

**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT COUNTY
Single Audit
For the Fiscal Year Ended June 30, 2013**

Perry & Associates
Certified Public Accountants, A.C



Dave Yost • Auditor of State

Board of Education
Williamsburg Local School District
549-A West Main Street
Williamsburg, Ohio 45176

We have reviewed the *Independent Auditor's Report* of the Williamsburg Local School District, Clermont County, prepared by Perry & Associates, Certified Public Accountants, A.C., 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 Williamsburg 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

March 31, 2014

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**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT COUNTY**

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INDEPENDENT AUDITOR'S REPORT

January 27, 2014

Williamsburg Local School District
Clermont County
549-A West Main Street
Williamsburg, Ohio 45176

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 **Williamsburg Local School District**, Clermont County, Ohio (the School District), as of and for the 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 the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Williamsburg Local School District, Clermont County, Ohio, as of June 30, 2013, and the respective changes in cash financial position and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting basis described in Note 2.

Accounting Basis

Ohio Administrative Code § 117-2-03(B) requires the School District to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 2 of the financial statements, which describes the basis applied to these statements, which is a basis other than generally accepted accounting principles. We did not modify our opinion regarding this matter.

Other Matters

Supplemental and Other Information

We audited to opine on the School District's financial statements that collectively comprise its basic financial statements.

Management's Discussion & Analysis includes tables of net position, changes in net position, governmental activities and outstanding debt. This information provides additional analysis and is not a required part of the basic financial statements.

The Federal Awards Receipts and Expenditures Schedule also presents additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is also not a required part of the financial statements.

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

Other than the aforementioned procedures applied to the tables, we applied no procedures to any other information in Management's Discussion & Analysis, and we express no opinion or any other assurance on it.

Williamsburg Local School District
Clermont County
Independent Auditor's Report
Page 3

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2014, 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.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Perry & Associates CPA's A.C." The signature is fluid and cursive, with "Perry &" on top, "Associates" in the middle, and "CPA's A.C." on the bottom right.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

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

As management of the Williamsburg Local School District (the School District), we offer the readers of the School District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the additional information that we have provided in the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

- The School District's net position increased \$232,978 during this fiscal year's operations.
- General cash receipts accounted for \$7,770,244 or 69 percent of all receipts. Program cash receipts in the form of charges for services and sales, grants, contributions and interest accounted for \$3,440,025 or 31 percent of total receipts of \$11,210,269.
- The School District had \$10,977,291 in cash disbursements related to governmental activities; only \$3,440,025 of these cash disbursements were offset by program specific charges for services and sales, grants, contributions and interest.

Using the Basic Financial Statements

This report consists of a series of financial statements and the notes to those statements. These statements are organized so the reader can understand the School District as a whole, an entire operating entity. This report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the School District's cash basis of accounting.

Report Components

The statement of net position and statement of activities provide information about the cash activities of the School District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the School District as a way to segregate money whose use is restricted to a particular purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the basic financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the basic financial statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The School District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Under the School District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their relate expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

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

Reporting the School District as a Whole

Statement of Net Position and Statement of Activities

The statement of net position and the statement of activities reflect how the School District did financially during 2013, within the limitations of the cash basis of accounting. The statement of net position presents the cash balances of the governmental activities of the School District at year end. The statement of activities compares cash disbursements with program cash receipts for each governmental program. Program cash receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General cash receipts are all cash receipts not classified as program cash receipts. The comparison of cash disbursements with program cash receipts identifies how each governmental function draws from the School District's general cash receipts.

These statements report the School District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the School District's financial health. Over time, increases or decreases in the School District's cash position is one indicator of whether the School District's financial health is improving or deteriorating. When evaluating the School District's financial condition, you should also consider other nonfinancial factors as well such as the School District's property tax base, the condition of the School District's capital assets and infrastructure, the extent of the School District's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property taxes.

In the statement of net position and the statement of activities, the School District has one type of activity: governmental.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, the fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and debt service fund.

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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 fewer cash basis financial resources that can be spent in the near future to finance educational programs. Since the School District is reporting on the cash basis of accounting, there are no differences between the total net position or changes in net position of governmental activities and total fund balances or changes in fund balances of governmental funds. Therefore, no reconciliation is necessary between the government-wide and fund financial statements.

Fiduciary Funds The School District's fiduciary funds consist of an agency fund and a private purpose trust fund. All of the School District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Agency funds are custodial in nature (assets equal net position) and do not involve measurement of results of operations. Fiduciary funds use the cash basis of accounting.

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

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's cash balance and net position for fiscal year 2013.

(Table 1)		
Net Position-Cash Basis		
Governmental Activities		
	2013	2012
Assets		
Equity in Pooled Cash and Investments	\$2,959,017	\$2,726,039
Total Assets	<u>2,959,017</u>	<u>2,726,039</u>
Net Position		
Restricted	1,292,655	1,112,894
Unrestricted	1,666,362	1,613,145
Total Net Position	<u>\$2,959,017</u>	<u>\$2,726,039</u>

Table 2 shows the changes in cash basis net position of the School District for the fiscal year ended June 30, 2013. Net position increased \$232,978 due to receipts in excess of disbursements. Those changes will be further discussed below.

Cash receipts are divided into two major components: program cash receipts and general cash receipts. Program cash receipts are defined as charges for services and sales and restricted operating grants, capital grants, contributions, and interest. General cash receipts include property taxes, unrestricted grants, such as State foundation support, unrestricted gifts and donations, investment earnings, and miscellaneous receipts.

Cash disbursements are shown in programs that are easily identifiable utilizing the current Uniform School Accounting System (USAS) coding structure.

Total receipts increased \$314,639. This is due primarily to an increase in capital grants and contributions, resulting from a large donation to provide for the middle school/high school running track project. Charges for services and sales and operating grants and contributions also increased as a result of increased tuition and fees and Title I funding. These increases were partially offset by a decrease due to energy conservation notes issued last year.

Cash disbursements remained fairly consistent between years although there was a significant increase in special instruction with a corresponding decrease in instructional support. This is the result of changes in disbursement coding requirements issued by the federal government.

