

BIG WALNUT LOCAL SCHOOL DISTRICT
DELWARE COUNTY
SINGLE AUDIT
JULY 1, 2011 - JUNE 30, 2012





Dave Yost • Auditor of State

Board of Education
Big Walnut Local School District
105 Baughman Street
Sunbury, Ohio 43074

We have reviewed the *Independent Auditors' Report* of the Big Walnut Local School District, Delaware County, prepared by Wilson, Shannon & Snow, Inc., for the audit period July 1, 2011 through June 30, 2012. 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 Big Walnut Local School District is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

February 20, 2013

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**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

TABLE OF CONTENTS

<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
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY <i>GOVERNMENT AUDITING STANDARDS</i>	3
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY <i>OMB CIRCULAR A-133</i> AND THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES	5
SCHEDULE OF FINDINGS AND RESPONSES – <i>OMB CIRCULAR A-133§.505</i>	8
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS – <i>OMB CIRCULAR A-133§.505</i>	10

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**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
National School Breakfast Program	N/A	10.553	\$ 26,037	\$ -	\$ 26,037	\$ -
National School Lunch Program	N/A	10.555	284,196	57,101	284,196	57,101
Total Nutrition Cluster			<u>310,233</u>	<u>57,101</u>	<u>310,233</u>	<u>57,101</u>
Total U.S. Department of Agriculture			<u>310,233</u>	<u>57,101</u>	<u>310,233</u>	<u>57,101</u>
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Title I Cluster:						
Title I Grants to Local Educational Agencies	N/A	84.010	260,848	-	316,443	-
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	N/A	84.389	18,000	-	16,389	-
Total Title I Cluster			<u>278,848</u>	<u>-</u>	<u>332,832</u>	<u>-</u>
Special Education Cluster:						
Special Education Grants to States	N/A	84.027	434,654	-	577,268	-
Special Education Preschool Grants	N/A	84.173	10,844	-	10,844	-
Total Special Education Cluster			<u>445,498</u>	<u>-</u>	<u>588,112</u>	<u>-</u>
Education Technology State Grants	N/A	84.318	552	-	1,440	-
Improving Teacher Quality State Grants	N/A	84.367	91,332	-	80,578	-
ARRA - State Fiscal Stabilization Fund - Education State Grants, Recovery Act	N/A	84.394	-	-	26,301	-
ARRA - State Fiscal Stabilization Fund - Race to the Top, Recovery Act	N/A	84.395	3,575	-	5,353	-
Education Jobs Fund	N/A	84.410	146,677	-	147,324	-
Total U.S. Department of Education			<u>966,482</u>	<u>-</u>	<u>1,181,940</u>	<u>-</u>
Total Federal Awards			<u>\$ 1,276,715</u>	<u>\$ 57,101</u>	<u>\$ 1,492,173</u>	<u>\$ 57,101</u>

The accompanying notes are an integral part of this schedule.

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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

The School District used the services of DJ Co-ops to hold, process, and deliver its federal commodities at a nominal rate.

NOTE D – REFUNDS

The School District refunded \$657 in Title I Grants to Local Educational Agencies (C.F.D.A. 84.010) money to the Ohio Department of Education since the School District was unable to expend the money during the period of availability. For presentation on the Schedule, the refund is presented as a reduction of federal cash receipts.



Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required By Government Auditing Standards

Board of Education
Big Walnut Local School District
105 Baughman Street
Sunbury, Ohio 43074

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Big Walnut Local School District, Delaware County (the School District) as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the School District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the School District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
Newark, Ohio 43055
(740) 345-6611
1-800-523-6611
FAX (740) 345-5635

Compliance and Other Matters

As part of reasonably assuring whether the School District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion 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 an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings and responses as item 2012-01.

We noted matters involving internal control over financial reporting or compliance and other matters not requiring inclusion in this report, that we reported to the School District's management in a separate letter dated December 13, 2012.

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

We intend this report solely for the information and use of the Finance Committee, management, the Board of Education, and federal awarding agencies and pass-through entities, and others within the School District. We intend it for no one other than these specified parties.



December 13, 2012



Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and the Schedule of Federal Awards Receipts and Expenditures

Board of Education
Big Walnut Local School District
105 Baughman Street
Sunbury, Ohio 43074

Compliance

We have audited the compliance of the Big Walnut Local School District, Delaware County (the School District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the School District's major federal programs for the fiscal year ended June 30, 2012. The *summary of auditor's results* section of the accompanying schedule of findings and responses identifies the School District's major federal programs. The School District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to opine on the School District's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to 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 that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the School District's compliance with these requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School District's compliance with these requirements.

In our opinion, the Big Walnut Local School District, Delaware County complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the fiscal year ended June 30, 2012.

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Big Walnut Local School District

Delaware County

Independent Auditors' Report on Compliance Applicable to Each Major Federal Program and on
Internal Control over Compliance Required By *OMB Circular A-133*

and the Schedule of Federal Awards Receipts and Expenditures

Page 2

Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program 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.

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

However, we noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the School District's management in a separate letter dated December 13, 2012.

Schedule of Federal Awards Receipts and Expenditures

We have also audited and issued our unqualified opinion on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Big Walnut Local School District, Delaware County (the School District) as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated December 13, 2012. Our audit was performed to form opinions on the financial statements that collectively comprise the School District's basic financial statements taken as a whole. The accompanying schedule of federal awards receipts and expenditures provides additional information 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 used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements.

Big Walnut Local School District

Delaware County

Independent Auditors' Report on Compliance Applicable to Each Major Federal Program and on
Internal Control over Compliance Required By *OMB Circular A-133*

and the Schedule of Federal Awards Receipts and Expenditures

Page 3

Schedule of Federal Awards Receipts and Expenditures (Continued)

We also applied certain additional procedures, including comparing and reconciling this information 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the Finance Committee, management, the Board of Education, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

Wilson, Shuman & Snow, Inc.

December 13, 2012

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS AND RESPONSES
OMB CIRCULAR A-133 §.505**

JUNE 30, 2012

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for each major federal program?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in its internal control for each major federal program?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	<p>Title I Cluster: Title I Grants to Local Educational Agencies\CFDA #84.010; ARRA – Title I Grants to Local Educational Agencies, Recovery Act\CFDA #84.389</p> <p>Special Education Cluster: Special Education Grants to States\CFDA #84.027; Special Education Preschool Grants\CFDA #84.173</p> <p>Education Jobs Fund\CFDA #84.410</p>
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS AND RESPONSES
OMB CIRCULAR A-133 §.505**

JUNE 30, 2011

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

Finding Number 2012-01

Appropriations Exceeding Estimated Resources

Ohio Revised Code Section 5705.39 provides in part that total appropriations from each fund shall not exceed the total estimated resources. No appropriation measure is effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate.

<u>Fund</u>	<u>Appropriations</u>	<u>Estimated Resources</u>	<u>Noncompliance</u>
Education Jobs Fund	\$147,324	\$147,292	\$32
Race to the Top Fund	42,197	9,569	32,628
Title II-D Fund	4,451	2,097	2,354
Title I Fund	394,615	317,620	76,995

With appropriations exceeding estimated resources the District may spend more funds than in the Treasury or process of collection and cause fund deficits. We recommend that the District monitor the original budget to determine compliance with the Ohio Revised Code when the original budget is adopted.

Official's Response: Management will monitor appropriations and make periodic adjustments to ensure appropriations do not exceed available resources. In spite of these occurrences, it is important to note that actual expenditures did not exceed available resources in any of the funds.

3. FINDINGS FOR FEDERAL AWARDS

None noted.

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
OMB CIRCULAR A-133 §.505**

JUNE 30, 2012

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected</u>	Not Corrected, Partially Corrected, Significantly Different Corrective Action Taken, or Finding No Longer Valid: <u>Explain</u>
2011-001	Period of Availability – disbursements were not properly expended from the grant fund within the period of availability.	Yes	N/A

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2012**

**INTRODUCTORY
SECTION**

BIG WALNUT LOCAL SCHOOL DISTRICT DELAWARE COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2012

Prepared By:

Treasurer's Office

Felicia Drummey, Treasurer

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BIG WALNUT LOCAL SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

TABLE OF CONTENTS

INTRODUCTORY SECTION

Title Page.....	i
Table of Contents	iii
Letter of Transmittal.....	vii
Certificate of Achievement.....	xii
Organizational Chart	xiii
Big Walnut Local School District Principal Officials	xiv

FINANCIAL SECTION

Independent Auditors' Report	1
General Purpose External Financial Statements	
Management's Discussion and Analysis.....	3
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	11
Statement of Activities.....	12
Fund Financial Statements	
Balance Sheet - Governmental Funds.....	14
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	15
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	16
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Statement of Activities.....	17
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual: General Fund	19

TABLE OF CONTENTS

(continued)

FINANCIAL SECTION (continued)

Statement of Fiduciary Assets and Liabilities - Agency Funds	20
Notes to the Basic Financial Statements	21
Combining Statements and Individual Fund Schedules	53
Combining Statements - Nonmajor Special Revenue Funds	
Fund Descriptions.....	55
Combining Balance Sheet - Nonmajor Governmental Funds	57
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	63
Combining Statements - Agency Funds	
Fund Descriptions.....	69
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	70
Individual Fund Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	71
Major Funds	72
Nonmajor Funds	78

STATISTICAL SECTION

Net Assets - Last Seven Fiscal Years.....	S-2
Changes in Net Assets - Last Seven Fiscal Years.....	S-4
Fund Balances - Governmental Funds - Last Seven Fiscal Years.....	S-6
Changes in Fund Balances - Governmental Funds - Last Seven Fiscal Years.....	S-8

TABLE OF CONTENTS

(continued)

STATISTICAL SECTION (continued)

Assessed and Estimated Actual Value of Taxable Property - Last Ten Years.....	S-10
Property Tax Rates - Direct and All Overlapping Governments - Last Ten Years.....	S-12
Real Property Tax Levies and Collections - Last Ten Years.....	S-16
Tangible Personal Property Tax Levies and Collections - Last Ten Years.....	S-17
Principal Taxpayers - Real Property - Current Year and Eight Years Ago	S-18
Principal Taxpayers - Public Utility Personal Property - Current Year and Eight Years Ago	S-19
Ratios of Outstanding Debt by Type - Last Seven Fiscal Years.....	S-20
Ratio of General Bonded Debt to Estimated Actual Value and Bonded Debt Per Capita - Last Seven Fiscal Years.....	S-21
Computation of Direct and Overlapping Debt	S-23
Computation of Legal Debt Margin - Last Seven Fiscal Years.....	S-24
Demographic Statistics - Last Ten Years.....	S-26
Principal Employers - Current Year and Nine Years Ago	S-27
School District Employees by Program - Last Ten Fiscal Years	S-28
Per Pupil Cost - Last Seven Fiscal Years.....	S-31
School Building Statistics - Last Ten Fiscal Years	S-32
Full-Time Equivalent Teachers by Education - Last Ten Fiscal Years	S-34

TABLE OF CONTENTS

(continued)

STATISTICAL SECTION (continued)

Teacher's Salaries - Last Ten Fiscal Years	S-36
Enrollment Statistics - Last Ten Fiscal Years	S-37
Percentage of Students Who Receive Free and Reduced Lunches - Last Ten Fiscal Years	S-38
Attendance and Graduation Rates - Last Ten Fiscal Years	S-40

BIG WALNUT

LOCAL SCHOOL DISTRICT

Treasurer's Office ▪ 105 Baughman St., Suite A ▪ Sunbury, OH 43074 ▪ 740/965-6484

December 13, 2012

To the Citizens and
Board of Education of the
Big Walnut Local School District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Big Walnut Local School District for the fiscal year ended June 30, 2012. This Comprehensive Annual Financial Report contains financial statements, supplemental statements, and statistical information conforming with generally accepted accounting principles as applicable to governmental entities. It provides complete and full disclosure of all material financial aspects of the School District.

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires preparing financial statements in accordance with generally accepted accounting principles and Ohio Revised Code Section 117.38, which requires the School District to file an unaudited annual report with the Auditor of State within one hundred fifty days of fiscal year end.

School District management assumes full responsibility for the completeness and reliability of the information contained in this report based on a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The firm of Wilson, Shannon, & Snow, Inc. has issued an unqualified opinion on Big Walnut Local School District's financial statements for the fiscal year ended June 30, 2012. The Independent Auditors' Report is located at the front of the financial section of this report.

Profile of the School District

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

The School District was established in 1951. The School District is the 164th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by one hundred twenty-three classified employees, one hundred eighty-two certified employees (one hundred seventy-six teachers and six others) and thirteen administrative employees who provide services to 3,063 students and other community members. The School District currently operates three elementary schools, a middle school, and a high school.

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board of Education of the School District for achievement of its goals for students by providing educational direction and supervision to the professional staff and supervision to the classified staff.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board of Education of the School District for achievement of its goals by providing leadership and supervision in the program of fiscal management of all district financial activities in addition to serving as the Secretary to the Board of Education.

Annually, the School District approves a temporary budget prior to the start of the fiscal year and a permanent budget before October 1st. The annual budget serves as the foundation of the School District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

Local Economy

The School District encompasses approximately one hundred ten square miles in Delaware County, in central Ohio. Delaware County is located approximately twenty miles north of Columbus, the State capital. For nearly a decade Delaware County has been not only the fastest growing county in Ohio, but one of the fastest growing in the nation. This central location and vast acres of undeveloped land uniquely position the School District for future development of housing, business, and industry.

Delaware County is a suburban community in central Ohio with a low unemployment rate. The unemployment rate for June 2012 in Ohio was 7.2 percent while Delaware County was just 5.2 percent. The estimated population of Delaware County was 177,317 for 2011.

Delaware County was ranked among seven counties in Ohio as one the best places to live during 2012 based on three criteria (1) median household income (adjusted for cost of living) (2) educational attainment (percent of residents twenty-five years and over who have earned a bachelors degree or higher) and (3) property crime rates per one thousand residents (burglary and automobile thefts).

Long-Term Financial Planning

The School District has two prevailing objectives for long-term financial management.

First, the School District must carefully monitor the revenue stream provided by real estate taxes, income taxes, and State funding to ensure sufficient revenue to maintain an excellent education system within the next five years. As State funding continues to decline more responsibility will be placed on local residents to support education; therefore, the timing and replacement of the current emergency levy will be monitored carefully to avoid gaps in collection of revenue. The Board of Education was successful in passing a five-year 7.5 mill emergency levy in November 2010 that generates approximately \$4.9 million annually until its expiration on December 31, 2014. Without exceptional improvement from the recession equivalent to the boom times of the previous decade, renewal or replacement of this levy is assured. The exact type, timing, and amount of any levy is yet to be determined and will be based on instructional needs that the community is willing to financially support.

Secondly, the School District must carefully monitor personnel expenditures for salary and benefits. While the School District has direct influence over salary during negotiations, the cost of providing quality health care becomes increasingly challenging. The School District conducted labor negotiations in 2012 and reached agreement for insurance concessions that offset the salary increases for the next two years. Staff members agreed to move from their previous insurance plan with “first dollar coverage” to the agreed upon plan that will place more responsibility for deductibles and co-insurance with the union member while simultaneously reducing the members’ monthly premium payments. These insurance modifications reduce the School District’s share of the insurance premium which enables the School District to use the insurance reduction to fund pay increases. The School District could not have afforded to provide salary increases without this change to the insurance plan.

Further efforts to maintain high quality care at the most cost effective price resulted in the School District’s Insurance Committee evaluating the medical insurance plan performance, review utilization statistics, discuss current market trends and conditions, and conducting requests for proposals for the insurance programs. This year, the Committee was provided an additional challenge to manage the renewal process with the plan modifications that were agreed upon during labor contract negotiations with all employees of the School District now participating in the same group health plan. A market evaluation was performed with very aggressive quotes resulting in a carrier change that will reduce the medical insurance renewal in January 2013 to -11.4 percent with a 14 percent cap on the 2014 renewal. This meticulous management of insurance costs provides an invaluable boost to long-term financial stability for the School District.

Current negotiated contract terms of the School District’s four bargaining units are outlined below; however, readers may request a copy under the public records act for any negotiated agreement including the salary schedule by contacting the School District Treasurer.

Big Walnut Education Association (Teachers)

- Effective July 1, 2012 - June 30, 2014
- Base Salary Increase of 1.5 percent fiscal year 13 and 1.5 percent fiscal year 14

Big Walnut Professional Support Staff Association (Secretaries and Aides)

- Effective July 1, 2012 - June 30, 2014
- Base Salary Increase of 1.5 percent fiscal year 13 and 1.75 percent fiscal year 14

OAPSE.AFSCME Local 4/AFL-CIO and Its’ Local #524
(Maintenance, Custodial, Bus Drivers, Mechanics, and Mail Carrier)

- Effective July 1, 2012 - June 30, 2015
- Base Salary Increase of 2.5 percent fiscal year 13, 2.5 percent fiscal year 14 and 2.8 percent fiscal year 15

OAPSE.AFSCME Local 4/AFL-CIO and Its’ Local #696
(Head Cooks and Food Service Workers)

- Effective July 1, 2012 - June 30, 2015
- Base Salary Increase of 2.8 percent fiscal year 13, 2.8 percent fiscal year 14 and 2.8 percent fiscal year 15

Relevant Financial Policies

In an effort to move toward program-based budgeting, the School District has adopted a modified zero-based budgeting approach, replacing the past practice of incremental or formula budgeting. Pure zero-based budgeting calls for administrators and principals to evaluate their needs anew each year and to make budget requests by answering the question “What do I need to achieve desired results”? While School District needs will always exceed available resources, the most critical needs to achieve results are funded. Expenditure levels are still monitored on a per pupil basis to achieve equity among buildings.

Another issue the School District is encountering is House Bill 66. In June 2005, House Bill 66 was signed and put into law. This bill phases out the tangible personal property tax for school districts. Governor Kasich’s biennial budget accelerated the phase out of tangible personal property taxes contributing to a reduction in revenue for fiscal years 2012 through 2016 as the reimbursement is completely phased out in 2013.

Major Initiatives

The School District achieved a rating of Excellent on the State Report Card. This was the 7th year in a row that the School District has received an excellent rating from the Ohio Department of Education. The School District has also established a Development Committee to study current facilities, improve enrollment projections, and to make recommendations on the future facility needs of the School District.

The Development Committee studied student enrollment and current facilities during fiscal year 2008. Based on recommendations of the Development Committee, the Board of Education placed a 2.9 mill, \$30 million bond levy on the November 2008 ballot which was approved by the voters. The successful passage allowed the School District to open General Rosecrans Elementary school in the fall of 2010 and a new middle school in the fall of 2011. With School District finances improving and enrollment growing in 2012, the School District was pleased to announce the re-opening of the old middle school, now referred to as Big Walnut Intermediate School, to house 5th and 6th grades. These facilities will allow the School District to deal with growth projected in the next five years. Given the slowed economic development, construction of new homes has stalled as well as enrollment resulting in budget constraints that required Harrison Street Elementary School to be temporarily closed in the fall of 2010. As the local economy continues to slowly improve, new home construction is expected to increase that will subsequently increase enrollment prompting the re-opening of Harrison Street Elementary School by 2015 to educate up to three hundred additional children.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Big Walnut Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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 contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement requirements and we are submitting it to the GFOA for consideration.

Sincere gratitude goes to the Big Walnut Board of Education, Pam Lillie, Allison Fagan, Mindy Meyer, Andy Wecker, and Verna Hines, where the commitment to excellence begins, for their support in granting funds for this project. Special acknowledgment is extended to the Auditor of State's Local Government Services Section as well as the staff of the Treasurer's Office for their efforts and contributions in the preparation of this Comprehensive Annual Financial Report.

