



Dave Yost • Auditor of State



**AMANDA CLEARCREEK LOCAL SCHOOL DISTRICT  
FAIRFIELD COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Amanda Clearcreek Local School District  
Fairfield County  
328 East Main Street  
Amanda, Ohio 43102

To the Board of Education:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, and the aggregate remaining fund information of Amanda Clearcreek Local School District, Fairfield County, Ohio (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Amanda Clearcreek Local School District, Fairfield, Ohio, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

March 16, 2015

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**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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The management discussion and analysis of the Amanda-Clearcreek Local School District's financial performance provides an overview and analysis of the District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review our notes to the basic financial statements and the financial statements themselves to enhance their understanding of the District's financial performance.

**Financial Highlights**

- ▶ The assets of Amanda-Clearcreek Local School District exceeded its liabilities and deferred inflows of resources at June 30, 2014 by \$32,794,177. This balance was comprised of a \$23,060,338 balance in net investment in capital assets and net position amounts restricted for specific purposes and a balance of \$9,733,839 in unrestricted net position.
- ▶ In total, net position of governmental activities increased by \$2,118,945, which represents a 6.91 percent increase from 2013.
- ▶ General revenues accounted for \$15,722,454 or 82.67 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$3,296,016 or 17.33 percent of total revenues of \$19,018,470.
- ▶ The District had \$16,899,525 in expenses related to governmental activities; only \$3,296,016 of these expenses was offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes and grants and entitlements) of \$15,722,454 were used to provide for the remainder of these programs.
- ▶ The District recognizes two major governmental funds: the General and Bond Retirement Funds. In terms of dollars received and spent, the General Fund is significantly larger than all the other funds of the District combined. The General Fund had \$16,896,311 in revenues and \$13,623,573 in expenditures in fiscal year 2014.

**Using this Annual Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are presented following the requirements of GASB Statement No. 34, and are organized so the reader can understand Amanda-Clearcreek Local School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: the government-wide financial statements, fund financial statements and notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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**Reporting the District as a Whole**

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business. The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. These statements include all assets, liabilities and deferred inflows of resources using the accrual basis of accounting which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position are important because they serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. The cause of this change may be the result of several factors, some financial and some not. Nonfinancial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required but unfunded educational programs, and other factors. Ultimately, the District's goal is to provide services to our students, not to generate profits as commercial entities do.

The statement of activities presents information showing how the government's net position changed during the recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

In both of the government-wide financial statements, the District activities are shown as governmental activities. All of the District's programs and services are reported here including instructional services, support services and operation of non-instructional services. These services are funded primarily by taxes, tuition and fees, and intergovernmental revenues including federal and state grants and other shared revenues.

**Reporting the District's Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's two major governmental funds are the General and Bond Retirement Funds.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objective. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into one of three categories: governmental, proprietary and fiduciary funds.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term requirements. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**Proprietary Fund**

The District's only proprietary fund is an internal service fund. Since the internal service fund operates on a break-even, cost-reimbursement basis, the District reports it as a proprietary fund using the accrual basis of accounting. The internal service fund is included with governmental activities on the government-wide financial statements.

**Fiduciary Funds**

The District's fiduciary funds include a private purpose trust fund and two agency funds. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. Private purpose trust funds are held in a trustee capacity for individuals, private organizations, or other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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**Government-Wide Financial Analysis**

Recall that the statement of net position provides the perspective of the District as a whole, showing assets, liabilities, and the difference between them (net position). Table 1 provides a summary of the District's net position for 2014 compared to fiscal year 2013:

Table 1  
**Net Position at Year End**

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
<b><u>Assets:</u></b>		
Current and Other Assets	\$16,014,000	\$12,645,251
Capital Assets, Net	<u>24,701,444</u>	<u>25,870,390</u>
<i>Total Assets</i>	<u>40,715,444</u>	<u>38,515,641</u>
<b><u>Liabilities:</u></b>		
Current Liabilities	1,904,401	2,004,817
Long-Term Liabilities	<u>2,998,368</u>	<u>3,017,925</u>
<i>Total Liabilities</i>	<u>4,902,769</u>	<u>5,022,742</u>
<b><u>Deferred Inflows of Resources</u></b>		
	<u>3,018,498</u>	<u>2,817,667</u>
<b><u>Net Position:</u></b>		
Net Investment in Capital Assets	22,009,332	23,186,477
Restricted	1,051,006	1,178,615
Unrestricted	<u>9,733,839</u>	<u>6,310,140</u>
<i>Total Net Position</i>	<u>\$32,794,177</u>	<u>\$30,675,232</u>

Current and other assets increased \$3,368,749 from fiscal year 2013 due to an increase in cash and cash equivalents held by the District.

Capital assets decreased \$1,168,946, which is due to current year depreciation.

Current (other) liabilities decreased \$100,416 or 5.01 percent, primarily due to a decrease in claims payable.

Long-term liabilities decreased by \$19,557 which is the net result of schedule debt payments made by the District and the addition of new capital leases.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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The District's largest portion of net position is related to amounts net investment in capital assets. The District used these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to pay these liabilities.

The District's smallest portion of net position is restricted assets. The restricted net position is subject to external restrictions on how they may be used.

The remaining balance of \$9,733,839 is unrestricted. These net position represent resources that may be used to meet the District's ongoing obligations to its students and creditors.

Table 2 shows the changes in net position for fiscal year 2014 and provides a comparison to fiscal year 2013.

Table 2  
**Changes in Net Position**

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
<b><u>Revenues:</u></b>		
<i>Program Revenues:</i>		
Charges for Services and Sales	\$1,444,659	\$1,565,771
Operating Grants and Contributions	1,851,357	2,111,543
<i>General Revenues:</i>		
Property Taxes	3,579,953	3,186,671
Income Taxes	2,287,676	1,967,350
Unrestricted Grants and Entitlements	9,695,060	8,815,957
Investment Earnings	26,807	22,277
Miscellaneous	132,958	152,652
<i>Total Revenues</i>	<u>19,018,470</u>	<u>17,822,221</u>

(continued)

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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Table 2  
**Changes in Net Position**