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

(Table 2)
 Change in Net Position-Cash Basis
 Governmental Activities

	2013	2012*
Cash Receipts		
Program Cash Receipts		
Charges for Services and Sales	\$1,614,554	\$1,477,412
Operating Grants, Contributions, and Interest	1,305,471	1,163,781
Capital Grants, Contributions, and Interest	520,000	0
Total Program Cash Receipts	3,440,025	2,641,193
General Cash Receipts		
Property Taxes	3,598,935	3,576,971
Grants and Entitlements not Restricted to Specific Programs	3,839,614	3,853,064
Gifts and Donations	0	20,695
Investment Earnings	13,393	12,318
Energy Conservation Notes Issued	0	525,000
Premium on Notes Issued	0	19,869
Insurance Recoveries	21,939	0
Proceeds from Sale of Assets	8,325	2,500
Miscellaneous	288,038	244,020
Total General Cash Receipts	7,770,244	8,254,437
Total Cash Receipts	11,210,269	10,895,630
Program Cash Disbursements		
Instruction		
Regular	4,188,841	4,285,233
Special	1,937,741	1,673,139
Vocational	83,603	84,386
Other	18,074	23,027
Support Services		
Pupils	371,932	359,176
Instructional Staff	185,022	472,250
Board of Education	22,499	21,636
Administration	638,285	693,952
Fiscal	332,480	310,536
Operation and Maintenance of Plant	949,818	867,264
Pupil Transportation	484,202	505,315
Central	42,066	2,056
Operation of Non-Instructional Services	501,408	514,566
Extracurricular Activities	311,759	261,379
Capital Outlay	493,992	463,564
Debt Service		
Principal	321,008	276,008
Interest and Fiscal Charges	94,561	89,233
Issuance Costs	0	19,869
Total Cash Disbursements	10,977,291	10,922,589
Change in Net Position	232,978	(26,959)
Net Position at Beginning of Year	2,726,039	2,752,998
Net Position at Ending of Year	\$2,959,017	\$2,726,039

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

*Certain receipts were reclassified for consistency with 2013 reporting.

Governmental Activities

Grants and entitlements not restricted to specific programs made up 34 percent of cash receipts for governmental activities of the School District for fiscal year 2013. Property tax receipts made up 32 percent of the total cash receipts for governmental activities for a total of 66 percent of all cash receipts coming from property taxes and grants and entitlements not restricted to specific programs.

Regular instruction comprises 38 percent of governmental program cash disbursements. Special instruction comprises 18 percent of governmental program cash disbursements. Support services disbursements make up 28 percent of governmental cash disbursements.

The statement of activities shows the cost of program services and the charges for services and sales, grants, contributions and interest offsetting those services. In Table 3, the total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program cash receipts. Net costs are costs that must be covered by unrestricted State aid (State foundation) or local taxes. The difference in these two columns would represent charges for services and sales, restricted grants, donations and restricted interest.

(Table 3)
Governmental Activities

	Total Cost of Services 2013	Net Cost of Services 2013	Total Cost of Services 2012	Net Cost of Services 2012*
Instruction	\$6,228,259	\$4,542,685	\$6,065,785	\$4,579,226
Support Services	3,026,304	2,405,705	3,232,185	2,641,582
Operation of Non-Instructional Services	501,408	56,180	514,566	74,089
Extracurricular Activities	311,759	143,135	261,379	137,825
Capital Outlay	493,992	(26,008)	463,564	463,564
Debt Service	415,569	415,569	385,110	385,110
Total Cash Disbursements	<u>\$10,977,291</u>	<u>\$7,537,266</u>	<u>\$10,922,589</u>	<u>\$8,281,396</u>

*Certain receipts were reclassified for consistency with 2013 reporting.

The School District's Funds

The School District's governmental funds are accounted for using the cash basis of accounting. All governmental funds had total cash receipts and other financing sources of \$11,326,520 and total cash disbursements and other financing uses of \$11,093,542. The net change in fund balance for the fiscal year was most significant in the general fund, an increase of \$60,059. Receipts increased \$178,549, due primarily to an increase in tuition and fees. Disbursements increased \$208,344, due primarily to an increase in plant operating disbursements. Transfers out also decreased \$82,749, which also provided for the net increase in fund balance for 2013.

General Fund - Budget Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. During the course of fiscal year 2013, the School District revised its budget as it attempted to deal with unexpected changes in cash receipts and disbursements.

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

The School District's ending unobligated cash balance was \$38,646 above the final budgeted amount in the general fund.

For the general fund, original budgeted receipts were \$8,412,882 and final budgeted receipts were \$8,599,419. This represents an increase in estimated receipts of \$186,537 due largely to an increase in expected tuition and fees receipts, which was partially offset by a decrease in expected intergovernmental receipts. The difference between actual budget basis receipts and final budget basis receipts was \$20,951, which is largely due to the difference between final budgeted and actual miscellaneous receipts.

Original budgeted disbursements in the general fund were \$8,234,966 and final budgeted disbursements were \$8,464,578. This represents an increase in estimated disbursements of \$229,612, or less than three percent. The difference between actual budget basis disbursements and final budgeted disbursements was \$59,597 due mainly to spending less than the budgeted amounts for regular instruction, administration, and plant operations and maintenance.

Capital Assets and Debt Administration

Capital Assets

The School District does not record capital assets in the accompanying cash basis financial statements, but records payments for capital assets as disbursements. The School District had capital outlay disbursements of \$493,992 during fiscal year 2013.

Debt

The School District does not report bonds and loans in the accompanying cash basis financial statements. However, in order to provide information to the readers of this report, we are providing the following detailed information about bonds and loans. At June 30, 2013, the School District had \$2,372,429 in bonds and loans outstanding with \$334,203 due within one year. Table 4 summarizes bonds outstanding:

(Table 4)
Outstanding Debt at June 30
Governmental Activities

	2013	2012
2008 School Improvement Bonds 3.846%	\$1,677,000	\$1,918,000
2007 Energy Conservation Loan 2.61%	205,429	250,437
2012 Energy Conservation Bonds 1.15%-2.75%	490,000	525,000
Totals	\$2,372,429	\$2,693,437

The School District's overall legal debt margin was \$9,395,294 with an unvoted debt margin of \$118,080 and an energy conservation debt limit of \$367,293 at June 30, 2013.

In June 2008, the School District issued \$2,780,000 in voted general obligation bonds for the purpose of a current refunding of the 1996 School Improvement General Obligation Bonds.

In June 2007, the School District issued an energy conservation loan for an energy efficiency project.

In March 2012, the School District issued energy conservation bonds for an energy efficiency project.

For more information on debt, refer to Note 11 to the basic financial statements.

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

District Challenges for the Future

Williamsburg Schools are committed to maintaining fiscal stewardship. Williamsburg is a small district that typically receives about 50% of its general fund revenue as state support. In 2010, state revenues fell by almost 10%. However, federal stimulus money filled this gap for two years. In 2012, federal stimulus revenue expired, leaving schools to feel the state's cuts. Williamsburg's state revenues fell from a high of \$3,995,500 in 2009 to \$3,650,000 in 2012. In addition, the state cut another \$166,000 in tangible personal property allocations that year. These cuts to state revenues make us even more thankful for our stable local revenues. In 2010, given advance notice of state cuts, the School District began to make cuts to stay within its declining budget. The School District continues to stay within budget and the current five-year forecast shows a balanced budget for all years, pending passage of the renewal levy on the ballot November 2013.