Respectfully submitted,



Felicia R. Drummey
Treasurer



Steve Mazzi
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Big Walnut Local School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



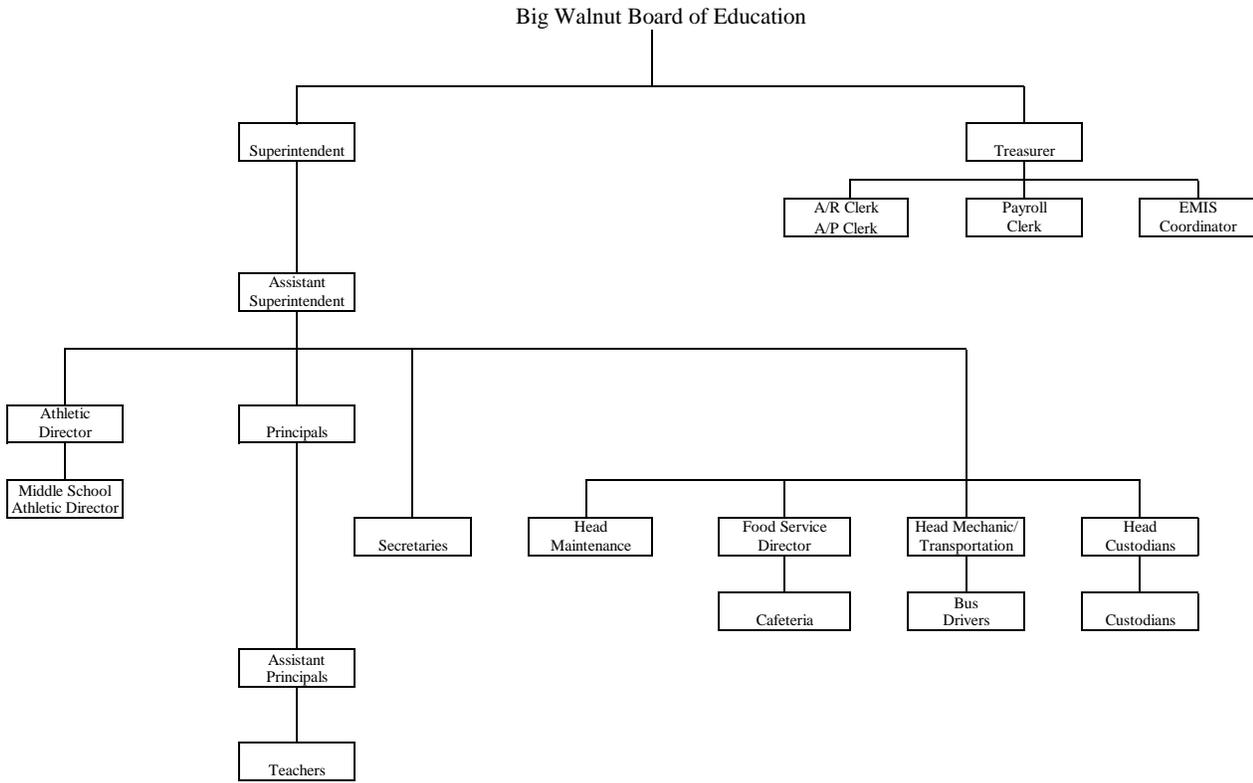
Christopher P. Moynell

President

Jeffrey R. Emer

Executive Director

BIG WALNUT LOCAL SCHOOL DISTRICT ORGANIZATIONAL CHART



BIG WALNUT LOCAL SCHOOL DISTRICT

PRINCIPAL OFFICIALS
JUNE 30, 2012

ELECTED OFFICIALS

President, Board of Education Pamula Lillie
Vice President, Board of Education..... Allison Fagan
Board Member Mindy Meyer
Board Member Andy Wecker
Board Member Verna Hines

APPOINTED OFFICIALS

Superintendent Steve Mazzi
Treasurer Felicia Drummey

ADMINISTRATIVE STAFF

Assistant Superintendent..... Gary Barber
Principal, High School Steve Fujii
Assistant Principal, High School Brad Felkey
Principal, Middle School Penny Sturtevant
Principal, Hulen Souders Elementary Joe Jude
Principal, General Rosecrans Elementary..... Peggy McMurry
Director of Academic Achievement Angie Pollock
Athletic Director Steve Glesenkamp
Student Services Administrator Karen Hall
Director of Technology Wayne Thompson

FINANCIAL

SECTION

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Board of Education
Big Walnut Local School District
105 Baughman Street
Sunbury, Ohio 43074

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Big Walnut Local School District, Delaware County, Ohio (the School District), as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Big Walnut Local School District, Delaware County, Ohio, as of June 30, 2012, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2012, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
Newark, Ohio 43055
(740) 345-6611
1-800-523-6611
FAX (740) 345-5635

Big Walnut Local School District
Delaware County
Independent Auditors' Report

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

We conducted our audit to opine on the financial statements that collectively comprise the School District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provides additional analysis and is not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules is management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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 information is 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.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
December 13, 2012

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

The discussion and analysis of Big Walnut Local School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Highlights

Highlights for fiscal year 2012 are as follows:

In total, net assets increased \$1,296,053, or 9 percent from the prior fiscal year. Although there was a slight decrease in overall revenues (2 percent) and an increase in expenses (12 percent), revenues exceeded expenses for the fiscal year.

General revenues were \$32,308,844, or 91 percent of total revenues, and reflect the School District's substantial dependence on local taxes and State funding.

The School District's five-year forecast is approved by the Board of Education at least semi-annually. The forecast is an important management tool for modeling planned activities against the projected revenue streams. Management frequently examines these projections to identify when financial challenges might occur in order to determine the timing and type of corrective action necessary. For example, the current forecast illustrates the School District's vulnerability to the fixed sum fixed term emergency levy cycle. This fixed levy cycle demonstrates the ebb and flow of revenues as in the early years of a levy revenues exceed expenditures resulting in surplus cash balances that are depleted as expenditures begin to outpace revenues because future operating costs rise steadily.

On November 2, 2010, the voters of the School District approved an emergency levy for a period of five years (i.e. calendar years 2010-2014). The levy generates approximately \$4.9 million annually. The levy assessment was effective retroactive to January 1, 2010, with collection one year later on January 1, 2011. Accordingly, fiscal year 2011 reflected real estate tax collections of only the 1st half of calendar 2010 (i.e. January-June) with the 2nd half of calendar 2010 (i.e. July-December) collected in fiscal year 2012. Fiscal 2012 reflects the first full year of levy collection.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand Big Walnut Local School District as a financial whole, or as an entire operating entity.

The statement of net assets and the statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds, with all other nonmajor funds presented in total in a single column. For Big Walnut Local School District, the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund are the most significant funds.

Reporting the School District as a Whole

The statement of net assets and the statement of activities reflect how the School District did financially during fiscal year 2012. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

These statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the School District as a whole has increased or decreased from the prior fiscal year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Nonfinancial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the statement of net assets and the statement of activities, all of the School District activities are reported as governmental activities, including instruction, support services, non-instructional services, and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund financial statements provide detailed information about the School District's major funds. While the School District uses many funds to account for its financial transactions, the fund financial statements focus on the School District's most significant funds. The School District's major funds are the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund.

Governmental Funds - All of the School District's programs are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal yearend for spending in future periods. These funds are reported using 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 School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

The School District as a Whole

Table 1 provides a summary of the School District's net assets for fiscal year 2012 and fiscal year 2011:

	Table 1 Net Assets		Change
	2012	Governmental Activities 2011	
<u>Assets</u>			
Current and Other Assets	\$34,197,941	\$35,529,974	(\$1,332,033)
Capital Assets, Net	48,266,454	47,969,372	297,082
Total Assets	<u>82,464,395</u>	<u>83,499,346</u>	<u>(1,034,951)</u>
<u>Liabilities</u>			
Current and Other Liabilities	20,818,123	21,897,709	1,079,586
Long-Term Liabilities	45,726,036	46,977,454	1,251,418
Total Liabilities	<u>66,544,159</u>	<u>68,875,163</u>	<u>2,331,004</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	5,398,816	8,765,794	(3,366,978)
Restricted	3,933,198	2,488,004	1,445,194
Unrestricted	6,588,222	3,370,385	3,217,837
Total Net Assets	<u>\$15,920,236</u>	<u>\$14,624,183</u>	<u>\$1,296,053</u>

A review of the above table reflects several notable changes from the prior fiscal year. Several factors contributed to the decrease in current and other assets. Cash resources spent for construction led to a decrease in cash and cash equivalents, continued economic challenges resulted in a reduction in the income tax receivable, and a \$17 million decrease in assessed property valuation contributed to a decrease in property taxes receivable. The decrease in current and other liabilities was generally due to fewer payables at fiscal year end for amounts due to contractors for construction related costs as well as a reduction in the deferred portion of taxes receivable (corresponds to the reduction in the receivables for taxes). Principal retirement during the fiscal year is reflected in the decrease in long-term liabilities.

For net assets, invested in capital assets decreased from incurring additional debt during the fiscal year as well as from spending previously unspent bond proceeds for construction. The effect of the reduction in restricted liabilities was an increase in restricted net assets. Unrestricted net assets reflects the impact of a full years' collection of the emergency tax levy as well as the elimination of the State mandated set aside requirement for textbooks.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Table 2 reflects the change in net assets for fiscal year 2012 and fiscal year 2011.

Table 2
Change in Net Assets

	Governmental Activities		Change
	2012	2011	
<u>Revenues</u>			
Program Revenues			
Charges for Services	\$1,411,746	\$1,570,530	(\$158,784)
Operating Grants, Contributions, and Interest	1,634,702	2,129,873	(495,171)
Capital Grants and Contributions	0	19,005	(19,005)
Total Program Revenues	<u>3,046,448</u>	<u>3,719,408</u>	<u>(672,960)</u>
General Revenues			
Property Taxes Levied for General Purposes	16,571,288	15,073,552	1,497,736
Property Taxes Levied for Debt Service Purposes	2,844,723	2,690,225	154,498
Income Taxes Levied for General Purposes	4,803,177	6,202,194	(1,399,017)
Grants and Entitlements	7,523,619	8,051,168	(527,549)
Interest	41,568	85,705	(44,137)
Gifts and Donations	145,522	175,496	(29,974)
Miscellaneous	378,947	153,490	225,457
Total General Revenues	<u>32,308,844</u>	<u>32,431,830</u>	<u>(122,986)</u>
Total Revenues	<u>35,355,292</u>	<u>36,151,238</u>	<u>(795,946)</u>
<u>Expenses</u>			
Instruction			
Regular	16,655,553	13,570,840	(3,084,713)
Special	1,511,753	2,357,267	845,514
Vocational	195,500	103,403	(92,097)
Support Services			
Pupils	1,661,006	1,180,712	(480,294)
Instructional Staff	1,847,638	1,540,737	(306,901)
Board of Education	159,274	122,235	(37,039)
Administration	2,408,311	2,471,483	63,172
Fiscal	951,114	974,751	23,637
Business	44,283	61,444	17,161
Operation and Maintenance of Plant	2,626,656	2,348,454	(278,202)
Pupil Transportation	2,049,700	1,850,810	(198,890)
Central	10,382	672	(9,710)
Non-Instructional Services	1,319,034	1,222,178	(96,856)
Extracurricular Activities	709,182	637,595	(71,587)
Interest and Fiscal Charges	1,909,853	1,934,381	24,528
Total Expenses	<u>34,059,239</u>	<u>30,376,962</u>	<u>(3,682,277)</u>
Increase in Net Assets	1,296,053	5,774,276	(4,478,223)
Net Assets Beginning of Year	14,624,183	8,849,907	5,774,276
Net Assets End of Year	<u>\$15,920,236</u>	<u>\$14,624,183</u>	<u>\$1,296,053</u>

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Program revenues, which are primarily represented by tuition and fees, charges for extracurricular activities, food service sales, and restricted intergovernmental revenues, represented almost 9 percent of total revenues for fiscal year 2012. With the passage of the emergency levy, the School District was able to reduce pay to participate fees. This reduction is reflected in the decrease in charges for services revenue. There was a decrease in operating grants and contributions due to the receipt of a \$410,000 donation for the music program in the prior fiscal year.

The primary sources of general revenues are property taxes, income taxes, and unrestricted State resources (generally State Foundation monies). The increase in property taxes is due to the passage of the emergency levy (the School District received a full year of collection in fiscal year 2012). A one-time receipt due to a local resident's lottery winnings in the prior fiscal year as well as a decline in the economy contributed to the decrease in income taxes.

Expenses increased 12 percent from the prior fiscal year with the largest increase reflected in the regular instruction, pupils, and instructional staff programs. The approval of the emergency levy allowed for the School District to recall staff members that had previously been laid off.

As expected, the School District's major program expense continues to be for instruction, which accounts for 54 percent of all expenses. The instruction category, however, does not include all activities associated with educating students such as pupils, instructional staff, and pupil transportation costs which have a significant role in delivering education. These programs represent 16 percent of total expenses.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted state entitlements.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2012	2011	2012	2011
Instruction				
Regular	\$16,655,553	\$13,570,840	\$16,277,003	\$12,391,453
Special	1,511,753	2,357,267	392,419	1,477,483
Vocational	195,500	103,403	184,700	85,165
Support Services				
Pupils	1,661,006	1,180,712	1,661,006	1,175,712
Instructional Staff	1,847,638	1,540,737	1,847,638	1,540,737
Board of Education	159,274	122,235	159,274	122,235
Administration	2,408,311	2,471,483	2,403,662	2,465,935
Fiscal	951,114	974,751	951,114	974,751
Business	44,283	61,444	44,283	61,444
Operation and Maintenance of Plant	2,626,656	2,348,454	2,626,656	2,348,454
Pupil Transportation	2,049,700	1,850,810	1,985,142	1,808,239
Central	10,382	672	10,382	672
Non-Instructional Services	1,319,034	1,222,178	94,400	(6,260)
Extracurricular Activities	709,182	637,595	465,259	277,153
Interest and Fiscal Charges	1,909,853	1,934,381	1,909,853	1,934,381
Total Expenses	<u>\$34,059,239</u>	<u>\$30,376,962</u>	<u>\$31,012,791</u>	<u>\$26,657,554</u>

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

As demonstrated again in the above table, general revenues are relied upon to bear the burden of the costs of programs provided by the School District. In fiscal year 2012, general revenues provided for 91 percent of the costs of programs provided. Only a very few of the School District's programs receive a significant amount of program revenues to offset their costs. One of these programs is special instruction which provided for 74 percent of program costs through program revenues, much of this in the form of operating grants restricted for special instruction purposes. Almost 93 percent of the non-instructional services program was provided for through program revenues. This is primarily due to cafeteria sales, and state and federal subsidies and donated commodities for food service. In addition, this program includes resources received and spent on behalf of the parochial school located within the School District. Approximately 34 percent of extracurricular activities expenses are covered by program revenues. This is the result of music and athletic fees, ticket sales, and gate receipts. The prior fiscal year reflects the additional athletic fees resulting from pay to participate receipts. In fiscal year 2012, the revenue related to pay to participate fees was less due to the fee being cut as promised to parents with the passage of the 2010 emergency levy.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. For the General Fund, fund balance increased over \$2.4 million from the prior fiscal year. Revenues remained very similar to the prior fiscal year. Although there was an increase in property tax revenue from a full years' collection of the emergency levy, this was offset by a decrease in income taxes due to the stagnant economy. However, revenues were in excess of expenditures for the fiscal year.

Fund balance increased 9 percent in the Bond Retirement debt service fund due to tax collections exceeding principal and interest requirements during the fiscal year.

There was a significant decrease in fund balance in the Building capital projects fund, the result of completed construction on the School District's building and renovation project.

General Fund Budgeting Highlights

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

During fiscal year 2012, the School District amended its General Fund budget as needed. For revenues, significant changes from the original budget to the final budget included decreases in the estimate for property taxes and intergovernmental revenues. The School District considered the original estimates related to the emergency levy collections and governmental funding too high. Actual collections of these revenue sources were closer to but still less than original estimates. For expenditures, there was also a sizable change from the original budget to the final budget as the School District anticipated a total restoration of staffing and programs that had been cut prior to the emergency levy passage. Actual expenditures were close to final budget estimates.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2012, the School District had \$48,266,454 invested in capital assets (net of accumulated depreciation). The most significant addition for fiscal year 2012 was the continued construction on the new middle school. Significant disposals included three buses. For further information regarding the School District's capital assets, refer to Note 9 to the basic financial statements.

Debt

The School District's outstanding debt at June 30, 2012, consisted of general obligation bonds, in the amount of \$44,105,296. During the fiscal year, the School District partially refunded bonds issued in fiscal year 2005. The refunding resulted in the recognition of an accounting loss of \$1,135,873 but an economic gain of \$847,156.

The School District's long-term obligations also include the liability for compensated absences. For further information regarding the School District's long-term obligations, refer to Notes 15 and 16 to the basic financial statements.

Current Issues

The School District's five-year forecast submitted to the Ohio Department of Education in May 2012 revealed that the School District would have a General Fund cash balance of approximately \$6.6 million at the end of fiscal year 2012. The positive cash balance is a direct result of passing the \$4,900,000 emergency levy highlighting the levy cycle that results in larger cash balances in early years of the levy.

Big Walnut Intermediate School was opened in the fall of the 2012/2013 school year to house fifth and sixth grade students. The Intermediate School was formerly known as Big Walnut Middle School which had been closed since the summer of 2011.

The current negotiated agreements with the School District's bargaining units will expire June 30, 2014, with the Ohio Education Association and June 30, 2015, with the Ohio Association of Public School Employees with raises ranging from 1.5 percent to 2.8 percent, respectively, over the term of the agreements. The ability to grant salary increases was directly attributed to negotiated group medical insurance plan changes that place more financial responsibility with the employee in the form of cost sharing in deductibles and co-pays.

As the economy improves, student enrollment is also expected to increase. Fortunately, the School District still has one vacant building that can be updated to house three hundred students. The School District is also considering redistricting of school attendance boundaries for the 2013/2014 school year to provide class size relief for the elementary schools within the village limits where the most student growth is occurring.

The School District is engaged in the development of GIS mapping data. This data will allow the School District to more accurately predict growth, assist in the efficient use of capital investments, and be used in the planning of future capital investments.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Felicia Drummey, Treasurer, Big Walnut Local School District, 105 Baughman Street, Suite A, Sunbury, Ohio 43074.

Big Walnut Local School District
Statement of Net Assets
June 30, 2012

	Governmental Activities
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$11,455,739
Cash and Cash Equivalents with Fiscal Agent	9,919
Accounts Receivable	157,937
Accrued Interest Receivable	20,469
Intergovernmental Receivable	524,428
Income Taxes Receivable	2,211,191
Inventory Held for Resale	10,537
Materials and Supplies Inventory	3,253
Property Taxes Receivable	19,605,048
Unamortized Issuance Costs	199,420
Nondepreciable Capital Assets	1,762,898
Depreciable Capital Assets, Net	46,503,556
 Total Assets	 82,464,395
<u>Liabilities</u>	
Accounts Payable	494,908
Contracts Payable	10,000
Accrued Wages and Benefits Payable	2,348,182
Matured Compensated Absences Payable	103,909
Separation Benefits Payable	300,000
Intergovernmental Payable	947,109
Matured Bonds and Interest Payable	9,919
Accrued Interest Payable	136,212
Deferred Revenue	16,274,327
Retainage Payable	193,557
Long-Term Liabilities	
Due Within One Year	1,441,676
Due in More Than One Year	44,284,360
 Total Liabilities	 66,544,159
<u>Net Assets</u>	
Invested in Capital Assets, Net of Related Debt	5,398,816
Restricted For	
Debt Service	1,341,840
Capital Projects	2,346,226
Other Purposes	245,132
Unrestricted	6,588,222
 Total Net Assets	 \$15,920,236

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2012

	<u>Program Revenues</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants, Contributions, and Interest</u>
<u>Governmental Activities</u>			
Instruction			
Regular	\$16,655,553	\$253,230	\$125,320
Special	1,511,753	205,576	913,758
Vocational	195,500	0	10,800
Support Services			
Pupils	1,661,006	0	0
Instructional Staff	1,847,638	0	0
Board of Education	159,274	0	0
Administration	2,408,311	4,649	0
Fiscal	951,114	0	0
Business	44,283	0	0
Operation and Maintenance of Plant	2,626,656	0	0
Pupil Transportation	2,049,700	0	64,558
Central	10,382	0	0
Non-Instructional Services	1,319,034	730,968	493,666
Extracurricular Activities	709,182	217,323	26,600
Interest and Fiscal Charges	1,909,853	0	0
Total Governmental Activities	<u>\$34,059,239</u>	<u>\$1,411,746</u>	<u>\$1,634,702</u>

General Revenues

Property Taxes Levied for General Purposes
Property Taxes Levied for Debt Service Purposes
Income Taxes Levied for General Purposes
Grants and Entitlements not Restricted to Specific Programs
Interest
Gifts and Donations
Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Assets

Governmental
Activities

(\$16,277,003)
(392,419)
(184,700)

(1,661,006)
(1,847,638)
(159,274)
(2,403,662)
(951,114)
(44,283)
(2,626,656)
(1,985,142)
(10,382)
(94,400)
(465,259)
(1,909,853)

(31,012,791)

16,571,288
2,844,723
4,803,177
7,523,619
41,568
145,522
378,947

32,308,844

1,296,053

14,624,183

\$15,920,236

Big Walnut Local School District
Balance Sheet
Governmental Funds
June 30, 2012

	General	Bond Retirement	Building	Other Governmental	Total
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$6,401,136	\$1,383,606	\$2,837,615	\$783,920	\$11,406,277
Cash and Cash Equivalents with Fiscal Agent	0	9,919	0	0	9,919
Accounts Receivable	157,837	0	0	100	157,937
Accrued Interest Receivable	20,469	0	0	0	20,469
Interfund Receivable	248,673	0	0	0	248,673
Intergovernmental Receivable	119,398	0	16,530	388,500	524,428
Income Taxes Receivable	2,211,191	0	0	0	2,211,191
Inventory Held for Resale	0	0	0	10,537	10,537
Materials and Supplies Inventory	0	0	0	3,253	3,253
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	49,462	0	0	0	49,462
Property Taxes Receivable	16,669,817	2,935,231	0	0	19,605,048
Total Assets	\$25,877,983	\$4,328,756	\$2,854,145	\$1,186,310	\$34,247,194
<u>Liabilities and Fund Balances</u>					
<u>Liabilities</u>					
Accounts Payable	\$111,821	\$0	\$304,362	\$78,725	\$494,908
Contracts Payable	0	0	10,000	0	10,000
Accrued Wages and Benefits Payable	2,188,480	0	0	159,702	2,348,182
Matured Compensated Absences Payable	91,084	0	0	12,825	103,909
Interfund Payable	0	0	0	248,673	248,673
Intergovernmental Payable	898,950	0	0	48,159	947,109
Matured Bonds and Interest Payable	0	9,919	0	0	9,919
Deferred Revenue	14,688,036	2,501,244	0	260,088	17,449,368
Retainage Payable	0	0	193,557	0	193,557
Total Liabilities	17,978,371	2,511,163	507,919	808,172	21,805,625
<u>Fund Balances</u>					
Nonspendable	49,462	0	0	3,253	52,715
Restricted	29	1,817,593	2,346,226	265,126	4,428,974
Committed	0	0	0	174,968	174,968
Assigned	97,243	0	0	161,609	258,852
Unassigned (Deficit)	7,752,878	0	0	(226,818)	7,526,060
Total Fund Balances	7,899,612	1,817,593	2,346,226	378,138	12,441,569
Total Liabilities and Fund Balances	\$25,877,983	\$4,328,756	\$2,854,145	\$1,186,310	\$34,247,194