	<b><u>Governmental Activities</u></b>	
	<u>2014</u>	<u>2013</u>
<b><u>Expenses:</u></b>		
<i>Program Expenses:</i>		
<i>Instruction:</i>		
Regular	6,974,093	7,325,248
Special	2,834,788	2,280,262
Vocational	317,823	295,684
Student Intervention Services	5,402	42,333
Other	36,566	109,631
<i>Support Services</i>		
Pupils	738,381	658,088
Instructional Staff	398,667	130,143
Board of Education	168,211	55,989
Administration	1,189,561	1,009,757
Fiscal	406,517	330,264
Business	18,180	27,378
Operation and Maintenance of Plant	1,452,232	1,412,841
Pupil Transportation	1,114,212	1,102,193
Central	42,404	149,018
<i>Operation of Non-Instructional Services:</i>		
Food Service	801,507	811,377
Extracurricular Activities	269,286	267,077
Interest and Fiscal Charges	131,695	94,900
<i>Total Disbursements</i>	<u>16,899,525</u>	<u>16,102,183</u>
<i>Change in Net Position</i>	2,118,945	1,720,038
Net Position - Beginning of Year	<u>30,675,232</u>	<u>28,955,194</u>
Net Position- End of Year	<u><u>\$32,794,177</u></u>	<u><u>\$30,675,232</u></u>

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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The most significant program expenses for the District are Regular Instruction, Special Instruction, Operation and Maintenance of Plant, Administration, and Pupil Transportation. These programs account for 80.26 percent of the total governmental activities. Regular Instruction, which accounts for 41.27 percent of the total, represents costs associated with providing general educational services. Special Instruction, which represents 16.77 percent of the total, represents costs associated with providing educational services for handicapped, disadvantaged and other special needs students. Operation and Maintenance of Plant, which represents 8.59 percent of the total, represents costs associated with operating and maintaining the District's facilities. Administration, which represents 7.04 percent of the total, represents costs associated with the overall administrative responsibility for each building and the District as a whole. Pupil Transportation, which represents 6.59 percent of the total, represents costs associated with providing transportation services for students between home and school and to school activities.

The majority of the funding for the most significant programs indicated above is from property taxes, income taxes, and grants and entitlements not restricted for specific programs. Property taxes, income taxes and grants and entitlements not restricted for specific programs accounts for 81.83 percent of total revenues for governmental activities.

The District had a program revenue decrease of \$381,298, which is primarily the result of the decrease in operating grants and contributions. The District had an increase in general revenues of \$1,577,547 primarily due to increases in property taxes revenue and grants and entitlements not restricted for specific programs revenue.

The District's expenses increased \$797,342 or 4.95 percent, which is primarily due to the \$554,526 increase in Special Instruction.

**Governmental Activities**

Over the past several fiscal years, the District has remained in stable financial condition. This has been accomplished through strong voter support and good fiscal management. The District is heavily dependent on property taxes and intergovernmental revenue and, like most Ohio schools, is hampered by a lack of revenue growth. Property taxes made up 18.82 percent and intergovernmental revenue made up 60.71 percent of the total revenue for the governmental activities in fiscal year 2014.

The Ohio Legislature passed H.B. 920 (1976) and changed the way property taxes function in the State. The overall revenue generated by a levy will not increase solely as a result of inflation. As an example, the District would receive from a home valued at \$100,000 and taxed at 1.0 mill, \$35.00 annually. If three years later the home were reappraised and the value increased to \$200,000 (and this increase in value is comparable to other property owners) the effective tax rate would become 0.5 mill and the District would still receive \$35.00 annually. Therefore, the District must regularly return to the voters to maintain a constant level of service.

The District's intergovernmental revenue consists of school foundation basic allowance, homestead and rollback property tax allocation, and federal and state grants. During fiscal year 2014, the District received \$9,565,091 through the State's foundation program, which represents 50.29 percent of the total revenue for the governmental activities. The District relies heavily on this state funding to operate at the current levels of service.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

Instruction accounts for 60.17 percent of governmental activity program expenses. Support services expenses make up 32.71 percent of governmental activities program expenses. The statement of activities shows the cost of program services and charges for services and grants offsetting those services.

Table 3 shows, for governmental activities, the total cost of services and the net cost of services for fiscal year 2014 compared with fiscal year 2013. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

**Net Cost of Governmental Activities**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
	<u>2014</u>	<u>2014</u>	<u>2013</u>	<u>2013</u>
<i>Program Expenses:</i>				
Instruction	\$10,168,672	\$7,892,589	\$10,053,158	\$7,438,126
Support Services	5,528,365	5,409,515	4,875,671	4,793,576
Operation of Non-Instructional Services	801,507	83,499	811,377	9,705
Extracurricular Activities	269,286	86,211	267,077	88,562
Interest and Fiscal Charges	<u>131,695</u>	<u>131,695</u>	<u>94,900</u>	<u>94,900</u>
Total Expenses	<u>\$16,899,525</u>	<u>\$13,603,509</u>	<u>\$16,102,183</u>	<u>\$12,424,869</u>

**The District's Funds**

The District's governmental funds are accounted for using the modified accrual basis of accounting. (See Note 2 for discussion of significant accounting policies and procedures). All governmental funds had total revenues and other financing sources of \$19,368,683 and expenditures and other financing uses of \$16,040,907.

Total governmental funds fund balance increased by \$3,327,776. The increase in fund balance for the year was most significant in the General Fund, which had an increase of \$3,516,927, due to an increase in revenues that exceeded the increase in expenditures for the year.

The District should remain stable in fiscal years 2015 and 2016. However, projections beyond fiscal year 2016 show the District may be unable to meet inflationary cost increases in the long-term without additional tax levies or a meaningful change in state funding of public schools as directed by the Ohio Supreme Court.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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**Budget Highlights - General Fund**

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

During the course of fiscal year 2014, the District amended its General Fund budget several times. The District uses a modified site-based budget technique that is designed to control site budgets while providing building administrators and supervisors' flexibility for site management.

The District prepares and monitors a detailed cashflow plan for the General Fund. Actual cashflow is compared to monthly and year-to-date estimates, and a monthly report is prepared for top management and the Board of Education.

For the General Fund, the final budget basis revenue was \$17,274,550 representing a \$6,689,195 or 10.84 percent increase from the original budget estimates of \$15,585,355. For the General Fund, the final budget basis expenditures were \$13,749,363 representing a \$1,551,432 increase from the original budget estimates of \$12,197,931. The final budget basis expenditures reflect a 12.72 percent increase from the original budgeted amount, which is primarily due to increases in the Regular Instruction and Special Instruction. Actual budgetary expenditures plus encumbrances were \$83,291 or 0.61 percent less than the final budgeted amount.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal year 2014 the District had \$40.6 million invested in capital assets, of which all was in governmental activities. That total carries an accumulated depreciation of \$15.9 million. Table 4 shows fiscal year 2014 balances compared to fiscal year 2013.

