

BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY
SINGLE AUDIT
JULY 1, 2012 - JUNE 30, 2013





Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Big Walnut Local School District, Delaware County, prepared by Wilson, Shannon & Snow, Inc., for the audit period July 1, 2012 through June 30, 2013. 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

January 17, 2014

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**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

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**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

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

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	\$ 70,331	\$ -	\$ 70,331	\$ -
National School Lunch Program	N/A	10.555	252,668	61,592	252,668	61,592
Total Nutrition Cluster			<u>322,999</u>	<u>61,592</u>	<u>322,999</u>	<u>61,592</u>
Total U.S. Department of Agriculture			<u>322,999</u>	<u>61,592</u>	<u>322,999</u>	<u>61,592</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	393,395	-	319,319	-
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	N/A	84.389	599	-	599	-
Total Title I Cluster			<u>393,994</u>	<u>-</u>	<u>319,918</u>	<u>-</u>
Special Education Cluster:						
Special Education Grants to States	N/A	84.027	598,752	-	468,641	-
Special Education Preschool Grants	N/A	84.173	12,435	-	12,435	-
Total Special Education Cluster			<u>611,187</u>	<u>-</u>	<u>481,076</u>	<u>-</u>
Education Technology State Grants	N/A	84.318	2,344	-	2,344	-
Improving Teacher Quality State Grants	N/A	84.367	66,821	-	88,002	-
ARRA - State Fiscal Stabilization Fund - Race to the Top, Recovery Act	N/A	84.395	33,328	-	44,582	-
Education Jobs Fund	N/A	84.410	7,581	-	7,549	-
Total U.S. Department of Education			<u>1,115,255</u>	<u>-</u>	<u>943,471</u>	<u>-</u>
Total Federal Awards			<u>\$ 1,438,254</u>	<u>\$ 61,592</u>	<u>\$ 1,266,470</u>	<u>\$ 61,592</u>

The accompanying notes are an integral part of this schedule.

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

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

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Receipts and Expenditures Schedule (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 School 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 \$10 in the Education Technology State Grants/CFDA #84.318, 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 AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED
BY GOVERNMENT AUDITING STANDARDS**

Big Walnut Local School District
Delaware County
105 Baughman Street, Suite A
Sunbury, Ohio 43074

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Big Walnut Local School District, Delaware County, (the School District) as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 19, 2013.

Internal Control Over Financial Reporting

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

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

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

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, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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



Newark, Ohio
December 19, 2013



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE AND THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES
SCHEDULE REQUIRED BY OMB CIRCULAR A-133**

Big Walnut Local School District
Delaware County
105 Baughman Street, Suite A
Sunbury, Ohio 43074

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Big Walnut Local School District's (the School District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Big Walnut Local School District's major federal programs for the fiscal year ended June 30, 2013. The *Summary of Audit Results* in the accompanying schedule of findings identifies the School District's major federal programs.

Management's Responsibility

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

Auditor's Responsibility

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

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

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Opinion on Each Major Federal Program

In our opinion, the Big Walnut Local School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the fiscal year ended June 30, 2013.

Report on Internal Control Over Compliance

The School District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the School District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of 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's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

We have also audited the basic 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, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our unmodified report thereon dated December 19, 2013. We conducted our audit to opine on the School District's basic financial statements. The accompanying federal awards receipts and expenditures schedule presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Wilson, Shuman & Snow, Inc.

December 19, 2013
Newark, Ohio

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

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

JUNE 30, 2013

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control 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)?	No
<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	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Nutrition Cluster: National School Breakfast Program\CFDA #10.553; National School Lunch Program\CFDA #10.555 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
<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
*OMB CIRCULAR A-133 §.505***

JUNE 30, 2013

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

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

JUNE 30, 2013

<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>
2012-01	Ohio Revised Code Section 5705.39 – Appropriations exceeding estimated resources.	Yes	N/A



INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Big Walnut Local School District
Delaware County
105 Baughman Street, Suite A
Sunbury, Ohio 43074

To the Board of Education:

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

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

1. We noted the School District amended its anti-harassment policy at its meeting on February 14, 2011 to include prohibiting harassment, intimidation, or bullying of any student “on a school bus” or by an “electronic act”.

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

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

Wilson, Shannon & Snow, Inc.

Newark, Ohio
December 19, 2013

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
Newark, Ohio 43055
(740) 345-6611
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**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2013**

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**INTRODUCTORY
SECTION**

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BIG WALNUT LOCAL SCHOOL DISTRICT DELAWARE COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2013

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, 2013

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BIG WALNUT

LOCAL SCHOOL DISTRICT

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

December 19, 2013

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, 2013. 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 Auditor's 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 unmodified opinion on Big Walnut Local School District's financial statements for the fiscal year ended June 30, 2013. The Independent Auditor's 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 158th 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 sixty-eight certified employees (one hundred sixty-three teachers and five others) and fifteen administrative employees who provide services to 3,078 students and other community members. The School District currently operates three elementary schools (Grades Pre-K to 4), an intermediate school (Grades 5 and 6), a middle school (Grades 7 and 8), and a high school (Grades 9 to 12).

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 was founded in 1808 and 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 is the 21st fastest growing county in the nation as well. 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 August 2013 in Ohio was 7.2 percent while Delaware County was just 5.1 percent. The estimated population of Delaware County was 181,061 for 2012. Delaware County is consistently ranked among the top best places to live due to its small town appeal that provides big city amenities.

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 through June 2013. 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 coinsurance 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 reduced the medical insurance renewal in January 2013 to -11.4 percent with a 14 percent cap on the January 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 phased 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 as the reimbursement is completely phased out in 2013.

Major Initiatives

Under the State of Ohio’s new school district report card, the School District achieved the following grades, “A” for Achievement, “A” for Graduation Rates, “B” for Performance Index (i.e., equivalent to last year’s EXCELLENT rating), “A” for Overall District Progress. The School District also utilizes 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 2013, the School District was pleased to announce the reopening of the old middle school, now referred to as Big Walnut Intermediate School, to house 5th and 6th grades. As the local economy slowly improves, new home construction is also expected to increase. The School District is evaluating the possibility of reopening Harrison Street Elementary School in the fall of 2014 combined with redistricting attendance boundaries to meet enrollment growth during the next five years.

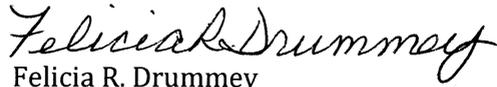
Awards and Acknowledgements

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, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

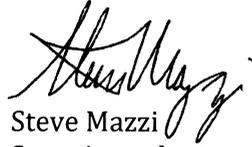
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal 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, Allison Fagan, Mindy Meyer, Verna Hines, Pamula Lillie, and Andy Wecker 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



Government Finance Officers Association

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

Presented to

Big Walnut Local School District

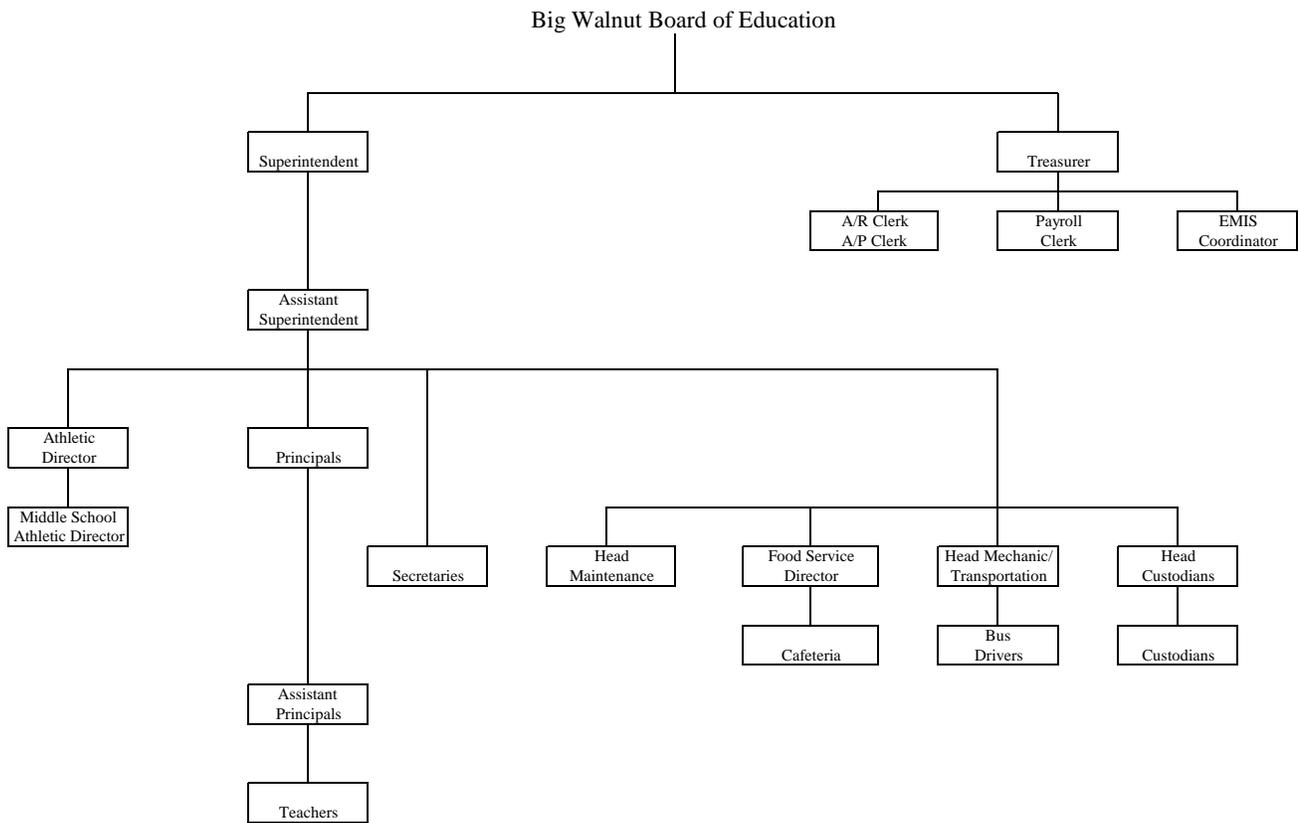
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

BIG WALNUT LOCAL SCHOOL DISTRICT ORGANIZATIONAL CHART



BIG WALNUT LOCAL SCHOOL DISTRICT

PRINCIPAL OFFICIALS

JUNE 30, 2013

ELECTED OFFICIALS

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

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 Megan Rose Forman
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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Big Walnut Local School District
Delaware County
105 Baughman Street, Suite A
Sunbury, Ohio 43074

INDEPENDENT AUDITOR'S REPORT

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Big Walnut Local School District, Delaware County, Ohio (the School District), as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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 Auditor's Report

Opinion

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America.

Big Walnut Local School District
Delaware County
Independent Auditor's Report

In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2013 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
December 19, 2013

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Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
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, 2013. 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 2013 are as follows:

In total, net position increased \$2,080,932, or 13 percent from the prior fiscal year. There was a modest 3 percent increase in revenues; expenses increased less than 1 percent.

General revenues were \$33,401,632, or 92 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 expenses resulting in surplus cash balances that are depleted as expenses begin to outpace revenues because future operating costs rise steadily.

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 position 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.

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 and the Bond Retirement debt service fund are the most significant funds.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

Reporting the School District as a Whole

The statement of net position and the statement of activities reflect how the School District did financially during fiscal year 2013. 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 position and changes in net position. This change in net position 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 position 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 and the Bond Retirement debt service 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 year end 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, 2013
Unaudited

The School District as a Whole

Table 1 provides a summary of the School District's net position for fiscal year 2013 and fiscal year 2012:

	Table 1 Net Position		Change
	2013	Governmental Activities 2012	
<u>Assets</u>			
Current and Other Assets	\$34,045,660	\$34,197,941	(\$152,281)
Capital Assets, Net	47,418,673	48,266,454	(847,781)
Total Assets	81,464,333	82,464,395	(1,000,062)
<u>Deferred Inflows of Resources</u>	1,107,210	1,135,873	(28,663)
<u>Liabilities</u>			
Current and Other Liabilities	3,862,895	4,543,796	680,901
Long-Term Liabilities	45,317,993	46,861,909	1,543,916
Total Liabilities	49,180,888	51,405,705	2,224,817
<u>Deferred Outflows of Resources</u>	15,389,487	16,274,327	884,840
<u>Net Position</u>			
Net Investment in Capital Assets	5,671,864	5,398,816	273,048
Restricted	3,305,711	3,933,198	(627,487)
Unrestricted	9,023,593	6,588,222	2,435,371
Total Net Position	\$18,001,168	\$15,920,236	\$2,080,932

A review of the above table reflects several notable changes from the prior fiscal year. The decrease in net capital assets reflects the disposal of two buses as well as the sale of the old administration building. However, there was an increase in the net investment in capital assets as the retirement of related debt exceeded the disposals. Several factors contributed to the decrease in current and other liabilities. The first, the timing of payments as a greater number of obligations were paid prior to fiscal year end for fiscal year 2013 and second, there were no outstanding payables related to construction activities as the middle school construction was completed. Principal retirement during the fiscal year is reflected in the decrease in long-term liabilities. The decrease in deferred outflows of resources is the result of a larger amount of property taxes available for advance at fiscal year end (and, therefore reported as revenue of the current fiscal year) than in the prior year.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

Table 2 reflects the change in net position for fiscal year 2013 and fiscal year 2012.