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
 Reconciliation of Total Governmental Fund Balances
 to Net Assets of Governmental Activities
 June 30, 2012

Total Governmental Fund Balances \$12,441,569

Amounts reported for governmental activities on the statement of net assets are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 48,266,454

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:

Accounts Receivable	211,563	
Intergovernmental Receivable	260,088	
Income Taxes Receivable	249,581	
Property Taxes Receivable	453,809	
		1,175,041

Unamortized issuance costs are deferred charges which do not provide current financial resources and, therefore, are not reported in the funds. 199,420

Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds; it is reported when due. (136,212)

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

General Obligation Bonds Payable	(44,105,296)	
Compensated Absences Payable	(1,620,740)	
Separation Benefits Payable	(300,000)	
		(46,026,036)

Net Assets of Governmental Activities \$15,920,236

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	General	Bond Retirement	Building	Other Governmental	Total
<u>Revenues</u>					
Property Taxes	\$16,531,097	\$2,832,972	\$0	\$0	\$19,364,069
Income Taxes	4,797,450	0	0	0	4,797,450
Intergovernmental	7,250,610	390,613	0	1,453,887	9,095,110
Interest	15,306	0	26,262	319	41,887
Tuition and Fees	447,035	0	0	0	447,035
Extracurricular Activities	1,544	0	0	217,042	218,586
Charges for Services	7,625	0	0	730,968	738,593
Gifts and Donations	153,048	0	0	27,430	180,478
Miscellaneous	298,713	0	16,530	71,795	387,038
Total Revenues	29,502,428	3,223,585	42,792	2,501,441	35,270,246
<u>Expenditures</u>					
Current:					
Instruction					
Regular	14,371,108	0	0	110,653	14,481,761
Special	629,375	0	0	814,261	1,443,636
Vocational	185,958	0	0	0	185,958
Support Services					
Pupils	1,636,178	0	0	36,481	1,672,659
Instructional Staff	1,675,700	0	0	126,061	1,801,761
Board of Education	159,274	0	0	0	159,274
Administration	2,174,138	0	0	180,015	2,354,153
Fiscal	904,873	41,414	0	0	946,287
Business	44,401	0	0	0	44,401
Operation and Maintenance of Plant	2,502,390	0	0	26,301	2,528,691
Pupil Transportation	1,992,844	0	0	0	1,992,844
Central	5,582	0	4,800	0	10,382
Non-Instructional Services	0	0	0	1,222,866	1,222,866
Extracurricular Activities	403,793	0	0	267,144	670,937
Capital Outlay	0	0	2,605,952	0	2,605,952
Debt Service:					
Principal Retirement	26,011	928,957	0	0	954,968
Interest and Fiscal Charges	659	1,800,633	0	0	1,801,292
Interest on Capital Appreciation Bonds	0	441,043	0	0	441,043
Total Expenditures	26,712,284	3,212,047	2,610,752	2,783,782	35,318,865
Excess of Revenues Over (Under) Expenditures	2,790,144	11,538	(2,567,960)	(282,341)	(48,619)
<u>Other Financing Sources (Uses)</u>					
Sale of Capital Assets	2,297	0	0	0	2,297
General Obligation Bonds Issued	0	8,718,405	0	0	8,718,405
Premium on Bonds Issued	0	1,278,003	0	0	1,278,003
Payment to Refunded Bond Escrow Agent	0	(9,855,873)	0	0	(9,855,873)
Transfers In	0	0	0	321,377	321,377
Transfers Out	(321,377)	0	0	0	(321,377)
Total Other Financing Sources (Uses)	(319,080)	140,535	0	321,377	142,832
Changes in Fund Balances	2,471,064	152,073	(2,567,960)	39,036	94,213
Fund Balances Beginning of Year	5,428,548	1,665,520	4,914,186	339,102	12,347,356
Fund Balances End of Year	\$7,899,612	\$1,817,593	\$2,346,226	\$378,138	\$12,441,569

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to Statement of Activities
 For the Fiscal Year Ended June 30, 2012

Changes in Fund Balances - Total Governmental Funds \$94,213

Amounts reported for governmental activities on the statement of activities are different because of the following:

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

Nondepreciable Capital Assets	1,048,771	
Depreciable Capital Assets	380,039	
Depreciation	<u>(1,098,805)</u>	330,005

The proceeds from the sale of capital assets are reported as other financing sources in the governmental funds. However, the cost of the capital assets is removed from the capital asset account on the statement of net assets and is offset against the proceeds from the sale of capital assets resulting in a loss on disposal of capital assets on the statement of activities

Proceeds from Sale of Capital Assets	(2,297)	
Loss on Disposal of Capital Assets	<u>(30,626)</u>	(32,923)

Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:

Property Taxes	51,942	
Income Taxes	5,727	
Intergovernmental	34,492	
Tuition and Fees	8,795	
Extracurricular Activities	(2,704)	
Gifts and Donations	(6,556)	
Miscellaneous	<u>(6,650)</u>	85,046

Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net assets.

Payment to Refunded Bond Escrow Agent	9,855,873	
General Obligation Bonds	928,957	
Capital Leases	<u>26,011</u>	10,810,841

The termination of a capital lease is not reflected in the governmental funds but the termination reduces long-term liabilities on the statement of net assets. 4,199

(continued)

Big Walnut Local School District
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to Statement of Activities
 For the Fiscal Year Ended June 30, 2012
 (continued)

Bond proceeds are other financing sources in the governmental funds but the issuance increase long-term liabilities on the statement of net assets. (\$8,718,405)

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net assets. Premiums and discounts are reported as revenues and expenditures when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities.

Accrued Interest Payable	17,449	
Annual Accretion on Capital Appreciation Bonds	(140,711)	
Payment of Accretion on Capital Appreciation Bonds	441,043	
Unamortized Premium	(1,278,003)	
Amortization of Premium	164,144	
Amortization of Discount	(288)	
		(796,366)

Issuance costs are reported as an expenditure when paid in the governmental funds but are amortized over the life of the debt on the statement of activities. (149,155)

Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated Absences	(31,402)	
Separation Benefits	(300,000)	
		(331,402)

Change in Net Assets of Governmental Activities \$1,296,053

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		(Under)
<u>Revenues</u>				
Property Taxes	\$17,734,199	\$12,618,188	\$16,321,850	\$3,703,662
Income Taxes	5,223,562	5,232,785	5,232,785	0
Intergovernmental	8,330,242	5,584,526	7,250,610	1,666,084
Interest	8,000	13,502	13,502	0
Tuition and Fees	322,564	448,956	446,656	(2,300)
Extracurricular Activities	1,290	1,544	1,544	0
Charges for Services	3,800	7,625	7,625	0
Gifts and Donations	289,280	150,178	150,678	500
Miscellaneous	320,050	107,630	159,372	51,742
Total Revenues	32,232,987	24,164,934	29,584,622	5,419,688
<u>Expenditures</u>				
Current:				
Instruction				
Regular	15,867,019	13,937,543	13,937,543	0
Special	789,406	810,322	810,322	0
Vocational	177,244	170,852	170,852	0
Support Services				
Pupils	1,429,076	1,555,128	1,555,128	0
Instructional Staff	1,533,525	1,650,435	1,650,435	0
Board of Education	164,973	159,134	159,134	0
Administration	2,292,457	2,161,259	2,161,259	0
Fiscal	690,196	905,748	908,283	(2,535)
Business	46,988	44,800	44,800	0
Operation and Maintenance of Plant	2,698,982	2,529,463	2,529,463	0
Pupil Transportation	1,987,653	2,029,675	2,029,675	0
Central	7,000	5,658	5,658	0
Extracurricular Activities	367,777	399,052	399,052	0
Total Expenditures	28,052,296	26,359,069	26,361,604	(2,535)
Excess of Revenues Over (Under) Expenditures	4,180,691	(2,194,135)	3,223,018	5,417,153
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	0	2,297	2,297	0
Refund of Prior Year Expenditures	77,462	130,443	130,443	0
Refund of Prior Year Receipts	(639)	0	0	0
Advances In	42,026	42,026	42,026	0
Advances Out	0	(248,673)	(248,673)	0
Transfers In	12,500	12,500	0	(12,500)
Transfers Out	(158,208)	(321,377)	(321,377)	0
Total Other Financing Sources (Uses)	(26,859)	(382,784)	(395,284)	(12,500)
Changes in Fund Balance	4,153,832	(2,576,919)	2,827,734	5,404,653
Fund Balance Beginning of Year	3,184,861	3,184,861	3,184,861	0
Prior Year Encumbrances Appropriated	327,510	327,510	327,510	0
Fund Balance End of Year	\$7,666,203	\$935,452	\$6,340,105	\$5,404,653

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2012

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$92,765</u></u>
 <u>Liabilities</u>	
Undistributed Assets	\$14,892
Due to Students	<u>77,873</u>
 Total Liabilities	 <u><u>\$92,765</u></u>

See Accompanying Notes to the Basic Financial Statements

Note 1 - Description of the School District and Reporting Entity

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

The School District was established in 1951. The School District serves an area of approximately one hundred ten square miles and is located in Delaware County. The School District is the 164th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by one hundred twenty-three classified employees, one hundred eighty-two certified employees (one hundred seventy-six teachers and six others), and thirteen administrative employees who provide services to 3,063 students and other community members. The School District currently operates three elementary schools, a middle school, and a high school.

Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to insure the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Big Walnut Local School District, this includes general operations, food service, and student related activities of the School District.

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

The following activity is included within the School District's reporting entity:

Within the School District boundaries, Genoa Christian Academy is operated as a private school. Current state legislation provides funding to this parochial school. The monies are received and disbursed on behalf of the parochial school by the Treasurer of the School District, as directed by the parochial school. This activity is reflected in a special revenue fund for financial reporting purposes by the School District.

The School District participates in four jointly governed organizations and two insurance pools, and is associated with a related organization. These organizations are the Tri-Rivers Educational Computer Association, Delaware Area Career Center, Village of Sunbury Community Park Joint Recreation Board, Metropolitan Educational Council, Ohio School Plan, Ohio Association of School Business Officials Workers' Compensation Group Rating Plan, and the Sunbury Community Library. These organizations are presented in Notes 20, 21, and 22 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The basic financial statements of Big Walnut Local School District have been prepared in conformity with generally accepted accounting principles (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 School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. Following are the more significant of the School District's accounting policies.

A. Basis of Presentation

The School District's basic financial statements consist of government-wide financial statements, including a statement of net assets 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 assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the School District that are governmental activities (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges). However, the School District has no business-type activities.

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

Fund Financial Statements

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

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into two categories, governmental and fiduciary.

Note 2 - Summary of Significant Accounting Policies (continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses 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 is reported as fund balance. The School District's three major funds are the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund.

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

Bond Retirement Fund - The Bond Retirement Fund is used to account for and report property taxes and related revenues restricted for the payment of principal and interest on general obligation bonds.

Building Fund - The Building Fund is used to account for and report debt proceeds and other resources restricted for improvements to the three elementary schools, the middle school, and a portion of the high school addition. In addition, this fund accounts for construction of a new elementary school and a middle school.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are not available to support the School District's own programs. The School District did not have any trust funds in fiscal year 2012. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for various staff-related and student-managed activities, payroll withholdings and deductions, and the Sunbury Meadows Community Development Authority.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Note 2 - Summary of Significant Accounting Policies (continued)

Fund Financial Statements

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

Deferred Revenues

Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there was an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations, are recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period are reported as deferred revenue.

Expenses/Expenditures

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

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

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The alternative tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of budgetary control is at the fund level for all funds. Budgetary allocations at the function and object level within all funds are made by the School District Treasurer.

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

F. Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

Cash and cash equivalents held for the School District by The Delaware County Bank and Trust, who services the School District’s bond/coupon account, are included on the financial statements as “Cash and Cash Equivalents with Fiscal Agent”.

During fiscal year 2012, the School District invested in nonnegotiable certificates of deposit, which are reported at cost, mutual funds and STAR Ohio. Investments are reported at fair value, which is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s net asset value per share, which is the price the investment could be sold for on June 30, 2012.

The Board of Education has allocated interest earnings according to State statutes. Interest revenue credited to the General Fund during fiscal year 2012 was \$15,306, which includes \$2,269 assigned from other School District funds.

Investments of the School District’s cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of administrative supplies and donated and purchased food.

H. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions. Unclaimed monies that have a legal restriction on their use are reported as restricted.

I. Capital Assets

All of the School District’s capital assets are general capital assets generally resulting from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

All capital assets are capitalized at cost and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their fair market value on the date donated. The School District maintains a capitalization threshold of ten thousand dollars. 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 capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Useful Lives
Land Improvements	10 - 40 years
Buildings and Building Improvements	10 - 100 years
Furniture, Fixtures, and Equipment	5 - 40 years
Vehicles	10 - 12 years

J. Interfund Assets/Liabilities

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables/Payables". Interfund balances within governmental activities are eliminated on the statement of net assets.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees after ten years of service.

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

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid.

Note 2 - Summary of Significant Accounting Policies (continued)

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on 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, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

M. Unamortized Issuance Costs, Premiums, and Discounts

On government-wide financial statements, issuance costs, premiums, and discounts are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Issuance costs are recorded as deferred charges and are generally paid from debt proceeds. Bond premiums are presented as an addition to the face amount of bonds payable. Bond discounts are presented as a reduction of the face amount of bonds payable.

On the governmental fund financial statements, issuance costs and bond premiums and discounts are recognized in the period when the debt is issued.

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for food service operations, music and athletic programs, and federal and state grants.

The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

O. Fund Balance

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

Nonspendable - The nonspendable classification 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 are imposed by law through constitutional provisions.

Note 2 - Summary of Significant Accounting Policies (continued)

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

Assigned - Amounts in the assigned classification are intended to be used by the School 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. Assigned amounts represent intended uses established by the 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 School District first applies restricted resources when an expenditure is incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

P. Interfund Transactions

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Q. Estimates

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

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 3 - Accountability and Compliance

A. Accountability

At June 30, 2012, the Education Jobs, Race to the Top, Title VI-B, and Title I special revenue funds had deficit fund balances, in the amount of \$9,467, \$272, \$207,654, and \$9,425, respectively, resulting from adjustments for accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

B. Compliance

The following funds had appropriations in excess of estimated resources plus available balances for the fiscal year ended June 30, 2012.

<u>Fund</u>	<u>Estimated Resources plus Available Balances</u>	<u>Appropriations</u>	<u>Excess</u>
Special Revenue Funds			
Education Jobs	\$147,292	\$147,324	\$32
Race to the Top	9,569	42,197	32,628
Title II-D	2,097	4,451	2,354
Title I	317,620	394,615	76,995

The Treasurer will review budgetary activity to ensure that appropriations are within estimated resources.

The General Fund had expenditures plus encumbrances in excess of appropriations, in the amount of \$2,535, for the fiscal year ended June 30, 2012. The Treasurer will monitor budgetary transactions to ensure that expenditures are within appropriations.

Note 4 - Budgetary Basis of Accounting

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

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 (budget basis) rather than as restricted, committed, or assigned fund balance (GAAP basis).

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 4 - Budgetary Basis of Accounting (continued)

The adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund are as follows:

Changes in Fund Balance	
GAAP Basis	\$2,471,064
<u>Increase (Decrease) Due To:</u>	
Revenue Accruals:	
Accrued FY 2011, Received in Cash FY 2012	4,702,362
Accrued FY 2012, Not Yet Received in Cash	(4,490,676)
Expenditure Accruals:	
Accrued FY 2011, Paid in Cash FY 2012	(2,848,966)
Accrued FY 2012, Not Yet Paid in Cash	3,290,335
Cash Adjustments:	
Unrecorded Cash Activity FY 2011	20,755
Unrecorded Cash Activity FY 2012	(19,804)
Advances In	42,026
Advances Out	(248,673)
Encumbrances Outstanding at Fiscal Year End (Budget Basis)	(90,689)
Budget Basis	\$2,827,734

Note 5 - Deposits and Investments

Monies held by the School District are classified by State statute into three categories.

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

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

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

Note 5 - Deposits and Investments (continued)

Interim monies held by the School District may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Bankers' acceptances and commercial paper if training requirements have been met.

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year end, \$6,491,979 of the School District's bank balance of \$7,034,448 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

The School District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 5 - Deposits and Investments (continued)

Investments

As of June 30, 2012, the School District had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Mutual Funds	\$2,066,390	7 Days
STAR Ohio	2,809,574	52.5 Days
	<u>\$4,875,964</u>	

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the School District. The School District's policy indicates that it will attempt to minimize the effect of market value fluctuations by (1) maintaining adequate liquidity so that current obligations can be met without a sale of securities; (2) diversification of maturities; and (3) diversification of assets.

The mutual funds carry a rating of Aaa by Moody's. STAR Ohio carries a rating of AAA by Standard and Poor's. The School District's policy indicates that credit risk will be minimized by (1) diversifying assets by issuer; (2) ensuring that required minimum credit quality ratings exist prior to the purchase of commercial paper, bankers' acceptances, and corporate medium term notes; and (3) maintaining adequate collateralization of certificates of deposit. Ohio law requires that mutual funds must be rated, at the time of purchase, in the highest category by at least one nationally recognized standard rating service, and STAR Ohio must maintain the highest rating provided by at least one nationally recognized standard rating service.

The School District places no limit on the amount of its interim monies it may invest in a particular security.

Note 6 - Receivables

Receivables at June 30, 2012, consisted of accounts (student fees and billings for user charged services), accrued interest, interfund, intergovernmental, income taxes, and property taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except income taxes and property taxes, are expected to be collected within one year. Income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 6 - Receivables (continued)

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Ohio Department of Job and Family Services	\$654
Tuition	118,744
Total General Fund	119,398
Building Fund	
Delaware County Auditor	16,530
Total Major Funds	135,928
Other Governmental Funds	
Athletic and Music	320
Education Jobs	7,581
Race to the Top	32,901
Title VI-B	210,519
Title II-D	2,354
Title I	127,017
Title II-A	7,808
Total Other Governmental Funds	388,500
Total Intergovernmental Receivables	\$524,428

Note 7 - Income Taxes

The School District levies a voted tax of .75 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 2000, for a five-year period. In May 2006, voters approved the tax as a continuing tax. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

Note 8 - Property Taxes

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

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 8 - Property Taxes (continued)

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed values as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Public utility real and tangible personal property taxes received in calendar year 2012 became a lien on December 31, 2010, were levied after April 1, 2011, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The School District receives property taxes from Delaware County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the county by June 30, 2012, are available to finance fiscal year 2012 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents real and public utility property taxes which were measurable as of June 30, 2012, and for which there was an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2012, was \$2,442,925 in the General Fund and \$433,987 in the Bond Retirement debt service fund. The amount available as an advance at June 30, 2011, was \$2,233,678 in the General Fund and \$366,883 in the Bond Retirement debt service fund.

Collectible delinquent property taxes have been recorded as a receivable and revenue on a full accrual basis. On a modified accrual basis, the revenue has been deferred.

The assessed values upon which fiscal year 2012 taxes were collected are:

	2011 Second- Half Collections		2012 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$639,705,800	97.27%	\$622,380,270	97.19%
Public Utility Personal	17,978,350	2.73	17,962,470	2.81
Total Assessed Value	<u>\$657,684,150</u>	<u>100.00%</u>	<u>\$640,342,740</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$41.82		\$41.20	

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 9 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	Balance at 6/30/11	Additions	Reductions	Balance at 6/30/12
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$1,762,898	\$0	\$0	\$1,762,898
Construction in Progress	14,580,666	1,048,771	(15,629,437)	0
Total Nondepreciable Capital Assets	<u>16,343,564</u>	<u>1,048,771</u>	<u>(15,629,437)</u>	<u>1,762,898</u>
Depreciable Capital Assets				
Land Improvements	662,717	87,205	0	749,922
Buildings and Building Improvements	35,751,065	15,649,737	0	51,400,802
Furniture, Fixtures, and Equipment	445,328	104,921	(129,089)	421,160
Vehicles	2,329,775	167,613	(164,005)	2,333,383
Total Depreciable Capital Assets	<u>39,188,885</u>	<u>16,009,476</u>	<u>(293,094)</u>	<u>54,905,267</u>
Less Accumulated Depreciation				
Land Improvements	(148,436)	(26,727)	0	(175,163)
Buildings and Building Improvements	(5,441,917)	(908,100)	0	(6,350,017)
Furniture, Fixtures, and Equipment	(299,670)	(20,486)	100,473	(219,683)
Vehicles	(1,673,054)	(143,492)	159,698	(1,656,848)
Total Accumulated Depreciation	<u>(7,563,077)</u>	<u>(1,098,805)</u>	<u>260,171</u>	<u>(8,401,711)</u>
Depreciable Capital Assets, Net	<u>31,625,808</u>	<u>14,910,671</u>	<u>(32,923)</u>	<u>46,503,556</u>
Governmental Activities, Capital Assets, Net	<u>\$47,969,372</u>	<u>\$15,959,442</u>	<u>(\$15,662,360)</u>	<u>\$48,266,454</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$561,460
Special	62,988
Vocational	9,542
Support Services:	
Pupils	10,741
Instructional Staff	31,586
Administration	46,787
Fiscal	89
Operation and Maintenance of Plant	74,890
Pupil Transportation	156,607
Non-Instructional Services	94,608
Extracurricular Activities	49,507
Total Depreciation Expense	<u>\$1,098,805</u>

Note 10 - Interfund

At June 30, 2012, the General Fund had an interfund receivable, in the amount of \$248,673, from other governmental funds for short-term loans made to those funds. All amounts are expected to be repaid within one year.