Table 4  
**Capital Assets & Accumulated Depreciation at Year End**

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
<i>Nondepreciable Capital Assets:</i>		
Land	\$292,457	\$292,457
<i>Depreciable Capital Assets:</i>		
Land Improvements	2,707,262	2,707,262
Buildings and Improvements	34,193,552	34,193,552
Furniture, Fixtures and Equipment	1,069,364	1,056,714
Vehicles	1,448,846	1,373,023
Textbooks	887,213	887,213
Total Capital Assets	<u>40,598,694</u>	<u>40,510,221</u>
<i>Less Accumulated Depreciation</i>		
Land Improvements	(1,488,819)	(1,360,922)
Buildings and Improvements	(11,514,218)	(10,448,546)
Furniture, Fixtures and Equipment	(805,963)	(733,917)
Vehicles	(1,201,037)	(1,219,190)
Textbooks	(887,213)	(877,256)
Total Accumulated Depreciation	<u>(15,897,250)</u>	<u>(14,639,831)</u>
Capital Assets, Net	<u><u>\$24,701,444</u></u>	<u><u>\$25,870,390</u></u>

More detailed information pertaining to the District's capital asset activity can be found in the notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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**Debt Administration**

At June 30, 2014, the District had \$2,426,904 in long-term debt outstanding with \$265,000 due within one year. Table 5 summarizes the long-term debt outstanding for fiscal year 2014 compared to fiscal year 2013.

Table 5  
**Outstanding Debt, Governmental Activities at Year End**

<u>Purpose</u>	<u>2014</u>	<u>2013</u>
School Construction Bonds	\$215,000	\$415,000
Refunding Bonds	1,954,998	2,004,998
Capital Leases	<u>256,906</u>	<u>21,886</u>
Total General Obligation Debt	<u><u>\$2,426,904</u></u>	<u><u>\$2,441,884</u></u>

More detailed information pertaining to the District's long-term debt activity can be found in the notes to the basic financial statements.

**Current Issues**

Although considered a low-wealth district, Amanda-Clearcreek Local School District is seeing a declining financial status due in part to declining enrollment over the past two years and the state's declining economy. As indicated in the preceding financial information, the District is dependent on property taxes. Property tax revenue does not increase solely as a result of inflation. There has been minimal increases in the state funding in recent years and planned decreases in future years. Therefore, in the long-term, the current program and staffing levels will be dependent on increased funding to meet inflation. Careful financial planning has permitted the District to provide a quality education for our students. The District passed a 1.5% earned income tax to eliminate the need for significant reductions in personnel and educational services.

The Ohio Legislature biennial budget for 2012 and 2013 included what they called a "Bridge" funding method. It was called that because it was intended to be a bridge to a completely new funding formula sometime in 2013 or 2014. With the passage of a new State Budget in late-June 2013, Ohio schools have their 4<sup>th</sup> new funding method since fiscal year 2009. The new formula completely changes the way in which Ohio public schools are funded. There are nine separate funding components, each uses a slightly different basis and enrollment in its calculation. The overriding change however is there is no longer a property valuation and millage based local share or "charge-off". A district's local share is determined first and then used throughout the various components. During this two-year budget, there is still a minimum guarantee amount based on a district funding in fiscal year 2013. Added is now a "cap" or maximum increase from one year to the next. In fiscal year 2014 the cap is 6.25% which increases to 10.5% in fiscal year 2015. Amanda-Clearcreek Local School District was on the minimum guarantee in fiscal year 2014 and is projected to be there, although closer to being formula funded, in fiscal year 2015. A new state two-year budget will begin in fiscal year 2016. It is currently our understanding that the existing formula may be modified but we are not expecting a completely new funding model.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)*

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As of the date of these financial statements, the District is unable to determine what effect, if any, this decision will have on its future State funding and on its financial statements.

Residential growth has not been a major factor in the District over the past few years. Residential/agricultural property contributes over 97 percent of the District's real estate valuation.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it received. If you have any questions about this report or need additional information contact Jill Bradford, Treasurer of Amanda-Clearcreek Local School Board of Education, 328 East Main Street, Amanda, Ohio 43102.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Statement of Net Position*

*June 30, 2014*

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	<u>Governmental Activities</u>
<b><u>Assets:</u></b>	
Equity in Pooled Cash and Cash Equivalents	\$10,424,354
Cash and Cash Equivalents with Fiscal Agent	747,145
Property Taxes Receivable	3,862,864
Income Tax Receivable	763,713
Intergovernmental Receivable	197,390
Accrued Interest Receivable	12,085
Inventory Held for Resale	6,449
Nondepreciable Capital Assets	292,457
Depreciable Capital Assets, Net	<u>24,408,987</u>
<i>Total Assets</i>	<u>40,715,444</u>
<b><u>Liabilities:</u></b>	
Accounts Payable	133,437
Accrued Wages and Benefits	1,237,978
Intergovernmental Payable	275,564
Accrued Interest Payable	7,105
Claims Payable	206,645
Matured Compensated Absences Payable	43,672
<i>Long-Term Liabilities:</i>	
Due within One Year	405,921
Due in More Than One Year	<u>2,592,447</u>
<i>Total Liabilities</i>	<u>4,902,769</u>
<b><u>Deferred Inflows of Resources:</u></b>	
Property Taxes	<u>3,018,498</u>
<b><u>Net Position:</u></b>	
Net Investment in Capital Assets	22,009,332
<i>Restricted for:</i>	
Capital Outlay	215,620
Debt Service	619,094
Other Purposes	216,292
Unrestricted	<u>9,733,839</u>
<i>Total Net Position</i>	<u><u>\$32,794,177</u></u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Statement of Activities*