Further back in our fiscal history, prior to 1999, the School District received 35 percent of total tax revenue from personal property taxes paid by businesses. Budget Bill (HB66) was passed by the State Legislature in 2005. This legislation mandated that the personal property tax assessment rate imposed on machinery, equipment and inventories of manufacturers be reduced at the rate of about one fourth each year until it was phased out in fiscal year 2009. Given the School District's significant reliance on this source of revenue, its elimination had a significant impact.

The Williamsburg Board of Education and administration remain committed to being fiscally responsible and continue to adjust budgets and make cuts as state revenues continue to fall. The School District has seen 25% in savings in the past five years for electric usage from browning out, updating old equipment, and negotiating lower rates with electric suppliers. The School District shares services with Batavia for transportation and Bethel-Tate for gifted services. Williamsburg has seen savings of \$85,000 per year in transportation from the shared services and still offers full service bus service. Our per-pupil spending was the second lowest in the county for fiscal year 2012 and we expect the same or better for 2013 and beyond.

School District personnel continue to make strides in the area of educating students. Their efforts assured that the School District achieved Excellent on the State Report Card in the 2011-2012 school year and the 2010-2011 school year. The rating for 2012-2013 was a "B" which is equivalent to the Excellent category in the old rating system. Teaching and non-teaching staff continue to provide a quality education to students, without many of the resources available to larger school districts. All School District staff is committed to achieving excellence in all programs offered.

In conclusion, the Williamsburg Local School District's system of financial planning, budgeting and internal financial controls are well regarded. Uncertainties in funding, those described above along with state budget concerns and an economy in recession, require management to plan carefully and prudently to provide the resources to meet student needs over the next several years. The School District plans to continue its sound fiscal management to meet the challenges of the future and to provide the best educational opportunities to its children.

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 show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Julie Kamphaus, Treasurer, at Williamsburg Local School District, 549-A West Main Street, Williamsburg, OH 45176, or email at kamphaus_ju@burgschools.org.

Williamsburg Local School District
Statement of Net Position-Cash Basis
June 30, 2013

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$2,959,017</u>
Total Assets	2,959,017
Net Position	
Restricted For:	
Debt Service	686,077
Capital Outlay	267,400
Other Purposes	339,178
Unrestricted	<u>1,666,362</u>
Total Net Position	<u>\$2,959,017</u>

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Activities-Cash Basis
For the Fiscal Year Ended June 30, 2013

	Cash Disbursements	Program Cash Receipts			Net Cash Receipts (Disbursements) and Changes in Net Assets
		Charges for Services and Sales	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	
Governmental Activities					
Instruction					
Regular	\$4,188,841	\$537,666	\$68,659	\$0	(\$3,582,516)
Special	1,937,741	204,960	842,951	0	(889,830)
Vocational	83,603	10,936	18,121	0	(54,546)
Other	18,074	2,281	0	0	(15,793)
Support Services					
Pupils	371,932	46,884	18,483	0	(306,565)
Instructional Staff	185,022	16,737	56,424	0	(111,861)
Board of Education	22,499	2,840	0	0	(19,659)
Administration	638,285	76,594	0	0	(561,691)
Fiscal	332,480	41,145	0	0	(291,335)
Operation and Maintenance of Plant	949,818	278,980	16,078	0	(654,760)
Pupil Transportation	484,202	61,124	0	0	(423,078)
Central	42,066	5,310	0	0	(36,756)
Operation of Non-Instructional Services	501,408	197,849	247,379	0	(56,180)
Extracurricular Activities	311,759	131,248	37,376	0	(143,135)
Capital Outlay	493,992	0	0	520,000	26,008
Debt Service					
Principal	321,008	0	0	0	(321,008)
Interest and Fiscal Charges	94,561	0	0	0	(94,561)
Total Governmental Activities	\$10,977,291	\$1,614,554	\$1,305,471	\$520,000	(7,537,266)
General Cash Receipts					
Property Taxes Levied for General Purposes					3,289,484
Debt Service					263,712
Capital Outlay					45,739
Grants and Entitlements not Restricted to Specific Programs					3,839,614
Investment Earnings					13,393
Insurance Recoveries					21,939
Proceeds from Sale of Assets					8,325
Miscellaneous					288,038
Total General Cash Receipts					7,770,244
Change in Net Position					232,978
Net Position Beginning of Year					2,726,039
Net Position End of Year					\$2,959,017

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Assets and Fund Balances-Cash Basis
Governmental Funds
June 30, 2013

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,749,975	\$686,077	\$522,965	\$2,959,017
Total Assets	\$1,749,975	\$686,077	\$522,965	\$2,959,017
 Fund Balances				
Restricted for				
Capital Projects and Maintenance	\$0	\$0	\$377,963	\$377,963
Food Service	0	0	49,254	49,254
Other Purposes	0	0	36,159	36,159
Debt Service	0	686,077	0	686,077
Extracurricular Activities	0	0	59,589	59,589
Committed to				
Other Purposes	26,121	0	0	26,121
Severance Payments	69,942	0	0	69,942
Assigned to				
Other Purposes	56,058	0	0	56,058
Student and Staff Support	27,497	0	0	27,497
Unassigned	1,570,357	0	0	1,570,357
 Total Fund Balances	 \$1,749,975	 \$686,077	 \$522,965	 \$2,959,017

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Cash Receipts, Disbursements and Changes in Fund Balances-Cash Basis
Governmental Funds
For the Fiscal Year Ended June 30, 2013