Note 11 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2012, the School District contracted for the following insurance coverage.

Coverage provided by the Ohio School Plan:

Buildings and Contents	\$91,769,136
Auto Liability	5,000,000
General Liability	
Each Occurrence	5,000,000
Aggregate	7,000,000

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years, and there has been no significant reduction in insurance coverage from the prior fiscal year.

For the fiscal year 2012, the School District participated in the Ohio School Plan (Plan), an insurance purchasing pool. Each participant enters into an individual agreement with the Plan for insurance coverage and pays annual premiums to the Plan based on the types and limits of coverage and deductibles selected by the participant.

The School District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. The intent of the Plan is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the Plan. The third party administrator, Sheakley Uniservice, Inc., reviews each participants' claims experience and determines the rating tier for that participant. A common premium rate is applied to all participants in a given rating tier. Each participant pays its workers' compensation premium to the State based on the rate for their rating tier rather than its individual rate. Sheakley Uniservice, Inc. provides administrative, cost control, and actuarial services to the Plan.

Note 12 - Defined Benefit Pension Plans

A. State Teachers Retirement System

Plan Description - The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that can be obtained by writing to the State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

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

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

Funding Policy - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the STRS Ohio Board upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. For the fiscal year ended June 30, 2012, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

The School District's required contribution to STRS Ohio for the DBP and for the defined benefit portion of the CP were \$1,478,888 and \$41,082, for the fiscal year ended June 30, 2012, \$1,433,528 and \$37,034 for the fiscal year ended June 30, 2011, and \$1,512,512 and \$45,042 for the fiscal year ended June 30, 2010. For fiscal year 2012, 83 percent has been contributed for both the DBP and the CP, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

The contribution to STRS Ohio for the DCP for fiscal year 2012 was \$39,290 made by the School District and \$28,064 made by the plan members. In addition, member contributions of \$29,344 were made for fiscal year 2012 for the defined contribution portion of the CP.

Note 12 - Defined Benefit Pension Plans (continued)

B. School Employees Retirement System

Plan Description - The School District participates in the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a stand-alone financial report that can be obtained by visiting the SERS website at www.ohsers.org under employers/audit resources.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirement of plan members and employers is established and may be amended by the SERS Retirement Board up to a statutory maximum amount 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, 2012, the allocation to pension and death benefits was 12.7 percent. The remaining 1.3 percent of the 14 percent employer contribution rate was allocated to the Medicare B and health care funds. The School District's required contribution for pension obligations to SERS for the fiscal years ended June 30, 2012, 2011, and 2010 was \$471,229, \$382,845, and \$459,979, respectively. For fiscal year 2012, 37 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2011, three of the Board of Education members have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 13 - Postemployment Benefits

A. State Teachers Retirement System

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

Note 13 - Postemployment Benefits (continued)

Funding Policy - Chapter 3307 of the Ohio Revised Code authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions. For fiscal year 2012, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to postemployment health care. The School District's contribution for health care for the fiscal years ended June 30, 2012, 2011, and 2010 was \$119,943, \$115,404, and \$124,011, respectively. For fiscal year 2012, 83 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

B. School Employees Retirement System

Plan Description - The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System (SERS) for classified retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained by visiting the SERS website at www.ohsers.org under employers/audit resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each fiscal year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2012, .55 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount. For fiscal year 2012, this amount was \$35,800. For fiscal year 2012, the School District paid \$61,500 in surcharge.

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

The School District's contribution for health care for the fiscal years ended June 30, 2012, 2011, and 2010 was \$20,408, \$46,356, and \$16,556, respectively. For fiscal year 2012, 37 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For fiscal year 2012, this actuarially required allocation was .75 percent of covered payroll. The School District's contribution for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010 was \$27,828, \$24,637, and \$27,354, respectively. For fiscal year 2012, 37 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 14 - Other Employee Benefits

A. Compensated Absences

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

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of two hundred forty days for teachers, administrators, support staff, and food service employees, and two hundred sixty days for maintenance, custodial, and transportation employees. Upon retirement, payment is made for one-fourth of accrued but unused sick leave credit to a maximum of sixty days for teachers, administrators, support staff, and food service employees and sixty-five days for maintenance, custodial, and transportation employees.

B. Health Care Benefits

The School District offers employee medical benefits through Medical Mutual of Ohio. Depending upon the plan chosen, the employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. The School District offers life insurance to all employees through Met Life. Dental insurance is offered to all employees through Delta Dental.

C. Separation Benefits

Employees electing to retire effective June 30, 2012, or June 30, 2013, are eligible for a separation benefit equal to 100 percent of the employee's fiscal year 2012 base salary, not to exceed \$45,000 for teachers and administrators and \$20,000 for classified employees. To be eligible for the separation benefit, the employee had to notify the School District by May 7, 2012. At June 30, 2012, there was a \$300,000 liability for separation benefits. Payment is to be made over a sixty to ninety-six month period.

Note 15 - Long-Term Obligations

Changes in the School District's long-term obligations during fiscal year 2012 were as follows:

	Balance at 6/30/11	Additions	Reductions	Balance at 6/30/12	Amounts Due Within One Year
Governmental Activities					
General Long-Term Obligations					
Refunding School Improvement Bonds FY 1998					
Capital Appreciation Bonds 19.5-23%	\$54,938	0	\$28,957	\$25,981	\$25,981
Accretion on Capital Appreciation Bonds	796,149	30,127	441,043	385,233	0

(continued)

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 15 - Long-Term Obligations (continued)

	Balance at 6/30/11	Additions	Reductions	Balance at 6/30/12	Amounts Due Within One Year
Governmental Activities (continued)					
General Long-Term Obligations					
Refunding School Improvement					
Bonds FY 2004					
Serial Bonds 2-3.7%	\$2,310,000	\$0	\$645,000	\$1,665,000	\$625,000
Bond Premium	95,984	0	26,801	69,183	0
School Facilities Construction and Improvement Bonds FY 2005					
Term Bonds 4.5-5%	9,305,000	0	7,965,000	1,340,000	0
Serial Bonds 2.5-3.65%	1,845,000	0	890,000	955,000	290,000
Bond Premium	172,307	0	136,406	35,901	0
School Facilities Construction and Improvement Bonds FY 2009					
Term Bonds 4.5-5%	4,960,000	0	0	4,960,000	0
Serial Bonds 2.5-3.65%	4,880,000	0	25,000	4,855,000	25,000
Capital Appreciation Bonds 3.19%	109,926	0	0	109,926	0
Accretion on Capital Appreciation Bonds	70,651	44,489	0	115,140	0
Bond Premium	373,031	0	937	372,094	0
Bond Discount	(114,481)	0	(288)	(114,193)	0
Refunding School Improvement Bonds FY 2010					
Serial Bonds 2-2.5%	635,000	0	20,000	615,000	20,000
Capital Appreciation Bonds 25%	140,626	0	0	140,626	0
Accretion on Capital Appreciation Bonds	63,775	54,293	0	118,068	0
School Facilities Construction and Improvement Bonds (Group C) FY 2010					
Term Bonds 6.125-6.375%	10,000,000	0	0	10,000,000	0
School Facilities Construction and Improvement Bonds (Group D) FY 2010					
Term Bonds 1.650%	9,660,000	0	75,000	9,585,000	85,000
Refunding School Improvement Bonds FY 2012					
Serial Bonds 2-3%	0	8,575,000	0	8,575,000	220,000
Capital Appreciation Bonds 32%	0	143,405	0	143,405	0
Accretion on Capital Appreciation Bonds	0	11,802	0	11,802	0
Bond Premium	0	1,278,003	0	1,278,003	0
Accounting Loss	0	(1,135,873)	0	(1,135,873)	0
Total General Long-Term Obligations	45,357,906	9,001,246	10,253,856	44,105,296	1,290,981
Compensated Absences	1,589,338	115,678	84,276	1,620,740	150,695
Capital Leases	30,210	0	30,210	0	0
Total Governmental Activities Long-Term Obligations	<u>\$46,977,454</u>	<u>\$9,116,924</u>	<u>\$10,368,342</u>	<u>\$45,726,036</u>	<u>\$1,441,676</u>

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 15 - Long-Term Obligations (continued)

FY 1998 Refunding School Improvement Bonds - On December 4, 1997, the School District issued bonds, in the amount of \$4,993,809, to refund bonds previously issued for improving and constructing school buildings and facilities and constructing a library. The refunding bond issue included serial, term, and capital appreciation bonds, in the original amount of \$3,775,000, \$1,055,000, and \$183,809, respectively. The bonds were issued for an eighteen fiscal year period, with final maturity in fiscal year 2016. The term bonds were fully retired in fiscal year 2010, with the proceeds of the fiscal year 2010 refunding school improvement bonds.

The refunded bonds are fully retired.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds mature in fiscal years 2009 through 2013. The maturity amount of the bonds is \$2,535,000. For fiscal year 2012, \$30,127 was accreted and \$470,000 was retired for a total bond value of \$411,214 at fiscal year end.

FY 2004 Refunding School Improvement Bonds - On November 12, 2003, the School District issued bonds, in the amount of \$4,404,981, to refund bonds previously issued for improving and constructing school buildings and facilities. The refunding bond issue included serial and capital appreciation bonds, in the original amount of \$3,970,000 and \$434,981, respectively. The bonds were issued for an eleven fiscal year period, with final maturity in fiscal year 2015. The bonds are being retired through the Bond Retirement debt service fund.

As of June 30, 2012, \$1,130,000 of the refunded bonds was still outstanding.

The serial bonds are subject to prior redemption on or after December 1, 2013, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the original principal amount redeemed plus accrued interest to the redemption date.

FY 2005 School Facilities Construction and Improvement Bonds - On December 29, 2004, the School District issued \$12,999,993 in voted general obligation bonds for constructing a bus maintenance facility, an addition to the high school, and renovating and improving school facilities. The bond issue included serial, term, and capital appreciation bonds, in the original amount of \$3,310,000, \$9,305,000, and \$384,993, respectively. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2033. The bonds are being retired through the Bond Retirement debt service fund. During fiscal year 2012, a portion of the serial and term bonds were refunded, in the amount of \$755,000 and \$7,965,000, respectively.

As of June 30, 2012, \$8,720,000 of the refunded bonds was still outstanding.

The bonds maturing on December 1, 2019, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2017	\$395,000
2018	415,000

The remaining principal, in the amount of \$440,000, will be paid at stated maturity on December 1, 2019.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 15 - Long-Term Obligations (continued)

The bonds maturing on December 1, 2022, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2020	\$460,000
2021	485,000

The remaining principal, in the amount of \$505,000, will be paid at stated maturity on December 1, 2022.

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

Year	Amount
2023	\$530,000
2024	560,000

The remaining principal, in the amount of \$585,000, will be paid at stated maturity on December 1, 2025.

The bonds maturing on December 1, 2029, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2026	\$615,000
2027	645,000
2028	670,000

The remaining principal, in the amount of \$700,000, will be paid at stated maturity on December 1, 2029.

The bonds maturing on December 1, 2032, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2030	\$735,000
2031	765,000

The remaining principal, in the amount of \$800,000, will be paid at stated maturity on December 1, 2032.

The capital appreciation bonds matured and were fully retired in fiscal year 2010.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 15 - Long-Term Obligations (continued)

FY 2009 School Facilities Construction and Improvement Bonds - On April 1, 2009, the School District issued \$9,999,926 in voted general obligation bonds for constructing, renovating, and improving school facilities, and acquiring land. The bond issue included serial, term, and capital appreciation bonds, in the original amount of \$4,930,000, \$4,960,000, and \$109,926, respectively. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2037. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2033, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2029	\$520,000
2030	545,000
2031	575,000
2032	600,000

The remaining principal, in the amount of \$630,000, will be paid at stated maturity on December 1, 2033.

The bonds maturing on December 1, 2036, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2034	\$665,000
2035	695,000

The remaining principal, in the amount of \$730,000, will be paid at stated maturity on December 1, 2036.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years 2017 and 2018. The maturity amount of the bonds is \$660,000. For fiscal year 2012, \$44,489 was accreted on the capital appreciation bonds for a total value of \$225,066 at fiscal year end.

FY 2010 Refunding School Improvement Bonds - On December 1, 2009, the School District issued current refunding general obligation bonds, in the amount of \$1,050,626, to refund the remaining balance of the FY 1998 Refunding School Improvement Bonds. The refunding bond issue includes serial and capital appreciation bonds, in the original amount of \$910,000 and \$140,626, respectively. The bonds were issued for a six fiscal year period, with final maturity in fiscal year 2016. The bonds are being retired through the Bond Retirement debt service fund.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years 2015 and 2016. The maturity amount of the bonds is \$485,000. For fiscal year 2012, \$54,293 was accreted on the capital appreciation bonds for a total value of \$258,694 at fiscal year end.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 15 - Long-Term Obligations (continued)

FY 2010 School Facilities Construction and Improvement Bonds (Group C) - On December 1, 2009, the School District issued \$10,000,000 in voted general obligation bonds for constructing, renovating, and improving school facilities, and acquiring land. The bond issue consists of term bonds, in the amount of \$10,000,000. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2038. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2029, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2025	\$275,000
2026	290,000
2027	305,000
2028	330,000

The remaining principal, in the amount of \$350,000, will be paid at stated maturity on December 1, 2029.

The bonds maturing on December 1, 2037, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2030	\$370,000
2031	390,000
2032	420,000
2033	1,270,000
2034	1,360,000
2035	1,450,000
2036	1,540,000

The remaining principal, in the amount of \$1,650,000, will be paid at stated maturity on December 1, 2037.

The bonds are subject to prior redemption on or after December 1, 2019, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The bonds are subject to extraordinary optional redemption, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date in the event that the Build America payments from the federal government cease or are in an amount less than 35 percent of the corresponding interest payable on the bonds.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 15 - Long-Term Obligations (continued)

FY 2010 School Facilities Construction and Improvement Bonds (Group D) - On December 1, 2009, the School District issued \$10,000,000 in voted general obligation bonds for constructing, renovating, and improving school facilities, and acquiring land. The bond issue consists of term bonds, in the amount of \$10,000,000. The bonds were issued for a fifteen fiscal year period, with final maturity in fiscal year 2025. The bonds are being retired through the Bond Retirement debt service fund.

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

Year	Amount
2010	\$340,000
2011	75,000
2012	85,000
2013	425,000
2014	525,000
2015	680,000
2016	695,000
2017	710,000
2018	720,000
2019	920,000
2020	935,000
2021	945,000
2022	965,000
2023	985,000

The remaining principal, in the amount of \$995,000, will be paid at stated maturity on December 1, 2024.

FY 2012 Refunding School Improvement Bonds - On March 27, 2012, the School District issued bonds, in the amount of \$8,718,405, to partially refund bonds previously issued in fiscal year 2005 for constructing a bus maintenance facility, an addition to the high school, and renovating and improving school facilities. The refunding bond issue includes serial and capital appreciation bonds, in the amount of \$8,575,000 and \$143,405, respectively. The bonds were issued at a premium of \$1,278,003. The bonds were issued for a twenty fiscal year period, with final maturity in fiscal year 2032. The bonds are being retired through the Bond Retirement debt service fund.

The net proceeds of the refunding bond issue, in the amount of \$9,855,873, were used to purchase U.S. government securities. The securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the FY 2005 School Facilities Construction and Improvement bonds. As a result, \$8,720,000 of the fiscal year FY 2005 School Facilities Construction and Improvement bonds are considered to be defeased and the liability for the bonds has been removed from the School District's financial statements.

Although the refunding will result in the recognition of an accounting loss of \$1,135,873, the School District in effect decreased its aggregate debt service payments by \$1,068,521 over the next twenty years and obtained an economic gain (difference between present values of the old and new debt service payments) of \$847,156.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 15 - Long-Term Obligations (continued)

The serial bonds maturing on or after December 1, 2021, are subject to prior redemption on or after June 1, 2021, by and at the sole option of the School District, either in whole or in part and in integral multiples of \$5,000, at a redemption price of 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years 2019 through 2021. The maturity amount of the bonds is \$1,425,000. For fiscal year 2012, \$11,802 was accreted on the capital appreciation bonds for a total value of \$155,207 at fiscal year end.

Compensated absences will be paid from the General Fund and the Food Service special revenue fund.

The School District's overall debt margin was \$14,861,879 with an unvoted debt margin of \$622,380 at June 30, 2012.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2012, were as follows:

Fiscal Year Ending June 30,	General Obligation Bonds				
	Serial	Term	Capital Appreciation	Interest	Total
2013	\$1,180,000	\$85,000	\$25,981	\$2,063,249	\$3,354,230
2014	1,545,000	425,000	0	1,570,238	3,540,238
2015	1,070,000	525,000	107,779	1,764,800	3,467,579
2016	825,000	680,000	32,847	1,586,870	3,124,717
2017	520,000	695,000	60,990	1,726,532	3,002,522
2018-2022	2,665,000	4,230,000	192,341	8,451,365	15,538,706
2023-2027	5,045,000	3,510,000	0	5,828,535	14,383,535
2028-2032	3,815,000	3,925,000	0	4,379,456	12,119,456
2033-2037	0	10,160,000	0	2,092,087	12,252,087
2038	0	1,650,000	0	52,594	1,702,594
	<u>\$16,665,000</u>	<u>\$25,885,000</u>	<u>\$419,938</u>	<u>\$29,515,726</u>	<u>\$72,485,664</u>

Note 16 - Capital Leases - Lessee Disclosure

The School District has entered into capitalized leases for equipment. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures on the statement of revenues, expenditures, and changes in fund balances for the governmental funds. Principal payments in fiscal year 2012 were \$26,011. During fiscal year 2012, one capital lease was terminated which resulted in a reduction in the capital lease liability of \$4,199 for governmental funds.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 17 - Fund Balance

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

Fund Balance	General	Bond Retirement	Building	Other Governmental	Total Governmental Funds
Nonspendable for:					
Materials and Supplies					
Inventory	\$0	\$0	\$0	\$3,253	\$3,253
Unclaimed Monies	49,462	0	0	0	49,462
Total Nonspendable	49,462	0	0	3,253	52,715
Restricted for:					
Athletics and Music	0	0	0	62,261	62,261
Building Construction	0	0	2,346,226	0	2,346,226
Debt Retirement	0	1,817,593	0	0	1,817,593
Education Management					
Information Systems	0	0	0	5,000	5,000
Food Service Operations	0	0	0	140,422	140,422
Network Connectivity	0	0	0	5,875	5,875
Regular Instruction	29	0	0	50,675	50,704
Special Instruction	0	0	0	893	893
Total Restricted	29	1,817,593	2,346,226	265,126	4,428,974
Committed for:					
Permanent Improvements	0	0	0	174,968	174,968
Assigned for:					
Educational Activities	37,157	0	0	0	37,157
Extracurricular Activities	12,514	0	0	0	12,514
Permanent Improvements	0	0	0	161,609	161,609
Regular Instruction	448	0	0	0	448
Unpaid Obligations	47,124	0	0	0	47,124
Total Assigned	97,243	0	0	161,609	258,852
Unassigned (Deficit)	7,752,878	0	0	(226,818)	7,526,060
Total Fund Balance	\$7,899,612	\$1,817,593	\$2,346,226	\$378,138	\$12,441,569

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 18 - Set Asides

The School 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. The amount not spent by the end of the fiscal year or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year end. This amount must be carried forward and used for the same purpose in future years.

The following cash basis information identifies the change in the fund balance reserve for capital improvements during fiscal year 2012.

	<u>Capital Improvements</u>
Balance June 30, 2011	\$0
Current Year Set Aside Requirement	499,910
Qualifying Expenditures	<u>(499,910)</u>
Balance June 30, 2012	<u><u>\$0</u></u>

Note 19 - Interfund Transfers

During fiscal year 2012, the General Fund made transfers to other governmental funds, in the amount of \$321,377, to subsidize operations in other funds.

Note 20 - Jointly Governed Organizations

A. Tri-Rivers Educational Computer Association

The School District is a participant in the Tri-Rivers Educational Computer Association (TRECA), which is a computer consortium. TRECA is an association of public school districts within the boundaries of Athens, Crawford, Delaware, Erie, Franklin, Knox, Licking, Lorain, Marion, Morrow, Muskingum, Union, and Wyandot 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 school districts. The governing board of TRECA consists of one representative from each county elected by majority vote of all charter member school districts within each county, one representative from the city school districts, and the superintendent from Tri-Rivers Joint Vocational School. During fiscal year 2012, the School District paid \$52,767 to TRECA for various services. Financial information can be obtained from TRECA, 2222 Marion Mt. Gilead Road, Marion, Ohio 43302.