*For the Fiscal Year Ended June 30, 2014*

	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b><u>Governmental Activities:</u></b>				
<i>Instruction:</i>				
Regular	\$6,974,093	\$907,652	\$51,795	(\$6,014,646)
Special	2,834,788	0	1,244,232	(1,590,556)
Vocational	317,823	0	72,404	(245,419)
Student Intervention Services	5,402	0	0	(5,402)
Other	36,566	0	0	(36,566)
<i>Support Services:</i>				
Pupils	738,381	0	0	(738,381)
Instructional Staff	398,667	0	21,427	(377,240)
Board of Education	168,211	0	0	(168,211)
Administration	1,189,561	3,025	0	(1,186,536)
Fiscal	406,517	0	0	(406,517)
Business	18,180	0	0	(18,180)
Operation and Maintenance of Plant	1,452,232	0	0	(1,452,232)
Pupil Transportation	1,114,212	0	87,198	(1,027,014)
Central	42,404	0	7,200	(35,204)
<i>Operation of Non-Instructional Services:</i>				
Food Service	801,507	350,907	367,101	(83,499)
Extracurricular Activities	269,286	183,075	0	(86,211)
Interest and Fiscal Charges	131,695	0	0	(131,695)
<b>Total Governmental Activities</b>	<b>\$16,899,525</b>	<b>\$1,444,659</b>	<b>\$1,851,357</b>	<b>(13,603,509)</b>

**General Revenues:**

*Property Taxes Levied for:*

General Purposes	3,197,293
Debt Service	333,217
Capital Outlay	49,443

*Income Taxes Levied for:*

General Purposes	2,287,676
Grants and Entitlements not Restricted to Specific Programs	9,695,060
Investment Earnings	26,807
Miscellaneous	132,958

*Total General Revenues*

15,722,454

Change in Net Position

2,118,945

*Net Position at Beginning of Year*

30,675,232

*Net Position at End of Year*

\$32,794,177

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Balance Sheet  
Governmental Funds  
June 30, 2014*

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$8,930,086	\$549,269	\$497,765	\$9,977,120
Property Taxes Receivable	3,457,357	353,940	51,567	3,862,864
Income Taxes Receivable	763,713	0	0	763,713
Intergovernmental Receivable	42,310	0	155,080	197,390
Accrued Interest Receivable	12,085	0	0	12,085
Interfund Receivable	133,530	0	0	133,530
Inventory Held for Resale	0	0	6,449	6,449
<i>Total Assets</i>	<u>\$13,339,081</u>	<u>\$903,209</u>	<u>\$710,861</u>	<u>\$14,953,151</u>
<b><u>Liabilities:</u></b>				
Accounts Payable	\$129,451	\$0	\$3,986	\$133,437
Accrued Wages and Benefits	1,145,033	0	92,945	1,237,978
Intergovernmental Payable	261,666	0	13,898	275,564
Interfund Payable	0	0	133,530	133,530
Matured Compensated Absences Payable	43,672	0	0	43,672
<i>Total Liabilities</i>	<u>1,579,822</u>	<u>0</u>	<u>244,359</u>	<u>1,824,181</u>
<b><u>Deferred Inflows of Resources:</u></b>				
Property Taxes	3,209,608	327,926	47,828	3,585,362
<i>Total Deferred Inflows of Resources</i>	<u>3,209,608</u>	<u>327,926</u>	<u>47,828</u>	<u>3,585,362</u>
<b><u>Fund Balances:</u></b>				
Restricted	0	575,283	442,724	1,018,007
Assigned	424,368	0	0	424,368
Unassigned	8,125,283	0	(24,050)	8,101,233
<i>Total Fund Balances</i>	<u>8,549,651</u>	<u>575,283</u>	<u>418,674</u>	<u>9,543,608</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$13,339,081</u>	<u>\$903,209</u>	<u>\$710,861</u>	<u>\$14,953,151</u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 June 30, 2014*

<b>Total Governmental Funds Balances</b>		\$9,543,608
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		24,701,444
Some of the District's receivables will be collected after fiscal year-end, however are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. These receivables consist of:		
Property taxes		566,864
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:		
General obligation bonds	(215,000)	
Refunding bonds	(1,954,998)	
Premium on refunding bonds	(217,826)	
Accrued interest on bonds	(7,105)	
Capital leases	(256,906)	
Compensated absences	(353,638)	
<u>Total liabilities not reported in funds</u>		(3,005,473)
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		<u>987,734</u>
<i>Net Position of Governmental Activities</i>		<u><u>\$32,794,177</u></u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
 Governmental Funds  
 For the Fiscal Year Ended June 30, 2014

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b><u>Revenues:</u></b>				
Property Taxes	\$3,192,245	\$337,620	\$50,089	\$3,579,954
Income Tax	2,287,676	0	0	2,287,676
Intergovernmental	10,358,025	48,382	1,132,938	11,539,345
Interest	25,871	0	936	26,807
Tuition and Fees	887,407	0	0	887,407
Gifts and Donations	0	0	34,560	34,560
Extracurricular Activities	23,270	0	183,075	206,345
Charges for Services	0	0	350,907	350,907
Miscellaneous	121,817	0	11,141	132,958
<i>Total Revenues</i>	<u>16,896,311</u>	<u>386,002</u>	<u>1,763,646</u>	<u>19,045,959</u>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular	5,694,898	0	41,894	5,736,792
Special	2,154,474	0	694,983	2,849,457
Vocational	315,715	0	0	315,715
Student Intervention Services	5,402	0	0	5,402
Other	36,546	0	0	36,546
<i>Support Services:</i>				
Pupils	732,304	0	2,329	734,633
Instructional Staff	371,643	0	21,569	393,212
Board of Education	168,250	0	0	168,250
Administration	1,187,124	0	1,731	1,188,855
Fiscal	405,851	0	0	405,851
Business	18,180	0	0	18,180
Operation and Maintenance of Plant	1,221,006	0	238,168	1,459,174
Pupil Transportation	1,196,563	0	0	1,196,563
Central	31,751	0	10,385	42,136
Operation of Non-Instructional Services	0	0	789,505	789,505
Extracurricular Activities	39,716	0	210,101	249,817
Capital Outlay	3,999	0	600	4,599
<i>Debt Service:</i>				
Principal Retirement	35,053	250,000	0	285,053
Interest	5,098	103,418	0	108,516
<i>Total Expenditures</i>	<u>13,623,573</u>	<u>353,418</u>	<u>2,011,265</u>	<u>15,988,256</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,272,738</u>	<u>32,584</u>	<u>(247,619)</u>	<u>3,057,703</u>
<b><u>Other Financing Sources (Uses):</u></b>				
Inception of Capital Lease	270,073	0	0	270,073
Transfers In	0	0	52,651	52,651
Transfers Out	(25,884)	0	(26,767)	(52,651)
<i>Total Other Financing Sources (Uses)</i>	<u>244,189</u>	<u>0</u>	<u>25,884</u>	<u>270,073</u>
<i>Net Change in Fund Balances</i>	3,516,927	32,584	(221,735)	3,327,776
<i>Fund Balances at Beginning of Year</i>	<u>5,032,724</u>	<u>542,699</u>	<u>640,409</u>	<u>6,215,832</u>
<i>Fund Balances at End of Year</i>	<u><u>\$8,549,651</u></u>	<u><u>\$575,283</u></u>	<u><u>\$418,674</u></u>	<u><u>\$9,543,608</u></u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2014*

