>					
Mathematics	79.7%	76.1%	83.0%	82.2%	79.6%
Reading	83.3%	81.8%	85.4%	85.1%	85.1%
<u>7th Grade</u>					
Mathematics	73.5%	74.5%	75.5%	75.1%	68.3%
Reading	83.0%	77.0%	78.2%	75.4%	75.6%
Writing	N/A	N/A	N/A	N/A	N/A
<u>8th Grade</u>					
Mathematics	81.3%	78.4%	77.7%	73.8%	66.1%
Reading	87.5%	85.7%	82.6%	83.0%	76.9%
Science	66.3%	65.1%	71.8%	67.1%	62.8%
Social Studies	N/A	N/A	N/A	N/A	N/A
<u>10th Grade</u>					
Mathematics	81.2%	83.4%	81.5%	81.3%	81.0%
Reading	87.5%	86.2%	83.9%	84.4%	81.8%
Science	77.1%	76.0%	76.7%	68.5%	69.5%
Social Studies	82.7%	80.3%	82.3%	76.3%	78.7%
Writing	88.9%	82.9%	86.0%	86.8%	82.8%
<u>Student Attendance Rate</u>	94.3%	94.1%	94.4%	94.3%	94.2%

Source: State of Ohio School District Report Card.

* Information from Fiscal 2015 will not be available until January 2016

Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005
75.2%	74.9%	81.1%	71.7%	63.4%
70.5%	69.7%	72.4%	68.0%	70.2%
77.1%	72.1%	70.1%	76.1%	65.3%
75.2%	76.4%	75.9%	73.3%	70.8%
79.8%	82.0%	79.7%	84.4%	77.9%
60.4%	59.2%	59.5%	64.1%	N/A
67.2%	68.4%	78.9%	72.5%	72.1%
66.8%	58.3%	62.4%	N/A	N/A
54.1%	57.2%	51.4%	N/A	N/A
77.0%	77.7%	77.0%	68.6%	57.2%
78.5%	78.1%	75.1%	82.1%	67.4%
71.2%	67.4%	66.2%	60.4%	59.2%
72.7%	73.1%	73.6%	78.6%	N/A
76.5%	80.6%	73.5%	N/A	N/A
70.1%	70.5%	70.6%	68.7%	63.3%
66.6%	75.9%	77.1%	77.1%	74.8%
59.5%	59.2%	59.7%	N/A	N/A
49.1%	51.2%	49.1%	N/A	N/A
80.6%	80.3%	80.8%	84.7%	79.6%
80.8%	83.6%	85.0%	89.0%	91.1%
72.5%	69.9%	68.9%	69.1%	71.8%
78.9%	76.2%	73.4%	77.8%	77.5%
89.5%	83.8%	89.5%	88.3%	82.9%
93.9%	94.3%	94.3%	94.1%	94.0%

South-Western City School District
Attendance Data
Last Ten Fiscal Years

<u>School Year End</u>	<u>Number Of Graduates</u>	<u>Elementary Schools Enrollment</u>	<u>Intermediate Schools Enrollment</u>	<u>Middle Schools Enrollment</u>	<u>High Schools Enrollment</u>	<u>Total Enrollment</u>
2015	1,522	7,807	3,085	3,289	6,504	20,685
2014	1,281	7,709	3,131	3,270	6,325	20,435
2013	1,250	7,480	3,155	3,212	6,368	20,215
2012	1,305	7,396	3,172	3,202	6,306	20,076
2011	1,263	7,328	3,113	3,224	6,229	19,894
2010	1,287	7,431	3,212	3,212	6,085	19,940
2009	1,212	7,728	3,292	3,220	6,511	20,751
2008	1,280	7,977	3,229	3,240	6,539	20,985
2007	1,252	7,955	3,157	3,370	6,511	20,993
2006	1,153	8,065	3,197	3,322	6,376	20,960
2005	1,113	8,035	3,308	3,339	6,181	20,863

Source: Education Management Information System
and District Student Data Base

South-Western City School District
 Demographics
 Last Ten Fiscal Years

<u>Year</u>	(1) <u>Estimated Population</u>	(2) <u>Average Daily Membership</u>	(3) <u>Average Federal Adjusted Gross Income</u>	(3) <u>Total Federal Adjusted Gross Income</u>	(4) <u>Unemployment Rate</u>
2015	135,715	20,685	not available	not available	3.60%
2014	134,627	20,435	not available	not available	4.30%
2013	133,539	20,215	\$ 47,076	\$ 2,901,095,182	6.10%
2012	133,335	20,076	46,196	2,751,824,091	5.80%
2011	133,116	19,894	44,836	2,649,287,890	7.60%
2010	132,899	19,940	44,239	2,546,177,056	8.30%
2009	132,781	20,751	43,933	2,492,962,534	8.20%
2008	132,696	20,985	44,344	2,555,402,593	6.10%
2007	132,189	20,993	43,914	2,563,777,406	5.00%
2006	129,680	20,960	42,904	2,421,867,177	5.40%

Sources:

- (1) Ohio Municipal Advisory Council and Mid Ohio Regional Planning Commission
 2011 Population information is based on 2010 Census Data
- (2) Per District records - October Count
- (3) Ohio Department of Taxation
- (4) September or October Data of Ohio Bureau of Employment Services or Ohio Department
 of Jobs and Family Services. Specific employment figures for the School District are not
 available. Unemployment percentages presented are for Franklin County and are not
 seasonally adjusted.