Table 2
Change in Net Position

	Governmental Activities		Change
	2013	2012	
<u>Revenues</u>			
Program Revenues			
Charges for Services	\$1,311,653	\$1,411,746	(\$100,093)
Operating Grants, Contributions, and Interest	1,619,516	1,634,702	(15,186)
Total Program Revenues	<u>2,931,169</u>	<u>3,046,448</u>	<u>(115,279)</u>
General Revenues			
Property Taxes Levied for General Purposes	17,147,308	16,571,288	576,020
Property Taxes Levied for Debt Service Purposes	3,248,085	2,844,723	403,362
Income Taxes Levied for General Purposes	5,070,968	4,803,177	267,791
Grants and Entitlements	7,298,985	7,523,619	(224,634)
Interest	20,785	41,568	(20,783)
Gifts and Donations	151,797	145,522	6,275
Miscellaneous	463,704	378,947	87,757
Total General Revenues	<u>33,401,632</u>	<u>32,308,844</u>	<u>1,092,788</u>
Total Revenues	<u>36,332,801</u>	<u>35,355,292</u>	<u>977,509</u>
<u>Expenses</u>			
Instruction			
Regular	16,474,503	16,655,553	181,050
Special	1,373,592	1,511,753	138,161
Vocational	186,527	195,500	8,973
Support Services			
Pupils	1,542,159	1,661,006	118,847
Instructional Staff	1,907,895	1,847,638	(60,257)
Board of Education	192,064	159,274	(32,790)
Administration	2,685,636	2,408,311	(277,325)
Fiscal	997,821	951,114	(46,707)
Business	56,094	44,283	(11,811)
Operation and Maintenance of Plant	2,684,285	2,626,656	(57,629)
Pupil Transportation	2,148,901	2,049,700	(99,201)
Central	6,243	10,382	4,139
Non-Instructional Services	1,321,953	1,319,034	(2,919)
Extracurricular Activities	710,685	709,182	(1,503)
Interest and Fiscal Charges	1,963,511	1,909,853	(53,658)
Total Expenses	<u>34,251,869</u>	<u>34,059,239</u>	<u>(192,630)</u>
Increase in Net Position	2,080,932	1,296,053	784,879
Net Position Beginning of Year	<u>15,920,236</u>	<u>14,624,183</u>	<u>1,296,053</u>
Net Position End of Year	<u><u>\$18,001,168</u></u>	<u><u>\$15,920,236</u></u>	<u><u>\$2,080,932</u></u>

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

Program revenues, which are primarily represented by tuition and fees, charges for extracurricular activities, food service sales, and restricted intergovernmental revenues represented 8 percent of total revenues for fiscal year 2013 (slightly less than the prior fiscal year). The decrease in charges for services was due to a slight decrease in special education tuition.

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 the result of a larger amount of property taxes available for advance at fiscal year end. The increase in income taxes reflects the continuation of modest economic recovery. Overall, revenues increased approximately 3 percent.

Overall expenses changed very little from the prior fiscal year with a change of less than 1 percent. As expected, the School District's major program expense continues to be for instruction, which accounts for 53 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	
	2013	2012	2013	2012
Instruction				
Regular	\$16,474,503	\$16,655,553	\$16,067,752	\$16,277,003
Special	1,373,592	1,511,753	392,399	392,419
Vocational	186,527	195,500	175,727	184,700
Support Services				
Pupils	1,542,159	1,661,006	1,542,159	1,661,006
Instructional Staff	1,907,895	1,847,638	1,907,895	1,847,638
Board of Education	192,064	159,274	192,064	159,274
Administration	2,685,636	2,408,311	2,679,837	2,403,662
Fiscal	997,821	951,114	997,821	951,114
Business	56,094	44,283	56,094	44,283
Operation and Maintenance of Plant	2,684,285	2,626,656	2,684,285	2,626,656
Pupil Transportation	2,148,901	2,049,700	2,098,043	1,985,142
Central	6,243	10,382	6,243	10,382
Non-Instructional Services	1,321,953	1,319,034	87,202	94,400
Extracurricular Activities	710,685	709,182	469,668	465,259
Interest and Fiscal Charges	1,963,511	1,909,853	1,963,511	1,909,853
Total Expenses	<u>\$34,251,869</u>	<u>\$34,059,239</u>	<u>\$31,320,700</u>	<u>\$31,012,791</u>

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
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 2013, 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 71 percent of program costs through program revenues, much of this in the form of operating grants restricted for special instruction purposes. Over 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 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 million from the prior fiscal year. Revenues and expenditures were similar to the prior fiscal year with modest increases for both; however, revenues were in excess of expenditures for the fiscal year and the General Fund did not provide operating subsidies to other funds in fiscal year 2013.

Fund balance increased 18 percent in the Bond Retirement debt service fund due to tax collections exceeding principal and interest requirements during the fiscal year.

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 2013, the School District amended its General Fund budget as needed. For revenues, there was a decrease in the projection of property tax revenues from the original budget to the final budget as the final budget amount more closely mirrored prior year collections. The actual amount of income tax revenues was greater than anticipated due to continuation of modest economic recovery. For expenditures, changes from the original budget to the final budget as well as from the final budget to actual expenditures were not significant.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2013, the School District had \$47,418,673 invested in capital assets (net of accumulated depreciation). The most significant addition for fiscal year 2013 was the installation of new bleachers at the middle school and the purchase of two new buses. Significant disposals included two buses and the sale of the old administration building. For further information regarding the School District's capital assets, refer to Note 10 to the basic financial statements.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

Debt

The School District's outstanding debt at June 30, 2013, consisted of general obligation bonds, in the amount of \$43,679,357. There was no new debt issued during the fiscal year. 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 Note 16 to the basic financial statements.

Current Issues

The School District's five-year forecast submitted to the Ohio Department of Education in May 2013 revealed that the School District would have a General Fund cash balance of approximately \$7.5 million at the end of fiscal year 2013. The positive cash balance is a direct result of passing the \$4,900,000 emergency levy in 2010 highlighting the levy cycle that results in larger cash balances in early years of the levy life cycle.

To reduce crowding at the elementary schools, Big Walnut Intermediate School was opened in the fall of the 2012/2013 school year to house fifth and sixth grade students. While removing the fifth and sixth grades from the elementary schools has offered relief, the enrollment growth in future years reveals a need for both redistricting and reopening the Harrison Street Elementary School in the fall of 2014. Harrison Street Elementary School can house up to three hundred children. 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. These changes will allow the School District to meet projected enrollment trends for the next five years.

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 copays.

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. The School District has also completed a facility assessment to identify the repair or replacement needs of buildings, furnishings, and equipment. This type of assessment is essential to identify the resources necessary to maintain infrastructure and instructional service levels in the long-term. As the School District explores options upon the expiration of the emergency levy in December 2014, any renewal request will also include consideration of capital needs.

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.

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Big Walnut Local School District
Statement of Net Position
June 30, 2013

	Governmental Activities
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$11,231,270
Cash and Cash Equivalents with Fiscal Agent	9,919
Accounts Receivable	177,556
Accrued Interest Receivable	2,242
Intergovernmental Receivable	386,831
Income Taxes Receivable	2,358,273
Inventory Held for Resale	11,914
Materials and Supplies Inventory	3,172
Property Taxes Receivable	19,864,483
Nondepreciable Capital Assets	1,762,898
Depreciable Capital Assets, Net	45,655,775
 Total Assets	 81,464,333
<u>Deferred Outflows of Resources</u>	
Deferred Charge on Refunding	1,107,210
<u>Liabilities</u>	
Accounts Payable	206,944
Accrued Wages and Benefits Payable	2,366,984
Matured Compensated Absences Payable	131,456
Separation Benefits Payable	180,000
Intergovernmental Payable	834,566
Matured Bonds and Interest Payable	9,919
Accrued Interest Payable	133,026
Long-Term Liabilities	
Due Within One Year	2,039,194
Due in More Than One Year	43,278,799
 Total Liabilities	 49,180,888
<u>Deferred Inflows of Resources</u>	
Property Taxes	15,389,487
<u>Net Position</u>	
Net Investment in Capital Assets	5,671,864
Restricted For	
Debt Service	1,675,753
Capital Projects	1,352,915
Other Purposes	277,043
Unrestricted	9,023,593
 Total Net Position	 \$18,001,168

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2013

	<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	\$16,474,503	\$266,928	\$139,823
Special	1,373,592	119,627	861,566
Vocational	186,527	0	10,800
Support Services			
Pupils	1,542,159	0	0
Instructional Staff	1,907,895	0	0
Board of Education	192,064	0	0
Administration	2,685,636	5,799	0
Fiscal	997,821	0	0
Business	56,094	0	0
Operation and Maintenance of Plant	2,684,285	0	0
Pupil Transportation	2,148,901	0	50,858
Central	6,243	0	0
Non-Instructional Services	1,321,953	698,588	536,163
Extracurricular Activities	710,685	220,711	20,306
Interest and Fiscal Charges	1,963,511	0	0
Total Governmental Activities	<u>\$34,251,869</u>	<u>\$1,311,653</u>	<u>\$1,619,516</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 Position

Net Position Beginning of Year

Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Position

Governmental
Activities

(\$16,067,752)
(392,399)
(175,727)

(1,542,159)
(1,907,895)
(192,064)
(2,679,837)
(997,821)
(56,094)
(2,684,285)
(2,098,043)
(6,243)
(87,202)
(469,668)
(1,963,511)

(31,320,700)

17,147,308
3,248,085
5,070,968
7,298,985
20,785
151,797
463,704

33,401,632

2,080,932

15,920,236

\$18,001,168

Big Walnut Local School District
Balance Sheet
Governmental Funds
June 30, 2013

	General	Bond Retirement	Other Governmental	Total
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$7,478,942	\$1,476,654	\$2,224,672	\$11,180,268
Cash and Cash Equivalents with Fiscal Agent	0	9,919	0	9,919
Accounts Receivable	176,825	0	731	177,556
Accrued Interest Receivable	2,242	0	0	2,242
Interfund Receivable	31,374	0	0	31,374
Intergovernmental Receivable	178,444	0	208,387	386,831
Income Taxes Receivable	2,358,273	0	0	2,358,273
Inventory Held for Resale	0	0	11,914	11,914
Materials and Supplies Inventory	0	0	3,172	3,172
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	51,002	0	0	51,002
Property Taxes Receivable	16,624,576	3,239,907	0	19,864,483
Total Assets	\$26,901,678	\$4,726,480	\$2,448,876	\$34,077,034
<u>Liabilities</u>				
Accounts Payable	\$155,913	\$0	\$51,031	\$206,944
Accrued Wages and Benefits Payable	2,216,482	0	150,502	2,366,984
Matured Compensated Absences Payable	131,456	0	0	131,456
Interfund Payable	0	0	31,374	31,374
Intergovernmental Payable	808,069	0	26,497	834,566
Matured Bonds and Interest Payable	0	9,919	0	9,919
Total Liabilities	3,311,920	9,919	259,404	3,581,243
<u>Deferred Inflows of Resources</u>				
Property Taxes	12,884,226	2,505,261	0	15,389,487
Unavailable Revenue	797,183	68,300	207,141	1,072,624
Total Deferred Inflows of Resources	13,681,409	2,573,561	207,141	16,462,111
<u>Fund Balances</u>				
Nonspendable	51,002	0	3,172	54,174
Restricted	29	2,143,000	1,549,507	3,692,536
Committed	0	0	240,426	240,426
Assigned	60,222	0	286,936	347,158
Unassigned (Deficit)	9,797,096	0	(97,710)	9,699,386
Total Fund Balances	9,908,349	2,143,000	1,982,331	14,033,680
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$26,901,678	\$4,726,480	\$2,448,876	\$34,077,034

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
 Reconciliation of Total Governmental Fund Balances
 to Net Position of Governmental Activities
 June 30, 2013

Total Governmental Fund Balances \$14,033,680

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 47,418,673

Deferred outflows of resources include deferred charges on refundings which do not provide current financial resources and, therefore, are not reported in the funds. 1,107,210

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

Accounts Receivable	210,767	
Accrued Interest Receivable	517	
Intergovernmental Receivable	207,141	
Income Taxes Receivable	238,153	
Delinquent Property Taxes Receivable	416,046	1,072,624

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. (133,026)

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

General Obligation Bonds Payable	(43,679,357)	
Compensated Absences Payable	(1,638,636)	
Separation Benefits Payable	(180,000)	(45,497,993)

Net Position of Governmental Activities \$18,001,168

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, 2013

	General	Bond Retirement	Other Governmental	Total
<u>Revenues</u>				
Property Taxes	\$17,184,917	\$3,248,239	\$0	\$20,433,156
Income Taxes	5,082,396	0	0	5,082,396
Intergovernmental	6,979,081	423,808	1,547,152	8,950,041
Interest	19,630	0	1,089	20,719
Tuition and Fees	382,112	0	0	382,112
Extracurricular Activities	1,604	0	215,060	216,664
Charges for Services	19,498	0	698,588	718,086
Gifts and Donations	144,931	0	19,362	164,293
Miscellaneous	288,269	0	97,275	385,544
Total Revenues	30,102,438	3,672,047	2,578,526	36,353,011
<u>Expenditures</u>				
Current:				
Instruction				
Regular	15,084,963	0	14,203	15,099,166
Special	575,440	0	768,618	1,344,058
Vocational	176,984	0	0	176,984
Support Services				
Pupils	1,482,285	0	14,138	1,496,423
Instructional Staff	1,760,048	0	104,182	1,864,230
Board of Education	192,064	0	0	192,064
Administration	2,621,822	0	0	2,621,822
Fiscal	943,792	46,214	5,000	995,006
Business	55,845	0	0	55,845
Operation and Maintenance of Plant	2,604,901	0	18,314	2,623,215
Pupil Transportation	2,174,356	0	0	2,174,356
Central	6,243	0	0	6,243
Non-Instructional Services				
Extracurricular Activities	1,684	0	1,267,963	1,269,647
Capital Outlay	415,083	0	252,506	667,589
Debt Service:	45	0	975,635	975,680
Principal Retirement	0	1,290,981	0	1,290,981
Interest and Fiscal Charges	0	1,615,426	0	1,615,426
Interest on Capital Appreciation Bonds	0	394,019	0	394,019
Total Expenditures	28,095,555	3,346,640	3,420,559	34,862,754
Excess of Revenues Over (Under) Expenditures	2,006,883	325,407	(842,033)	1,490,257
<u>Other Financing Sources</u>				
Sale of Capital Assets	1,854	0	100,000	101,854
Changes in Fund Balances	2,008,737	325,407	(742,033)	1,592,111
Fund Balances Beginning of Year	7,899,612	1,817,593	2,724,364	12,441,569
Fund Balances End of Year	\$9,908,349	\$2,143,000	\$1,982,331	\$14,033,680

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, 2013

Changes in Fund Balances - Total Governmental Funds \$1,592,111

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 depreciation exceeded capital outlay in the current fiscal year:

Depreciable Capital Assets	326,277	
Depreciation	(1,154,411)	(828,134)

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 position and is offset against the proceeds from the sale of capital assets resulting in a gain on disposal of capital assets on the statement of activities

Proceeds from Sale of Capital Assets	(101,854)	
Gain on Disposal of Capital Assets	82,207	(19,647)

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

Delinquent Property Taxes	(37,763)	
Income Taxes	(11,428)	
Intergovernmental	(52,947)	
Interest	517	
Tuition and Fees	(9,256)	
Gifts and Donations	8,460	(102,417)

Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net position. 1,290,981

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. 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. Accounting losses are amortized over the life of the debt on the statement of activities.