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Cash Receipts				
Property Taxes	\$3,289,484	\$263,712	\$45,739	\$3,598,935
Intergovernmental	4,151,242	44,774	912,154	5,108,170
Interest	13,215	0	178	13,393
Tuition and Fees	1,086,110	0	0	1,086,110
Rent	201,321	0	0	201,321
Extracurricular Activities	11,138	0	115,959	127,097
Gifts and Donations	7,718	0	549,197	556,915
Customer Sales and Services	188	0	199,838	200,026
Miscellaneous	212,952	24,632	50,454	288,038
 Total Cash Receipts	 8,973,368	 333,118	 1,873,519	 11,180,005
Cash Disbursements				
Current				
Instruction				
Regular	4,134,599	0	54,242	4,188,841
Special	1,459,423	0	478,318	1,937,741
Vocational	82,342	0	1,261	83,603
Other	18,074	0	0	18,074
Support Services				
Pupils	348,949	0	22,983	371,932
Instructional Staff	132,588	0	52,434	185,022
Board of Education	22,499	0	0	22,499
Administration	638,285	0	0	638,285
Fiscal	325,937	5,773	770	332,480
Operation and Maintenance of Plant	865,067	0	84,751	949,818
Pupil Transportation	484,202	0	0	484,202
Central	42,066	0	0	42,066
Operation of Non-Instructional Services	27,379	0	474,029	501,408
Extracurricular Activities	69,422	0	242,337	311,759
Capital Outlay	74,648	0	419,344	493,992
Debt Service				
Principal Retirement	80,008	241,000	0	321,008
Interest and Fiscal Charges	21,834	72,727	0	94,561
 Total Cash Disbursements	 8,827,322	 319,500	 1,830,469	 10,977,291
 Excess of Cash Receipts Over Cash Disbursements	 146,046	 13,618	 43,050	 202,714
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	8,325	0	0	8,325
Insurance Recoveries	21,939	0	0	21,939
Transfers In	0	0	116,251	116,251
Transfers Out	(116,251)	0	0	(116,251)
 Total Other Financing Sources (Uses)	 (85,987)	 0	 116,251	 30,264
 Net Change in Fund Balances	 60,059	 13,618	 159,301	 232,978
 Fund Balances Beginning of Year	 1,689,916	 672,459	 363,664	 2,726,039
 Fund Balances End of Year	 \$1,749,975	 \$686,077	 \$522,965	 \$2,959,017

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Receipts, Disbursements and Changes in Fund Balance
Budget and Actual-Budget Basis
General Fund
For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property Taxes	\$3,250,101	\$3,289,485	\$3,289,484	(\$1)
Intergovernmental	4,219,543	4,150,584	4,150,542	(42)
Interest	11,490	14,020	13,215	(805)
Tuition and Fees	870,048	1,037,015	1,036,893	(122)
Rent	600	1,602	1,321	(281)
Miscellaneous	61,100	106,713	87,013	(19,700)
Total Receipts	8,412,882	8,599,419	8,578,468	(20,951)
Disbursements				
Current				
Instruction				
Regular	4,219,141	4,053,152	4,039,912	13,240
Special	1,408,669	1,465,109	1,460,488	4,621
Vocational	71,414	82,745	82,342	403
Other	19,400	19,184	18,074	1,110
Support Services				
Pupils	456,172	352,793	348,949	3,844
Instructional Staff	122,644	133,234	132,588	646
Board of Education	21,453	23,755	22,549	1,206
Administration	577,579	631,481	617,255	14,226
Fiscal	268,074	329,730	325,937	3,793
Operation and Maintenance of Plant	548,458	660,075	647,862	12,213
Pupil Transportation	448,992	497,776	495,115	2,661
Central	1,063	42,097	42,066	31
Operation of Non-Instructional Services	0	12,309	12,245	64
Extracurricular Activities	120	13,030	12,909	121
Capital Outlay	71,787	148,108	146,690	1,418
Total Disbursements	8,234,966	8,464,578	8,404,981	59,597
Excess of Receipts Over Disbursements	177,916	134,841	173,487	38,646
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	0	8,325	8,325	0
Insurance Recoveries	8,000	21,939	21,939	0
Transfers In	50,000	153,018	153,018	0
Transfers Out	(186,051)	(295,269)	(295,269)	0
Total Other Financing Sources (Uses)	(128,051)	(111,987)	(111,987)	0
Net Change in Fund Balance	49,865	22,854	61,500	38,646
Fund Balances Beginning of Year	1,213,404	1,213,404	1,213,404	0
Prior Year Encumbrances Appropriated	30,349	30,349	30,349	0
Fund Balances End of Year	\$1,293,618	\$1,266,607	\$1,305,253	\$38,646

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Fiduciary Net Position-Cash Basis
Fiduciary Funds
June 30, 2013

	<u>Private Purpose Trust</u>	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$9,805	<u>\$41,002</u>
Net Position		
Held in Trust for Scholarships	\$9,805	\$0
Undistributed Monies	0	<u>41,002</u>
Total Net Position	<u>\$9,805</u>	<u>\$41,002</u>

See the accompanying notes to the basic financial statements.

Williamsburg Local School District
Statement of Changes in Fiduciary Net Position-Cash Basis
Fiduciary Fund
For the Fiscal Year Ended June 30, 2013

	<u>Private Purpose Trust</u>
	<u>Scholarship</u>
Additions	
Gifts and Donations	\$3,489
Miscellaneous	<u>1,000</u>
Total Additions	4,489
Deductions	
Payments in Accordance With Trust Agreements	<u>3,490</u>
Total Deductions	3,490
Change in Net Position	999
Net Position Beginning of Year	8,806
Net Position End of Year	<u>\$9,805</u>

See the accompanying notes to the basic financial statements.

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

Note 1 – Description of the District and Reporting Entity

Williamsburg Local School District (the 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 statute and federal guidelines.

The School District was established in 1922. The School District serves an area of approximately 41 square miles. It is located in Clermont County, and includes all of the Village of Williamsburg and portions of Williamsburg and Jackson Townships. The Board of Education controls the School District's two instructional support facilities staffed by 38 non-certified, 55 teaching personnel and 5 administrative employees providing education to 1,030 students.

Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements 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 Williamsburg Local School District, this includes general operations, food services, 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. The School District has no component units.

The School District participates in two jointly governed organizations and two insurance purchasing pools. These organizations are discussed in Notes 13 and 14 of the basic financial statements. These organizations are:

Jointly Governed Organizations:

Hamilton/Clermont Cooperative Association
U.S. Grant Joint Vocational School

Insurance Purchasing Pools:

Clermont County Insurance Consortium
Ohio Association of School Business Officials Workers' Compensation Group Rating Plan

Note 2 – Summary of Significant Accounting Policies

As discussed further in the basis of accounting section of this note, the financial statements of Williamsburg Local School District have been presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. The more significant of the School District's accounting policies are described below.

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

Note 2 – Summary of Significant Accounting Policies (Continued)

Basis of Presentation

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

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The government-wide statements usually distinguish between those activities that are governmental and those that are considered business-type activities. The School District, however, has no activities which are reported as business-type.

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

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School District functions or activities into 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 reporting major funds rather than reporting by type. 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.

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. All funds of the School District fall within two categories: governmental or fiduciary.

Governmental Funds

The School District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds.

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

Note 2 – Summary of Significant Accounting Policies (Continued)

The following are the School District's major governmental funds:

General Fund - The general fund is the operating fund of the School District and is used to account for 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 disbursed or transferred according to the general laws of Ohio.

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

The other governmental funds of the School District account for grants and other resources whose use is restricted 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 therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal net position) and do not involve measurement of results of operations. The School District's fiduciary funds include one agency fund and one private purpose trust fund. The School District's agency fund accounts for those student activities which consist of a student body, student president, student treasurer, and faculty advisor. The private purpose trust fund accounts for college scholarship programs for students.