B. Delaware Area Career Center

The Delaware Area Career Center is a distinct political subdivision of the State of Ohio which provides vocational education. The Career Center operates under the direction of a Board consisting of one representative from each of the ten participating school district's Boards of Education. The Board possesses its own budgeting and taxing authority. The degree of control exercised by the School District is limited to its representation on the Board. Financial information can be obtained from the Delaware Area Career Center, 4565 Columbus Pike Road, Delaware, Ohio 43015.

Note 20 - Jointly Governed Organizations (continued)

C. Village of Sunbury Community Park Joint Recreation Board

The School District and the Village of Sunbury participate in a Joint Recreation Board created under the provisions of Ohio Revised Code Sections 755.12 to 755.18. The Joint Recreation Board consists of one representative from each of the participants and one member at large. The member at large shall be a resident of the Village and the School District and be appointed by both parties. The Village has agreed to commit approximately twenty-one acres of land and the School District has committed \$1.4 million to the development of the park. Financial information can be obtained from the Village of Sunbury, P.O. Box 508, Sunbury, Ohio, 43074.

D. Metropolitan Educational Council

The Metropolitan Educational Council (MEC) is a purchasing cooperative made up of one hundred seventy school districts, libraries, and related agencies in thirty-seven counties. The purpose of the MEC is to obtain prices for quality merchandise and services commonly used by the participants. The governing board of the MEC consists of one representative from each member. All members must pay all fees, charges, or other assessments as established by the MEC. Financial information can be obtained from the Metropolitan Educational Council, 2100 Citygate Drive, Columbus, Ohio 43219.

Note 21 - Insurance Pools

A. Ohio School Plan

The School District participates in the Ohio School Plan (Plan), an insurance purchasing pool established under Section 2744.081 of the Ohio Revised Code. The Plan is an unincorporated nonprofit association of its members which enables the participants to provide for a formalized joint insurance purchasing program for maintaining adequate insurance protection and provides risk management programs and other administrative services. The Plan's business and affairs are conducted by a fifteen member board consisting of superintendents, treasurers, the president of Harcum-Shuett Insurance Agency, Inc., and a member of the Hylant Group, Inc. The Hylant Group, Inc. is the Plan's administrator and is responsible for processing claims. Harcum-Shuett Insurance Agency serves as the sales and marketing representative which establishes agreements between the Plan and its members. Financial information can be obtained from Harcum-Shuett Insurance Agency, 246 East Sycamore Street, Columbus, Ohio 43206.

B. Ohio Association of School Business Officials Workers' Compensation Group Rating Plan

The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials (OASBO) Workers' Compensation Group Rating Plan (Plan) was established through the Ohio Association of School Business Officials as an insurance purchasing pool. The Plan's business and affairs are conducted by the five member OASBO Board of Directors. Each year, the participants pay an enrollment fee to the Plan to cover the costs of administering the program.

Note 22 - Related Organization

The Sunbury Community Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by the Board of Trustees appointed by the Big Walnut Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the School District for operational subsidies. Although the School District serves as the taxing authority, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Sunbury Community Library, 44 Burrer Drive, Sunbury, Ohio 43704.

Note 23 - Contingencies

A. Grants

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

B. Litigation

There are currently no matters in litigation with the School District as defendant.

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

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

Food Service

To account for grants and charges for services restricted for the School District's food service operations.

Other Local Grants

To account for local grants restricted for purposes outlined by the grant.

High School Multi-Handicapped

To account for donations restricted for a multi-handicapped unit room.

Athletic and Music

To account for gate receipts and other revenues from athletic events restricted to expenditure for the School District's athletic and music programs (except for supplemental coaching contracts).

Auxiliary Services

To account for State resources restricted to providing services and materials to students attending non-public schools within the School District.

Education Management Information Systems

To account for grants restricted for hardware and software development or for other costs associated with the management information system.

Network Connectivity

To account for grants restricted for the installation and ongoing support of data communication links connecting public school buildings to the statewide network and to the internet.

Miscellaneous State Grants

To account for State grants restricted for purposes outlined by the grant.

Education Jobs Fund

To account for Federal grants restricted to saving or creating education jobs.

Race to the Top

To account for Federal grants restricted to help reduce achievement gaps, increase high school graduation rates, and increase college enrollment.

(continued)

**Nonmajor Special Revenue Funds
(continued)**

Title VI-B

To account for Federal grants restricted to assisting the School District in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Fiscal Stabilization

To account for Federal grants restricted to help stabilize local budgets in order to minimize and avoid reductions in education and other essential services.

Title II-D

To account for Federal grants restricted to providing professional development programs and to purchasing equipment to enhance the technology of the School District.

Title I

To account for Federal grants restricted to assisting the School District in meeting the special needs of educationally deprived children.

Early Childhood Special Education

To account for Federal grants restricted to supporting the improvement and expansion of services for handicapped children ages three to five.

Title II-A

To account for Federal grants restricted to hiring additional classroom teachers in grades 1 through 3 so that the number of students per teacher will be reduced.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities and other capital assets.

Permanent Improvement

To account for transfers from the General Fund assigned for the acquisition, construction, or improvement of capital facilities.

Capital Projects

To account for transfers from the General Fund committed by the Board of Education for the acquisition, construction, or improvement of capital facilities.

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$447,343	\$336,577	\$783,920
Accounts Receivable	100	0	100
Intergovernmental Receivable	388,500	0	388,500
Inventory Held for Resale	10,537	0	10,537
Materials and Supplies Inventory	3,253	0	3,253
Total Assets	<u>\$849,733</u>	<u>\$336,577</u>	<u>\$1,186,310</u>
<u>Liabilities and Fund Balance</u>			
<u>Liabilities</u>			
Accounts Payable	\$78,725	\$0	\$78,725
Accrued Wages and Benefits Payable	159,702	0	159,702
Matured Compensated Absences Payable	12,825	0	12,825
Interfund Payable	248,673	0	248,673
Intergovernmental Payable	48,159	0	48,159
Deferred Revenue	260,088	0	260,088
Total Liabilities	<u>808,172</u>	<u>0</u>	<u>808,172</u>
<u>Fund Balance</u>			
Nonspendable	3,253	0	3,253
Restricted	265,126	0	265,126
Committed	0	174,968	174,968
Assigned	0	161,609	161,609
Unassigned (Deficit)	(226,818)	0	(226,818)
Total Fund Balance	<u>41,561</u>	<u>336,577</u>	<u>378,138</u>
Total Liabilities and Fund Balance	<u>\$849,733</u>	<u>\$336,577</u>	<u>\$1,186,310</u>

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Food Service	Other Local Grants	High School Multi- Handicapped	Athletic and Music
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$232,423	\$13,034	\$893	\$72,675
Accounts Receivable	100	0	0	0
Intergovernmental Receivable	0	0	0	320
Inventory Held for Resale	10,537	0	0	0
Materials and Supplies Inventory	3,253	0	0	0
Total Assets	<u>\$246,313</u>	<u>\$13,034</u>	<u>\$893</u>	<u>\$72,995</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities</u>				
Accounts Payable	\$2,070	\$948	\$0	\$10,734
Accrued Wages and Benefits Payable	61,025	0	0	0
Matured Compensated Absences Payable	12,825	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	26,718	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>102,638</u>	<u>948</u>	<u>0</u>	<u>10,734</u>
<u>Fund Balances</u>				
Nonspendable	3,253	0	0	0
Restricted	140,422	12,086	893	62,261
Unassigned (Deficit)	0	0	0	0
Total Fund Balances (Deficit)	<u>143,675</u>	<u>12,086</u>	<u>893</u>	<u>62,261</u>
Total Liabilities and Fund Balances	<u>\$246,313</u>	<u>\$13,034</u>	<u>\$893</u>	<u>\$72,995</u>

Auxiliary Services	Education Management Information Systems	Network Connectivity	Miscellaneous State Grants	Education Jobs	Race to the Top
\$42,157	\$5,000	\$8,125	\$4,008	\$0	\$30,900
0	0	0	0	0	0
0	0	0	0	7,581	32,901
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$42,157</u>	<u>\$5,000</u>	<u>\$8,125</u>	<u>\$4,008</u>	<u>\$7,581</u>	<u>\$63,801</u>
\$16,126	\$0	\$0	\$0	\$0	\$30,500
0	0	0	0	16,775	0
0	0	0	0	0	0
0	0	0	0	32	32,328
2,674	0	2,250	0	241	0
0	0	0	0	0	1,245
<u>18,800</u>	<u>0</u>	<u>2,250</u>	<u>0</u>	<u>17,048</u>	<u>64,073</u>
0	0	0	0	0	0
23,357	5,000	5,875	4,008	0	0
0	0	0	0	(9,467)	(272)
<u>23,357</u>	<u>5,000</u>	<u>5,875</u>	<u>4,008</u>	<u>(9,467)</u>	<u>(272)</u>
<u>\$42,157</u>	<u>\$5,000</u>	<u>\$8,125</u>	<u>\$4,008</u>	<u>\$7,581</u>	<u>\$63,801</u>

(continued)

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012
(continued)

	Title VI-B	Title II-D	Title I	Title II-A
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$2,354	\$24,082	\$11,692
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	210,519	2,354	127,017	7,808
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Total Assets	\$210,519	\$4,708	\$151,099	\$19,500
<u>Liabilities and Fund Balances</u>				
<u>Liabilities</u>				
Accounts Payable	\$0	\$0	\$17,649	\$698
Accrued Wages and Benefits Payable	62,107	0	19,795	0
Matured Compensated Absences Payable	0	0	0	0
Interfund Payable	136,964	2,354	76,995	0
Intergovernmental Payable	8,583	0	5,569	2,124
Deferred Revenue	210,519	0	40,516	7,808
Total Liabilities	418,173	2,354	160,524	10,630
<u>Fund Balances</u>				
Nonspendable	0	0	0	0
Restricted	0	2,354	0	8,870
Unassigned (Deficit)	(207,654)	0	(9,425)	0
Total Fund Balances (Deficit)	(207,654)	2,354	(9,425)	8,870
Total Liabilities and Fund Balances	\$210,519	\$4,708	\$151,099	\$19,500

<u>Total</u>
\$447,343
100
388,500
10,537
<u>3,253</u>
<u><u>\$849,733</u></u>

\$78,725
159,702
12,825
248,673
48,159
<u>260,088</u>
<u>808,172</u>

3,253
265,126
<u>(226,818)</u>
<u>41,561</u>
<u><u>\$849,733</u></u>

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2012

	Permanent Improvement	Capital Projects	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$161,609	\$174,968	\$336,577
<u>Fund Balance</u>			
Committed	\$0	\$174,968	\$174,968
Assigned	161,609	0	161,609
Total Fund Balance	161,609	174,968	336,577
Total Liabilities and Fund Balance	\$161,609	\$174,968	\$336,577

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Fiscal Ended June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>			
Intergovernmental	\$1,453,887	\$0	\$1,453,887
Interest	319	0	319
Extracurricular Activities	217,042	0	217,042
Charges for Services	730,968	0	730,968
Gifts and Donations	27,430	0	27,430
Miscellaneous	56,595	15,200	71,795
Total Revenues	2,486,241	15,200	2,501,441
<u>Expenditures</u>			
Current:			
Instruction			
Regular	110,653	0	110,653
Special	814,261	0	814,261
Support Services			
Pupils	36,481	0	36,481
Instructional Staff	126,061	0	126,061
Administration	180,015	0	180,015
Operation and Maintenance of Plant	26,301	0	26,301
Non-Instructional Services	1,222,866	0	1,222,866
Extracurricular Activities	267,144	0	267,144
Total Expenditures	2,783,782	0	2,783,782
Excess of Revenues Over (Under) Expenditures	(297,541)	15,200	(282,341)
<u>Other Financing Sources</u>			
Transfers In	0	321,377	321,377
Changes in Fund Balances	(297,541)	336,577	39,036
Fund Balances Beginning of Year	339,102	0	339,102
Fund Balances End of Year	<u>\$41,561</u>	<u>\$336,577</u>	<u>\$378,138</u>

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2012

	Food Service	Other Local Grants	High School Multi- Handicapped	Athletic and Music
<u>Revenues</u>				
Intergovernmental	\$367,205	\$0	\$0	\$0
Interest	319	0	0	0
Extracurricular Activities	0	0	0	217,042
Charges for Services	730,968	0	0	0
Gifts and Donations	0	1,800	0	25,630
Miscellaneous	1,044	0	0	1,441
Total Revenues	<u>1,099,536</u>	<u>1,800</u>	<u>0</u>	<u>244,113</u>
<u>Expenditures</u>				
Current:				
Instruction				
Regular	0	34,582	0	0
Special	0	0	0	0
Support Services				
Pupils	0	643	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Non-Instructional Services	1,101,335	0	0	0
Extracurricular Activities	0	0	0	267,144
Total Expenditures	<u>1,101,335</u>	<u>35,225</u>	<u>0</u>	<u>267,144</u>
Changes in Fund Balances	(1,799)	(33,425)	0	(23,031)
Fund Balances (Deficit) Beginning of Year	<u>145,474</u>	<u>45,511</u>	<u>893</u>	<u>85,292</u>
Fund Balances (Deficit) End of Year	<u><u>\$143,675</u></u>	<u><u>\$12,086</u></u>	<u><u>\$893</u></u>	<u><u>\$62,261</u></u>

Auxiliary Services	Education Management Information Systems	Network Connectivity	Miscellaneous State Grants	Education Jobs	Race to the Top
\$126,142	\$0	\$9,000	\$0	\$129,616	\$35,231
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	191	0	0	0	5,644
<u>126,142</u>	<u>191</u>	<u>9,000</u>	<u>0</u>	<u>129,616</u>	<u>40,875</u>
0	0	0	0	75,469	0
0	0	0	0	0	0
0	0	0	0	0	30,500
0	0	9,500	0	0	10,997
0	0	0	0	63,125	0
0	0	0	0	0	0
121,531	0	0	0	0	0
0	0	0	0	0	0
<u>121,531</u>	<u>0</u>	<u>9,500</u>	<u>0</u>	<u>138,594</u>	<u>41,497</u>
4,611	191	(500)	0	(8,978)	(622)
18,746	4,809	6,375	4,008	(489)	350
<u>\$23,357</u>	<u>\$5,000</u>	<u>\$5,875</u>	<u>\$4,008</u>	<u>(\$9,467)</u>	<u>(\$272)</u>

(continued)

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2012
(continued)

	Title VI-B	Fiscal Stabilization	Title II-D	Title I
<u>Revenues</u>				
Intergovernmental	\$364,678	\$0	\$2,906	\$327,658
Interest	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	22,438	0	0	20,354
Total Revenues	387,116	0	2,906	348,012
<u>Expenditures</u>				
Current:				
Instruction				
Regular	0	0	602	0
Special	460,508	0	0	342,909
Support Services				
Pupils	5,338	0	0	0
Instructional Staff	6,845	0	220	12,209
Administration	108,985	0	0	7,905
Operation and Maintenance of Plant	0	26,301	0	0
Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Total Expenditures	581,676	26,301	822	363,023
Changes in Fund Balances	(194,560)	(26,301)	2,084	(15,011)
Fund Balances (Deficit) Beginning of Year	(13,094)	26,301	270	5,586
Fund Balances (Deficit) End of Year	(\$207,654)	\$0	\$2,354	(\$9,425)

Early Childhood Special Education	Title II-A	Total
\$10,844	\$80,607	\$1,453,887
0	0	319
0	0	217,042
0	0	730,968
0	0	27,430
0	5,483	56,595
	0	
10,844	86,090	2,486,241
0	0	110,653
10,844	0	814,261
0	0	36,481
0	86,290	126,061
0	0	180,015
0	0	26,301
0	0	1,222,866
0	0	267,144
10,844	86,290	2,783,782
0	(200)	(297,541)
0	9,070	339,102
\$0	\$8,870	\$41,561

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2012

	<u>Permanent Improvement</u>	<u>Capital Projects</u>	<u>Total</u>
<u>Revenues</u>			
Miscellaneous	\$15,200	\$0	\$15,200
<u>Expenditures</u>			
	0	0	0
Excess of Revenues Over Expenditures	15,200	0	15,200
<u>Other Financing Sources</u>			
Transfers In	146,409	174,968	321,377
Changes in Fund Balance	161,609	174,968	336,577
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$161,609</u>	<u>\$174,968</u>	<u>\$336,577</u>

Big Walnut Local School District
Combining Statements - Agency Funds

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

Agency Funds

Sunbury Meadows Community Development Authority

To account for the funds of the Sunbury Meadows Community Development Authority for which the Treasurer serves as ex-officio fiscal agent.

High School Advanced Placement

To account for student fees to take an advanced placement test.

Teachers

To account for resources collected from vending machines for teachers to purchase flowers, balloons, etc. for various personal events.

Student Activities

To account for student activity programs which have student participation in the activity and student involvement in the management of the program.

Local Professional Development Committee (LPDC)

To account for resources collected from teachers to pay for license renewals.

Payroll

To account for the School District's payroll and withholdings.

Big Walnut Local School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2012

	Balance at 6/30/11	Additions	Reductions	Balance at 6/30/12
<u>Sunbury Meadows Community Development Authority</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$21,850	\$21,850	\$0
<u>Liabilities</u>				
Undistributed Assets	(\$6,650)	\$28,500	\$21,850	\$0
Due to External Party	6,650	0	6,650	\$0
	<u>\$0</u>	<u>\$28,500</u>	<u>\$28,500</u>	<u>\$0</u>
<u>High School Advanced Placement</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$3,390	\$2,392	\$0	\$5,782
<u>Liabilities</u>				
Undistributed Assets	\$3,390	\$2,392	\$0	\$5,782
<u>Teachers</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$6,265	\$95	\$0	\$6,360
<u>Liabilities</u>				
Undistributed Assets	\$6,265	\$95	\$0	\$6,360
<u>Student Activities</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$79,222	\$0	\$1,349	\$77,873
<u>Liabilities</u>				
Due to Students	\$79,222	\$0	\$1,349	\$77,873
<u>LPDC</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,455	\$295	\$0	\$2,750
<u>Liabilities</u>				
Undistributed Assets	\$2,455	\$295	\$0	\$2,750
<u>Payroll</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$8	\$0	\$8	\$0
<u>Liabilities</u>				
Undistributed Assets	\$8	\$0	\$8	\$0
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$91,340	\$24,632	\$23,207	\$92,765
<u>Liabilities</u>				
Undistributed Assets	\$5,468	\$31,282	\$21,858	\$14,892
Due to Students	79,222	0	1,349	77,873
Due to External Party	6,650	0	6,650	0
	<u>\$91,340</u>	<u>\$31,282</u>	<u>\$29,857</u>	<u>\$92,765</u>

**INDIVIDUAL FUND SCHEDULES
OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Original Budget	Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$17,734,199	\$12,618,188	\$16,321,850	\$3,703,662
Income Taxes	5,223,562	5,232,785	5,232,785	0
Intergovernmental	8,330,242	5,584,526	7,250,610	1,666,084
Interest	8,000	13,502	13,502	0
Tuition and Fees	322,564	448,956	446,656	(2,300)
Extracurricular Activities	1,290	1,544	1,544	0
Charges for Services	3,800	7,625	7,625	0
Gifts and Donations	289,280	150,178	150,678	500
Miscellaneous	320,050	107,630	159,372	51,742
Total Revenues	32,232,987	24,164,934	29,584,622	5,419,688
<u>Expenditures</u>				
Current:				
Instruction				
Regular				
Salaries	9,921,764	8,947,004	8,947,004	0
Fringe Benefits	4,306,313	3,473,275	3,473,275	0
Purchased Services	1,269,622	1,191,411	1,191,411	0
Materials and Supplies	325,725	289,372	289,372	0
Capital Outlay	43,595	36,481	36,481	0
Total Regular	15,867,019	13,937,543	13,937,543	0
Special				
Salaries	299,923	315,635	315,635	0
Fringe Benefits	25,361	119,015	119,015	0
Purchased Services	443,891	359,986	359,986	0
Materials and Supplies	9,725	6,442	6,442	0
Capital Outlay	10,506	9,244	9,244	0
Total Special	789,406	810,322	810,322	0
Vocational				
Salaries	124,900	124,922	124,922	0
Fringe Benefits	40,844	40,883	40,883	0
Purchased Services	11,500	5,047	5,047	0
Total Vocational	177,244	170,852	170,852	0
Total Instruction	16,833,669	14,918,717	14,918,717	0