Accrued Interest Payable	(196,234)	
Annual Accretion on Capital Appreciation Bonds	(186,593)	
Payment of Accretion on Capital Appreciation Bonds	394,019	
Amortization of Premium	63,693	
Amortization of Discount	(288)	
Amortization of Deferred Charge on Refunding	(28,663)	45,934

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, 2013
 (continued)

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	(17,896)	
Separation Benefits	120,000	
		102,104

Change in Net Position of Governmental Activities		\$2,080,932
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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, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Over (Under)
<u>Revenues</u>				
Property Taxes	\$18,022,018	\$16,240,312	\$16,235,238	(\$5,074)
Income Taxes	4,482,785	4,482,785	4,923,886	441,101
Intergovernmental	7,592,192	7,038,009	6,979,081	(58,928)
Interest	13,502	13,502	35,458	21,956
Tuition and Fees	449,217	449,217	381,949	(67,268)
Extracurricular Activities	1,544	1,450	1,604	154
Charges for Services	38,038	38,038	13,095	(24,943)
Gifts and Donations	136,064	136,845	136,472	(373)
Miscellaneous	412,172	200,987	185,775	(15,212)
Total Revenues	31,147,532	28,601,145	28,892,558	291,413
<u>Expenditures</u>				
Current:				
Instruction				
Regular	15,201,648	15,365,007	15,085,742	279,265
Special	609,126	627,068	578,156	48,912
Vocational	240,091	240,092	185,882	54,210
Support Services				
Pupils	1,488,952	1,494,951	1,484,114	10,837
Instructional Staff	1,741,497	1,789,366	1,773,212	16,154
Board of Education	180,928	209,759	202,715	7,044
Administration	2,666,629	2,650,909	2,624,819	26,090
Fiscal	942,494	957,666	953,721	3,945
Business	51,961	55,261	54,343	918
Operation and Maintenance of Plant	2,961,415	2,625,817	2,575,862	49,955
Pupil Transportation	2,191,514	2,243,708	2,181,508	62,200
Central	7,998	8,025	6,867	1,158
Non-Instructional Services	0	1,715	1,684	31
Extracurricular Activities	413,664	429,277	415,757	13,520
Total Expenditures	28,697,917	28,698,621	28,124,382	574,239
Excess of Revenues Over (Under) Expenditures	2,449,615	(97,476)	768,176	865,652
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	852	852	1,854	1,002
Refund of Prior Year Expenditures	30,443	30,443	58,239	27,796
Advances In	205,791	205,791	342,755	136,964
Advances Out	(293,021)	(293,021)	(125,456)	167,565
Total Other Financing Sources (Uses)	(55,935)	(55,935)	277,392	333,327
Changes in Fund Balance	2,393,680	(153,411)	1,045,568	1,198,979
Fund Balance Beginning of Year	6,340,105	6,340,105	6,340,105	0
Prior Year Encumbrances Appropriated	90,689	90,689	90,689	0
Fund Balance End of Year	\$8,824,474	\$6,277,383	\$7,476,362	\$1,198,979

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2013

Assets

Equity in Pooled Cash and Cash Equivalents	<u><u>\$97,439</u></u>
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Liabilities

Undistributed Assets	\$12,672
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Due to Students	<u>84,767</u>
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Total Liabilities	<u><u>\$97,439</u></u>
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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 158th 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 sixty-eight certified employees (one hundred sixty-three teachers and five others), and fifteen administrative employees who provide services to 3,078 students and other community members. The School District currently operates three elementary schools, an intermediate school, 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, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the School District. 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 19, 20, and 21 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. 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 position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the 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 position 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 deferred outflows of resources, and liabilities and deferred inflows of resources is reported as fund balance. The School District's two major funds are the General Fund and the Bond Retirement debt service 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.

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 position and changes in net position. 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 2013. 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 position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

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 outflows and deferred inflows of resources, 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 Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. For the School District, deferred outflows of resources consists of a deferred charge on refunding reported on the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and the reacquisition price. This amount is deferred and amortized over the life of the old debt or the life of the new debt, whichever is shorter.

In addition to liabilities, the statement of financial position may report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources consists of property taxes and unavailable revenue. Property taxes represent amounts for which there was an enforceable legal claim as of June 30, 2013, but which were levied to finance fiscal year 2014 operations. This amount has been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes accrued interest, intergovernmental revenue including grants, income taxes, delinquent property taxes, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available.

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.

Note 2 - Summary of Significant Accounting Policies (continued)

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.

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 2013, 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, 2013.

The Board of Education has allocated interest earnings according to State statutes. Interest revenue credited to the General Fund during fiscal year 2013 was \$19,630, which includes \$5,486 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.

Note 2 - Summary of Significant Accounting Policies (continued)

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 position but are not reported on the fund financial statements.

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, 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:

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

J. Deferred Charge on Refunding

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

K. 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 position.

Note 2 - Summary of Significant Accounting Policies (continued)

L. 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.

M. 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 are recognized as a liability on the fund financial statements when due.

N. Unamortized Premiums and Discounts

On government-wide financial statements, premiums and discounts are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. 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, bond premiums and discounts are recognized in the period when the debt is issued.

Note 2 - Summary of Significant Accounting Policies (continued)

O. Net Position

Net position represents the difference between all other elements on the statement of net position. Net investment in capital assets 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 position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes 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 position is available.

P. 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.

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. The Board of Education has authorized the Treasurer to assign fund balance for purchases on order provided those amounts have been lawfully appropriated.

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.

Note 2 - Summary of Significant Accounting Policies (continued)

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.

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.

Note 3 - Change in Accounting Principals

For fiscal year 2013, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", Statement No. 61, "The Financial Reporting Entity: Omnibus", "Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements", Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", Statement No. 65, "Items Previously Reported as Assets and Liabilities", and Statement No. 66, "Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62".

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements which are a type of public-public or public-private partnership. The implementation of this statement did not result in any change to the School District's financial statements.

GASB Statement No. 61 modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity and the financial reporting entity display and disclosure requirements. The implementation of this statement did not result in any change to the School District's financial statements.

GASB Statement No. 62 incorporates into GASB's authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change to the School District's financial statements.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in the statement of financial position and related note disclosures. These changes were incorporated in the School District's fiscal year 2013 financial statements; however, there was no effect on beginning net position and/or fund balance.

Note 3 - Change in Accounting Principals (continued)

GASB Statement No. 65 properly classifies certain items that were previously reported as assets or liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets or liabilities as inflows of resources (revenues) or outflows of resources (expenses or expenditures). These changes were incorporated in the School District's fiscal year 2013 financial statements; however, there was no effect on beginning net position and/or fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and, thereby, enhance the usefulness of the financial reports. The implementation of this statement did not result in any change to the School District's financial statements.

Note 4 - Accountability

At June 30, 2013, the Race to the Top, Title VI-B, Title I, and Title II-A special revenue funds had deficit fund balances, in the amount of \$12,682, \$75,487, \$53, and \$9,488, 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.

Note 5 - 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, 2013

Note 5 - 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	\$2,008,737
<u>Increase (Decrease) Due To:</u>	
Revenue Accruals:	
Accrued FY 2012, Received in Cash FY 2013	4,490,676
Accrued FY 2013, Not Yet Received in Cash	(5,658,951)
Expenditure Accruals:	
Accrued FY 2012, Paid in Cash FY 2013	(3,290,335)
Accrued FY 2013, Not Yet Paid in Cash	3,311,920
Cash Adjustments:	
Unrecorded Cash Activity FY 2012	19,804
Unrecorded Cash Activity FY 2013	(3,170)
Advances In	342,755
Advances Out	(125,456)
Encumbrances Outstanding at Fiscal Year End (Budget Basis)	(50,412)
Budget Basis	\$1,045,568

Note 6 - 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.

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

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 6 - Deposits and Investments (continued)

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, \$537,631 of the School District's bank balance of \$10,073,912 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, 2013

Note 6 - Deposits and Investments (continued)

Investments

As of June 30, 2013, the School District had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Mutual Funds	\$1,080,896	53 Days
STAR Ohio	1,000,130	57.5 Days
	<u>\$2,081,026</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 7 - Receivables

Receivables at June 30, 2013, 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, 2013

Note 7 - Receivables (continued)

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Delaware Area Career Center	\$5,871
Ohio Department of Job and Family Services	3,176
Ohio Bureau of Workers' Compensation	61,067
Tuition	108,330
Total General Fund	178,444
Other Governmental Funds	
Food Service	1,246
Race to the Top	43,118
Title VI-B	125,739
Title I	25,686
Title II-A	12,598
Total Other Governmental Funds	208,387
Total Intergovernmental Receivables	\$386,831

Note 8 - 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 9 - 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, 2013

Note 9 - 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 2013 represent the collection of calendar year 2012 taxes. Real property taxes received in calendar year 2013 were levied after April 1, 2012, on the assessed values as of January 1, 2012, 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 2013 represent the collection of calendar year 2012 taxes. Public utility real and tangible personal property taxes received in calendar year 2013 became a lien on December 31, 2011, were levied after April 1, 2012, 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, 2013, are available to finance fiscal year 2013 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, 2013, 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 inflows of resources - property taxes.

The amount available as an advance at June 30, 2013, was \$3,392,604 in the General Fund and \$666,346 in the Bond Retirement debt service fund. 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.

Collectible delinquent property taxes have been recorded as a receivable and revenue on an accrual basis. On a modified accrual basis, the revenue has been recorded as deferred inflows of resources - unavailable revenue.

The assessed values upon which fiscal year 2013 taxes were collected are:

	2012 Second- Half Collections		2013 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$622,380,270	97.19%	\$625,758,270	97.22%
Public Utility Personal	17,962,470	2.81	17,882,510	2.78
Total Assessed Value	<u>\$640,342,740</u>	<u>100.00%</u>	<u>\$643,640,780</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$41.20		\$41.69	

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

	Balance at 6/30/12	Additions	Reductions	Balance at 6/30/13
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$1,762,898	\$0	\$0	\$1,762,898
Depreciable Capital Assets				
Land Improvements	749,922	0	0	749,922
Buildings and Building Improvements	51,400,802	102,076	(110,698)	51,392,180
Furniture, Fixtures, and Equipment	421,160	42,448	0	463,608
Vehicles	2,333,383	181,753	(105,348)	2,409,788
Total Depreciable Capital Assets	54,905,267	326,277	(216,046)	55,015,498
Less Accumulated Depreciation				
Land Improvements	(175,163)	(28,362)	0	(203,525)
Buildings and Building Improvements	(6,350,017)	(942,441)	91,051	(7,201,407)
Furniture, Fixtures, and Equipment	(219,683)	(34,017)	0	(253,700)
Vehicles	(1,656,848)	(149,591)	105,348	(1,701,091)
Total Accumulated Depreciation	(8,401,711)	(1,154,411)	196,399	(9,359,723)
Depreciable Capital Assets, Net	46,503,556	(828,134)	(19,647)	45,655,775
Governmental Activities, Capital Assets, Net	\$48,266,454	(\$828,134)	(\$19,647)	\$47,418,673

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$581,739
Special	64,438
Vocational	9,543
Support Services:	
Pupils	10,978
Instructional Staff	32,799
Administration	48,888
Operation and Maintenance of Plant	87,032
Pupil Transportation	161,317
Non-Instructional Services	100,546
Extracurricular Activities	57,131
Total Depreciation Expense	<u>\$1,154,411</u>

Note 11 - Interfund

At June 30, 2013, the General Fund had an interfund receivable, in the amount of \$31,374, from other governmental funds for short-term loans made to those funds. All amounts are expected to be repaid within one year.

Note 12 - 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 2013, the School District contracted for the following insurance coverage.

Coverage provided by the Ohio School Plan:

Buildings and Contents	\$93,145,672
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 2013, 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 13 - 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.

Note 13 - Defined Benefit Pension Plans (continued)

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. The statutory maximum employee contribution rate will be increased 1 percent each year beginning July 1, 2013, until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2013, 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 \$1,503,422 and \$32,942 for the fiscal year ended June 30, 2013, \$1,478,888 and \$41,082 for the fiscal year ended June 30, 2012, and \$1,433,528 and \$37,034 for the fiscal year ended June 30, 2011. For fiscal year 2013, 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 2012 and 2011.

The contribution to STRS Ohio for the DCP for fiscal year 2013 was \$39,700 made by the School District and \$28,357 made by the plan members. In addition, member contributions of \$23,530 were made for fiscal year 2013 for the defined contribution portion of the CP.

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.

Note 13 - Defined Benefit Pension Plans (continued)

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, 2013, the allocation to pension and death benefits was 13.1 percent. The remaining .9 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, 2013, 2012, and 2011 was \$472,888, \$471,229, and \$382,845, respectively. For fiscal year 2013, 45 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

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, 2013, three of the Board of Education members have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 14 - 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.

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 2013, 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, 2013, 2012, and 2011 was \$121,236, \$119,943, and \$115,404, respectively. For fiscal year 2013, 83 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

Note 14 - Postemployment Benefits (continued)

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 2013, .16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount. For fiscal year 2013, this amount was \$20,525. For fiscal year 2013, the School District paid \$64,575 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, 2013, 2012, and 2011 was \$5,776, \$20,408, and \$46,356, respectively. For fiscal year 2013, 45 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For fiscal year 2013, this actuarially required allocation was .74 percent of covered payroll. The School District's contribution for Medicare Part B for the fiscal years ended June 30, 2013, 2012, and 2011 was \$26,713, \$27,828, and \$24,637, respectively. For fiscal year 2013, 45 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

Note 15 - 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.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 15 - Other Employee Benefits (continued)

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 administrators, support staff, and food service employees, and two hundred sixty days for teachers, and 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 administrators, support staff, and food service employees, sixty-five days for teachers, and seventy days for maintenance, custodial, and transportation employees.

B. Health Care Benefits

The School District offers employee medical benefits through United Healthcare. 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, were 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. During fiscal year 2013, the School District paid \$300,000 in separation benefits and incurred an additional \$180,000 in separation benefits which were outstanding at fiscal year end. Payment is to be made over a sixty to ninety-six month period.