<b>Net Change in Fund Balances - Total Governmental Funds</b>		<b>\$3,327,776</b>
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		(1,168,946)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		0
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These revenues consist of:		
Property taxes	(1)	
Intergovernmental	(27,488)	
Total		(27,489)
Repayment of bond principal and capital leases are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		285,053
Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues in the statement of activities:		
Inception of capital leases		(270,073)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		1,024
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Compensated absences	(19,626)	
Premium on bonds issued	24,203	
Total expenditures not reported in the funds		4,577
The internal service fund used by management to charge the cost of insurance to individual funds is not reported in the government-wide statement of activities. Governmental expenditures and the related internal service fund revenue are eliminated. The net revenue (expense) of the internal service fund is allocated among activities.		(32,977)
<i>Change in Net Position of Governmental Activities</i>		<u><u>\$2,118,945</u></u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget and Actual (Budget Basis)*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2014*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Property Taxes	\$3,059,000	\$3,562,294	\$3,077,294	(\$485,000)
Income Tax	1,900,000	2,334,117	2,334,117	0
Intergovernmental	9,738,855	10,355,655	10,357,981	2,326
Interest	14,000	14,320	18,638	4,318
Tuition and Fees	813,500	889,011	887,407	(1,604)
Miscellaneous	60,000	119,153	121,286	2,133
<i>Total Revenues</i>	<u>15,585,355</u>	<u>17,274,550</u>	<u>16,796,723</u>	<u>(477,827)</u>
<b><u>Expenditures:</u></b>				
<i>Current:</i>				
<i>Instruction:</i>				
Regular	5,516,651	5,992,434	5,823,514	168,920
Special	1,641,008	1,953,530	2,170,376	(216,846)
Vocational	266,925	299,647	328,227	(28,580)
Student Intervention Services	41,276	23,689	5,118	18,571
Other	104,796	104,796	36,546	68,250
<i>Support Services:</i>				
Pupils	594,879	605,333	731,390	(126,057)
Instructional Staff	192,544	322,761	326,769	(4,008)
Board of Education	76,161	229,619	229,405	214
Administration	979,686	1,067,178	955,931	111,247
Fiscal	328,907	405,941	407,400	(1,459)
Business	31,388	31,388	21,518	9,870
Operation and Maintenance of Plant	1,305,190	1,353,255	1,306,685	46,570
Pupil Transportation	1,047,146	1,259,336	1,235,985	23,351
Central	59,258	63,250	43,795	19,455
Extracurricular Activities	8,653	33,743	39,323	(5,580)
Capital Outlay	3,463	3,463	4,090	(627)
<i>Total Expenditures</i>	<u>12,197,931</u>	<u>13,749,363</u>	<u>13,666,072</u>	<u>83,291</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,387,424</u>	<u>3,525,187</u>	<u>3,130,651</u>	<u>(394,536)</u>
<b><u>Other Financing Sources (Uses):</u></b>				
Advances In	0	1,092	1,092	0
Advances Out	0	0	(124,202)	(124,202)
Transfers Out	0	0	(25,884)	(25,884)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>1,092</u>	<u>(148,994)</u>	<u>(150,086)</u>
Net Changes in Fund Balances	3,387,424	3,526,279	2,981,657	(544,622)
<i>Fund Balance at Beginning of Year</i>	5,235,139	5,235,139	5,235,139	0
Prior Year Encumbrances Appropriated	284,721	284,721	284,721	0
<i>Fund Balance at End of Year</i>	<u>\$8,907,284</u>	<u>\$9,046,139</u>	<u>\$8,501,517</u>	<u>(\$544,622)</u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Statement of Net Position*

*Proprietary Fund*

*June 30, 2014*

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	<u>Governmental Activities</u>
	<u>Internal Service</u>
<b><u>Assets:</u></b>	
<i>Current Assets:</i>	
Equity in Pooled Cash and Cash Equivalents	\$447,234
Cash and Cash Equivalents with Fiscal Agent	<u>747,145</u>
<i>Total Assets</i>	<u>1,194,379</u>
<b><u>Liabilities:</u></b>	
<i>Current Liabilities:</i>	
Claims Payable	<u>206,645</u>
<i>Total Current Liabilities</i>	<u>206,645</u>
<b><u>Net Position:</u></b>	
Unrestricted	<u><u>\$987,734</u></u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Statement of Revenues,  
Expenses and Change in Fund Net Position  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2014*

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	<u>Governmental Activities</u>
	<u>Internal Service</u>
<b><u>Operating Revenues:</u></b>	
Charges for Services	<u>\$1,875,493</u>
<i>Total Operating Revenues</i>	<u>1,875,493</u>
<b><u>Operating Expenses:</u></b>	
Purchased Services	94,315
Claims	1,724,443
Other	<u>89,712</u>
<i>Total Operating Expenses</i>	<u>1,908,470</u>
<i>Change in Net Position</i>	(32,977)
<i>Net Position at Beginning of Year</i>	<u>1,020,711</u>
<i>Net Position at End of Year</i>	<u><u>\$987,734</u></u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Statement of Cash Flows*

*Proprietary Fund*

*For the Fiscal Year Ended June 30, 2014*

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	<u>Governmental Activities</u>
	<u>Internal Service</u>
<b><u>Increase (Decrease) in Cash and Cash Equivalents:</u></b>	
<b><u>Cash Flows from Operating Activities:</u></b>	
Cash Received from Interfund Services Provided	\$1,875,493
Cash Payments to Employees for Services	(94,315)
Cash Payments for Claims	(1,908,730)
Other Cash Payments	<u>(89,712)</u>
<i>Net Decrease in Cash and Cash Equivalents</i>	(217,264)
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>1,411,643</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u><u>\$1,194,379</u></u>
<b><u>Reconciliation of Operating Income (Loss)</u></b>	
<b><u>to Net Cash from Operating Activities:</u></b>	
Operating Income (Loss)	(\$32,977)
<b><u>Adjustments to Reconcile Operating Loss</u></b>	
<b><u>to Net Cash from Operating Activities:</u></b>	
<i>Increase (Decrease) in Liabilities:</i>	
Claims Payable	<u>(184,287)</u>
<i>Net Cash Provided by Operating Activities</i>	<u><u>(\$217,264)</u></u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Statement of Fiduciary Net Position*