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Support Services				
Pupils				
Salaries	\$525,656	\$580,012	\$580,012	\$0
Fringe Benefits	193,779	203,842	203,842	0
Purchased Services	702,141	760,952	760,952	0
Materials and Supplies	6,300	5,642	5,642	0
Capital Outlay	1,200	4,680	4,680	0
Total Pupils	1,429,076	1,555,128	1,555,128	0
Instructional Staff				
Salaries	828,433	969,563	969,563	0
Fringe Benefits	593,895	559,913	559,913	0
Purchased Services	94,608	97,237	97,237	0
Materials and Supplies	16,589	15,403	15,403	0
Capital Outlay	0	8,319	8,319	0
Total Instructional Staff	1,533,525	1,650,435	1,650,435	0
Board of Education				
Salaries	8,393	8,000	8,000	0
Fringe Benefits	0	1,945	1,945	0
Purchased Services	132,462	124,590	124,590	0
Other	24,118	24,599	24,599	0
Total Board of Education	164,973	159,134	159,134	0
Administration				
Salaries	1,298,125	1,303,961	1,303,961	0
Fringe Benefits	623,553	617,960	617,960	0
Purchased Services	351,966	226,393	226,393	0
Materials and Supplies	11,661	7,751	7,751	0
Other	3,597	4,219	4,219	0
Capital Outlay	3,555	975	975	0
Total Administration	2,292,457	2,161,259	2,161,259	0
Fiscal				
Salaries	358,408	366,210	366,210	0
Fringe Benefits	117,701	140,040	140,040	0
Purchased Services	5,500	6,495	6,495	0
Materials and Supplies	2,593	2,301	2,301	0
Other	205,994	388,518	391,053	(2,535)
Capital Outlay	0	2,184	2,184	0
Total Fiscal	690,196	905,748	908,283	(2,535)

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Business				
Salaries	\$7,147	\$6,067	\$6,067	\$0
Fringe Benefits	1,395	1,423	1,423	0
Purchased Services	3,446	4,329	4,329	0
Materials and Supplies	35,000	32,981	32,981	0
Total Business	46,988	44,800	44,800	0
Operation and Maintenance of Plant				
Salaries	825,730	763,937	763,937	0
Fringe Benefits	387,243	416,552	416,552	0
Purchased Services	1,353,766	1,220,569	1,220,569	0
Materials and Supplies	119,641	115,847	115,847	0
Capital Outlay	12,602	12,558	12,558	0
Total Operation and Maintenance of Plant	2,698,982	2,529,463	2,529,463	0
Pupil Transportation				
Salaries	890,413	907,914	907,914	0
Fringe Benefits	529,355	560,236	560,236	0
Purchased Services	82,357	90,190	90,190	0
Materials and Supplies	316,728	307,330	307,330	0
Other	2,500	0	0	0
Capital Outlay	166,300	164,005	164,005	0
Total Pupil Transportation	1,987,653	2,029,675	2,029,675	0
Central				
Purchased Services	7,000	5,658	5,658	0
Total Support Services	10,850,850	11,041,300	11,043,835	(2,535)
Extracurricular Activities				
Academic and Subject Oriented Activities				
Salaries	60,777	75,416	75,416	0
Fringe Benefits	2,392	6,265	6,265	0
Purchased Services	2,900	2,342	2,342	0
Total Academic and Subject Oriented Activities	66,069	84,023	84,023	0

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Sport Oriented Activities				
Salaries	\$300,200	\$311,531	\$311,531	\$0
Fringe Benefits	1,508	3,498	3,498	0
Total Sport Oriented Activities	301,708	315,029	315,029	0
Total Extracurricular Activities	367,777	399,052	399,052	0
Total Expenditures	28,052,296	26,359,069	26,361,604	(2,535)
Excess of Revenues Over (Under) Expenditures	4,180,691	(2,194,135)	3,223,018	5,417,153
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	0	2,297	2,297	0
Refund of Prior Year Expenditures	77,462	130,443	130,443	0
Refund of Prior Year Receipts	(639)	0	0	0
Advances In	42,026	42,026	42,026	0
Advances Out	0	(248,673)	(248,673)	0
Transfers In	12,500	12,500	0	(12,500)
Transfers Out	(158,208)	(321,377)	(321,377)	0
Total Other Financing Sources (Uses)	(26,859)	(382,784)	(395,284)	(12,500)
Changes in Fund Balance	4,153,832	(2,576,919)	2,827,734	5,404,653
Fund Balance Beginning of Year	3,184,861	3,184,861	3,184,861	0
Prior Year Encumbrances Appropriated	327,510	327,510	327,510	0
Fund Balance End of Year	\$7,666,203	\$935,452	\$6,340,105	\$5,404,653

Big Walnut Local School District
Bond Retirement Debt Service Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Property Taxes	\$2,791,493	\$2,765,868	(\$25,625)
Intergovernmental	218,945	390,613	171,668
Total Revenues	<u>3,010,438</u>	<u>3,156,481</u>	<u>146,043</u>
<u>Expenditures</u>			
Current:			
Support Services			
Fiscal			
Other	41,414	41,414	0
Debt Service:			
Principal Retirement	928,957	928,957	0
Interest and Fiscal Charges	1,800,633	1,800,633	0
Interest on Capital Appreciation Bonds	441,043	441,043	0
Total Debt Service	<u>3,170,633</u>	<u>3,170,633</u>	<u>0</u>
Total Expenditures	<u>3,212,047</u>	<u>3,212,047</u>	<u>0</u>
Excess of Revenues Under Expenditures	<u>(201,609)</u>	<u>(55,566)</u>	<u>146,043</u>
<u>Other Financing Sources (Uses)</u>			
General Obligation Bonds Issued	8,718,405	8,718,405	0
Premium on Bonds Issued	1,278,003	1,278,003	0
Payment to Refunded Bond Escrow Agent	(9,855,873)	(9,855,873)	0
Total Other Financing Sources (Uses)	<u>140,535</u>	<u>140,535</u>	<u>0</u>
Changes in Fund Balance	(61,074)	84,969	146,043
Fund Balance Beginning of Year	<u>1,298,637</u>	<u>1,298,637</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,237,563</u>	<u>\$1,383,606</u>	<u>\$146,043</u>

Big Walnut Local School District
Building Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$25,859	\$25,859	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Central			
Purchased Services	4,800	4,800	0
Capital Outlay			
Site Improvement Services			
Capital Outlay	87,205	87,205	0
Architecture and Engineering Services			
Purchased Services	128,315	128,315	0
Facilities Acquisition Services			
Purchased Services	114,833	114,833	0
Capital Outlay	3,626,476	3,626,476	0
Total Facilities Acquisition Services	3,741,309	3,741,309	0
Building Improvement Services			
Purchased Services	24,184	24,184	0
Capital Outlay	560,276	560,276	0
Total Building Improvement Services	584,460	584,460	0
Total Capital Outlay	4,541,289	4,541,289	0
Total Expenditures	4,546,089	4,546,089	0
Changes in Fund Balance	(4,520,230)	(4,520,230)	0
Fund Balance Beginning of Year	3,394,953	3,394,953	0
Prior Year Encumbrances Appropriated	3,110,681	3,110,681	0
Fund Balance End of Year	\$1,985,404	\$1,985,404	\$0

Big Walnut Local School District
Food Service Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$316,392	\$316,392	\$0
Interest	310	310	0
Charges for Services	730,868	730,868	0
Miscellaneous	614	614	0
Total Revenues	<u>1,048,184</u>	<u>1,048,184</u>	<u>0</u>
<u>Expenditures</u>			
Current:			
Non-Instructional Services			
Salaries	343,062	343,062	0
Fringe Benefits	210,077	210,077	0
Purchased Services	29,898	29,898	0
Materials and Supplies	418,523	418,523	0
Other	3,374	3,374	0
Capital Outlay	39,702	39,702	0
Total Expenditures	<u>1,044,636</u>	<u>1,044,636</u>	<u>0</u>
Excess of Revenues Over Expenditures	3,548	3,548	0
<u>Other Financing Sources</u>			
Refund of Prior Year Expenditures	430	430	0
Changes in Fund Balance	3,978	3,978	0
Fund Balance Beginning of Year	<u>228,436</u>	<u>228,436</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$232,414</u></u>	<u><u>\$232,414</u></u>	<u><u>\$0</u></u>

Big Walnut Local School District
Other Local Grants Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Gifts and Donations	\$1,800	\$1,800	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Salaries	38,546	38,546	0
Fringe Benefits	14,937	14,937	0
Materials and Supplies	1,580	1,580	0
Capital Outlay	31,933	31,933	0
Total Instruction	86,996	86,996	0
Support Services			
Pupils			
Purchased Services	186	186	0
Materials and Supplies	457	457	0
Total Support Services	643	643	0
Total Expenditures	87,639	87,639	0
Changes in Fund Balance	(85,839)	(85,839)	0
Fund Balance Beginning of Year	78,596	78,596	0
Prior Year Encumbrances Appropriated	18,812	18,812	0
Fund Balance End of Year	\$11,569	\$11,569	\$0

Big Walnut Local School District
High School Multi-Handicapped Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	893	893	0
Fund Balance End of Year	\$893	\$893	\$0

Big Walnut Local School District
Athletic and Music Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Extracurricular Activities	\$216,472	\$216,472	\$0
Gifts and Donations	25,630	25,630	0
Miscellaneous	1,441	1,441	0
Total Revenues	243,543	243,543	0
<u>Expenditures</u>			
Current:			
Extracurricular Activities			
Academic and Subject Oriented Activities			
Purchased Services	2,363	2,363	0
Materials and Supplies	5,280	5,280	0
Total Academic and Subject Oriented Activities	7,643	7,643	0
Sport Oriented Activities			
Purchased Services	179,518	179,518	0
Materials and Supplies	48,362	48,362	0
Capital Outlay	55,981	55,981	0
Total Sport Oriented Activities	283,861	283,861	0
Total Expenditures	291,504	291,504	0
Changes in Fund Balance	(47,961)	(47,961)	0
Fund Balance Beginning of Year	80,036	80,036	0
Prior Year Encumbrances Appropriated	14,185	14,185	0
Fund Balance End of Year	\$46,260	\$46,260	\$0

Big Walnut Local School District
Auxiliary Services Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$126,142	\$126,142	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Non-Instructional Services			
Salaries	40,207	40,207	0
Fringe Benefits	6,211	6,211	0
Purchased Services	33,083	33,083	0
Materials and Supplies	39,947	39,947	0
Capital Outlay	22,956	22,956	0
Total Expenditures	142,404	142,404	0
Changes in Fund Balance	(16,262)	(16,262)	0
Fund Balance Beginning of Year	6,628	6,628	0
Prior Year Encumbrances Appropriated	32,483	32,483	0
Fund Balance End of Year	\$22,849	\$22,849	\$0

Big Walnut Local School District
 Education Management Information Systems Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	5,000	5,000	0
Fund Balance End of Year	\$5,000	\$5,000	\$0

Big Walnut Local School District
 Network Connectivity Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$9,000	\$9,000	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Purchased Services	<u>9,500</u>	<u>9,500</u>	<u>0</u>
Changes in Fund Balance	(500)	(500)	0
Fund Balance Beginning of Year	<u>6,375</u>	<u>6,375</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$5,875</u></u>	<u><u>\$5,875</u></u>	<u><u>\$0</u></u>

Big Walnut Local School District
 Miscellaneous State Grants Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	4,008	4,008	0
Fund Balance End of Year	<u>\$4,008</u>	<u>\$4,008</u>	<u>\$0</u>

Big Walnut Local School District
Education Jobs Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$146,677	\$146,677	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Salaries	54,186	54,186	0
Fringe Benefits	24,009	24,009	0
Total Instruction	78,195	78,195	0
Support Services			
Administration			
Salaries	43,110	43,110	0
Fringe Benefits	26,019	26,019	0
Total Support Services	69,129	69,129	0
Total Expenditures	147,324	147,324	0
Excess of Revenues Under Expenditures	(647)	(647)	0
<u>Other Financing Sources</u>			
Advances In	0	32	32
Changes in Fund Balance	(647)	(615)	32
Fund Balance Beginning of Year	615	615	0
Fund Balance (Deficit) End of Year	(\$32)	\$0	\$32

Big Walnut Local School District
Race to the Top Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$3,575	\$3,575	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Pupils			
Salaries	5,100	4,800	300
Fringe Benefits	672	672	0
Purchased Services	5,525	5,525	0
Capital Outlay	30,900	30,900	0
Total Expenditures	42,197	41,897	300
Excess of Revenues Under Expenditures	(38,622)	(38,322)	300
<u>Other Financing Sources</u>			
Refund of Prior Year Expenditures	5,644	5,644	0
Advances In	0	32,328	32,328
Total Other Financing Sources	5,644	37,972	32,328
Changes in Fund Balance	(32,978)	(350)	32,628
Fund Balance Beginning of Year	350	350	0
Fund Balance (Deficit) End of Year	(\$32,628)	\$0	\$32,628

Big Walnut Local School District
Title VI-B Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$641,370	\$434,654	(\$206,716)
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Salaries	333,054	333,054	0
Fringe Benefits	128,384	128,384	0
Total Instruction	461,438	461,438	0
Support Services			
Pupils			
Salaries	8,582	5,588	2,994
Instructional Staff			
Materials and Supplies	6,845	6,845	0
Administration			
Purchased Services	108,986	108,986	0
Total Support Services	124,413	121,419	2,994
Total Expenditures	585,851	582,857	2,994
Excess of Revenues Over (Under) Expenditures	55,519	(148,203)	(203,722)
<u>Other Financing Sources (Uses)</u>			
Refund of Prior Year Expenditures	22,438	22,438	0
Advances In	0	136,964	136,964
Advances Out	(16,849)	(16,849)	0
Total Other Financing Sources (Uses)	5,589	142,553	136,964
Changes in Fund Balance	61,108	(5,650)	(66,758)
Fund Balance Beginning of Year	5,650	5,650	0
Fund Balance End of Year	\$66,758	\$0	(\$66,758)

Big Walnut Local School District
Fiscal Stabilization Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Operation and Maintenance of Plant			
Purchased Services	26,301	26,301	0
Changes in Fund Balance	(26,301)	(26,301)	0
Fund Balance Beginning of Year	26,301	26,301	0
Fund Balance End of Year	\$0	\$0	\$0

Big Walnut Local School District
 Title II-D Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$552	\$552	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Materials and Supplies	602	602	0
Capital Outlay	2,354	2,354	0
Total Instruction	2,956	2,956	0
Support Services			
Instructional Staff			
Purchased Services	737	737	0
Total Expenditures	3,693	3,693	0
Excess of Revenues Under Expenditures	(3,141)	(3,141)	0
<u>Other Financing Sources (Uses)</u>			
Advances In	0	2,354	2,354
Advances Out	(758)	(758)	0
Total Other Financing Sources (Uses)	(758)	1,596	2,354
Changes in Fund Balance	(3,899)	(1,545)	2,354
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	1,545	1,545	0
Fund Balance (Deficit) End of Year	(\$2,354)	\$0	\$2,354

Big Walnut Local School District
Title I Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$278,848	\$278,848	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Salaries	214,032	214,032	0
Fringe Benefits	54,245	54,245	0
Purchased Services	10,004	10,004	0
Materials and Supplies	23,280	23,280	0
Capital Outlay	44,465	44,465	0
Total Instruction	346,026	346,026	0
Support Services			
Instructional Staff			
Salaries	9,303	9,303	0
Fringe Benefits	1,445	1,445	0
Purchased Services	12,589	12,589	0
Total Instructional Staff	23,337	23,337	0
Administration			
Purchased Services	7,905	7,905	0
Total Support Services	31,242	31,242	0
Total Expenditures	377,268	377,268	0
Excess of Revenues Under Expenditures	(98,420)	(98,420)	0
<u>Other Financing Sources (Uses)</u>			
Refund of Prior Year Expenditures	20,354	20,354	0
Advances In	0	76,995	76,995
Advances Out	(17,347)	(17,347)	0
Total Other Financing Sources (Uses)	3,007	80,002	76,995
Changes in Fund Balance	(95,413)	(18,418)	76,995
Fund Balance Beginning of Year	657	657	0
Prior Year Encumbrances Appropriated	17,761	17,761	0
Fund Balance (Deficit) End of Year	(\$76,995)	\$0	\$76,995

Big Walnut Local School District
Early Childhood Special Education Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$10,844	\$10,844	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Purchased Services	10,844	10,844	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Big Walnut Local School District
 Title II-A Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$91,333	\$91,333	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Salaries	4,800	4,800	0
Fringe Benefits	672	672	0
Purchased Services	73,981	73,981	0
Materials and Supplies	10,396	10,396	0
Capital Outlay	1,436	1,436	0
Total Expenditures	91,285	91,285	0
Excess of Revenues Over Expenditures	48	48	0
<u>Other Financing Sources (Uses)</u>			
Refund of Prior Year Expenditures	5,483	5,483	0
Advances Out	(7,072)	(7,072)	0
Total Other Financing Sources (Uses)	(1,589)	(1,589)	0
Changes in Fund Balance	(1,541)	(1,541)	0
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	8,010	8,010	0
Fund Balance End of Year	\$6,469	\$6,469	\$0

Big Walnut Local School District
 Permanent Improvement Capital Projects Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0
Excess of Revenues Over Expenditures	0	0	0
<u>Other Financing Sources</u>			
Transfers In	146,409	146,409	0
Changes in Fund Balance	146,409	146,409	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$146,409	\$146,409	\$0

Big Walnut Local School District
 Capital Projects Capital Projects Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0
Excess of Revenues Over Expenditures	0	0	0
<u>Other Financing Sources</u>			
Transfers In	174,968	174,968	0
Changes in Fund Balance	174,968	174,968	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$174,968</u>	<u>\$174,968</u>	<u>\$0</u>

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**STATISTICAL
SECTION**

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**Big Walnut Local School District
Statistical Section**

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

Contents	Page
Financial Trends.....	S-2
These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.	
Revenue Capacity	S-10
These schedules contain information to help the reader assess the School District’s most significant local revenue sources.	
Debt Capacity.....	S-20
These schedules present information to help the reader assess the affordability of the School District’s current levels of outstanding debt and the School District’s ability to issue additional debt in the future.	
Demographic and Economic Information.....	S-26
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District’s financial activities take place.	
Operating Information	S-28
These schedules contain service data to help the reader understand how the information in the School District’s financial report relates to the services the School District provides and the activities it performs.	

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

Big Walnut Local School District
 Net Assets
 Last Seven Fiscal Years
 (Accrual Basis of Accounting)

	2012	2011	2010	2009
Invested in Capital Assets, Net of Related Debt	\$5,398,816	\$8,765,794	\$9,138,600	\$8,781,299
Restricted for				
Debt Service	1,341,840	1,023,224	1,669,886	1,358,370
Capital Projects	2,346,226	554,136	267,664	607,425
Set Asides	0	343,611	112,378	0
Other Purposes	245,132	567,033	516,377	180,248
Unrestricted (Deficit)	6,588,222	3,370,385	(2,854,998)	(2,939,538)
Total Net Assets	<u>\$15,920,236</u>	<u>\$14,624,183</u>	<u>\$8,849,907</u>	<u>\$7,987,804</u>

Note: Information prior to fiscal year 2006 is not available.

<u>2008</u>	<u>2007</u>	<u>2006</u>
\$7,054,170	\$7,865,501	\$7,377,670
1,245,230	698,462	919,694
1,870,203	445,216	0
0	128,199	69,164
129,858	147,562	233,850
<u>(938,272)</u>	<u>(102,051)</u>	<u>(97,820)</u>
<u>\$9,361,189</u>	<u>\$9,182,889</u>	<u>\$8,502,558</u>

Big Walnut Local School District
Changes in Net Assets
Last Seven Fiscal Years
(Accrual Basis of Accounting)

	2012	2011	2010	2009
<u>Expenses</u>				
<u>Instruction</u>				
Regular	\$16,655,553	\$13,570,840	\$13,227,046	\$12,618,709
Special	1,511,753	2,357,267	2,410,093	3,749,804
Vocational	195,500	103,403	308,959	368,712
<u>Support Services</u>				
Pupils	1,661,006	1,180,712	1,428,226	1,236,627
Instructional Staff	1,847,638	1,540,737	1,830,485	1,215,386
Board of Education	159,274	122,235	132,398	236,519
Administration	2,408,311	2,471,483	2,624,405	2,560,097
Fiscal	951,114	974,751	829,078	895,813
Business	44,283	61,444	257,499	281,761
Operation and Maintenance of Plant	2,626,656	2,348,454	2,181,680	2,197,437
Pupil Transportation	2,049,700	1,850,810	2,035,825	1,925,545
Central	10,382	672	13,076	29,416
<u>Non-Instructional Services</u>				
Extracurricular Activities	1,319,034	1,222,178	1,202,563	1,161,952
Interest and Fiscal Charges	709,182	637,595	715,823	776,510
	1,909,853	1,934,381	1,933,711	1,117,813
Total Expenses	<u>34,059,239</u>	<u>30,376,962</u>	<u>31,130,867</u>	<u>30,372,101</u>
<u>Program Revenues</u>				
<u>Charges for Services</u>				
Regular	253,230	400,689	106,812	294,260
Special	205,576	71,424	77,742	87,902
Administration	4,649	5,548	4,624	5,805
Non-Instructional Services	730,968	756,372	782,811	793,208
Extracurricular Activities	217,323	336,497	211,463	205,867
Total Charges for Services	<u>1,411,746</u>	<u>1,570,530</u>	<u>1,183,452</u>	<u>1,387,042</u>
Operating Grants, Contributions, and Interest	1,634,702	2,129,873	2,222,925	1,338,135
Capital Grants and Contributions	0	19,005	0	19,360
Total Program Revenues	<u>3,046,448</u>	<u>3,719,408</u>	<u>3,406,377</u>	<u>2,744,537</u>
Net Expense	<u>(31,012,791)</u>	<u>(26,657,554)</u>	<u>(27,724,490)</u>	<u>(27,627,564)</u>
<u>General Revenues and Other Changes in Net Assets</u>				
Property Taxes Levied for General Purposes	16,571,288	15,073,552	12,632,397	11,433,389
Property Taxes Levied for Debt Service Purposes	2,844,723	2,690,225	3,017,525	2,649,715
Income Taxes Levied for General Purposes	4,803,177	6,202,194	4,418,135	4,346,558
<u>Grants and Entitlements not Restricted to Specific Programs</u>				
Interest	7,523,619	8,051,168	7,851,550	7,350,791
Gifts and Donations	41,568	85,705	102,607	286,958
Miscellaneous	145,522	175,496	150,323	28,643
	378,947	153,490	414,056	158,125
Total General Revenues	<u>32,308,844</u>	<u>32,431,830</u>	<u>28,586,593</u>	<u>26,254,179</u>
Changes in Net Assets	<u>\$1,296,053</u>	<u>\$5,774,276</u>	<u>\$862,103</u>	<u>(\$1,373,385)</u>

Note: Information prior to fiscal year 2006 is not available.