Note 16 - Long-Term Obligations

Changes in the School District's long-term obligations during fiscal year 2013 were as follows:

	Balance at 6/30/12	Additions	Reductions	Balance at 6/30/13	Amounts Due Within One Year
Governmental Activities					
General Long-Term Obligations					
Refunding School Improvement Bonds FY 1998					
Capital Appreciation Bonds 19.5-23%	\$25,981	\$0	\$25,981	\$0	\$0
Accretion on Capital Appreciation Bonds	385,233	8,786	394,019	0	0
Refunding School Improvement Bonds FY 2004					
Serial Bonds 2-3.7%	1,665,000	0	625,000	1,040,000	615,000
Bond Premium	69,183	0	25,970	43,213	0
School Facilities Construction and Improvement Bonds FY 2005					
Term Bonds 4.5-5%	1,340,000	0	0	1,340,000	0
Serial Bonds 2.5-3.65%	955,000	0	290,000	665,000	305,000
Bond Premium	35,901	0	4,537	31,364	0

(continued)

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16 - Long-Term Obligations (continued)

	Balance at 6/30/12	Additions	Reductions	Balance at 6/30/13	Amounts Due Within One Year
Governmental Activities (continued)					
General Long-Term Obligations (continued)					
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%	4,855,000	0	25,000	4,830,000	25,000
Capital Appreciation Bonds 3.19%	109,926	0	0	109,926	0
Accretion on Capital Appreciation Bonds	115,140	55,446	0	170,586	0
Bond Premium	372,094	0	937	371,157	0
Bond Discount	(114,193)	0	(288)	(113,905)	0
Refunding School Improvement Bonds FY 2010					
Serial Bonds 2-2.5%	615,000	0	20,000	595,000	470,000
Capital Appreciation Bonds 25%	140,626	0	0	140,626	0
Accretion on Capital Appreciation Bonds	118,068	68,718	0	186,786	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%	9,585,000	0	85,000	9,500,000	425,000
Refunding School Improvement Bonds FY 2012					
Serial Bonds 2-3%	8,575,000	0	220,000	8,355,000	130,000
Capital Appreciation Bonds 32%	143,405	0	0	143,405	0
Accretion on Capital Appreciation Bonds	11,802	53,643	0	65,445	0
Bond Premium	1,278,003	0	32,249	1,245,754	0
Total General Long-Term Obligations	45,241,169	186,593	1,748,405	43,679,357	1,970,000
Compensated Absences	1,620,740	178,174	160,278	1,638,636	69,194
Total Governmental Activities Long-Term Obligations	<u>\$46,861,909</u>	<u>\$364,767</u>	<u>\$1,908,683</u>	<u>\$45,317,993</u>	<u>\$2,039,194</u>

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.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16 - Long-Term Obligations (continued)

The capital appreciation bonds matured and were fully retired in fiscal year 2013.

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, 2013, \$475,000 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, 2013, \$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:

Year	Amount
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.

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.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16 - Long-Term Obligations (continued)

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.

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.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16 - Long-Term Obligations (continued)

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 2013, \$55,446 was accreted on the capital appreciation bonds for a total value of \$280,512 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 included 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 2013, \$68,718 was accreted on the capital appreciation bonds for a total value of \$327,412 at fiscal year end.

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.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16 - Long-Term Obligations (continued)

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.

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.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16 - Long-Term Obligations (continued)

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 included serial and capital appreciation bonds, in the original amount of \$8,575,000 and \$143,405, respectively. 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.

As of June 30, 2013, \$8,720,000 of the refunded bonds was still outstanding.

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 2013, \$53,643 was accreted on the capital appreciation bonds for a total value of \$208,850 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 \$16,782,287 with an unvoted debt margin of \$625,758 at June 30, 2013.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16 - Long-Term Obligations (continued)

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2013, were as follows:

Fiscal Year Ending June 30,	General Obligation Bonds				
	Serial	Term	Capital Appreciation	Interest	Total
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	525,000	710,000	48,936	1,716,545	3,000,481
2019-2023	3,085,000	4,485,000	143,405	7,997,311	15,710,716
2024-2028	5,215,000	2,850,000	0	5,572,915	13,637,915
2029-2033	2,700,000	5,440,000	0	4,018,435	12,158,435
2034-2038	0	9,990,000	0	1,498,831	11,488,831
	<u>\$15,485,000</u>	<u>\$25,800,000</u>	<u>\$393,957</u>	<u>\$27,452,477</u>	<u>\$69,131,434</u>

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	Other Governmental	Total Governmental Funds
Nonspendable for:				
Materials and Supplies				
Inventory	\$0	\$0	\$3,172	\$3,172
Unclaimed Monies	51,002	0	0	51,002
Total Nonspendable	<u>51,002</u>	<u>0</u>	<u>3,172</u>	<u>54,174</u>
Restricted for:				
Athletics and Music	0	0	44,562	44,562
Building Construction	0	0	1,352,915	1,352,915
Debt Retirement	0	2,143,000	0	2,143,000
Food Service Operations	0	0	118,660	118,660
Network Connectivity	0	0	6,775	6,775
Regular Instruction	29	0	25,702	25,731
Special Instruction	0	0	893	893
Total Restricted	<u>29</u>	<u>2,143,000</u>	<u>1,549,507</u>	<u>3,692,536</u>

(continued)

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 17 - Fund Balance (continued)

Fund Balance	General	Bond Retirement	Other Governmental	Total Governmental Funds
Committed for:				
Permanent Improvements	\$0	\$0	\$240,426	\$240,426
Assigned for:				
Educational Activities	24,907	0	0	24,907
Extracurricular Activities	14,186	0	0	14,186
Permanent Improvements	0	0	286,936	286,936
Regular Instruction	448	0	0	448
Unpaid Obligations	20,681	0	0	20,681
Total Assigned	60,222	0	286,936	347,158
Unassigned (Deficit)	9,797,096	0	(97,710)	9,699,386
Total Fund Balance	\$9,908,349	\$2,143,000	\$1,982,331	\$14,033,680

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 2013.

	Capital Improvements
Balance June 30, 2012	\$0
Current Year Set Aside Requirement	506,735
Qualifying Expenditures	(506,735)
Balance June 30, 2013	\$0

Note 19 - 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, Knox, Licking, 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 2013, the School District paid \$48,978 to TRECA for various services. Financial information can be obtained from the Tri-Rivers Educational Computer Association, 100 Executive Drive, 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 eleven 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.

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 ninety-three school districts, libraries, and related agencies in fifty-two 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 participant. All participants 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 20 - 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 21 - 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 22 - Contingencies

A. Grants

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. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2013.

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

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.

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.

Building

To account for 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, construction of a new elementary and middle school.

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, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$318,643	\$1,906,029	\$2,224,672
Accounts Receivable	731	0	731
Intergovernmental Receivable	208,387	0	208,387
Inventory Held for Resale	11,914	0	11,914
Materials and Supplies Inventory	3,172	0	3,172
Total Assets	\$542,847	\$1,906,029	\$2,448,876
<u>Liabilities</u>			
Accounts Payable	\$25,279	\$25,752	\$51,031
Accrued Wages and Benefits Payable	150,502	0	150,502
Interfund Payable	31,374	0	31,374
Intergovernmental Payable	26,497	0	26,497
Total Liabilities	233,652	25,752	259,404
<u>Deferred Inflows of Resources</u>			
Unavailable Revenue	207,141	0	207,141
<u>Fund Balances</u>			
Nonspendable	3,172	0	3,172
Restricted	196,592	1,352,915	1,549,507
Committed	0	240,426	240,426
Assigned	0	286,936	286,936
Unassigned (Deficit)	(97,710)	0	(97,710)
Total Fund Balances	102,054	1,880,277	1,982,331
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$542,847	\$1,906,029	\$2,448,876

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013

	Food Service	Other Local Grants	High School Multi- Handicapped	Athletic and Music
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$179,785	\$7,899	\$893	\$46,748
Accounts Receivable	409	0	0	322
Intergovernmental Receivable	1,246	0	0	0
Inventory Held for Resale	11,914	0	0	0
Materials and Supplies Inventory	3,172	0	0	0
Total Assets	<u>\$196,526</u>	<u>\$7,899</u>	<u>\$893</u>	<u>\$47,070</u>
<u>Liabilities</u>				
Accounts Payable	\$268	\$0	\$0	\$2,508
Accrued Wages and Benefits Payable	61,351	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	13,075	0	0	0
Total Liabilities	<u>74,694</u>	<u>0</u>	<u>0</u>	<u>2,508</u>
<u>Deferred Inflows of Resources</u>				
Unavailable Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fund Balances</u>				
Nonspendable	3,172	0	0	0
Restricted	118,660	7,899	893	44,562
Unassigned (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances (Deficit)	<u>121,832</u>	<u>7,899</u>	<u>893</u>	<u>44,562</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$196,526</u>	<u>\$7,899</u>	<u>\$893</u>	<u>\$47,070</u>

Auxiliary Services	Network Connectivity	Miscellaneous State Grants	Race to the Top	Title VI-B	Title I
\$44,255	\$12,175	\$3,372	\$0	\$0	\$21,165
0	0	0	0	0	0
0	0	0	43,118	125,739	25,686
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$44,255</u>	<u>\$12,175</u>	<u>\$3,372</u>	<u>\$43,118</u>	<u>\$125,739</u>	<u>\$46,851</u>
\$22,503	\$0	\$0	\$0	\$0	\$0
5,851	0	0	0	63,632	19,668
0	0	0	12,682	6,853	0
1,470	5,400	0	0	5,002	1,550
<u>29,824</u>	<u>5,400</u>	<u>0</u>	<u>12,682</u>	<u>75,487</u>	<u>21,218</u>
0	0	0	43,118	125,739	25,686
0	0	0	0	0	0
14,431	6,775	3,372	0	0	0
0	0	0	(12,682)	(75,487)	(53)
<u>14,431</u>	<u>6,775</u>	<u>3,372</u>	<u>(12,682)</u>	<u>(75,487)</u>	<u>(53)</u>
<u>\$44,255</u>	<u>\$12,175</u>	<u>\$3,372</u>	<u>\$43,118</u>	<u>\$125,739</u>	<u>\$46,851</u>

(continued)

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013
(continued)

	Title II-A	Total
<u>Assets</u>		
Equity in Pooled Cash and Cash Equivalents	\$2,351	\$318,643
Accounts Receivable	0	731
Intergovernmental Receivable	12,598	208,387
Inventory Held for Resale	0	11,914
Materials and Supplies Inventory	0	3,172
Total Assets	\$14,949	\$542,847
<u>Liabilities</u>		
Accounts Payable	\$0	\$25,279
Accrued Wages and Benefits Payable	0	150,502
Interfund Payable	11,839	31,374
Intergovernmental Payable	0	26,497
Total Liabilities	11,839	233,652
<u>Deferred Inflows of Resources</u>		
Unavailable Revenue	12,598	207,141
<u>Fund Balances</u>		
Nonspendable	0	3,172
Restricted	0	196,592
Unassigned (Deficit)	(9,488)	(97,710)
Total Fund Balances (Deficit)	(9,488)	102,054
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$14,949	\$542,847

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2013

	Permanent Improvement	Building	Capital Projects	Total
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$286,936	\$1,378,667	\$240,426	\$1,906,029
<u>Liabilities</u>				
Accounts Payable	\$0	\$25,752	\$0	\$25,752
<u>Fund Balances</u>				
Restricted	0	1,352,915	0	1,352,915
Committed	0	0	240,426	240,426
Assigned	286,936	0	0	286,936
Total Fund Balances	286,936	1,352,915	240,426	1,880,277
Total Liabilities and Fund Balances	\$286,936	\$1,378,667	\$240,426	\$1,906,029

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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, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>			
Intergovernmental	\$1,547,152	\$0	\$1,547,152
Interest	451	638	1,089
Extracurricular Activities	215,060	0	215,060
Charges for Services	698,588	0	698,588
Gifts and Donations	19,362	0	19,362
Miscellaneous	6,490	90,785	97,275
Total Revenues	2,487,103	91,423	2,578,526
<u>Expenditures</u>			
Current:			
Instruction			
Regular	14,203	0	14,203
Special	768,618	0	768,618
Support Services			
Pupils	14,138	0	14,138
Instructional Staff	104,182	0	104,182
Fiscal	5,000	0	5,000
Operation and Maintenance of Plant	0	18,314	18,314
Non-Instructional Services	1,267,963	0	1,267,963
Extracurricular Activities	252,506	0	252,506
Capital Outlay	0	975,635	975,635
Total Expenditures	2,426,610	993,949	3,420,559
Excess of Revenues Over (Under) Expenditures	60,493	(902,526)	(842,033)
<u>Other Financing Sources</u>			
Sale of Capital Assets	0	100,000	100,000
Changes in Fund Balances	60,493	(802,526)	(742,033)
Fund Balances Beginning of Year	41,561	2,682,803	2,724,364
Fund Balances End of Year	\$102,054	\$1,880,277	\$1,982,331

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, 2013

	Food Service	Other Local Grants	High School Multi- Handicapped	Athletic and Music
<u>Revenues</u>				
Intergovernmental	\$392,342	\$4,000	\$0	\$0
Interest	421	0	0	0
Extracurricular Activities	0	0	0	215,060
Charges for Services	698,588	0	0	0
Gifts and Donations	0	3,662	0	15,700
Miscellaneous	2,443	0	0	4,047
Total Revenues	1,093,794	7,662	0	234,807
<u>Expenditures</u>				
Current:				
Instruction				
Regular	0	11,849	0	0
Special	0	0	0	0
Support Services				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Fiscal	0	0	0	0
Non-Instructional Services	1,115,637	0	0	0
Extracurricular Activities	0	0	0	252,506
Total Expenditures	1,115,637	11,849	0	252,506
Changes in Fund Balances	(21,843)	(4,187)	0	(17,699)
Fund Balances (Deficit) Beginning of Year	143,675	12,086	893	62,261
Fund Balances (Deficit) End of Year	<u>\$121,832</u>	<u>\$7,899</u>	<u>\$893</u>	<u>\$44,562</u>

Auxiliary Services	Education Management Information Systems	Network Connectivity	Miscellaneous State Grants	Education Jobs	Race to the Top
\$143,370	\$0	\$10,800	\$0	\$9,467	\$1,672
30	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
143,400	0	10,800	0	9,467	1,672
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	12,682
0	0	9,900	636	0	1,400
0	5,000	0	0	0	0
152,326	0	0	0	0	0
0	0	0	0	0	0
152,326	5,000	9,900	636	0	14,082
(8,926)	(5,000)	900	(636)	9,467	(12,410)
23,357	5,000	5,875	4,008	(9,467)	(272)
\$14,431	\$0	\$6,775	\$3,372	\$0	(\$12,682)

(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, 2013
(continued)

	Title VI-B	Title II-D	Title I	Early Childhood Special Education
<u>Revenues</u>				
Intergovernmental	\$598,752	\$0	\$307,493	\$12,435
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	0	0	0	0
Total Revenues	<u>598,752</u>	<u>0</u>	<u>307,493</u>	<u>12,435</u>
<u>Expenditures</u>				
Current:				
Instruction				
Regular	0	2,354	0	0
Special	466,585	0	289,598	12,435
Support Services				
Pupils	0	0	1,456	0
Instructional Staff	0	0	7,067	0
Fiscal	0	0	0	0
Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Total Expenditures	<u>466,585</u>	<u>2,354</u>	<u>298,121</u>	<u>12,435</u>
Changes in Fund Balances	132,167	(2,354)	9,372	0
Fund Balances (Deficit) Beginning of Year	<u>(207,654)</u>	<u>2,354</u>	<u>(9,425)</u>	<u>0</u>
Fund Balances (Deficit) End of Year	<u><u>(\$75,487)</u></u>	<u><u>\$0</u></u>	<u><u>(\$53)</u></u>	<u><u>\$0</u></u>