*Fiduciary Funds*

*June 30, 2014*

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	<u>Private Purpose Trust</u>	<u>Agency</u>
<b><u>Assets:</u></b>		
Equity in Pooled Cash and Cash Equivalents	<u>\$12,322</u>	<u>\$126,421</u>
<b><u>Liabilities:</u></b>		
Intergovernmental Payable	0	\$18,817
Due to Students	<u>0</u>	<u>107,604</u>
<i>Total Liabilities</i>	<u>0</u>	<u>\$126,421</u>
<b><u>Net Position:</u></b>		
Held in Trust For Scholarships	<u>\$12,322</u>	

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Statement of Change in Fiduciary Net Position*

*Fiduciary Fund*

*For the Fiscal Year Ended June 30, 2014*

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	<u>Private Purpose Trust</u>
<b><i>Additions:</i></b>	
Gifts and Donations	<u>\$14,131</u>
<i>Total Additions</i>	14,131
<b><i>Deductions:</i></b>	
Payments in Accordance with Trust	<u>13,261</u>
<i>Change in Net Position</i>	870
<i>Net Position at Beginning of Year</i>	<u>11,452</u>
<i>Net Position at End of Year</i>	<u><u>\$12,322</u></u>

See accompanying notes to the basic financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

**Description of the School District**

Amanda-Clearcreek Local School District (the District) is a body politic and corporate organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The District is a local school district as defined by Ohio Revised Code Section 3311.03. The District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by state statute and/or federal guidelines.

The District was established through the consolidation of existing land areas and school districts. It is staffed by 74 non-certificated employees, 95 certificated full-time teaching personnel and 6 administrative employees who provide services to 1,627 students.

**Reporting Entity**

A 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 District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Amanda-Clearcreek Local School District, this includes general operations, food service and student related activities of the District.

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

The District is associated with two jointly governed organizations: the Metropolitan Education Council (MEC) and the South Central Ohio Insurance Consortium (SCOIC). The District is also associated with one insurance purchasing pool: Ohio School Plan (OSP). These organizations are presented in Notes 21 and 22 to the basic financial statements.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - (Continued)

**A. Basis of Presentation**

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

**Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. The District has no business-type activities.

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

**Fund Financial Statements**

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on 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.

**B. Fund Accounting**

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with self-balancing set of accounts. The funds of the District fall within three categories: governmental, proprietary and fiduciary.

**Governmental Funds**

Governmental funds are those through which most governmental functions of the District are financed. Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - (Continued)

The following are the District's major governmental funds:

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

**Bond Retirement Fund**- This fund is used to account for financial resources accumulated for the payment of general long-term debt principal, interest and related costs.

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

**Proprietary Fund**

The proprietary fund focus is on the determination of the change in net position, financial position and cash flows and is classified as internal service. The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis. The only internal service fund of the District accounts for a self-insurance program which provides health and dental benefits to employees.

**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 District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's fiduciary funds include a private purpose trust fund that accounts for a trust held for scholarships and agency funds which are used to account for student managed activities and a worker's compensation clearing account.

**C. Measurement Focus**

**Government-Wide Financial Statements**

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

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**Fund Financial Statements**

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

**D. Basis of Accounting**

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

**Revenues - Exchange and Nonexchange Transactions**

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - (Continued)

In addition to the liabilities, the statements of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2014, but which were levied to finance fiscal year 2015 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**Expenses/Expenditures**

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

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

**E. Cash and Cash Equivalents**

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2014 amounted to \$25,871, which includes \$2,656 assigned from other District funds.

**F. Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used, consumed or sold.

On fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption, and purchased food and donated food held for resale. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed, used or sold.

**G. Capital Assets**

General capital assets are associated with and generally arise from governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deletions during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars. The District does not possess any infrastructure. Improvements are capitalized; the normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives for governmental activities:

Description	Estimated Lives
Land Improvements	50 years
Buildings and Improvements	20 - 50 years
Furniture, Fixtures and Equipment	5 - 10 years
Vehicles	10 years
Textbooks	10 years

**H. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivable" and "Interfund Payable". These amounts are eliminated in the governmental activities column of the statement of net position.

**I. Compensated Absences**

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payments in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy. The District records a liability for accumulated unused sick leave for classified and certified employees and administrators who have at least 10 years of service with the District.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**J. Accrued Liabilities and Long-Term Liabilities**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination of benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Long-term bonds and capital leases are recognized as a liability on the fund financial statements when due.

**K. Net Position**

Net Position represents the difference between assets and liabilities. Net Position net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**L. Fund Balances**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Fund balances of the governmental funds are classified as follows:

**Nonspendable** – amounts that cannot be spent because they are either not in a spendable form or because they are legally or contractually required to be maintained intact.

**Restricted** – amounts that can be spent only for specific purposes because either (a) constraints imposed by law through constitutional provisions, charter requirements or enabling legislation; or (b) constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

**Committed** – amounts that can only be used for specific purposes pursuant to constraints imposed by formal ordinances or resolutions of the Board of Education – the District's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Education removes the specified use by taking the same type of action as when imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - (Continued)

**Assigned** – amounts constrained by the District’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Board of Education, Superintendent and Treasurer have the authority to assign amount to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

**Unassigned** – this is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

**M. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are charges for services for the self-insurance program. Operating expenses are necessary costs incurred to provide the self-insurance service that is the primary activity of that fund.

**N. Interfund Transactions**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

**O. Estimates**

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

**P. Budgetary Process**

All funds, other than the agency funds, 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 expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. Any revisions that alter the total of any fund appropriations must be approved by the Board of Education.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** - (Continued)

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2014.

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

**NOTE 3 - NEW GASB PRONOUNCEMENTS**

For fiscal year 2014, the District implemented GASB Statement No. 66, “Technical Corrections – 2012; an amendment of GASB Statement No. 10 and No. 62” and GASB Statement No. 67, “Financial Reporting for Pension Plans”. GASB Statement No. 67 improves financial reporting by state and local governmental pension plans. The implementation of GASB Statements No. 66 and 67 had no effect on the prior period fund balances of the District.