Basis of Accounting

Although Ohio Administrative Code Section 117-2-03 (B) requires the School District's financial report to follow generally accepted accounting principles, the School District chooses to prepare its financial statements using the cash basis of accounting. Receipts are recorded in the School District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled and invested. 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" on the financial statements.

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.

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

Note 2 – Summary of Significant Accounting Policies (Continued)

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During fiscal year 2013, the School District invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), STAR Plus, a repurchase agreement, the First American Treasury Obligations Money Market Fund, Federated Government Obligations Money Market Fund, negotiable certificates of deposit, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Corporation Notes and Discount Notes, Federal National Mortgage Association Notes, and U.S. Treasury bills. Investments are reported at cost, except for the money market funds, STAR Ohio, and STAR Plus. The School District's money market fund and STAR Plus investments are recorded at amounts reported by the respective financial institutions at June 30, 2013. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2013.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest receipts credited to the general fund and other governmental funds during fiscal year 2013 amounted to \$13,215 and \$178, respectively.

Inventory and Prepaid Items

The School District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

Long-Term Obligations

The School District's cash basis financial statements do not report liabilities for bonds, loans, and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid.

Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the School District's cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The School District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for post-retirement health care benefits.

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

Note 2 – Summary of Significant Accounting Policies (Continued)

Net Position

Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by the School District or 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 and music and athletic programs, and federal and State grants restricted to disbursement for specified purposes. The School District has no net position that is restricted by enabling legislation.

The School District applies restricted resources when a disbursement is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balances

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 the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the 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. In the general fund, assigned amounts would represent intended uses established by policies of the School District’s Board of Education.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit fund balance.

The School District applies restricted resources first when disbursements are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when disbursements are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

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

Note 2 – Summary of Significant Accounting Policies (Continued)

Internal Activity

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

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented on the financial statements.

The School District reports advances in and advances out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements. The School District had no advances between funds in fiscal year 2013.

Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on disbursements plus encumbrances at a level of control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund/special cost center level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund/special cost center.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in receipts are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as final budgeted amounts reflect the amounts in the amended certificate that was in effect at the time the final appropriations were passed by the Board of Education.

The appropriation resolution is subject to amendment by the Board throughout the fiscal year with the restriction that appropriations may not exceed estimated receipts. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over 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, including all supplemental appropriations.

Note 3 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The statement of receipts, disbursements and changes in fund balance-budget and actual-budget basis presented for the general fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis).

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

Note 3 – Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the cash basis statement and budgetary basis statement for the general fund.

Net Change in Fund Balance	
Cash Basis	\$60,059
Encumbrances	(73,880)
(Excess) Deficit of Funds Combined with	
General Fund for Reporting Purposes	<u>75,321</u>
Budget Basis	<u>\$61,500</u>

As part of Governmental Accounting Standards Board Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a cash basis. This includes the neediest kids, uniform school supplies, pre-school, centre, public school support, and termination benefits funds. These funds were excluded from the budgetary presentation for the general fund.

Note 4 – 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 that the Board 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 may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;

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

Note 4 – Deposits and Investments (Continued)

4. Bonds and other obligations of the State of Ohio;
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. Commercial paper and bankers acceptances 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. Investments may only be made through specified dealers and institutions.

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. According to state law, public depositories must give security for all public funds on deposit in excess of those funds that are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agency or instrumentality of the federal government. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105 percent of the total value of public monies on deposit at the institution. The School District's policy is to deposit money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

As of June 30, 2013, the School District's bank balance of \$79,770 was either covered by FDIC or collateralized by the financial institutions' public entity deposit pools in the manner described above.

Investments

As of June 30, 2013, the School District had the following investments, which are in an internal investment pool:

	Cost	Maturity	Percent of Total Investments
STAR Ohio	\$269,782	Less than one year	8.26%
STAR Plus	500,161	Less than one year	15.31%
First American Treasury Obligations Money Market Fund Repurchase Agreement	5,641	Less than one year	0.17%
Federated Government Obligations Money Market Fund	582,064	Less than one year	17.82%
Negotiable Certificates of Deposits	1	Less than one year	0.00%
U.S. Treasuries	800,000	Less than one year	24.49%
Federal Home Loan Bank	165,000	Three to five years	5.05%
Federal Home Loan Mortgage Corp.	374,872	Less than one year	11.47%
Federal Home Loan Mortgage Corp. Discount Notes	120,000	Three to five years	3.67%
Federal National Mortgage Assn.	104,864	Three to five years	3.21%
Federal National Mortgage Assn.	74,787	Less than one year	2.29%
Total Investments	<u>\$3,267,117</u>	Three to five years	8.26%
			<u>100.00%</u>

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

Note 4 – Deposits and Investments (Continued)

Interest Rate Risk

The School District has no investment policy that addresses interest rate risk beyond the requirements of State statute. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk

STAR Ohio carries a rating of AAA by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. STAR Plus carries a rating of AAA by Standard and Poor's. The Federated Government Obligations and First American Treasury Obligations Money Market Funds were rated AAA by Standard and Poor's. Federal Home Loan Bank, Federal Home Loan Mortgage Corp., and Federal National Mortgage Assn. notes, and U.S. Treasury bills all carry AA+ ratings by Standard and Poor's. Federal Home Mortgage Corp. discount notes carry an A-1+ rating by Standard and Poor's. The repurchase agreement is invested in Goldman Sachs Financial Square Government Fund, which carries an A-2 rating by Standard and Poor's. The School District has no investment policy that addresses credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the School District's securities are either insured and registered in the name of the School District or at least registered in the name of the School District. The School District has no investment policy dealing with investment custodial credit risk beyond the requirements in state statute that prohibit payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer. However, the School District does diversify for protection of assets in a responsible manner.

Note 5 – 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.

Property taxes include amounts levied against all real property and public utility property located in the School District. Real property tax receipts 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.

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

Note 5 – Property Taxes (Continued)

Public utility property tax receipts 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 in calendar year 2013 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 Clermont and Brown Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the Counties 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.

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

	2012 Second-Half Collections		2013 First-Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$112,653,790	95.78%	\$112,992,180	95.69%
Public Utility Personal	4,968,780	4.22%	5,088,010	4.31%
Total Assessed Value	\$117,622,570	100.00%	\$118,080,190	100.00%

Tax rate per \$1,000 of assessed value	\$48.76	\$48.76
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Note 6 – Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2013, the School District contracted with commercial carriers for property and fleet insurance, liability insurance and inland marine coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage since last year.

Workers' Compensation

For fiscal year 2013, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (see Note 14). The intent of the GRP 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 GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control, and actuarial services to the GRP.