<u>Title II-A</u>	<u>Total</u>
\$66,821	\$1,547,152
0	451
0	215,060
0	698,588
0	19,362
0	6,490
0	
66,821	2,487,103
0	14,203
0	768,618
0	14,138
85,179	104,182
0	5,000
0	1,267,963
0	252,506
85,179	2,426,610
(18,358)	60,493
8,870	41,561
(\$9,488)	\$102,054

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2013

	Permanent Improvement	Building	Capital Projects	Total
<u>Revenues</u>				
Interest	\$0	\$638	\$0	\$638
Miscellaneous	25,327	0	65,458	90,785
Total Revenues	25,327	638	65,458	91,423
<u>Expenditures</u>				
Current:				
Support Services				
Operation and Maintenance of Plant	0	18,314	0	18,314
Capital Outlay	0	975,635	0	975,635
Total Expenditures	0	993,949	0	993,949
Excess of Revenues Over (Under) Expenditures	25,327	(993,311)	65,458	(902,526)
<u>Other Financing Sources</u>				
Sale of Capital Assets	100,000	0	0	100,000
Changes in Fund Balances	125,327	(993,311)	65,458	(802,526)
Fund Balances Beginning of Year	161,609	2,346,226	174,968	2,682,803
Fund Balances End of Year	\$286,936	\$1,352,915	\$240,426	\$1,880,277

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, 2013

	Balance at 6/30/12	Additions	Reductions	Balance at 6/30/13
<u>Sunbury Meadows Community Development Authority</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$25,327	\$25,327	\$0
<u>Liabilities</u>				
Undistributed Assets	\$0	\$25,327	\$25,327	\$0
<u>High School Advanced Placement</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$5,782	\$0	\$1,036	\$4,746
<u>Liabilities</u>				
Undistributed Assets	\$5,782	\$0	\$1,036	\$4,746
<u>Teachers</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$6,360	\$0	\$1,340	\$5,020
<u>Liabilities</u>				
Undistributed Assets	\$6,360	\$0	\$1,340	\$5,020
<u>Student Activities</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$77,873	\$6,894	\$0	\$84,767
<u>Liabilities</u>				
Due to Students	\$77,873	\$6,894	\$0	\$84,767
<u>LPDC</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,750	\$0	\$470	\$2,280
<u>Liabilities</u>				
Undistributed Assets	\$2,750	\$0	\$470	\$2,280
<u>Payroll</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$626	\$0	\$626
<u>Liabilities</u>				
Undistributed Assets	\$0	\$626	\$0	\$626
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$92,765	\$32,847	\$28,173	\$97,439
<u>Liabilities</u>				
Undistributed Assets	\$14,892	\$25,953	\$28,173	\$12,672
Due to Students	77,873	6,894	0	84,767
Total Liabilities	\$92,765	\$32,847	\$28,173	\$97,439

**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, 2013

	Original Budget	Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$18,022,018	\$16,240,312	\$16,235,238	(\$5,074)
Income Taxes	4,482,785	4,482,785	4,923,886	441,101
Intergovernmental	7,592,192	7,038,009	6,979,081	(58,928)
Interest	13,502	13,502	35,458	21,956
Tuition and Fees	449,217	449,217	381,949	(67,268)
Extracurricular Activities	1,544	1,450	1,604	154
Charges for Services	38,038	38,038	13,095	(24,943)
Gifts and Donations	136,064	136,845	136,472	(373)
Miscellaneous	412,172	200,987	185,775	(15,212)
Total Revenues	31,147,532	28,601,145	28,892,558	291,413
<u>Expenditures</u>				
Current:				
Instruction				
Regular				
Salaries	9,481,127	9,501,127	9,475,612	25,515
Fringe Benefits	3,962,329	3,962,327	3,746,764	215,563
Purchased Services	1,363,987	1,528,132	1,522,173	5,959
Materials and Supplies	344,946	327,162	307,369	19,793
Capital Outlay	49,259	46,259	33,824	12,435
Total Regular	15,201,648	15,365,007	15,085,742	279,265
Special				
Salaries	137,566	127,671	127,665	6
Fringe Benefits	107,208	107,207	67,493	39,714
Purchased Services	342,372	369,075	366,112	2,963
Materials and Supplies	19,080	20,215	15,580	4,635
Capital Outlay	2,900	2,900	1,306	1,594
Total Special	609,126	627,068	578,156	48,912
Vocational				
Salaries	128,801	128,801	80,976	47,825
Fringe Benefits	100,992	100,993	98,731	2,262
Purchased Services	10,298	10,298	6,175	4,123
Total Vocational	240,091	240,092	185,882	54,210
Total Instruction	16,050,865	16,232,167	15,849,780	382,387

(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, 2013
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Support Services				
Pupils				
Salaries	\$490,976	\$499,176	\$499,093	\$83
Fringe Benefits	200,861	200,860	194,438	6,422
Purchased Services	788,714	786,564	785,807	757
Materials and Supplies	7,301	7,251	4,295	2,956
Capital Outlay	1,100	1,100	481	619
Total Pupils	1,488,952	1,494,951	1,484,114	10,837
Instructional Staff				
Salaries	965,751	1,002,751	1,002,342	409
Fringe Benefits	586,882	586,883	572,695	14,188
Purchased Services	98,993	100,453	99,646	807
Materials and Supplies	23,247	23,205	22,547	658
Other	66,000	75,450	75,411	39
Capital Outlay	624	624	571	53
Total Instructional Staff	1,741,497	1,789,366	1,773,212	16,154
Board of Education				
Salaries	24,000	7,000	6,810	190
Fringe Benefits	6,604	9,654	8,675	979
Purchased Services	126,758	152,039	146,438	5,601
Other	23,566	41,066	40,792	274
Total Board of Education	180,928	209,759	202,715	7,044
Administration				
Salaries	1,434,751	1,465,600	1,465,600	0
Fringe Benefits	714,361	714,365	698,415	15,950
Purchased Services	497,977	440,442	438,682	1,760
Materials and Supplies	10,314	16,969	11,388	5,581
Other	6,733	6,733	5,891	842
Capital Outlay	2,493	6,800	4,843	1,957
Total Administration	2,666,629	2,650,909	2,624,819	26,090
Fiscal				
Salaries	378,859	373,859	373,501	358
Fringe Benefits	152,779	156,194	156,194	0
Purchased Services	8,500	23,920	22,984	936
Materials and Supplies	2,618	2,618	2,307	311
Other	397,554	398,891	398,735	156
Capital Outlay	2,184	2,184	0	2,184
Total Fiscal	942,494	957,666	953,721	3,945

(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, 2013
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Business				
Salaries	\$5,427	\$8,327	\$8,265	\$62
Fringe Benefits	1,034	2,434	2,404	30
Purchased Services	4,500	3,500	3,450	50
Materials and Supplies	41,000	41,000	40,224	776
Total Business	51,961	55,261	54,343	918
Operation and Maintenance of Plant				
Salaries	912,392	842,392	841,441	951
Fringe Benefits	464,329	464,330	455,381	8,949
Purchased Services	1,411,949	1,148,349	1,123,344	25,005
Materials and Supplies	148,204	146,205	133,770	12,435
Capital Outlay	24,541	24,541	21,926	2,615
Total Operation and Maintenance of Plant	2,961,415	2,625,817	2,575,862	49,955
Pupil Transportation				
Salaries	1,007,584	1,007,585	971,747	35,838
Fringe Benefits	602,682	602,684	581,461	21,223
Purchased Services	95,232	90,231	85,890	4,341
Materials and Supplies	317,619	374,811	374,451	360
Capital Outlay	168,397	168,397	167,959	438
Total Pupil Transportation	2,191,514	2,243,708	2,181,508	62,200
Central				
Fringe Benefits	0	27	27	0
Purchased Services	7,998	7,998	6,840	1,158
Total Central	7,998	8,025	6,867	1,158
Total Support Services	12,233,388	12,035,462	11,857,161	178,301
Non-Instructional Services				
Salaries	0	1,400	1,382	18
Fringe Benefits	0	315	302	13
Total Non-Instructional Services	0	1,715	1,684	31
Extracurricular Activities				
Academic and Subject Oriented Activities				
Salaries	79,667	85,637	85,632	5
Fringe Benefits	3,302	9,911	9,695	216
Purchased Services	1,873	3,200	2,225	975
Total Academic and Subject Oriented Activities	84,842	98,748	97,552	1,196

(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, 2013
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Sport Oriented Activities				
Salaries	\$328,822	\$328,822	\$316,498	\$12,324
Fringe Benefits	0	1,707	1,707	0
Total Sport Oriented Activities	328,822	330,529	318,205	12,324
Total Extracurricular Activities	413,664	429,277	415,757	13,520
Total Expenditures	28,697,917	28,698,621	28,124,382	574,239
Excess of Revenues Over (Under) Expenditures	2,449,615	(97,476)	768,176	865,652
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	852	852	1,854	1,002
Refund of Prior Year Expenditures	30,443	30,443	58,239	27,796
Advances In	205,791	205,791	342,755	136,964
Advances Out	(293,021)	(293,021)	(125,456)	167,565
Total Other Financing Sources (Uses)	(55,935)	(55,935)	277,392	333,327
Changes in Fund Balance	2,393,680	(153,411)	1,045,568	1,198,979
Fund Balance Beginning of Year	6,340,105	6,340,105	6,340,105	0
Prior Year Encumbrances Appropriated	90,689	90,689	90,689	0
Fund Balance End of Year	<u>\$8,824,474</u>	<u>\$6,277,383</u>	<u>\$7,476,362</u>	<u>\$1,198,979</u>

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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Property Taxes	\$3,023,586	\$3,015,880	(\$7,706)
Intergovernmental	227,091	423,808	196,717
Total Revenues	<u>3,250,677</u>	<u>3,439,688</u>	<u>189,011</u>
<u>Expenditures</u>			
Current:			
Support Services			
Fiscal			
Purchased Services	46,221	46,214	7
Debt Service:			
Principal Retirement	1,303,178	1,290,981	12,197
Interest and Fiscal Charges	1,672,945	1,615,426	57,519
Interest on Capital Appreciation Bonds	394,019	394,019	0
Total Debt Service	<u>3,370,142</u>	<u>3,300,426</u>	<u>69,716</u>
Total Expenditures	<u>3,416,363</u>	<u>3,346,640</u>	<u>69,723</u>
Changes in Fund Balance	(165,686)	93,048	258,734
Fund Balance Beginning of Year	<u>1,383,606</u>	<u>1,383,606</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1,217,920</u></u>	<u><u>\$1,476,654</u></u>	<u><u>\$258,734</u></u>

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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$316,392	\$328,698	\$12,306
Interest	510	379	(131)
Charges for Services	842,868	698,073	(144,795)
Miscellaneous	614	1,197	583
Total Revenues	<u>1,160,384</u>	<u>1,028,347</u>	<u>(132,037)</u>
<u>Expenditures</u>			
Current:			
Non-Instructional Services			
Salaries	386,549	352,639	33,910
Fringe Benefits	248,562	239,524	9,038
Purchased Services	31,262	20,392	10,870
Materials and Supplies	462,540	444,976	17,564
Other	6,105	5,640	465
Capital Outlay	48,210	18,062	30,148
Total Expenditures	<u>1,183,228</u>	<u>1,081,233</u>	<u>101,995</u>
Excess of Revenues Under Expenditures	(22,844)	(52,886)	(30,042)
<u>Other Financing Sources</u>			
Refund of Prior Year Expenditures	430	0	(430)
Changes in Fund Balance	(22,414)	(52,886)	(30,472)
Fund Balance Beginning of Year	<u>232,414</u>	<u>232,414</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$210,000</u></u>	<u><u>\$179,528</u></u>	<u><u>(\$30,472)</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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$4,000	\$4,000	\$0
Gifts and Donations	3,262	3,662	400
Total Revenues	7,262	7,662	400
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Materials and Supplies	3,800	1,787	2,013
Capital Outlay	11,010	11,010	0
Total Instruction	14,810	12,797	2,013
Extracurricular Activities			
School and Public Service Co-Curricular Activities			
Purchased Services	2,000	0	2,000
Materials and Supplies	2,000	0	2,000
Total Extracurricular Activities	4,000	0	4,000
Total Expenditures	18,810	12,797	6,013
Changes in Fund Balance	(11,548)	(5,135)	6,413
Fund Balance Beginning of Year	11,569	11,569	0
Prior Year Encumbrances Appropriated	1,465	1,465	0
Fund Balance End of Year	\$1,486	\$7,899	\$6,413

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, 2013

	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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Extracurricular Activities	\$213,157	\$215,941	\$2,784
Gifts and Donations	25,630	15,700	(9,930)
Miscellaneous	1,441	3,725	2,284
	<hr/>	<hr/>	<hr/>
Total Revenues	240,228	235,366	(4,862)
<u>Expenditures</u>			
Current:			
Extracurricular Activities			
Academic and Subject Oriented Activities			
Purchased Services	10,110	8,841	1,269
Materials and Supplies	2,235	2,026	209
Capital Outlay	100	0	100
	<hr/>	<hr/>	<hr/>
Total Academic and Subject Oriented Activities	12,445	10,867	1,578
Sport Oriented Activities			
Purchased Services	180,962	177,390	3,572
Materials and Supplies	46,471	41,914	4,557
Capital Outlay	48,844	42,041	6,803
	<hr/>	<hr/>	<hr/>
Total Sport Oriented Activities	276,277	261,345	14,932
	<hr/>	<hr/>	<hr/>
Total Expenditures	288,722	272,212	16,510
Changes in Fund Balance	(48,494)	(36,846)	11,648
Fund Balance Beginning of Year	46,260	46,260	0
Prior Year Encumbrances Appropriated	22,340	22,340	0
	<hr/>	<hr/>	<hr/>
Fund Balance End of Year	\$20,106	\$31,754	\$11,648
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$143,370	\$143,370	\$0
Interest	30	30	0
Total Revenues	143,400	143,400	0
<u>Expenditures</u>			
Current:			
Support Services			
Non-Instructional Services			
Salaries	64,610	64,610	0
Fringe Benefits	9,389	9,389	0
Purchased Services	33,524	33,470	54
Materials and Supplies	54,828	54,828	0
Capital Outlay	5,967	5,967	0
Total Expenditures	168,318	168,264	54
Excess of Revenues			
Under Expenditures	(24,918)	(24,864)	54
<u>Other Financing Uses</u>			
Refund of Prior Year Receipts	(1,114)	(1,114)	0
Changes in Fund Balance	(26,032)	(25,978)	54
Fund Balance Beginning of Year	22,849	22,849	0
Prior Year Encumbrances Appropriated	19,308	19,308	0
Fund Balance End of Year	\$16,125	\$16,179	\$54