2008	2007	2006
\$12,151,170	\$10,766,134	\$10,640,482
3,293,665	2,952,259	2,310,234
402,201	380,318	361,900
1,330,211	1,240,150	1,217,465
1,075,658	886,296	1,112,190
203,318	184,257	159,106
2,390,141	1,943,266	1,644,074
884,013	748,515	708,063
221,413	251,600	229,590
2,193,705	1,891,168	1,859,258
1,944,429	1,763,719	1,809,895
7,283	57,179	41,406
990,184	958,656	810,128
711,089	631,834	658,180
850,009	853,300	1,005,545
<u>28,648,489</u>	<u>25,508,651</u>	<u>24,567,516</u>
211,854	188,569	245,254
51,117	53,857	0
3,420	0	0
718,600	656,422	617,845
220,158	201,425	220,414
<u>1,205,149</u>	<u>1,100,273</u>	<u>1,083,513</u>
1,279,558	1,300,892	1,373,899
44,731	22,841	21,659
<u>2,529,438</u>	<u>2,424,006</u>	<u>2,479,071</u>
<u>(26,119,051)</u>	<u>(23,084,645)</u>	<u>(22,088,445)</u>
12,336,291	10,140,434	11,310,488
2,018,917	1,889,652	2,258,006
4,430,022	4,358,466	4,545,105
6,968,875	6,548,534	6,191,456
347,757	535,992	664,609
5,553	195,436	26,653
189,936	96,462	105,791
<u>26,297,351</u>	<u>23,764,976</u>	<u>25,102,108</u>
<u>\$178,300</u>	<u>\$680,331</u>	<u>\$3,013,663</u>

Big Walnut Local School District
Fund Balances
Governmental Funds
Last Seven Fiscal Years
(Modified Accrual Basis of Accounting)

	2012	2011	2010	2009
General Fund				
Reserved	\$0	\$0	\$0	\$801,898
Unreserved (Deficit)	0	0	0	(1,166,807)
Nonspendable	49,462	0	0	n/a
Restricted	29	390,689	159,456	n/a
Assigned	97,243	364,639	38,522	n/a
Unassigned (Deficit)	7,752,878	4,673,220	(826,117)	n/a
Total General Fund (Deficit)	7,899,612	5,428,548	(628,139)	(364,909)
All Other Governmental Funds				
Reserved	0	0	0	2,291,217
Unreserved, Reported in				
Special Revenue Funds (Deficit)	0	0	0	96,747
Debt Service Fund	0	0	0	1,720,489
Capital Projects Fund	0	0	0	8,025,988
Nonspendable	3,253	12,933	14,199	n/a
Restricted	4,428,945	6,919,458	20,599,045	n/a
Committed	174,968	0	0	n/a
Assigned	161,609	0	0	n/a
Unassigned (Deficit)	(226,818)	(13,583)	(64,933)	n/a
Total All Other Governmental Funds	4,541,957	6,918,808	20,548,311	12,134,441
Total Governmental Funds	\$12,441,569	\$12,347,356	\$19,920,172	\$11,769,532

Note: Information prior to fiscal year 2006 is not available.

Note: The School District implemented GASB Statement No. 54 in fiscal year 2011.

2008	2007	2006
\$2,212,745	\$2,446,701	\$3,545,417
(79,139)	818,705	189,573
n/a	n/a	n/a
2,133,606	3,265,406	3,734,990
392,250	1,031,406	6,145,307
64,241	(90,069)	155,890
1,107,110	553,922	574,050
1,822,402	1,749,322	2,476,479
n/a	n/a	n/a
3,386,003	3,244,581	9,351,726
\$5,519,609	\$6,509,987	\$13,086,716

Big Walnut Local School District
Changes in Fund Balances
Governmental Funds
Last Seven Fiscal Years
(Modified Accrual Basis of Accounting)

	2012	2011	2010	2009
<u>Revenues</u>				
Property Taxes	\$19,364,069	\$17,789,384	\$15,748,370	\$13,975,143
Income Taxes	4,797,450	6,176,875	4,378,961	4,367,830
Intergovernmental	9,095,110	9,858,298	9,748,448	8,715,851
Interest	41,887	91,090	97,564	287,274
Tuition and Fees	447,035	337,203	272,375	327,724
Extracurricular Activities	218,586	328,952	211,330	206,095
Charges for Services	738,593	784,361	793,442	799,013
Gifts and Donations	180,478	667,163	25,960	46,242
Miscellaneous	387,038	170,791	395,079	158,125
Total Revenues	35,270,246	36,204,117	31,671,529	28,883,297
<u>Expenditures</u>				
Current:				
Instruction				
Regular	14,481,761	12,340,142	12,611,011	11,949,498
Special	1,443,636	2,315,126	2,432,415	3,684,912
Vocational	185,958	93,861	299,416	359,169
Support Services				
Pupils	1,672,659	1,163,840	1,408,284	1,222,872
Instructional Staff	1,801,761	1,538,977	1,818,766	1,207,259
Board of Education	159,274	122,235	132,398	236,519
Administration	2,354,153	2,439,799	2,564,264	2,485,192
Fiscal	946,287	975,508	828,018	906,794
Business	44,401	79,686	256,270	290,335
Operation and Maintenance of Plant	2,528,691	2,344,097	2,148,120	2,154,632
Pupil Transportation	1,992,844	1,818,841	1,945,087	1,779,954
Central	10,382	672	13,076	29,416
Non-Instructional Services	1,222,866	1,180,883	1,173,563	1,125,544
Extracurricular Activities	670,937	602,885	681,466	742,534
Capital Outlay	2,605,952	13,207,951	11,667,097	1,985,236
Debt Service:				
Principal Retirement	954,968	1,392,616	2,212,892	897,845
Interest and Fiscal Charges	1,801,292	1,862,610	1,786,579	890,279
Interest on Capital Appreciation Bonds	441,043	457,204	592,793	816,158
Issuance Costs	0	0	0	129,000
Total Expenditures	35,318,865	43,936,933	44,571,515	32,893,148
Excess of Revenues Under Expenditures	(48,619)	(7,732,816)	(12,899,986)	(4,009,851)
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	2,297	160,000	0	0
Bond Anticipation Notes Issued	0	0	0	10,000,000
Current Refunding	0	0	0	(10,000,000)
General Obligation Bonds Issued	8,718,405	0	21,050,626	9,999,926
Premium on Bonds Issued	1,278,003	0	0	374,905
Discount on Bonds Issued	0	0	0	(115,057)
Payment to Refunded Bond Escrow Agent	(9,855,873)	0	0	0
Inception of Capital Lease	0	0	0	0
Transfers In	321,377	316,447	137,625	163,827
Transfers Out	(321,377)	(316,447)	(137,625)	(163,827)
Total Other Financing Sources (Uses)	142,832	160,000	21,050,626	10,259,774
Changes in Fund Balances	\$94,213	(\$7,572,816)	\$8,150,640	\$6,249,923
Debt Service as a Percentage of Noncapital Expenditures	9.43%	11.72%	13.84%	8.75%

Note: Information prior to fiscal year 2006 is not available.

2008	2007	2006
\$14,253,531	\$11,930,590	\$13,704,069
4,454,107	4,327,411	4,351,442
8,278,358	7,851,774	7,559,035
347,757	535,992	664,609
224,087	301,629	179,283
219,930	207,366	221,494
722,020	656,287	616,695
37,851	28,928	29,510
189,936	96,462	105,791
<u>28,727,577</u>	<u>25,936,439</u>	<u>27,431,928</u>
11,269,817	10,518,030	10,192,517
3,273,814	2,924,910	2,337,477
416,015	372,096	380,121
1,324,018	1,234,650	1,236,937
957,272	842,513	862,615
203,318	184,257	159,106
2,446,647	1,912,326	1,733,322
895,653	740,005	703,051
219,046	229,266	236,558
2,151,577	1,856,934	1,846,738
1,970,238	1,791,030	1,862,780
10,425	204,590	547,164
958,385	948,697	831,495
679,741	601,644	628,096
1,329,008	5,750,571	3,894,119
1,029,372	995,973	967,234
712,699	741,649	775,295
0	664,027	692,766
0	0	0
<u>29,847,045</u>	<u>32,513,168</u>	<u>29,887,391</u>
<u>(1,119,468)</u>	<u>(6,576,729)</u>	<u>(2,455,463)</u>
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
129,090	0	0
189,961	0	8,790
(189,961)	0	(8,790)
<u>129,090</u>	<u>0</u>	<u>0</u>
<u>(\$990,378)</u>	<u>(\$6,576,729)</u>	<u>(\$2,455,463)</u>
5.98%	9.04%	9.35%

Big Walnut Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial Public Utility			
2012	\$576,616,820	\$45,763,450	\$1,778,229,342	\$17,962,470	\$20,411,898
2011	593,432,290	46,273,510	1,827,730,857	17,978,350	20,429,943
2010	589,584,540	48,755,480	1,823,828,628	16,671,790	18,945,216
2009	580,943,790	45,940,700	1,791,098,542	16,386,590	18,621,125
2008	567,913,753	44,036,150	1,748,428,294	15,407,230	17,508,216
2007	548,213,100	41,135,700	1,683,853,714	14,127,090	16,053,511
2006	526,122,170	41,412,640	1,621,528,029	14,765,900	16,779,432
2005	428,144,990	37,973,310	1,331,766,571	14,628,330	16,623,102
2004	410,933,990	37,893,770	1,282,365,029	14,799,900	16,818,068
2003	386,123,210	35,476,310	1,204,570,057	14,381,260	16,342,341

Source: Delaware County Auditor

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

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax was assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax was phased out beginning in 2006. The assessment percentage was 12.5 percent for 2007, 6.25 for 2008, and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four-year phase out on the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2010 or thereafter from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax was 2010.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property was eliminated.

Tangible Personal Property		Total		Percentage of Total Assessed Value to Total Estimated Actual Value	Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$640,342,740	\$1,798,641,240	35.60%	\$33.63
0	0	657,684,150	1,848,160,800	35.59	33.62
0	0	655,011,810	1,842,773,844	35.54	24.40
0	0	643,271,080	1,809,719,667	35.55	24.16
7,288,281	116,612,496	634,645,414	1,882,549,006	33.71	24.83
14,756,290	118,050,320	618,232,180	1,817,957,545	34.01	25.62
19,711,620	105,128,640	602,012,330	1,743,436,101	34.53	24.38
23,781,497	108,097,714	504,528,127	1,456,487,387	34.64	26.02
27,128,658	117,950,687	490,756,318	1,417,133,784	34.63	24.39
27,818,949	115,912,288	463,799,729	1,336,824,686	34.69	24.67

Big Walnut Local School District
Property Tax Rates - Direct and All Overlapping Governments
(Per \$1,000 of Assessed Values)
Last Ten Years

Collection Year	2012	2011	2010	2009	2008
Big Walnut Local School District					
Voted Millage					
1976 Current Expense					
Effective Millage Rates					
Residential/Agricultural Real	\$9.3709	\$8.9919	\$8.9727	\$8.9565	\$8.9565
Commercial/Industrial/Public Utility Real	9.3779	9.0921	8.9565	9.0211	8.9565
Tangible/Public Utility Personal	13.9000	13.9000	13.9000	13.9000	13.9000
1985 Current Expense					
Effective Millage Rates					
Residential/Agricultural Real	6.7416	6.4690	6.4552	6.4435	6.4435
Commercial/Industrial/Public Utility Real	6.7467	6.5411	6.4435	6.4900	6.4435
Tangible/Public Utility Personal	10.0000	10.0000	10.0000	10.0000	10.0000
1990 Bond \$16,500,000	1.4700	1.6800	1.6800	1.5000	1.7800
1991 Bond/Library \$1,500,000	0.2500	0.1800	0.1800	0.2700	0.2900
2004 Bond \$13,000,000	1.2600	0.9500	1.1000	1.0000	1.2700
2006 Emergency \$750,000	0.0000	1.1500	1.1500	1.1700	1.1900
2008 Bond \$30,000,000	2.0600	1.9000	1.9000	2.9000	n/a
2010 Emergency \$4,900,000	7.6600	7.4600	n/a	n/a	n/a
Total Voted Millage					
Total Effective Voted Millage by Type of Property					
Residential/Agricultural Real	28.8125	28.7809	19.5379	19.3400	19.9300
Commercial/Industrial/Public Utility Real	28.8246	28.9532	19.5100	19.4511	19.9300
Tangible/Public Utility Personal	36.6000	37.2200	29.9100	30.7400	28.4300
Unvoted Millage					
General	4.6000	4.6000	4.6000	4.6000	4.6000
Total Millage					
Total Effective Millage by Type of Property					
Residential/Agricultural Real	33.4125	33.3809	24.1379	23.9400	24.5300
Commercial/Industrial/Public Utility Real	33.4246	33.5532	24.1100	24.0511	24.5300
Tangible/Public Utility Personal	41.2000	41.8200	34.5100	35.3400	33.0300
Delaware County	5.0500	5.0500	5.0400	4.2500	4.2500
Delaware Area Career Center	3.2000	3.2000	3.2000	3.2000	3.2000
Village of Galena	3.7000	3.7000	3.7000	3.7000	3.7000
Village of Sunbury	2.5000	2.5000	2.5000	2.5000	2.5000
Berkshire Township	0.8000	0.8000	0.8000	0.8000	0.8000
Genoa Township	11.3000	11.3000	9.4000	9.4000	9.4000
Harlem Township	10.0000	10.0000	10.0000	10.0000	10.0000
Kingston Township	2.3000	2.3000	2.3000	2.3000	2.3000
Porter Township	2.5000	2.5000	2.5000	2.5000	2.5000
Trenton Township	2.5000	2.5000	2.5000	2.5000	2.5000

2007	2006	2005	2004	2003
\$8.9565	\$8.9565	\$8.9565	\$8.9565	\$8.9565
8.9565	8.9565	8.9565	8.9565	8.9565
13.9000	13.9000	13.9000	13.9000	13.9000
6.4435	6.4435	6.4435	6.4435	6.4435
6.4435	6.4435	6.4435	6.4435	6.4435
10.0000	10.0000	10.0000	10.0000	10.0000
2.2500	2.5000	3.3500	3.5000	3.5000
0.4900	0.0500	0.3600	0.1600	0.4000
1.2600	1.3400	1.6600	n/a	n/a
1.2200	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
20.6200	19.2900	20.7700	19.0600	19.3000
20.6200	19.2900	20.7700	19.0600	19.3000
29.1200	27.7900	29.2700	27.5600	27.8000
4.6000	4.6000	4.6000	4.6000	4.6000
25.2200	23.8900	25.3700	23.6600	23.9000
25.2200	23.8900	25.3700	23.6600	23.9000
33.7200	32.3900	33.8700	32.1600	32.4000
4.2500	4.2700	3.9000	3.9000	3.9000
3.2000	3.2000	3.2000	3.2000	3.2000
3.7000	3.7000	3.7000	3.7000	3.7000
2.5000	2.5000	2.5000	2.5000	2.5000
0.0800	0.0800	0.0800	0.0800	0.0800
9.4000	9.4000	12.1000	12.1000	12.1000
10.0000	7.1200	7.2600	7.3200	6.3200
2.3000	2.3000	2.3000	2.3000	2.3000
2.5000	2.5000	2.5000	2.5000	2.5000
2.5000	2.5000	2.5000	2.5000	2.5000

(continued)

Big Walnut Local School District
Property Tax Rates - Direct and All Overlapping Governments
(Per \$1,000 of Assessed Values)
Last Ten Years
(continued)

Collection Year	2012	2011	2010	2009	2008
Delaware County 911 District	\$0.4500	\$0.4500	\$0.4500	\$0.4500	\$0.4500
Delaware County Health Department	0.7000	0.7000	0.7000	0.7000	0.7000
Delaware-Morrow Mental Health District	1.0000	1.0000	1.0000	1.0000	1.0000
Preservation Park District	0.6000	0.6000	0.6000	0.6000	0.4000
BST and G Fire Department	2.0000	2.0000	2.0000	2.0000	2.0000
Kingston-Porter Fire District	7.5000	7.5000	7.6800	7.6700	7.7000
Big Walnut LSD Library District	1.0000	1.0000	1.0000	n/a	n/a

Source: Ohio Department of Taxation

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The basic property rate can be increased only by a majority vote of the School District's residents.

Overlapping rates are those of local and county governments that apply to property owners within the School District. Property tax rates for all overlapping governments are based upon the original voted levy.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is appraised every six years and property values are updated in the third year following each reappraisal.

2007	2006	2005	2004	2003
\$0.4500	\$0.3100	\$0.3100	\$0.3100	\$0.3100
0.7000	0.7000	1.0000	0.7000	0.7000
1.0000	1.0000	1.0000	1.0000	1.0000
0.4000	0.4000	0.4000	0.4000	0.4000
2.0000	2.0000	2.0000	2.0000	2.0000
7.7200	7.6900	7.7500	7.7200	7.8200
n/a	n/a	n/a	n/a	n/a

Big Walnut Local School District
Real Property Tax Levies and Collections
Last Ten Years

Collection Year (1)	Current Tax Levy (2)	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
2011	\$22,194,788	\$21,609,309	97.36%	\$606,923	\$22,216,232	100.10%
2010	17,218,026	16,619,027	96.52	562,563	17,181,590	99.79
2009	17,405,684	16,835,914	96.73	428,385	17,264,299	99.19
2008	15,337,175	14,929,123	97.34	351,766	15,280,889	99.63
2007	15,043,314	14,663,046	97.47	332,649	14,995,695	99.68
2006	14,002,586	13,668,807	97.62	287,046	13,955,853	99.67
2005	12,135,010	11,896,464	98.03	294,735	12,191,199	100.46
2004	11,021,055	10,799,738	97.99	329,283	11,129,021	100.98
2003	10,363,611	10,110,676	97.56	469,714	10,580,390	102.09
2002	8,620,090	8,322,805	96.55	273,363	8,596,168	99.72

Source: Delaware County Auditor

(1) The 2012 information cannot be presented because all collections have not been made by June 30, 2012.

(2) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not identify delinquent collections by tax year.

Big Walnut Local School District
Tangible Personal Property Tax Levies and Collections
Last Ten Years

Collection Year (1)	Current Tax Levy (2)	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
2011	\$0	\$0	0.00%	\$10,264	\$10,264	0.00%
2010	13,749	11,390	82.84	22,309	33,699	245.10
2009	24,415	4,888	20.02	126,902	131,790	539.79
2008	238,618	150,902	63.24	5,426	156,328	65.51
2007	464,702	478,805	103.03	10,241	489,046	105.24
2006	622,489	651,397	104.64	93,921	745,318	119.73
2005	777,583	789,443	101.53	26,686	816,129	104.96
2004	836,496	821,587	98.22	3,579	825,166	98.65
2003	894,351	809,324	90.49	3,550	812,874	90.89
2002	1,050,879	1,102,603	104.92	146,887	1,249,490	118.90

Source: Delaware County Auditor

(1) The 2012 information cannot be presented because all collections have not been made by June 30, 2012.

(2) Collection of tangible personal property tax ended in 2010, except collection of any delinquent taxes. The \$10,000 personal property exemption is included.

Note: The County does not identify delinquent collections by tax year.