**NOTE 4 - ACCOUNTABILITY**

The following funds had deficit fund balance as of June 30, 2014:

	<u>Deficit Fund Balance</u>
IDEA Part B	\$1,265
Title I	19,415
Improving Teacher Quality	3,370

The deficits in these funds are the result of the application of generally accepted accounting principles and the requirement to accrue liabilities when incurred.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a restricted, committed or assigned fund balance.
4. Advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Certain funds are maintained as separate funds for accounting and budgetary purposes (budget basis) but do not meet the criteria for separate reporting in the financial statements (GAAP basis) and are reported in the General Fund in accordance with GASB Statement No. 54.

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

<u>Net Change in Fund Balance</u>	
Budget Basis	\$2,981,657
<i>Adjustments:</i>	
Revenue Accruals	345,860
Expenditure Accruals	(332,629)
Encumbrances	406,221
Other Uses	123,110
<i>Prospective Difference:</i>	
Activity of Funds Reclassified For GAAP Reporting Purposes	<u>(7,292)</u>
GAAP Basis	<u><u>\$3,516,927</u></u>

**NOTE 6 - DEPOSITS**

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the 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 two year period of designation of depositories. Inactive deposits must be either 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.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 6 - DEPOSITS** - (Continued)

Interim deposits are deposits of interim moneys. Interim moneys are those moneys 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 accounts including passbook accounts.

Public depositories must give security for all public funds on deposit. Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, 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 obligations or securities 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, provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to fair value daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section, and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain bankers acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the date of purchase in an amount not to exceed twenty-five percent of interim monies available for investment at any time; and
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 6 - DEPOSITS** - (Continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and GASB Statement No. 40, "Deposit and Investment Risk Disclosures."

**Deposits:** Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District.

At June 30, 2014, the carrying amount of all District deposits was \$10,563,097, which excludes \$747,145 cash with fiscal agent. Based on the criteria described in GASB Statement No. 40, "Deposit and Investment Risk Disclosures", as of June 30, 2014, \$10,115,741 of the District's bank balance of \$10,615,741 was exposed to custodial risk as discussed above while \$500,000 was covered by Federal Deposit Insurance. The \$10,115,741 exposed to custodial risk was collateralized with securities held by the District or its agency in the District's name.

**NOTE 7 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real and public utility property located in the District. Real property tax revenue received in calendar 2014 represents collections of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed value listed as of January 1, 2013, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2014 represents collections of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2013 became a lien December 31, 2012, were levied after April 1, 2013 and are collected in 2014 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

**NOTE 7 - PROPERTY TAXES- (Continued)**

The District receives property taxes from Fairfield County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2014 are available to finance fiscal year 2014 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents the June 2014 personal property tax settlement, delinquent taxes outstanding and real property, and public utility taxes which become measurable as of June 30, 2014. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations. The total amount available as an advance at June 30, 2014 was \$277,502 and is recognized as revenue. Of this total amount, \$247,749 was available to the General Fund, \$26,014 was available to the Bond Retirement Fund, and \$3,739 was available to the Classroom Facilities Maintenance Nonmajor Special Revenue Fund.

The assessed values upon which the fiscal year 2014 taxes were collected are:

	2013 Second - Half Collections		2014 First - Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$147,746,760	96.80%	\$165,947,190	97.03%
Public Utility Personal	4,887,650	3.20%	5,081,760	2.97%
Total Assessed Value	<u>\$152,634,410</u>	<u>100.00%</u>	<u>\$171,028,950</u>	<u>100.00%</u>
Total rate per \$1,000 of assessed valuation	\$37.80		\$37.80	

**NOTE 8 - SCHOOL INCOME TAXES**

The District currently benefits from a 1.5% income tax, which is assessed on earned income only for all residents of the District. The District apportions all the proceeds to the General Fund. During fiscal year 2014, the District received \$2,287,676 from the school income tax.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 9 - RECEIVABLES**

Receivables at June 30, 2014 consisted of property taxes, interfund, intergovernmental, and accounts. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities:	
General Fund	\$42,310
<i>Nonmajor Special Revenue Funds:</i>	
School Improvement	9,603
Title I	104,473
Title VI-B	30,684
Improving Teacher Quality	10,320
<i>Total Nonmajor Special Revenue Funds</i>	<u>155,080</u>
Total Intergovernmental Receivables	<u><u>\$197,390</u></u>

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

**NOTE 10 - CAPITAL ASSETS**

Capital asset governmental activity for the fiscal year ended June 30, 2014 was as follows:

	Balance at July 1, 2013	Transfers/ Additions	Transfers/ Deletions	Balance at June 30, 2014
<i>Nondepreciable Capital Assets:</i>				
Land	\$292,457	\$0	\$0	\$292,457
<i>Depreciable Capital Assets:</i>				
Land Improvements	2,707,262	0	0	2,707,262
Buildings and Improvements	34,193,552	0	0	34,193,552
Furniture, Fixtures and Equipment	1,056,714	12,900	(250)	1,069,364
Vehicles	1,373,023	166,554	(90,731)	1,448,846
Textbooks	887,213	0	0	887,213
Total Depreciable Capital Assets	40,217,764	179,454	(90,981)	40,306,237
Total Capital Assets	40,510,221	179,454	(90,981)	40,598,694
<i>Accumulated Depreciation:</i>				
Land Improvements	(1,360,922)	(127,897)	0	(1,488,819)
Buildings and Improvements	(10,448,546)	(1,065,672)	0	(11,514,218)
Furniture, Fixtures and Equipment	(733,917)	(72,296)	250	(805,963)
Vehicles	(1,219,190)	(72,578)	90,731	(1,201,037)
Textbooks	(877,256)	(9,957)	0	(887,213)
Total Accumulated Depreciation	(14,639,831)	(1,348,400)	90,981	(15,897,250)
Total Net Capital Assets	\$25,870,390	(\$1,168,946)	\$0	\$24,701,444

Of the capital assets, \$270,073 is assets that are under capital lease.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 10 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental functions as follows:

<i>Instruction:</i>	
Regular	\$1,216,447
Special	5,584
Vocational	1,174
<i>Support Services:</i>	
Pupils	7,138
Instructional Staff	2,836
Operation and Maintenance of Plant	1,721
Administration	310
Pupil Transportation	84,181
Central	180
Operation of Non-Instructional Services	9,862
Extracurricular Activities	18,967
Total Depreciation Expense	<u><u>\$1,348,400</u></u>

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 11 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has joined together with other school districts in Ohio to participate in the Ohio School Plan (OSP), a public entity insurance purchasing pool. Each individual school district enters into an agreement with the OSP and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The District pays this annual premium to the OSP (See Note 22).