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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Fiscal			
Salaries	5,000	5,000	0
Changes in Fund Balance	(5,000)	(5,000)	0
Fund Balance Beginning of Year	5,000	5,000	0
Fund Balance End of Year	\$0	\$0	\$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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$11,250	\$10,800	(\$450)
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Purchased Services	15,750	6,750	9,000
Changes in Fund Balance	(4,500)	4,050	8,550
Fund Balance Beginning of Year	5,875	5,875	0
Prior Year Encumbrances Appropriated	2,250	2,250	0
Fund Balance End of Year	\$3,625	\$12,175	\$8,550

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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Purchased Services	1,378	636	742
Administration			
Purchased Services	1,300	0	1,300
Total Expenditures	2,678	636	2,042
Changes in Fund Balance	(2,678)	(636)	2,042
Fund Balance Beginning of Year	4,008	4,008	0
Fund Balance End of Year	\$1,330	\$3,372	\$2,042

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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$7,581	\$7,581	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Salaries	4,715	4,055	660
Fringe Benefits	660	660	0
Total Instruction	5,375	4,715	660
Support Services			
Administration			
Fringe Benefits	2,834	2,834	0
Total Expenditures	8,209	7,549	660
Excess of Revenues Over (Under) Expenditures	(628)	32	660
<u>Other Financing Sources (Uses)</u>			
Advances In	8,241	7,581	(660)
Advances Out	(7,613)	(7,613)	0
Total Other Financing Sources (Uses)	628	(32)	(660)
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
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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$75,046	\$33,328	(\$41,718)
<u>Expenditures</u>			
Current:			
Support Services			
Pupils			
Salaries	5,527	5,527	0
Fringe Benefits	956	935	21
Purchased Services	6,220	6,220	0
Capital Outlay	30,500	30,500	0
Total Pupils	43,203	43,182	21
Instructional Staff			
Salaries	1,400	1,400	0
Fringe Benefits	196	0	196
Total Instructional Staff	1,596	1,400	196
Total Expenditures	44,799	44,582	217
Excess of Revenues Over (Under) Expenditures	30,247	(11,254)	(41,501)
<u>Other Financing Sources (Uses)</u>			
Advances In	12,589	12,682	93
Advances Out	(32,328)	(32,328)	0
Total Other Financing Sources (Uses)	(19,739)	(19,646)	93
Changes in Fund Balance	10,508	(30,900)	(41,408)
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	30,900	30,900	0
Fund Balance End of Year	\$41,408	\$0	(\$41,408)

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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$724,491	\$598,752	(\$125,739)
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Salaries	398,584	354,494	44,090
Fringe Benefits	140,612	114,147	26,465
Total Instruction	539,196	468,641	70,555
Support Services			
Administration			
Purchased Services	48,330	0	48,330
Total Expenditures	587,526	468,641	118,885
Excess of Revenues Over Expenditures	136,965	130,111	(6,854)
<u>Other Financing Sources (Uses)</u>			
Advances In	2,072	6,853	4,781
Advances Out	(136,964)	(136,964)	0
Total Other Financing Sources (Uses)	(134,892)	(130,111)	4,781
Changes in Fund Balance	2,073	0	(2,073)
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$2,073	\$0	(\$2,073)

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, 2013

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$2,354	\$2,344	(\$10)
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Capital Outlay	<u>2,344</u>	<u>2,344</u>	<u>0</u>
Excess of Revenues Over Expenditures	<u>10</u>	<u>0</u>	<u>(10)</u>
<u>Other Financing Sources (Uses)</u>			
Advances In	2,354	0	(2,354)
Advances Out	<u>(2,354)</u>	<u>(2,354)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(2,354)</u>	<u>(2,354)</u>
Changes in Fund Balance	10	(2,354)	(2,364)
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>2,354</u>	<u>2,354</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$2,364</u></u>	<u><u>\$0</u></u>	<u><u>(\$2,364)</u></u>

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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$416,775	\$393,994	(\$22,781)
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Salaries	147,912	130,573	17,339
Fringe Benefits	44,543	38,686	5,857
Purchased Services	138,309	123,952	14,357
Materials and Supplies	11,783	7,057	4,726
Capital Outlay	11,225	11,225	0
Total Instruction	353,772	311,493	42,279
Support Services			
Pupils			
Capital Outlay	1,456	1,456	0
Instructional Staff			
Purchased Services	18,677	7,095	11,582
Total Expenditures	373,905	320,044	53,861
Excess of Revenues Over Expenditures	42,870	73,950	31,080
<u>Other Financing Sources (Uses)</u>			
Advances In	163,496	86,501	(76,995)
Advances Out	(163,496)	(163,496)	0
Total Other Financing Sources (Uses)	0	(76,995)	(76,995)
Changes in Fund Balance	42,870	(3,045)	(45,915)
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	24,082	24,082	0
Fund Balance End of Year	\$66,952	\$21,037	(\$45,915)

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, 2013

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$12,435	\$12,435	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Purchased Services	12,435	12,435	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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, 2013

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$80,896	\$66,821	(\$14,075)
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Purchased Services	82,944	81,954	990
Materials and Supplies	7,023	6,942	81
Capital Outlay	1,488	1,456	32
Total Expenditures	91,455	90,352	1,103
Excess of Revenues Under Expenditures	(10,559)	(23,531)	(12,972)
<u>Other Financing Sources</u>			
Advances In	11,839	11,839	0
Changes in Fund Balance	1,280	(11,692)	(12,972)
Fund Balance Beginning of Year	6,469	6,469	0
Prior Year Encumbrances Appropriated	5,223	5,223	0
Fund Balance End of Year	<u>\$12,972</u>	<u>\$0</u>	<u>(\$12,972)</u>

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, 2013

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Miscellaneous	\$0	\$15,200	\$15,200
<u>Expenditures</u>			
	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	15,200	15,200
<u>Other Financing Sources</u>			
Sale of Capital Assets	<u>0</u>	<u>100,000</u>	<u>100,000</u>
Changes in Fund Balance	0	115,200	115,200
Fund Balance Beginning of Year	<u>146,409</u>	<u>146,409</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$146,409</u></u>	<u><u>\$261,609</u></u>	<u><u>\$115,200</u></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, 2013

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$7,850	\$1,032	(\$6,818)
<u>Expenditures</u>			
Current:			
Support Services			
Operation and Maintenance of Plant			
Purchased Services	5,000	4,100	900
Capital Outlay	14,539	14,539	0
Total Support Services	19,539	18,639	900
Capital Outlay			
Site Improvement Services			
Capital Outlay	150,700	135,064	15,636
Architecture and Engineering Services			
Purchased Services	16,245	16,167	78
Building Acquisition and Construction Services			
Purchased Services	32,163	24,750	7,413
Capital Outlay	454,849	416,719	38,130
Total Building Acquisition and Construction Services	487,012	441,469	45,543
Building Improvement Services			
Purchased Services	46,107	21,907	24,200
Capital Outlay	959,620	868,326	91,294
Total Building Improvement Services	1,005,727	890,233	115,494
Total Capital Outlay	1,659,684	1,482,933	176,751
Total Expenditures	1,679,223	1,501,572	177,651
Excess of Revenues Under Expenditures	(1,671,373)	(1,500,540)	170,833
<u>Other Financing Sources (Uses)</u>			
Refund of Prior Year Expenditures	16,530	16,530	0
Refund of Prior Year Receipts	0	(5,290)	(5,290)
Total Other Financing Sources (Uses)	16,530	11,240	(5,290)
Changes in Fund Balance	(1,654,843)	(1,489,300)	165,543
Fund Balance Beginning of Year	1,985,404	1,985,404	0
Prior Year Encumbrances Appropriated	851,808	851,808	0
Fund Balance End of Year	\$1,182,369	\$1,347,912	\$165,543

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, 2013

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Miscellaneous	\$62,458	\$65,458	\$3,000
<u>Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>
Changes in Fund Balance	62,458	65,458	3,000
Fund Balance Beginning of Year	<u>174,968</u>	<u>174,968</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$237,426</u></u>	<u><u>\$240,426</u></u>	<u><u>\$3,000</u></u>

**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 Position
 Last Eight Fiscal Years
 (Accrual Basis of Accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net Investment in Capital Assets	\$5,671,864	\$5,398,816	\$8,765,794	\$9,138,600
Restricted for				
Debt Service	1,675,753	1,341,840	1,023,224	1,669,886
Capital Projects	1,352,915	2,346,226	554,136	267,664
Set Asides	0	0	343,611	112,378
Other Purposes	277,043	245,132	567,033	516,377
Unrestricted (Deficit)	<u>9,023,593</u>	<u>6,588,222</u>	<u>3,370,385</u>	<u>(2,854,998)</u>
Total Net Position	<u>\$18,001,168</u>	<u>\$15,920,236</u>	<u>\$14,624,183</u>	<u>\$8,849,907</u>

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

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$8,781,299	\$7,054,170	\$7,865,501	\$7,377,670
1,358,370	1,245,230	698,462	919,694
607,425	1,870,203	445,216	0
0	0	128,199	69,164
180,248	129,858	147,562	233,850
<u>(2,939,538)</u>	<u>(938,272)</u>	<u>(102,051)</u>	<u>(97,820)</u>
<u>\$7,987,804</u>	<u>\$9,361,189</u>	<u>\$9,182,889</u>	<u>\$8,502,558</u>

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

	2013	2012	2011	2010
<u>Expenses</u>				
Instruction				
Regular	\$16,474,503	\$16,655,553	\$13,570,840	\$13,227,046
Special	1,373,592	1,511,753	2,357,267	2,410,093
Vocational	186,527	195,500	103,403	308,959
Support Services				
Pupils	1,542,159	1,661,006	1,180,712	1,428,226
Instructional Staff	1,907,895	1,847,638	1,540,737	1,830,485
Board of Education	192,064	159,274	122,235	132,398
Administration	2,685,636	2,408,311	2,471,483	2,624,405
Fiscal	997,821	951,114	974,751	829,078
Business	56,094	44,283	61,444	257,499
Operation and Maintenance of Plant	2,684,285	2,626,656	2,348,454	2,181,680
Pupil Transportation	2,148,901	2,049,700	1,850,810	2,035,825
Central	6,243	10,382	672	13,076
Non-Instructional Services	1,321,953	1,319,034	1,222,178	1,202,563
Extracurricular Activities	710,685	709,182	637,595	715,823
Interest and Fiscal Charges	1,963,511	1,909,853	1,934,381	1,933,711
Total Expenses	<u>34,251,869</u>	<u>34,059,239</u>	<u>30,376,962</u>	<u>31,130,867</u>
<u>Program Revenues</u>				
Charges for Services				
Regular	266,928	253,230	400,689	106,812
Special	119,627	205,576	71,424	77,742
Administration	5,799	4,649	5,548	4,624
Non-Instructional Services	698,588	730,968	756,372	782,811
Extracurricular Activities	220,711	217,323	336,497	211,463
Total Charges for Services	<u>1,311,653</u>	<u>1,411,746</u>	<u>1,570,530</u>	<u>1,183,452</u>
Operating Grants, Contributions, and Interest	1,619,516	1,634,702	2,129,873	2,222,925
Capital Grants and Contributions	<u>0</u>	<u>0</u>	<u>19,005</u>	<u>0</u>
Total Program Revenues	<u>2,931,169</u>	<u>3,046,448</u>	<u>3,719,408</u>	<u>3,406,377</u>
Net Expense	<u>(31,320,700)</u>	<u>(31,012,791)</u>	<u>(26,657,554)</u>	<u>(27,724,490)</u>
<u>General Revenues and Other Changes in Net Position</u>				
Property Taxes Levied for General Purposes	17,147,308	16,571,288	15,073,552	12,632,397
Property Taxes Levied for Debt Service Purposes	3,248,085	2,844,723	2,690,225	3,017,525
Income Taxes Levied for General Purposes	5,070,968	4,803,177	6,202,194	4,418,135
Grants and Entitlements not				
Restricted to Specific Programs	7,298,985	7,523,619	8,051,168	7,851,550
Interest	20,785	41,568	85,705	102,607
Gifts and Donations	151,797	145,522	175,496	150,323
Miscellaneous	463,704	378,947	153,490	414,056
Total General Revenues	<u>33,401,632</u>	<u>32,308,844</u>	<u>32,431,830</u>	<u>28,586,593</u>
Changes in Net Position	<u>\$2,080,932</u>	<u>\$1,296,053</u>	<u>\$5,774,276</u>	<u>\$862,103</u>

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

2009	2008	2007	2006
\$12,618,709	\$12,151,170	\$10,766,134	\$10,640,482
3,749,804	3,293,665	2,952,259	2,310,234
368,712	402,201	380,318	361,900
1,236,627	1,330,211	1,240,150	1,217,465
1,215,386	1,075,658	886,296	1,112,190
236,519	203,318	184,257	159,106
2,560,097	2,390,141	1,943,266	1,644,074
895,813	884,013	748,515	708,063
281,761	221,413	251,600	229,590
2,197,437	2,193,705	1,891,168	1,859,258
1,925,545	1,944,429	1,763,719	1,809,895
29,416	7,283	57,179	41,406
1,161,952	990,184	958,656	810,128
776,510	711,089	631,834	658,180
1,117,813	850,009	853,300	1,005,545
<u>30,372,101</u>	<u>28,648,489</u>	<u>25,508,651</u>	<u>24,567,516</u>
294,260	211,854	188,569	245,254
87,902	51,117	53,857	0
5,805	3,420	0	0
793,208	718,600	656,422	617,845
205,867	220,158	201,425	220,414
<u>1,387,042</u>	<u>1,205,149</u>	<u>1,100,273</u>	<u>1,083,513</u>
1,338,135	1,279,558	1,300,892	1,373,899
19,360	44,731	22,841	21,659
<u>2,744,537</u>	<u>2,529,438</u>	<u>2,424,006</u>	<u>2,479,071</u>
<u>(27,627,564)</u>	<u>(26,119,051)</u>	<u>(23,084,645)</u>	<u>(22,088,445)</u>
11,433,389	12,336,291	10,140,434	11,310,488
2,649,715	2,018,917	1,889,652	2,258,006
4,346,558	4,430,022	4,358,466	4,545,105
7,350,791	6,968,875	6,548,534	6,191,456
286,958	347,757	535,992	664,609
28,643	5,553	195,436	26,653
158,125	189,936	96,462	105,791
<u>26,254,179</u>	<u>26,297,351</u>	<u>23,764,976</u>	<u>25,102,108</u>
<u>(\$1,373,385)</u>	<u>\$178,300</u>	<u>\$680,331</u>	<u>\$3,013,663</u>