Big Walnut Local School District
Principal Taxpayers - Real Property
Current Year and Eight Years Ago

Taxpayer	2012	
	Real Property Assessed Valuation	Percentage of Total School District Assessed Valuation (2012 Collection Year)
Northstar, LLC	\$4,459,690	0.72%
American Showa, Inc	2,961,710	0.48
Homewood Corporation	1,998,840	0.33
Ohashi Technica USA, Inc	1,816,330	0.29
Big Walnut Local School District	1,800,340	0.29
Sunbury Realty, LLC	1,761,770	0.28
EPEC, LLC	1,462,390	0.23
Dominion Homes, Inc	1,458,490	0.23
Nature Haven Partners	1,323,110	0.21
Westerville Mobile Park	1,232,220	0.20
Total	20,274,890	3.26
All Other Taxpayers	602,105,380	96.74
Total Assessed Valuation	\$622,380,270	100.00%

Taxpayer	2004	
	Real Property Assessed Valuation	Percentage of Total School District Assessed Valuation (2004 Collection Year)
NGP Realty Sub, LP	\$3,054,330	0.68%
American Showa, Inc	2,630,710	0.59
EPEC, LLC	1,385,380	0.31
Northstar, LLC	1,352,410	0.30
Ohashi Technica USA, Inc	1,330,010	0.30
Big Walnut Plaza Partnership	1,182,620	0.26
Continental Investments and Property Management	1,163,020	0.26
CFS Properties	1,151,890	0.26
Carter Jones Lumber Company	1,099,780	0.24
Sunbury Mills Development LTD	1,085,010	0.24
Total	15,435,160	3.44
All Other Taxpayers	433,392,600	96.56
Total Assessed Valuation	\$448,827,760	100.00%

Source: Delaware County Auditor

Note: Information prior to 2004 is not available

Big Walnut Local School District
Principal Taxpayers - Public Utility Personal Property
Current Year and Eight Years Ago

2012		
Taxpayer	Assessed Valuation	Percentage of Total School District Assessed Valuation (2012 Collection Year)
American Electric Power	\$10,996,770	61.22%
Columbia Gas of Ohio	3,919,150	21.82
Consolidated Electric Cooperative	1,841,130	10.25
Ohio Power Company	845,090	4.70
Suburban Natural Gas Company	126,950	0.71
Dayton Power and Light Company	105,210	0.59
Total	17,834,300	99.29
All Other Taxpayers	128,170	0.71
Total Assessed Valuation	\$17,962,470	100.00%

2004		
Taxpayer	Total Assessed Valuation	Percentage of Total School District Assessed Valuation (2005 Collection Year)
Columbus Southern Power Company	\$7,947,820	53.70%
United Telephone Company of Ohio	2,714,760	18.34
Consolidated Electric Cooperative	1,392,840	9.41
Ohio Power Company	891,380	6.03
Total	12,946,800	87.48
All Other Taxpayers	1,853,100	12.52
Total Assessed Valuation	\$14,799,900	100.00%

Source: Delaware County Auditor

Note: Information prior to 2004 is not available.

Big Walnut Local School District
Ratios of Outstanding Debt by Type
Last Seven Fiscal Years

Fiscal Year	General Obligation Bonds	Capital Leases	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
2012	\$44,105,296	\$0	\$44,105,296	\$2,429	6.92%
2011	45,357,906	30,210	45,388,116	2,499	9.56
2010	47,123,545	55,030	47,178,575	3,190	12.20
2009	28,794,053	80,715	28,874,768	1,952	7.46
2008	20,043,659	104,718	20,148,377	1,362	5.21
2007	20,915,691	0	20,915,691	1,414	5.41
2006	22,412,906	0	22,412,906	1,515	5.79

Source: School District Records

(1) See Schedule on S-26 for population and personal income.

Note: Information prior to 2006 is not available.

Big Walnut Local School District
Ratio of General Bonded Debt to Estimated Actual Value
and Bonded Debt Per Capita
Last Seven Fiscal Years

Fiscal Year	Population (1)	Estimated Actual Value	General Bonded Debt	General Bonded Debt to Estimated Actual Value	General Bonded Debt Per Capita
2012	18,160	\$1,798,641,240	\$44,105,296	2.45%	\$2,429
2011	18,160	1,848,160,800	45,357,906	2.45	2,498
2010	14,790	1,842,773,844	47,123,545	2.56	3,186
2009	14,790	1,809,719,667	28,794,053	1.59	1,947
2008	14,790	1,882,549,006	20,043,659	1.06	1,355
2007	14,790	1,817,957,545	20,915,691	1.15	1,414
2006	14,790	1,743,436,101	22,412,906	1.29	1,515

Source: School District Records

(1) United States Census Bureau - 2010 U.S. Census Data

Note: Information prior to 2006 is not available.

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Big Walnut Local School District
 Computation of Direct and Overlapping Debt
 June 30, 2012

Political Subdivision	Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Big Walnut Local School District	<u>\$44,105,296</u>	100.00%	<u>\$44,105,296</u>
Delaware County	36,187,200	10.46	3,785,181
Village of Galena	745,300	100.00	745,300
Village of Sunbury	2,457,100	100.00	2,457,100
Delaware Career Center	<u>16,666</u>	13.08	<u>2,180</u>
Total Overlapping Debt	<u>39,406,266</u>		<u>6,989,761</u>
Total	<u><u>\$83,511,562</u></u>		<u><u>\$51,095,057</u></u>

Source: Delaware County Auditor

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the political subdivision. The valuations used were for the 2012 collection year.

Big Walnut Local School District
 Computation of Legal Debt Margin
 Last Seven Fiscal Years

	2012	2011	2010	2009
Total Assessed Valuation	\$640,342,740	\$657,684,150	\$655,011,810	\$643,271,080
Less:				
Public Utility Tangible Personal Property	(17,962,470)	(17,978,350)	(16,671,790)	(16,386,590)
Tangible Personal Property	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assessed Valuation used to calculate Legal Debt Margin	622,380,270	639,705,800	638,340,020	626,884,490
Overall Debt Limitation - 9 Percent of Assessed Valuation	<u>56,014,224</u>	<u>57,573,522</u>	<u>57,450,602</u>	<u>56,419,604</u>
Gross Indebtedness	42,969,938	43,900,490	45,268,286	26,404,867
Less Fund Balance in Debt Service Fund	<u>1,817,593</u>	<u>1,665,520</u>	<u>2,293,151</u>	<u>1,889,802</u>
Net Debt Within 9 Percent Limitation	<u>41,152,345</u>	<u>42,234,970</u>	<u>42,975,135</u>	<u>24,515,065</u>
Legal Debt Margin Within 9 Percent Limitation	<u>\$14,861,879</u>	<u>\$15,338,552</u>	<u>\$14,475,467</u>	<u>\$31,904,539</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	26.53%	26.64%	25.20%	56.55%
Unvoted Debt Limitation - .10 Percent of Assessed Valuation	\$622,380	\$639,706	\$638,340	\$626,884
Gross Indebtedness	0	0	0	0
Less Debt Outside Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Debt Within .10 Percent Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal Debt Margin Within .10 Percent Limitation	<u>\$622,380</u>	<u>\$639,706</u>	<u>\$638,340</u>	<u>\$626,884</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%

Source: School District Records

Note: Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.

Information prior to 2006 is not available.

<u>2008</u>	<u>2007</u>	<u>2006</u>
\$634,645,414	\$618,232,180	\$602,012,330
(15,407,230)	(14,127,090)	(14,765,900)
<u>(7,288,281)</u>	<u>(14,756,290)</u>	<u>(19,711,620)</u>
611,949,903	589,348,800	567,534,810
<u>55,075,491</u>	<u>53,041,392</u>	<u>51,078,133</u>
17,278,783	18,283,783	19,279,756
<u>1,430,243</u>	<u>898,975</u>	<u>574,050</u>
<u>15,848,540</u>	<u>17,384,808</u>	<u>18,705,706</u>
<u>\$39,226,951</u>	<u>\$35,656,584</u>	<u>\$32,372,427</u>
71.22%	67.22%	63.38%
\$611,950	\$589,349	\$567,535
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>
<u>\$611,950</u>	<u>\$589,349</u>	<u>\$567,535</u>
100.00%	100.00%	100.00%

Big Walnut Local School District
Demographic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Personal Income Per Capita (1)	Delaware County Unemployment Rate (3)
2012	18,160	\$637,706,560	\$35,116	5.20%
2011	18,160	474,956,640	26,154	6.60
2010	14,790	386,817,660	26,154	7.60
2009	14,790	386,817,660	26,154	7.50
2008	14,790	386,817,660	26,154	5.20
2007	14,790	386,817,660	26,154	4.20
2006	14,790	386,817,660	26,154	3.90
2005	14,790	386,817,660	26,154	3.80
2004	14,790	386,817,660	26,154	4.00
2003	14,790	386,817,660	26,154	3.60

Source: (1) United States Census Bureau from 2010 U.S. Census Data

(2) Computation of per capita personal income multiplied by population

(3) Ohio Department of Job and Family Services/Ohio Labor Market

Big Walnut Local School District
Principal Employers
Current Year and Nine Years Ago

Employer (1)	2012			2003		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
JP Morgan Chase	9,447	1	10.87%	6,500	1	9.94%
Kroger Company	2,027	2	2.33	719	4	1.10
Olentangy Local School District	1,812	3	2.09	855	3	1.31
Delaware County	1,155	4	1.33	918	2	1.40
Delaware City School District	712	5	0.82	527	9	0.80
Meijer, Inc	686	6	0.79			
Big Walnut Local School District	591	7	0.68			
Wal-Mart	540	8	0.62	656	5	1.00
Ohio Wesleyan University	537	9	0.62	495	10	0.76
Grady Memorial Hospital	522	10	0.60	541	8	0.83
CIGNA				615	6	0.94
American Showa, Inc				601	7	0.92
Total	<u>18,029</u>		<u>20.75</u>	<u>12,427</u>		<u>19.00</u>
Total Employment Within Delaware County	<u>86,900</u>			<u>65,400</u>		

Source: Delaware County Office of Economic Development

(1) Specific information for the School District is not available, therefore, the information is for Delaware County.

Big Walnut Local School District
School District Employees by Program
Last Ten Fiscal Years

Program	2012	2011	2010	2009	2008
Instruction					
Regular					
Elementary School Classroom Teachers	66.0	57.0	67.0	68.0	61.0
Middle School Classroom Teachers	34.0	29.0	31.0	34.0	33.0
High School Classroom Teachers	53.0	47.0	45.0	50.0	40.0
Special					
Elementary School Classroom Teachers	8.0	9.0	15.0	19.0	18.0
Middle School Classroom Teachers	4.0	7.0	7.0	8.0	10.0
High School Classroom Teachers	9.0	8.0	9.0	9.0	8.0
Vocational					
High School Classroom Teachers	2.0	2.0	5.0	6.0	6.0
Support Services					
Pupils					
Guidance Counselors	4.0	4.0	6.0	8.0	8.0
Librarians	1.0	1.0	1.0	1.0	1.0
Dean of Students	1.0	1.0	1.0	1.0	2.0
Drug Free	0.0	0.0	0.0	2.0	2.0
Athletic Coordinator	1.0	1.0	1.0	1.0	1.0
Social Workers	1.0	0.0	1.0	1.0	2.0
Instructional Staff					
Technology	2.0	1.0	1.0	1.0	0.0
Teaching Assistants	28.0	23.0	23.0	26.0	23.0
Library Assistants	0.0	0.0	4.0	5.0	5.0
Administration					
Elementary School	3.0	3.0	3.0	3.0	3.0
Middle School	1.5	1.5	2.0	2.0	2.0
High School	2.0	2.5	3.0	3.0	2.0
Administration Office	6.0	6.0	8.0	8.0	6.0
Administrator Assistance	3.0	3.0	3.0	3.0	4.0
Secretaries	14.0	13.0	14.0	13.0	13.0
Fiscal					
Fiscal Office	3.0	3.0	3.0	3.0	3.0
EMIS Coordinator	1.0	1.0	1.0	1.0	1.0
Operation and Maintenance of Plant					
Custodians	15.0	17.0	15.0	17.0	16.0
Maintenance	2.0	2.0	2.0	2.0	2.0
Pupil Transportation					
Bus Drivers	26.0	23.0	28.0	30.0	30.0
Bus Aides	1.0	1.0	2.0	2.0	1.0
Bus Mechanics	2.0	2.0	2.0	2.0	2.0
Secretary	1.0	1.0	1.0	1.0	1.0
Non-Instructional Services					
Elementary School Cooks	12.0	10.0	10.0	10.0	10.0
Middle School Cooks	5.0	6.0	6.0	6.0	6.0
High School Cooks	7.0	6.0	8.0	8.0	8.0

Source: School District Records

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

n/a - not available

2007	2006	2005	2004	2003
51.0	56.0	57.0	58.0	64.0
33.0	32.0	32.0	33.0	33.0
41.0	41.0	41.0	41.0	40.0
17.0	15.0	13.0	12.0	10.0
8.0	8.0	8.0	7.0	7.0
7.0	8.0	8.0	7.0	8.0
6.0	6.0	6.0	6.0	6.0
6.0	6.0	6.0	n/a	n/a
1.0	1.0	1.0	n/a	n/a
1.0	1.0	1.0	n/a	n/a
2.0	2.0	2.0	n/a	n/a
1.0	1.0	1.0	n/a	n/a
1.0	1.0	1.0	n/a	n/a
0.0	0.0	0.0	n/a	n/a
21.0	9.0	6.0	n/a	n/a
5.0	4.0	4.0	n/a	n/a
3.0	3.0	3.0	n/a	n/a
2.0	2.0	2.0	n/a	n/a
2.0	2.0	2.0	n/a	n/a
6.0	4.0	4.0	n/a	n/a
3.0	3.0	3.0	n/a	n/a
13.0	13.0	13.0	n/a	n/a
2.0	1.5	1.5	n/a	n/a
1.0	1.0	1.0	n/a	n/a
16.0	13.0	13.5	n/a	n/a
2.0	2.0	2.0	n/a	n/a
31.0	30.0	30.0	n/a	n/a
0.0	0.0	0.0	n/a	n/a
2.0	2.0	2.0	n/a	n/a
1.0	1.0	1.0	n/a	n/a
9.0	8.0	8.0	n/a	n/a
6.0	6.0	6.0	n/a	n/a
8.0	5.0	5.0	n/a	n/a

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Big Walnut Local School District
 Per Pupil Cost
 Last Seven Fiscal Years
 (Accrual Basis of Accounting)

Fiscal Year	Expenses	Enrollment	Cost Per Pupil	Teaching Staff	Pupil/Teacher Ratio
2012	\$34,059,239	3,063	\$11,120	176	17.40
2011	30,376,962	2,994	10,146	159	18.83
2010	31,130,867	2,979	10,450	179	16.64
2009	30,372,101	2,879	10,550	194	14.84
2008	28,648,489	2,739	10,459	176	15.56
2007	25,508,651	2,779	9,179	163	17.05
2006	24,567,516	2,732	8,993	166	16.46

Source: School District Records

Note: Information prior to 2006 is not available.

Big Walnut Local School District
School Building Statistics
Last Ten Fiscal Years

	2012	2011	2010	2009	2008
Big Walnut Elementary					
Total Square Footage	36,700	36,700	36,700	36,700	36,700
Enrollment	546	497	563	538	442
Student Capacity	545	575	575	575	575
Regular Instruction Classrooms	24	19	21	27	20
Regular Instruction Teachers	24	19	26	27	25
Special Instruction Classrooms	4	3	4	5	5
Special Instruction Teachers	4	3	4	5	5
Harrison Street Elementary					
Total Square Footage	36,200	36,200	36,200	36,200	36,200
Enrollment	0	0	335	327	307
Student Capacity	475	475	475	475	475
Regular Instruction Classrooms	0	0	18	19	16
Regular Instruction Teachers	0	0	18	19	16
Special Instruction Classrooms	0	0	3	6	3
Special Instruction Teachers	0	0	4	6	6
Hylen Souders Elementary					
Total Square Footage	42,493	42,493	42,493	42,493	42,493
Enrollment	321	356	457	420	420
Student Capacity	725	725	725	725	725
Regular Instruction Classrooms	17	18	23	22	20
Regular Instruction Teachers	17	18	23	22	20
Special Instruction Classrooms	3	2	4	8	7
Special Instruction Teachers	3	2	7	8	7
General Rosecrans Elementary					
Total Square Footage	59,620	59,620	n/a	n/a	n/a
Enrollment	556	540	n/a	n/a	n/a
Student Capacity	500	500	n/a	n/a	n/a
Regular Instruction Classrooms	25	20	n/a	n/a	n/a
Regular Instruction Teachers	25	20	n/a	n/a	n/a
Special Instruction Classrooms	2	4	n/a	n/a	n/a
Special Instruction Teachers	2	4	n/a	n/a	n/a
Big Walnut Middle School					
Total Square Footage	69,680	69,680	69,680	69,680	69,680
Enrollment	685	656	660	648	670
Student Capacity	660	660	660	660	660
Regular Instruction Classrooms	34	29	29	29	29
Regular Instruction Teachers	34	29	31	34	33
Special Instruction Classrooms	5	3	3	3	3
Special Instruction Teachers	5	7	7	8	10
Big Walnut High School					
Total Square Footage	180,000	180,000	180,000	180,000	180,000
Enrollment	955	945	964	946	900
Student Capacity	1,100	1,100	1,100	1,100	1,100
Regular Instruction Classrooms	55	47	45	46	46
Regular Instruction Teachers	53	49	50	56	46
Special Instruction Classrooms	9	8	8	8	8
Special Instruction Teachers	9	8	9	9	8

Source: School District Records

n/a - not available

2007	2006	2005	2004	2003
36,700	36,700	36,700	36,700	36,700
476	460	430	420	414
575	575	575	575	575
20	20	20	20	20
20	21	21	21	24
9	9	9	9	9
5	5	4	4	2
36,200	36,200	36,200	36,200	36,200
318	280	284	281	278
475	475	475	475	475
16	16	16	16	16
13	15	15	16	17
3	3	3	3	3
7	4	4	3	4
42,493	42,493	42,493	42,493	42,493
424	425	413	433	441
725	725	725	725	725
20	20	20	20	20
18	20	21	21	23
7	7	7	7	7
5	6	5	5	4
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
69,680	69,680	69,680	69,680	69,680
652	637	617	619	638
660	660	660	660	660
29	29	29	29	29
33	32	32	33	33
3	3	3	3	3
8	8	8	7	7
148,000	148,000	148,000	148,000	148,000
909	930	877	880	897
875	875	875	875	875
38	38	38	38	38
47	47	47	47	46
5	5	5	5	5
7	8	8	7	8

Big Walnut Local School District
 Full-Time Equivalent Teachers by Education
 Last Ten Fiscal Years

Degree	2012	2011	2010	2009	2008
Bachelor's Degree	18	16	19	33	28
Bachelor + 15	25	23	27	24	25
Bachelor + 30	17	19	24	31	25
Master's Degree	63	53	62	61	56
Master's + 15	32	30	30	31	27
Master's + 30	<u>21</u>	<u>18</u>	<u>17</u>	<u>14</u>	<u>15</u>
Total	<u>176</u>	<u>159</u>	<u>179</u>	<u>194</u>	<u>176</u>

Source: School District Records

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
19	22	24	24	32
31	33	32	38	43
28	27	35	33	27
46	47	41	40	40
22	20	19	15	14
<u>17</u>	<u>17</u>	<u>14</u>	<u>14</u>	<u>12</u>
<u>163</u>	<u>166</u>	<u>165</u>	<u>164</u>	<u>168</u>

Big Walnut Local School District
 Teacher's Salaries
 Last Ten Fiscal Years

Fiscal Year	Minimum Salary (1)	Maximum Salary (2)	Average Salary Comparable Disticts (3)	Statewide Average Salary (3)
2012	\$34,035	\$80,323	n/a	n/a
2011	34,035	80,323	58,867	56,715
2010	34,035	80,323	57,190	55,958
2009	32,082	75,714	56,749	54,565
2008	31,072	73,330	52,167	53,410
2007	30,314	70,177	50,985	50,772
2006	29,647	67,299	49,801	49,438
2005	29,066	64,672	47,774	47,659
2004	28,151	62,636	45,038	45,645
2003	27,265	60,664	43,354	73,755

Source: School District Records

- (1) Starting teacher with no experience.
- (2) Teacher with Master's Degree and more than 30 years of experience.
- (3) Provided by the Ohio Department of Education.

Note: n/a - not available

Big Walnut Local School District
Enrollment Statistics
Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle School	High School	Total
2012	1,423	685	955	3,063
2011	1,393	656	945	2,994
2010	1,355	660	964	2,979
2009	1,285	648	946	2,879
2008	1,169	670	900	2,739
2007	1,218	652	909	2,779
2006	1,165	637	930	2,732
2005	1,127	617	877	2,621
2004	1,134	619	880	2,633
2003	1,133	638	897	2,668

Source: School District Records

Big Walnut Local School District
 Percentage of Students Who Receive Free and Reduced Lunches
 Last Ten Fiscal Years

District Buildings	2012	2011	2010	2009	2008
Big Walnut Elementary	25.67%	17.49%	14.00%	19.00%	15.00%
Harrison Street Elementary	0.00	0.00	36.00	20.00	16.00
Hylen Souders Elementary	30.94	16.24	21.00	26.00	14.00
General Rosecrans Elementary	18.21	15.05	n/a	n/a	n/a
Big Walnut Middle School	20.44	25.82	12.00	19.00	18.00
Big Walnut High School	17.46	25.40	17.00	17.00	14.00

Source: School District Records

n/a - not available

2007	2006	2005	2004	2003
13.00%	16.00%	15.00%	15.00%	18.00%
16.00	18.00	21.00	18.00	18.00
24.00	31.00	16.00	21.00	21.00
n/a	n/a	n/a	n/a	n/a
18.00	17.00	13.00	11.00	13.00
11.00	10.00	8.00	6.00	7.00

Big Walnut Local School District
 Attendance and Graduation Rates
 Last Ten Fiscal Years

Fiscal Year	Attendance Rate	State Average	Graduation Rate	State Average
2012	95.40%	93.00%	92.90%	90.00%
2011	94.70	94.50	97.40	84.30
2010	94.90	94.30	97.90	83.00
2009	95.40	94.30	96.20	84.60
2008	95.40	94.20	95.10	86.90
2007	95.50	94.10	95.10	86.10
2006	95.50	94.10	98.00	86.10
2005	95.70	94.30	94.60	86.20
2004	95.50	94.50	93.30	85.90
2003	95.20	94.50	90.90	84.30

Source: Ohio Department of Education, Local Report Cards



Dave Yost • Auditor of State

BIG WALNUT LOCAL SCHOOL DISTRICT

DELAWARE 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 5, 2013**