Employee Benefits

For fiscal year 2013, the School District participated in the Clermont County Insurance Consortium (the Consortium), a group insurance purchasing pool (see Note 14), in order to provide dental, life, medical, and disability benefits to employees, their dependents and designated beneficiaries and to set aside funds for such purposes. The Directors provide insurance policies in whole or in part through one or more group insurance policies.

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

Note 7 – Defined Benefit Pension Plans

School Employees Retirement System

Plan Description – The School District contributes to the School Employees Retirement System of Ohio (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 State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending June 30, 2013, the allocation to pension and death benefits is 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's contributions to SERS for the years ended June 30, 2013, 2012, and 2011 were \$150,104, \$152,364, and \$153,403, respectively; 100 percent has been contributed for fiscal years 2013, 2012 and 2011.

State Teachers Retirement System of Ohio

State Teachers Retirement System of Ohio (STRS Ohio) is a cost-sharing, multiple-employer public employee retirement plan.

STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the State or any political subdivision thereof.

Plan Options – New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5 percent of earned compensation among various investment choices. The Combined Plan offers features of the DC Plan and the DB Plan. In the Combined Plan, member contributions are allocated to investment choices by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

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

Note 7 – Defined Benefit Pension Plans (Continued)

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowances, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2 percent multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5 percent. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6 percent for 32 years, 2.7 percent for 33 years and so on) until 100 percent of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5 percent instead of 2.2 percent. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits – Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5 percent are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members’ accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who becomes disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

Combined Plan Benefits – Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member’s defined benefit is determined by multiplying 1 percent of the member’s final average salary by the member’s years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3 percent of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians’ fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years’ credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members’ beneficiaries.

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

Note 7 – Defined Benefit Pension Plans (Continued)

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2013, were 10 percent of covered payroll for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2013, 2012, and 2011 were \$471,042, \$508,371, and \$518,232, respectively; 100 percent has been contributed for fiscal years 2013, 2012 and 2011. Member and employer contributions actually made for DC and Combined Plan participants will be provided upon written request.

STRS Ohio issues a stand-alone financial report. Additional information or copies of STRS Ohio's Comprehensive Annual Financial Report can be requested by writing to STRS Ohio, 275 E. Broad St., Columbus, Ohio 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2013, one member of the Board of Education has elected Social Security. The contribution rate is 6.2 percent of wages.

Note 8 – Postemployment Benefits

School Employees Retirement System

Postemployment Benefits – In addition to a cost-sharing multiple-employer defined benefit pension plan the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

Medicare Part B Plan – The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2013 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2013, the actuarially required allocation is 0.74 percent. The School District contributions for the years ended June 30, 2013, 2012, and 2011 were \$8,479, \$9,033, and \$9,123, respectively; 100 percent has been contributed for fiscal years 2013, 2012 and 2011.

Health Care Plan – ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health care plan or program. SERS offers several types of health plans from various vendors, including HMOs, PPOs, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

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

Note 8 – Postemployment Benefits (Continued)

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code Section 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14 percent contribution to the Health Care Fund. For the year ended June 30, 2013, the health care allocation is 0.16 percent. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2013, the minimum compensation level was established at \$20,525. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District contributions assigned to health care for the years ended June 30, 2013, 2012, and 2011 were \$18,602, \$29,414, and \$36,612, respectively.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial reports of SERS' Health Care and Medicare B plans are included in its Comprehensive Annual Financial Report. The report can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

State Teachers Retirement System of Ohio

Plan Description – STRS Ohio administers a pension plan that is comprised of: a Defined Benefit Plan, a self-directed Defined Contribution Plan, and a Combined Plan that is a hybrid of the Defined Benefit Plan and the Defined Contribution Plan.

Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to Chapter 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting www.strsoh.org or by requesting a copy by calling toll-free 1-888-227-7877.

Funding Policy – Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14 percent employer contribution rate, 1 percent of covered payroll was allocated to post-employment health care for the years ended June 30, 2013, 2012, and 2011. The 14 percent employer contribution rate is the maximum rate established under Ohio law. The School District's contributions for health care for the fiscal years ended June 30, 2013, 2012, and 2011 were \$36,234, \$39,105, and \$39,864, respectively; 100 percent has been contributed for fiscal years 2013, 2012, and 2011.

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

Note 9 – Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Eligible classified employees earn 10 to 20 days of vacation per fiscal year, depending upon length of service. Teachers do not earn vacation time. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

Teachers, administrators, and non-certified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 250 days for classified employees and 300 days for certified employees. For non-certified employees, upon retirement, payment is made for 25 percent of accrued, but unused sick leave credit to a maximum of 62.5 days. If certified employees do not elect retirement in their first year of eligibility, payment is made for 25 percent (one payment) or 35 percent (two payments) of accrued, but unused sick leave credit to a maximum of 75 and 105 days, respectively.

The School District does not report a liability in its cash basis financial statements for these benefits.

Note 10 – Special Termination Benefits

For certified employees, the School District is offering a special termination benefit during the first year that an employee becomes eligible to retire. The benefit is 60 percent (if the employee elects to receive the money in four payments) or 50 percent (if the employee elects to receive the money in three payments) of accrued, but unused sick leave, up to a maximum payment of 190 or 150 days, respectively. Payment will be made each July with the first being made the year the member retires. If certified employees do not elect retirement in their first year of eligibility, payment is made for 25 percent (if the employee elects to receive the money in one payment) or 35 percent (if the employee elects to receive the money in two payments) of accrued, but unused sick leave credit to a maximum payment of 75 or 105 days, respectively.

The School District does not report a liability in its cash basis financial statements for these benefits.

Note 11 – Long-Term Obligations

The changes in the School District's long-term debt during fiscal year 2013 were as follows:

	Amount Outstanding 6/30/12	Additions	Deductions	Amount Outstanding 6/30/13	Amounts Due Within One Year
<i>Governmental Activities</i>					
2008 School Improvement General Obligation Refunding Bonds – 3.846%	\$1,918,000	\$0	\$241,000	\$1,677,000	\$251,000
2007 Energy Conservation Loan – 2.61%	250,437	0	45,008	205,429	48,203
2012 Energy Conservation Bonds – 1.15%-2.75%	525,000	0	35,000	490,000	35,000
Total Governmental Activities Long-Term Obligations	<u>\$2,693,437</u>	<u>\$0</u>	<u>\$321,008</u>	<u>\$2,372,429</u>	<u>\$334,203</u>

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

Note 11 – Long-Term Obligations (Continued)

School Improvement Bonds - In June 2008, the School District issued \$2,780,000 in voted general obligation bonds for the purpose of a current refunding of the 1996 School Improvement General Obligation Bonds. The bonds were issued for an 11-year period with final maturity during fiscal year 2019. The bonds will be repaid from the debt service fund.