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

	2013	2012	2011	2010
General Fund				
Reserved	\$0	\$0	\$0	\$0
Unreserved (Deficit)	0	0	0	0
Nonspendable	51,002	49,462	0	0
Restricted	29	29	390,689	159,456
Assigned	60,222	97,243	364,639	38,522
Unassigned (Deficit)	<u>9,797,096</u>	<u>7,752,878</u>	<u>4,673,220</u>	<u>(826,117)</u>
Total General Fund (Deficit)	<u>9,908,349</u>	<u>7,899,612</u>	<u>5,428,548</u>	<u>(628,139)</u>
All Other Governmental Funds				
Reserved	0	0	0	0
Unreserved, Reported in				
Special Revenue Funds (Deficit)	0	0	0	0
Debt Service Fund	0	0	0	0
Capital Projects Fund	0	0	0	0
Nonspendable	3,172	3,253	12,933	14,199
Restricted	3,692,507	4,428,945	6,919,458	20,599,045
Committed	240,426	174,968	0	0
Assigned	286,936	161,609	0	0
Unassigned (Deficit)	<u>(97,710)</u>	<u>(226,818)</u>	<u>(13,583)</u>	<u>(64,933)</u>
Total All Other Governmental Funds	<u>4,125,331</u>	<u>4,541,957</u>	<u>6,918,808</u>	<u>20,548,311</u>
Total Governmental Funds	<u>\$14,033,680</u>	<u>\$12,441,569</u>	<u>\$12,347,356</u>	<u>\$19,920,172</u>

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

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

2009	2008	2007	2006
\$801,898	\$2,212,745	\$2,446,701	\$3,545,417
(1,166,807)	(79,139)	818,705	189,573
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
(364,909)	2,133,606	3,265,406	3,734,990
2,291,217	392,250	1,031,406	6,145,307
96,747	64,241	(90,069)	155,890
1,720,489	1,107,110	553,922	574,050
8,025,988	1,822,402	1,749,322	2,476,479
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
12,134,441	3,386,003	3,244,581	9,351,726
\$11,769,532	\$5,519,609	\$6,509,987	\$13,086,716

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

	2013	2012	2011	2010
<u>Revenues</u>				
Property Taxes	\$20,433,156	\$19,364,069	\$17,789,384	\$15,748,370
Income Taxes	5,082,396	4,797,450	6,176,875	4,378,961
Intergovernmental	8,950,041	9,095,110	9,858,298	9,748,448
Interest	20,719	41,887	91,090	97,564
Tuition and Fees	382,112	447,035	337,203	272,375
Extracurricular Activities	216,664	218,586	328,952	211,330
Charges for Services	718,086	738,593	784,361	793,442
Gifts and Donations	164,293	180,478	667,163	25,960
Miscellaneous	385,544	387,038	170,791	395,079
Total Revenues	36,353,011	35,270,246	36,204,117	31,671,529
<u>Expenditures</u>				
Current:				
Instruction				
Regular	15,099,166	14,481,761	12,340,142	12,611,011
Special	1,344,058	1,443,636	2,315,126	2,432,415
Vocational	176,984	185,958	93,861	299,416
Support Services				
Pupils	1,496,423	1,672,659	1,163,840	1,408,284
Instructional Staff	1,864,230	1,801,761	1,538,977	1,818,766
Board of Education	192,064	159,274	122,235	132,398
Administration	2,621,822	2,354,153	2,439,799	2,564,264
Fiscal	995,006	946,287	975,508	828,018
Business	55,845	44,401	79,686	256,270
Operation and Maintenance of Plant	2,623,215	2,528,691	2,344,097	2,148,120
Pupil Transportation	2,174,356	1,992,844	1,818,841	1,945,087
Central	6,243	10,382	672	13,076
Non-Instructional Services	1,269,647	1,222,866	1,180,883	1,173,563
Extracurricular Activities	667,589	670,937	602,885	681,466
Capital Outlay	975,680	2,605,952	13,207,951	11,667,097
Debt Service:				
Principal Retirement	1,290,981	954,968	1,392,616	2,212,892
Interest and Fiscal Charges	1,615,426	1,801,292	1,862,610	1,786,579
Interest on Capital Appreciation Bonds	394,019	441,043	457,204	592,793
Issuance Costs	0	0	0	0
Total Expenditures	34,862,754	35,318,865	43,936,933	44,571,515
Excess of Revenues Over (Under) Expenditures	1,490,257	(48,619)	(7,732,816)	(12,899,986)
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	101,854	2,297	160,000	0
Bond Anticipation Notes Issued	0	0	0	0
Current Refunding	0	0	0	0
General Obligation Bonds Issued	0	8,718,405	0	21,050,626
Premium on Bonds Issued	0	1,278,003	0	0
Discount on Bonds Issued	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	(9,855,873)	0	0
Inception of Capital Lease	0	0	0	0
Transfers In	0	321,377	316,447	137,625
Transfers Out	0	(321,377)	(316,447)	(137,625)
Total Other Financing Sources (Uses)	101,854	142,832	160,000	21,050,626
Changes in Fund Balances	\$1,592,111	\$94,213	(\$7,572,816)	\$8,150,640
Debt Service as a Percentage of Noncapital Expenditures	9.56%	9.43%	11.72%	13.84%

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

2009	2008	2007	2006
\$13,975,143	\$14,253,531	\$11,930,590	\$13,704,069
4,367,830	4,454,107	4,327,411	4,351,442
8,715,851	8,278,358	7,851,774	7,559,035
287,274	347,757	535,992	664,609
327,724	224,087	301,629	179,283
206,095	219,930	207,366	221,494
799,013	722,020	656,287	616,695
46,242	37,851	28,928	29,510
158,125	189,936	96,462	105,791
<u>28,883,297</u>	<u>28,727,577</u>	<u>25,936,439</u>	<u>27,431,928</u>
11,949,498	11,269,817	10,518,030	10,192,517
3,684,912	3,273,814	2,924,910	2,337,477
359,169	416,015	372,096	380,121
1,222,872	1,324,018	1,234,650	1,236,937
1,207,259	957,272	842,513	862,615
236,519	203,318	184,257	159,106
2,485,192	2,446,647	1,912,326	1,733,322
906,794	895,653	740,005	703,051
290,335	219,046	229,266	236,558
2,154,632	2,151,577	1,856,934	1,846,738
1,779,954	1,970,238	1,791,030	1,862,780
29,416	10,425	204,590	547,164
1,125,544	958,385	948,697	831,495
742,534	679,741	601,644	628,096
1,985,236	1,329,008	5,750,571	3,894,119
897,845	1,029,372	995,973	967,234
890,279	712,699	741,649	775,295
816,158	0	664,027	692,766
129,000	0	0	0
<u>32,893,148</u>	<u>29,847,045</u>	<u>32,513,168</u>	<u>29,887,391</u>
<u>(4,009,851)</u>	<u>(1,119,468)</u>	<u>(6,576,729)</u>	<u>(2,455,463)</u>
0	0	0	0
10,000,000	0	0	0
(10,000,000)	0	0	0
9,999,926	0	0	0
374,905	0	0	0
(115,057)	0	0	0
0	0	0	0
0	129,090	0	0
163,827	189,961	0	8,790
(163,827)	(189,961)	0	(8,790)
<u>10,259,774</u>	<u>129,090</u>	<u>0</u>	<u>0</u>
<u>\$6,249,923</u>	<u>(\$990,378)</u>	<u>(\$6,576,729)</u>	<u>(\$2,455,463)</u>
8.75%	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			
2013	\$580,222,480	\$45,535,790	\$1,787,880,771	\$17,882,510	\$20,321,034
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

Source: Delaware County Auditor

(1) Since each type of property has its own direct rate, a weighted average of the separate rates is presented. See S-12 for the direct rate by property type.

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 from general business taxpayers since 2009 or telephone companies since 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 (1)
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$643,640,780	\$1,808,201,805	35.60%	\$34.14
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

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

Collection Year	2013	2012	2011	2010	2009
Big Walnut Local School District					
Voted Millage					
1976 Current Expense					
Effective Millage Rates					
Residential/Agricultural Real	\$9.3864	\$9.3709	\$8.9919	\$8.9727	\$8.9565
Commercial/Industrial/Public Utility Real	9.3703	9.3779	9.0921	8.9565	9.0211
Tangible/Public Utility Personal	13.9000	13.9000	13.9000	13.9000	13.9000
1985 Current Expense					
Effective Millage Rates					
Residential/Agricultural Real	6.7528	6.7416	6.4690	6.4552	6.4435
Commercial/Industrial/Public Utility Real	6.7412	6.7467	6.5411	6.4435	6.4900
Tangible/Public Utility Personal	10.0000	10.0000	10.0000	10.0000	10.0000
1990 Bond \$16,500,000	1.5600	1.4700	1.6800	1.6800	1.5000
1991 Bond/Library \$1,500,000	0.2100	0.2500	0.1800	0.1800	0.2700
2004 Bond \$13,000,000	1.1300	1.2600	0.9500	1.1000	1.0000
2006 Emergency \$750,000	0.0000	0.0000	1.1500	1.1500	1.1700
2008 Bond \$30,000,000	2.6700	2.0600	1.9000	1.9000	2.9000
2010 Emergency \$4,900,000	7.6200	7.6600	7.4600	n/a	n/a
Total Voted Millage					
Total Effective Voted Millage by Type of Property					
Residential/Agricultural Real	29.3292	28.8125	28.7809	19.5379	19.3400
Commercial/Industrial/Public Utility Real	29.3015	28.8246	28.9532	19.5100	19.4511
Tangible/Public Utility Personal	37.0900	36.6000	37.2200	29.9100	30.7400
Unvoted Millage					
General	4.6000	4.6000	4.6000	4.6000	4.6000
Total Millage (Total Direct Rate)					
Total Effective Millage by Type of Property					
Residential/Agricultural Real	33.9292	33.4125	33.3809	24.1379	23.9400
Commercial/Industrial/Public Utility Real	33.9015	33.4246	33.5532	24.1100	24.0511
Tangible/Public Utility Personal	41.6900	41.2000	41.8200	34.5100	35.3400
Delaware County	5.0500	5.0500	5.0500	5.0400	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	11.3000	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

2008	2007	2006	2005	2004
\$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
1.7800	2.2500	2.5000	3.3500	3.5000
0.2900	0.4900	0.0500	0.3600	0.1600
1.2700	1.2600	1.3400	1.6600	n/a
1.1900	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
19.9300	20.6200	19.2900	20.7700	19.0600
19.9300	20.6200	19.2900	20.7700	19.0600
28.4300	29.1200	27.7900	29.2700	27.5600
4.6000	4.6000	4.6000	4.6000	4.6000
24.5300	25.2200	23.8900	25.3700	23.6600
24.5300	25.2200	23.8900	25.3700	23.6600
33.0300	33.7200	32.3900	33.8700	32.1600
4.2500	4.2500	4.2700	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
0.8000	0.0800	0.0800	0.0800	0.0800
9.4000	9.4000	9.4000	12.1000	12.1000
10.0000	10.0000	7.1200	7.2600	7.3200
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	2013	2012	2011	2010	2009
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	0.6000
BST and G Fire Department	3.0000	2.0000	2.0000	2.0000	2.0000
Kingston-Porter Fire District	7.5000	7.5000	7.5000	7.6800	7.6700
Big Walnut LSD Library District	1.0000	1.0000	1.0000	1.0000	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.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$0.4500	\$0.4500	\$0.3100	\$0.3100	\$0.3100
0.7000	0.7000	0.7000	1.0000	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
7.7000	7.7200	7.6900	7.7500	7.7200
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
2012	\$21,954,874	\$20,715,116	94.35%	\$584,421	\$21,299,537	97.02%
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

Source: Delaware County Auditor

(1) The 2013 information cannot be presented because all collections have not been made by June 30, 2013.

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

Note: The County's current reporting system does not track delinquent tax collections by tax year.
The presentation will be updated as new information becomes available.

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
2012	\$0	\$0	0.00%	\$0	\$0	0.00%
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

Source: Delaware County Auditor

(1) The 2013 information cannot be presented because all collections have not been made by June 30, 2013.

(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's current reporting system does not track delinquent tax collections by tax year. The presentation will be updated as new information becomes available.

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

Taxpayer	2013	
	Real Property Assessed Valuation	Percentage of Total School District Assessed Valuation (2013 Collection Year)
Northstar, LLC	\$5,666,080	0.91%
Sunbury Mills Development LTD	4,503,920	0.72
American Showa, Inc	2,961,700	0.47
Ohashi Technica USA, Inc	2,760,490	0.44
Homewood Corporation	2,049,310	0.33
Sunbury Realty, LLC	1,716,770	0.27
Dominion Homes, Inc	1,704,680	0.27
EPEC, LLC	1,462,390	0.23
Nature Haven Partners	1,323,110	0.21
Siemer Land, LLC	1,252,410	0.20
Continental Investments and Property Management	1,247,340	0.20
CFJ Properties	1,162,220	0.19
Total	27,810,420	4.44
All Other Taxpayers	597,947,850	95.56
Total Assessed Valuation	\$625,758,270	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

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

2013		
Taxpayer	Assessed Valuation	Percentage of Total School District Assessed Valuation (2013 Collection Year)
Ohio Power Company	\$11,614,540	64.95%
Columbia Gas of Ohio	3,932,200	22.00
Consolidated Electric Cooperative	1,976,320	11.05
Dayton Power and Light Company	111,540	0.62
Suburban Natural Gas Company	111,230	0.62
Total	17,745,830	99.24
All Other Taxpayers	136,680	0.76
Total Assessed Valuation	\$17,882,510	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

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

Fiscal Year	General Obligation Bonds	Capital Leases	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
2013	\$43,679,357	\$0	\$43,679,357	\$2,405	6.61%
2012	45,241,169	0	45,241,169	2,491	7.09
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 Eight Fiscal Years

Fiscal Year	Population (1)	Estimated Actual Value	General Bonded Debt	General Bonded Debt to Estimated Actual Value	General Bonded Debt Per Capita
2013	18,160	\$1,808,201,805	\$43,679,357	2.42%	\$2,405
2012	18,160	1,798,641,240	45,241,169	2.45	2,491
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, 2013

Political Subdivision	Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Big Walnut Local School District	\$43,679,357	100.00%	\$43,679,357
Delaware County	22,570,000	10.44	2,356,308
Village of Galena	745,300	100.00	745,300
Village of Sunbury	2,350,800	100.00	2,350,800
Total Overlapping Debt	25,666,100		5,452,408
Total	\$69,345,457		\$49,131,765

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 2013 collection year.