South-Western City School District
Principal Employers - City of Grove City
Calendar Year 2014 and 2006

<u>Employer</u>	<u>2014</u>			<u>Employer</u>	<u>2006</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>		<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
South-Western City School District	2,485	1	9.38%	South-Western City School District	1,800	1	9.61%
Wal-Mart Associates, Inc	1,248	2	4.71%	Wal-Mart Associates, Inc	1,050	2	5.60%
FedEx Ground Package Systems, Inc.	1,200	3	4.53%	FedEx Ground Package Systems, Inc.	850	3	4.54%
Halcore Group, Inc.	543	4	2.05%	The Gap, Inc.	600	4	3.20%
The Gap, Inc.	519	5	1.96%	Manheim Remarketing, Inc.	480	5	2.56%
FedEx Smart Post	515	6	1.94%	Nationwide Mutual Insurance Co.	450	6	2.40%
Wal-Mart Super Center	348	7	1.31%	Wal-Mart Super Center	450	7	2.40%
Manheim Remarketing, Inc.	324	8	1.22%	Tigerpoly Manufacturing, Inc.	446	8	2.38%
Tigerpoly Manufacturing, Inc.	322	9	1.22%	Halcore Group, Inc.	380	9	2.03%
Tosoh SMD, Inc.	321	10	1.21%	Tosoh SMD, Inc.	325	10	1.74%
Total Employees from Top Ten Employers	<u>7,825</u>		<u>29.53%</u>	Total Employees from Top Ten Employers	<u>6,831</u>		<u>36.46%</u>
All Other Employers	<u>18,659</u>		<u>70.47%</u>	All Other Employers	<u>11,907</u>		<u>63.54%</u>
Total Employees	<u><u>26,484</u></u>		<u><u>100.00%</u></u>	Total Employees	<u><u>18,738</u></u>		<u><u>100.00%</u></u>

Source: City of Grove City Comprehensive Annual Financial Report

Information 10 year prior is not available

South-Western City School District is located in the southwest quadrant of Franklin County which encompasses the City of Grove City, portions of the City of Columbus and multiple townships.

South-Western City School District
Principal Employers - Greater Columbus Area
Calendar Year 2014

<u>Employer</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Ohio State University	28,710	1	2.97%
State of Ohio	23,692	2	2.45%
JP Morgan Chase & Co.	20,475	3	2.12%
Ohio Health	19,652	4	2.03%
Nationwide Mutual Insurance Co.	12,433	5	1.29%
Kroger Co.	11,068	6	1.15%
Mount Carmel Health System	8,362	7	0.87%
Nationwide Children's Hospital	8,243	8	0.85%
Columbus City Schools	8,195	9	0.85%
Honda of America Mfg., Inc.	7,900	10	0.82%
McDonald's Corp.	7,622	11	0.79%
Limited Brands, Inc.	7,100	12	0.73%
Franklin County	7,064	13	0.73%
Huntington Bancshares, Inc.	5,500	14	0.57%
Cardinal Health Inc.	4,318	15	0.45%
Giant Eagle Inc.	3,820	16	0.40%
U.S. Postal Service	3,716	17	0.38%
American Electric Power Company, Inc.	3,578	18	0.37%
DLA Land and Maritime	3,400	19	0.35%
PNC Financial Services Group	3,000	20	0.31%
Excel Inc.	2,875	21	0.30%
Abercrombie & Fitch Co.	2,650	22	0.27%
Express Scripts	2,650	23	0.27%
South-Western City Schools	2,471	24	0.26%
Alliance Data Systems Corp.	2,374	25	0.25%

Source: City of Columbus Comprehensive Annual Financial Report

South-Western City School District is located in the southwest quadrant of Franklin County which encompasses the City of Grove City, portions of the City of Columbus and multiple townships.

South-Western City School District
Principal Employers - Greater Columbus Area
Calendar Year 2005

<u>Employer</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
State of Ohio	30,009	1	N/A
Ohio State University	18,763	2	N/A
JPMorgan Chase & Co.	13,707	3	N/A
Nationwide	11,002	4	N/A
Federal Government/United States Postal Services (1)	14,952	5	N/A
Ohio Health	9,083	6	N/A
Columbus Public Schools	7,905	7	N/A
City of Columbus	7,890	8	N/A
Limited Brands	7,200	9	N/A
Wal-Mart Stores, Inc.	5,842	10	N/A
Mount Carmel	5,605	11	N/A
Franklin County	5,069	12	N/A
Honda of America Mfg., Inc.	4,829	13	N/A
American Electric Power	3,879	14	N/A
Kroger Co.	3,587	15	N/A
Huntington Bancshares, Inc.	3,400	16	N/A
SBC Ohio	3,000	17	N/A
Children's Hospital, Inc.	2,981	18	N/A
Medco Health Solutions, Inc.	2,582	19	N/A
South-Western City Schools	2,575	20	N/A
Battelle	2,471	21	N/A
Ross Products, Division Abbott Laboratories	2,066	22	N/A
National City Corp.	2,031	23	N/A
Discovery Financial Services, Inc.	2,030	24	N/A
CallTech Communications LLC	2,011	25	N/A

(1) Federal Government employees includes: 10,365 Federal Government and US Postal Service FTEs; 2,7532 Defense Supply Center FTEs; and 2,055 Defense Finance & Accounting Service Center FTEs.

Source: City of Columbus Comprehensive Annual Financial Report

Percentage of Total Employment data for 2005 not available.

South-Western City School District is located in the southwest quadrant of Franklin County which encompasses the City of Grove City, portions of the City of Columbus and multiple townships.



Dave Yost • Auditor of State

SOUTHWESTERN CITY SCHOOL DISTRICT

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MARCH 17, 2016**