Energy Conservation Loan - In June 2007, the School District received \$465,028 in loan proceeds for an energy efficiency project. The loan has an interest rate of 2.61 percent for a 10-year period with the final payment due in fiscal year 2017. The loan will be repaid from the general and centre funds. The centre fund has been presented as part of the general fund for financial reporting purposes.

Energy Conservation Bonds - In March 2012, the School District received \$544,869 in loan proceeds, which included \$19,869 in premiums, for an energy efficiency project. The bonds carry coupon rates between 1.15 percent and 2.75 percent for a 15-year period with the final payment due in fiscal year 2027. The bonds will be repaid from the general fund.

The School District's overall legal debt margin was \$9,395,294 with an unvoted debt margin of \$118,080 and an energy conservation debt limit of \$367,293 at June 30, 2013.

Principal and interest requirements to retire debt outstanding at June 30, 2013, are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Energy Conservation Loan		Energy Conservation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$251,000	\$59,671	\$48,203	\$5,232	\$35,000	\$10,608
2015	262,000	49,806	49,461	3,974	35,000	10,205
2016	273,000	39,518	50,751	2,684	35,000	9,803
2017	285,000	28,787	57,014	1,359	30,000	9,400
2018	297,000	17,595	0	0	35,000	8,890
2018-2022	309,000	5,942	0	0	155,000	66,071
2023-2027	0	0	0	0	165,000	11,548
Total	\$1,677,000	\$201,319	\$205,429	\$13,249	\$490,000	\$126,525

Note 12 – Set-Aside Calculations

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. Amounts not spent by fiscal year-end or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year-end and carried forward to be used for the same purposes in future fiscal years.

The following cash basis information describes the change in the fiscal year-end set-aside amounts for capital acquisitions. Disclosure of this information is required by State statute.

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

Note 12 – Set-Aside Calculations (Continued)

	Capital Acquisitions
Set-Aside Balance as of June 30, 2012	\$0
Current Fiscal Year Set-Aside Requirement	174,369
Current Fiscal Year Offsets	(174,369)
Qualifying Disbursements	(133,642)
Totals	<u><u>(\$133,642)</u></u>
Set-Aside Balance Carried Forward to Future Fiscal Years	<u><u>\$0</u></u>
Set-Aside Balance as of June 30, 2013	<u><u>\$0</u></u>

Amounts of offsets and qualifying disbursements presented in the table for capital acquisitions were limited to those necessary to reduce the fiscal year-end balance to zero. Although the School District may have had additional offsets and qualifying disbursements for capital acquisitions during the fiscal year, this extra amount may not be used to reduce the set-aside requirements of future fiscal years.

Note 13 – Jointly Governed Organizations

Hamilton/Clermont Cooperative Association

The School District is a participant in a two-county consortium of school districts to operate the Hamilton/Clermont Cooperative Association (H/CCA). H/CCA is an association of public school districts in a geographic area determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The Board of H/CCA consists of one representative from each of the participating members. The School District paid \$22,497 for services provided during the fiscal year. Complete financial statements for H/CCA can be obtained from Dave Horine, Director, at their administrative offices at 7615 Harrison Avenue, Cincinnati, Ohio 45231.

U.S. Grant Joint Vocational School

The U.S. Grant Joint Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the four participating school districts' elected boards with an additional representative rotated among the four schools. The Vocational School possesses its own budgeting and taxing authority. To obtain financial information write to the U.S. Grant Joint Vocational School, Patricia Patton, who serves as Treasurer, at 718 West Plane Street, Bethel, Ohio 45106.

Note 14 – Insurance Purchasing Pools

Clermont County Insurance Consortium

The Williamsburg Local School District is a member of the Clermont County Insurance Consortium, an insurance purchasing pool. A number of Clermont County school districts and the Clermont County Educational Service Center have entered into an agreement to form the Clermont County Insurance Consortium. The overall objectives of the Consortium are to formulate and administer a program of health, dental, life, and/or other insurance benefits for the Consortium members' employees and their dependents. The Consortium's business and affairs are managed by a Board of Directors, consisting of the superintendents (or their designees) from each of the participating school districts and the educational service center.

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

Note 14 – Insurance Purchasing Pools (Continued)

The School District pays premiums based on what the Consortium estimates will cover the costs of all claims for which the Consortium is obligated. If the School District's claims exceeded its premiums, there is no individual supplemental assessment; on the other hand, if the School District's claims are low, it will not receive a refund. The Consortium views its activities in the aggregate, rather than on an individual entity basis. To obtain financial information, write to the current fiscal agent, Clermont County Educational Service Center at 2400 Clermont Center Drive, Suite 100, Batavia, Ohio 45103.

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 Workers' Compensation Group Rating Plan (GRP) was established through the Ohio Association of School Business Officials (OASBO) as a group insurance purchasing pool. The GRP's business and affairs are conducted by a five member Board of Directors. Each fiscal year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

Note 15 – Interfund Activity

Interfund Transfers

Transfers made during the fiscal year ended June 30, 2013, were as follows:

	Transfers To	Transfers From
General fund	\$0	\$116,251
Other governmental funds	116,251	0
Total	<u>\$116,251</u>	<u>\$116,251</u>

Transfers are made to move unrestricted balances to support programs and projects accounted for in other funds.

Note 16 - Contingencies

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 are 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.

Litigation

The School District is not currently party to legal proceedings.

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

Note 17 – Compliance

Ohio Administrative Code, Section 117-2-03(B), requires the School District to prepare its annual financial report in accordance with generally accepted accounting principles. However, the School District prepared its financial statements on a cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements omit assets, liabilities, net position/fund balances, and disclosures that, while material, cannot be determined at this time. The School District can be fined and various other administrative remedies may be taken against the School District.

Note 18 – Change in Basis of Accounting and Restatement of Beginning Net Position/Fund Balances

For the year ended June 30, 2013, the School District implemented Governmental Accounting Standard Board (GASB) Statement No. 60, “Accounting and Financial Reporting for Service Concession Arrangements”, Statement No. 61, “The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34”, Statement No. 62, “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements”, and Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.”

GASB Statement No. 60 provides guidance on accounting and reporting for service concession arrangements (SCAs). This statement had no impact on the School District’s financial statements.

GASB Statement No. 61 provides guidance on information presented about the financial reporting entity and its component units. It also amends the criteria for blending in certain circumstances. This statement had no impact on the School District’s financial statements.

GASB Statement No. 62 incorporates FASB, APB, and ARB pronouncements, not conflicting with GASB pronouncements, and issued on or before November 30, 1989, into the GASB authoritative literature. This statement had no impact on the School District’s financial statements.