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Assessed Valuation	\$643,640,780	\$640,342,740	\$657,684,150	\$655,011,810
Less:				
Public Utility Tangible Personal Property	(17,882,510)	(17,962,470)	(17,978,350)	(16,671,790)
Tangible Personal Property	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assessed Valuation used to calculate Legal Debt Margin	625,758,270	622,380,270	639,705,800	638,340,020
Overall Debt Limitation - 9 Percent of Assessed Valuation	<u>56,318,244</u>	<u>56,014,224</u>	<u>57,573,522</u>	<u>57,450,602</u>
Gross Indebtedness	41,678,957	42,969,938	43,900,490	45,268,286
Less Fund Balance in Debt Service Fund	<u>2,143,000</u>	<u>1,817,593</u>	<u>1,665,520</u>	<u>2,293,151</u>
Net Debt Within 9 Percent Limitation	<u>39,535,957</u>	<u>41,152,345</u>	<u>42,234,970</u>	<u>42,975,135</u>
Legal Debt Margin Within 9 Percent Limitation	<u><u>\$16,782,287</u></u>	<u><u>\$14,861,879</u></u>	<u><u>\$15,338,552</u></u>	<u><u>\$14,475,467</u></u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	29.80%	26.53%	26.64%	25.20%
Unvoted Debt Limitation - .10 Percent of Assessed Valuation	\$625,758	\$622,380	\$639,706	\$638,340
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><u>\$625,758</u></u>	<u><u>\$622,380</u></u>	<u><u>\$639,706</u></u>	<u><u>\$638,340</u></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>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$643,271,080	\$634,645,414	\$618,232,180	\$602,012,330
(16,386,590) 0	(15,407,230) (7,288,281)	(14,127,090) (14,756,290)	(14,765,900) (19,711,620)
626,884,490	611,949,903	589,348,800	567,534,810
<u>56,419,604</u>	<u>55,075,491</u>	<u>53,041,392</u>	<u>51,078,133</u>
26,404,867	17,278,783	18,283,783	19,279,756
<u>1,889,802</u>	<u>1,430,243</u>	<u>898,975</u>	<u>574,050</u>
<u>24,515,065</u>	<u>15,848,540</u>	<u>17,384,808</u>	<u>18,705,706</u>
<u>\$31,904,539</u>	<u>\$39,226,951</u>	<u>\$35,656,584</u>	<u>\$32,372,427</u>
56.55%	71.22%	67.22%	63.38%
\$626,884	\$611,950	\$589,349	\$567,535
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$626,884</u>	<u>\$611,950</u>	<u>\$589,349</u>	<u>\$567,535</u>
100.00%	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)
2013	18,160	\$661,024,000	\$36,400	5.30%
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

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)	2013			2004		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
JP Morgan Chase	9,447	1	10.44%	5,800	1	8.53%
Kroger Company	2,204	2	2.43	1,128	2	1.66
Olentangy Local School District	1,840	3	2.03	1,023	3	1.50
Delaware County	1,164	4	1.29	946	4	1.39
Delaware City School District	712	5	0.79	514	9	0.76
Meijer, Inc	706	6	0.78			
Grady Memorial Hospital	657	7	0.72	530	8	0.78
Ohio Wesleyan University	550	8	0.61	498	10	0.73
American Showa, Inc	525	9	0.58	640	6	0.94
Wal-Mart	504	10	0.56	773	5	1.14
CIGNA				567	7	0.83
Total	<u>18,309</u>		<u>20.23</u>	<u>12,419</u>		<u>18.26</u>
Total Employment Within Delaware County	<u>90,500</u>			<u>68,000</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	2013	2012	2011	2010	2009
Instruction					
Regular					
Elementary/Intermediate School Classroom Teachers	78.0	97.0	86.0	98.0	102.0
Middle School Classroom Teachers	23.0	n/a	n/a	n/a	n/a
High School Classroom Teachers	38.0	42.0	47.0	45.0	50.0
Special					
Elementary/Intermediate School Classroom Teachers	12.0	17.0	16.0	22.0	27.0
Middle School Classroom Teachers	3.0	n/a	n/a	n/a	n/a
High School Classroom Teachers	7.0	12.0	8.0	9.0	9.0
Vocational					
High School Classroom Teachers	2.0	2.0	2.0	5.0	6.0
Support Services					
Pupils					
Guidance Counselors	4.0	4.0	4.0	6.0	8.0
Librarians	1.0	1.0	1.0	1.0	1.0
Dean of Students	0.0	1.0	1.0	1.0	1.0
Drug Free	0.0	0.0	0.0	0.0	2.0
Athletic Coordinator	1.0	1.0	1.0	1.0	1.0
Social Workers	1.0	1.0	0.0	1.0	1.0
Instructional Staff					
Technology	1.0	1.0	1.0	1.0	1.0
Teaching Assistants	25.0	26.0	23.0	23.0	26.0
Library Assistants	1.0	1.0	0.0	4.0	5.0
Administration					
Elementary School	4.0	3.0	3.0	3.0	3.0
Middle School	2.0	2.0	1.5	2.0	2.0
High School	2.0	2.0	2.5	3.0	3.0
Administration Office	6.0	6.0	6.0	8.0	8.0
Administrator Assistance	3.0	3.0	3.0	3.0	3.0
Secretaries	14.0	12.0	13.0	14.0	13.0
Fiscal					
Fiscal Office	2.0	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	18.0	15.0	17.0	15.0	17.0
Maintenance	3.0	2.0	2.0	2.0	2.0
Pupil Transportation					
Bus Drivers	23.0	26.0	23.0	28.0	30.0
Bus Aides	1.0	1.0	1.0	2.0	2.0
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	15.0	12.0	10.0	10.0	10.0
Middle School Cooks	5.0	5.0	6.0	6.0	6.0
High School Cooks	7.0	7.0	6.0	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

2008	2007	2006	2005	2004
94.0	84.0	88.0	89.0	91.0
n/a	n/a	n/a	n/a	n/a
40.0	41.0	41.0	41.0	41.0
28.0	25.0	23.0	21.0	19.0
n/a	n/a	n/a	n/a	n/a
8.0	7.0	8.0	8.0	7.0
6.0	6.0	6.0	6.0	6.0
8.0	6.0	6.0	6.0	n/a
1.0	1.0	1.0	1.0	n/a
2.0	1.0	1.0	1.0	n/a
2.0	2.0	2.0	2.0	n/a
1.0	1.0	1.0	1.0	n/a
2.0	1.0	1.0	1.0	n/a
0.0	0.0	0.0	0.0	n/a
23.0	21.0	9.0	6.0	n/a
5.0	5.0	4.0	4.0	n/a
3.0	3.0	3.0	3.0	n/a
2.0	2.0	2.0	2.0	n/a
2.0	2.0	2.0	2.0	n/a
6.0	6.0	4.0	4.0	n/a
4.0	3.0	3.0	3.0	n/a
13.0	13.0	13.0	13.0	n/a
3.0	2.0	1.5	1.5	n/a
1.0	1.0	1.0	1.0	n/a
16.0	16.0	13.0	13.5	n/a
2.0	2.0	2.0	2.0	n/a
30.0	31.0	30.0	30.0	n/a
1.0	0.0	0.0	0.0	n/a
2.0	2.0	2.0	2.0	n/a
1.0	1.0	1.0	1.0	n/a
10.0	9.0	8.0	8.0	n/a
6.0	6.0	6.0	6.0	n/a
8.0	8.0	5.0	5.0	n/a

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

Fiscal Year	Expenses	Enrollment	Cost Per Pupil	Teaching Staff	Pupil/ Teacher Ratio
2013	\$34,251,869	3,078	\$11,128	163	18.88
2012	34,059,239	3,063	11,120	170	18.02
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

	2013	2012	2011	2010	2009
Big Walnut Elementary					
Total Square Footage	36,700	36,700	36,700	36,700	36,700
Enrollment	468	546	497	563	538
Student Capacity	575	575	575	575	575
Regular Instruction Classrooms	23	25	19	21	27
Regular Instruction Teachers	23	25	19	26	27
Special Instruction Classrooms	2	2	3	4	5
Special Instruction Teachers	2	2	3	4	5
Harrison Street Elementary					
Total Square Footage	36,200	36,200	36,200	36,200	36,200
Enrollment	0	0	0	335	327
Student Capacity	475	475	475	475	475
Regular Instruction Classrooms	0	0	0	18	19
Regular Instruction Teachers	0	0	0	18	19
Special Instruction Classrooms	0	0	0	3	6
Special Instruction Teachers	0	0	0	4	6
Hylen Souders Elementary					
Total Square Footage	42,493	42,493	42,493	42,493	42,493
Enrollment	265	321	356	457	420
Student Capacity	725	725	725	725	725
Regular Instruction Classrooms	15	19	18	23	22
Regular Instruction Teachers	15	19	18	23	22
Special Instruction Classrooms	2	2	2	4	8
Special Instruction Teachers	2	2	2	7	8
General Rosecrans Elementary					
Total Square Footage	59,620	59,620	59,620	n/a	n/a
Enrollment	488	556	540	n/a	n/a
Student Capacity	500	500	500	n/a	n/a
Regular Instruction Classrooms	24	23	20	n/a	n/a
Regular Instruction Teachers	24	23	20	n/a	n/a
Special Instruction Classrooms	4	6	4	n/a	n/a
Special Instruction Teachers	4	6	4	n/a	n/a
Big Walnut Intermediate School					
Total Square Footage	69,680	69,680	69,680	69,680	69,680
Enrollment	450	685	656	660	648
Student Capacity	660	660	660	660	660
Regular Instruction Classrooms	16	30	29	29	29
Regular Instruction Teachers	16	30	29	31	34
Special Instruction Classrooms	4	7	3	3	3
Special Instruction Teachers	4	7	7	7	8
Big Walnut Middle School					
Total Square Footage	110,000	n/a	n/a	n/a	n/a
Enrollment	484	n/a	n/a	n/a	n/a
Student Capacity	650	n/a	n/a	n/a	n/a
Regular Instruction Classrooms	23	n/a	n/a	n/a	n/a
Regular Instruction Teachers	23	n/a	n/a	n/a	n/a
Special Instruction Classrooms	3	n/a	n/a	n/a	n/a
Special Instruction Teachers	3	n/a	n/a	n/a	n/a
Big Walnut High School					
Total Square Footage	180,000	180,000	180,000	180,000	180,000
Enrollment	923	955	945	964	946
Student Capacity	1,100	1,100	1,100	1,100	1,100
Regular/Vocational Instruction Classrooms	40	44	47	45	46
Regular/Vocational Instruction Teachers	40	44	49	50	56
Special Instruction Classrooms	7	12	8	8	8
Special Instruction Teachers	7	12	8	9	9

Source: School District Records

n/a - not applicable

2008	2007	2006	2005	2004
36,700	36,700	36,700	36,700	36,700
442	476	460	430	420
575	575	575	575	575
20	20	20	20	20
25	20	21	21	21
5	9	9	9	9
5	5	5	4	4
36,200	36,200	36,200	36,200	36,200
307	318	280	284	281
475	475	475	475	475
16	16	16	16	16
16	13	15	15	16
3	3	3	3	3
6	7	4	4	3
42,493	42,493	42,493	42,493	42,493
420	424	425	413	433
725	725	725	725	725
20	20	20	20	20
20	18	20	21	21
7	7	7	7	7
7	5	6	5	5
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
670	652	637	617	619
660	660	660	660	660
29	29	29	29	29
33	33	32	32	33
3	3	3	3	3
10	8	8	8	7
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
180,000	148,000	148,000	148,000	148,000
900	909	930	877	880
1,100	875	875	875	875
46	38	38	38	38
46	47	47	47	47
8	5	5	5	5
8	7	8	8	7

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

<u>Degree</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Bachelor's Degree	20	19	16	19	33
Bachelor + 15	20	25	23	27	24
Bachelor + 30	17	17	19	24	31
Master's Degree	57	56	53	62	61
Master's + 15	30	31	30	30	31
Master's + 30	<u>19</u>	<u>22</u>	<u>18</u>	<u>17</u>	<u>14</u>
Total	<u><u>163</u></u>	<u><u>170</u></u>	<u><u>159</u></u>	<u><u>179</u></u>	<u><u>194</u></u>

Source: School District Records

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
28	19	22	24	24
25	31	33	32	38
25	28	27	35	33
56	46	47	41	40
27	22	20	19	15
<u>15</u>	<u>17</u>	<u>17</u>	<u>14</u>	<u>14</u>
<u><u>176</u></u>	<u><u>163</u></u>	<u><u>166</u></u>	<u><u>165</u></u>	<u><u>164</u></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)
2013	\$34,546	\$81,527	58,215	n/a
2012	34,035	80,323	58,322	56,307
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

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/ Intermediate Schools	Middle School	High School	Total
2013	1,671	484	923	3,078
2012	2,108	n/a	955	3,063
2011	2,049	n/a	945	2,994
2010	2,015	n/a	964	2,979
2009	1,933	n/a	946	2,879
2008	1,839	n/a	900	2,739
2007	1,870	n/a	909	2,779
2006	1,802	n/a	930	2,732
2005	1,744	n/a	877	2,621
2004	1,753	n/a	880	2,633

Source: School District Records

n/a - not applicable

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

District Buildings	2013	2012	2011	2010	2009
Big Walnut Elementary	27.90%	25.67%	17.49%	14.00%	19.00%
Harrison Street Elementary	0.00	0.00	0.00	36.00	20.00
Hulen Souders Elementary	32.70	30.94	16.24	21.00	26.00
General Rosecrans Elementary	18.90	18.21	15.05	n/a	n/a
Big Walnut Intermediate School	20.80	20.44	25.82	12.00	19.00
Big Walnut Middle School	22.40	n/a	n/a	n/a	n/a
Big Walnut High School	19.80	17.46	25.40	17.00	17.00

Source: School District Records

n/a - not applicable

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
15.00%	13.00%	16.00%	15.00%	15.00%
16.00	16.00	18.00	21.00	18.00
14.00	24.00	31.00	16.00	21.00
n/a	n/a	n/a	n/a	n/a
18.00	18.00	17.00	13.00	11.00
n/a	n/a	n/a	n/a	n/a
14.00	11.00	10.00	8.00	6.00

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

Fiscal Year	Attendance Rate	State Average	Graduation Rate	State Average
2013	94.90%	94.20%	n/a	n/a
2012	95.40	94.50	96.30	81.30
2011	94.70	94.50	92.90	79.70
2010	94.90	94.30	96.00	78.00
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

Source: Ohio Department of Education, Local Report Cards

n/a - not available



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
FEBRUARY 4, 2014**