GASB Statement No. 63 identifies net position, rather than net assets, as the residual of all other elements presented in a statement of financial position. This change was incorporated in the School District’s 2013 financial statements; however, there was no effect on beginning net position/fund balance.

Note 19 – Construction and Contractual Commitments

The School District had a middle school/high school running track project in process at June 30, 2013. The original contract amount totaled \$479,580. Payments made during fiscal year 2013 totaled \$242,298. The remaining contract at fiscal year-end was \$237,282.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT COUNTY**

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

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE					
<i>Passed Through Ohio Department of Education</i>					
Child Nutrition Cluster:					
Non-Cash Assistance (Food Distribution):					
National School Lunch Program	10.555	\$ -	\$ 42,478	\$ -	\$ 42,478
Cash Assistance:					
National School Breakfast Program	10.553	65,604	-	65,604	-
National School Lunch Program	10.555	<u>192,924</u>	<u>-</u>	<u>192,924</u>	<u>-</u>
Total Nutrition Cluster		<u>258,528</u>	<u>42,478</u>	<u>258,528</u>	<u>42,478</u>
Total U.S. Department of Agriculture		<u>258,528</u>	<u>42,478</u>	<u>258,528</u>	<u>42,478</u>
U.S. DEPARTMENT OF EDUCATION					
<i>Passed Through Ohio Department of Education</i>					
Special Education Cluster:					
IDEA Part B	84.027	<u>192,212</u>	<u>-</u>	<u>192,212</u>	<u>-</u>
Total Special Education Cluster		<u>192,212</u>	<u>-</u>	<u>192,212</u>	<u>-</u>
Title I Cluster:					
ESEA Title I -2012	84.010	41,017	-	41,696	-
ESEA Title I -2013		<u>331,097</u>	<u>-</u>	<u>302,307</u>	<u>-</u>
Total Title I Cluster		<u>372,114</u>	<u>-</u>	<u>344,003</u>	<u>-</u>
Title II-D Technology	84.318	-	-	315	-
Rural & Low Income Grant	84.358	18,612	-	18,612	-
Improving Teacher Quality	84.367	41,303	-	37,548	-
Total U.S. Department of Education		<u>624,241</u>	<u>42,478</u>	<u>592,690</u>	<u>42,478</u>
Total		<u>\$ 882,769</u>	<u>\$ 42,478</u>	<u>\$ 851,218</u>	<u>\$ 42,478</u>

The accompanying notes are an integral part of this schedule.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT 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) reports the Williamsburg Local School District's (the School District's) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

Note B – Child Nutrition Cluster

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

Note C – Food Donation

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

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

January 27, 2014

Williamsburg Local School District
Clermont County
549-A West Main Street
Williamsburg, Ohio 45176

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 **Williamsburg Local School District**, Clermont County, (the School District) as of and for the 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 January 27, 2014, wherein we noted the School District uses a special purpose framework other than generally accepted accounting principles.

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.

Williamsburg Local School District
Clermont County
Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

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 an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of audit findings as item 2013-001.

Entity's Response to Findings

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

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the 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.

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

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

January 27, 2014

Williamsburg Local School District
Clermont County
549-A West Main Street
Williamsburg, Ohio 45176

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the **Williamsburg 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 Williamsburg Local School District's major federal programs for the year ended June 30, 2013. The *Summary of Auditor's Results* in the accompanying schedule of audit 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.

Williamsburg Local School District
Clermont County
Independent Auditor's Report on Compliance with Requirements
Applicable to Each Major Federal Program and on Internal Control
Over Compliance Required by OMB Circular A-133
Page 2

Opinion on Each Major Federal Program

In our opinion, the Williamsburg 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 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.

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT COUNTY**

**SCHEDULE OF AUDIT FINDINGS
OMB CIRCULAR A -133 § .505
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	1. SUMMARY OF AUDITOR'S RESULTS
--	--

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Nutrition Cluster: 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
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

FINDING NUMBER 2013-001

Material Noncompliance

Ohio Revised Code, § 117.38, provides that each public office shall file a financial report for each fiscal year. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. Ohio Administrative Code § 117-2-03 further clarifies the requirements of Ohio Revised Code § 117.38. Ohio Administrative Code § 117-2-03(B) requires the School District to prepare its annual financial report in accordance with generally accepted accounting principles. The School District prepares its financial statements in accordance with the cash basis of accounting in a report format similar to the requirements of Governmental Accounting Standards Board Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. This presentation differs from accounting principles generally accepted in the United States of America (GAAP). There would be variances on the financial statements between this accounting practice and GAAP that, while presumably material, cannot be reasonably determined at this time. The School District can be fined and various other administrative remedies may be taken against the School District. The School District should take the necessary steps to ensure that the financial report is prepared in accordance with generally accepted accounting principles.

Management's Response – In May, 2012 the Board passed the following resolution to discontinue GAAP:

012-305 APPROVAL TO DISCONTINUE GAAP

Motion by Cummins second by Keeton to pass a Resolution to authorize the treasurer to discontinue the preparation of annual financial reports in accordance with generally accepted accounting principles (GAAP) beginning with the fiscal year ending June 30, 2012, also agreeing to hold the treasurer harmless for the consequences of a non-GAAP filing with the Auditor of State. After careful consideration and deliberation, the Board declares it will no longer report its financial statements using the GAAP reporting process, effective Fiscal Year 2012. The Board notes that there is no valid reason given by the State to complete the statements, nor is there any internal use for such statements, and that doing so creates an unnecessary burden on both the district and the taxpayers. It is the board's understanding that by returning to the cash basis format in reporting and not issuing the School's financial statements in the format required by GASB34, the district will receive a citation in the financial audit and will be charged a penalty of \$750. However, the district won't have to pay for the GAAP audit and will save money also in the financial audit, as the GAAP report will not be included. Voting aye on roll call: Cummins, Keeton, Nooe, Wells, and McManus. Nays: none. Motion carried.

3. FINDINGS FOR FEDERAL AWARDS

None

**WILLIAMSBURG LOCAL SCHOOL DISTRICT
CLERMONT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2012-001	Cash-Basis Financial Statements	No	Repeated as Finding 2013-001

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

January 27, 2014

Williamsburg Local School District
Clermont County
549-A West Main Street
Williamsburg, Ohio 45176

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 Williamsburg Local School District (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 Board amended its anti-harassment policy at its meeting on August 20, 2012 to include prohibiting harassment, intimidation, or bullying of any student “on a school bus” or by an “electronic act”.

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

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

Respectfully Submitted,



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio



Dave Yost • Auditor of State

WILLIAMSBURG LOCAL DISTRICT

CLERMONT 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.

A handwritten signature in cursive script that reads "Susan Babbitt".

CLERK OF THE BUREAU

CERTIFIED
APRIL 10, 2014