The types and amounts of coverage provided by the Ohio School Plan are as follows:

Building and Contents-replacement cost (\$1,000 deductible)	\$65,812,867
Automobile Liability (\$1,000 deductible):	
Bodily Injury and Property Damage-combined single limit	2,000,000
Medical Payments - each person	5,000
General Liability:	
Each Occurrence	3,000,000
Aggregate Limit	5,000,000
Product-Complete Operations Aggregate Limit	3,000,000
Fire Legal Liability	500,000
Medical Expense Limit-per person/accident	10,000
Employers Liability-Stop Gap:	
Per Accident	3,000,000
Per Disease Each Employee	3,000,000
Per Disease Policy Limit	3,000,000
Employee Benefits Liability:	
Per Claim	3,000,000
Aggregate Limit	5,000,000
Excess Liability	
Each Occurrence	2,000,000
Aggregate Limit	2,000,000

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 11 - RISK MANAGEMENT** - (Continued)

The District joined four other school districts January 1, 1996, to form a regional council of governments in accordance with Ohio Revised Code Chapter 167 and entered into an agreement establishing the South Central Ohio Insurance Consortium (the Consortium) for the purpose of carrying out a joint self-insurance program pursuant to Section 9.833 of the Ohio Revised Code, in an effort to minimize risk exposure and control claims and premium costs. The Consortium contracts with a third-party administrator for claims servicing. EBMC is the third party administrator for the Consortium, with Safeco Life Insurance Company as the excess loss carrier. The individual excess loss coverage is \$35,000 individual deductible per person with a \$3,000,000 maximum lifetime reimbursement per person.

The South Central Ohio Insurance Consortium was established to accumulate balances sufficient to self-insure basic medical and prescription drug coverage and permit excess umbrella coverage for claims over a predetermined level. The Board's share and the employee's share of premium contributions are determined by the negotiated agreement for certificated employees and by the Board action for administrators and classified employees.

Premiums are paid to the South Central Ohio Insurance Consortium Fund from the internal service fund of the District. Claims payments are made on an as-incurred basis by the third party administrator with the balance of contributions remaining with the Fiscal Agent of the Consortium.

The District is self insured for medical and pharmacy benefits but is not self insured for dental benefits. The risk for medical and pharmacy benefits remains with the member districts. The claims payable will be reported for medical and pharmacy claims as of June 30, 2014, and cash with fiscal agent for the balance of funds held by the Consortium that covers medical and pharmacy claims will be reported.

The claims liability reported at June 30, 2014, is based on an estimate provided by the third party administrator and the requirements of Government Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claim costs, including estimates of costs related to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in claims activity for the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2013	\$213,723	\$1,883,953	\$1,706,744	\$390,932
2014	390,932	1,724,443	1,908,730	206,645

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 12 - PENSION PLANS**

**School Employees Retirement System**

**Plan Description** - The 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 can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

**Funding Policy** - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a 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 the fiscal years ending June 30, 2014, the allocation to pension and death benefits is 13.1 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's contributions to SERS for the fiscal years ended June 30, 2014, 2013, and 2012 were \$343,606, \$373,787, and \$365,291, respectively; 82.92 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012.

**State Teachers Retirement System**

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system.

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 plans 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 both 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 the 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 transfer to the DB Plan during their fifth year of membership. Eligible members who do not make a choice during the reselection period will permanently remain in their current plan.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 12 - 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 allowance, 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% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31<sup>st</sup> year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% 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% instead of 2.2%. 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 rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money amount 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 become 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% 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.

Eligible faculty of Ohio’s public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for re-employment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the re-employed member and employer during the re-employment. Upon termination of re-employment 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 re-employed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 12 - PENSION PLANS** - (Continued)

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

The DB and Combined Plans offer access to healthcare 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.

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

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2014, were 10% of covered payroll for members and 14% for employers. The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013 and 2012 were \$710,770, \$714,345 and \$668,891, respectively; 83.43 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012. 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. Copies of STRS Ohio's 2013 Comprehensive Annual Financial Report are available.

Additional information or copies of STRS Ohio's 2013 Comprehensive Annual Financial Report can be requested by writing to the STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling toll-free 1-888-227-7787, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://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 Retirement System. As of June 30, 2014, four members of the Board of Education have elected to pay into Social Security.

**NOTE 13 - 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.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 13 - POSTEMPLOYMENT BENEFITS** - (Continued)

**Medicare Part B Plan** - The Medicare Part 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 2014 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 if they participated in one of the SERS' health care plans.

The Retirement Board, acting with advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For 2014, this actuarially required allocation is 0.76. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012 were \$2,777, \$2,766 and \$2,740, respectively; 82.92 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012.

**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 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.

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, 2014, the health care allocation is 0.14 percent. An addition 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 2014, the minimum compensation level was established at \$20,250. 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 District's contributions assigned to health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$35,685, \$33,957 and \$41,885, 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](http://www.ohsers.org) under Employers/Audit Resources.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 13 - POSTEMPLOYMENT BENEFITS** - (Continued)

**State Teachers Retirement System**

**Plan Description** – State Teachers Retirement System of Ohio (STRS Ohio) administers a pension plan that is comprised of: a Defined Benefits Plan, a self-directed Defined Contribution Plan, and a Combined Plan that is a hybrid of the Defined Benefits 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. The District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$54,675, \$54,950 and \$51,453 respectively; 83.43 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012.

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

**NOTE 14 - EMPLOYEE BENEFITS**

**Compensated Absences**

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Administrators are generally granted twenty days of vacation per year. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and administrators who work less than 260 days per year do not earn vacation time.

Teachers, administrators, and classified 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 280 days for all employees. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit up to a maximum of 70 days for all employees. A bonus of 40 days is granted if retirement is by the State Teachers Retirement System standard in the first year eligible.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

**NOTE 15 - LONG-TERM LIABILITIES**

The changes in the District's long-term liabilities during fiscal year 2014 were as follows:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Principal Outstanding at July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Principal Outstanding at June 30, 2014</u>	<u>Amount Due In One Year</u>
<i>Governmental Activities:</i>							
School Construction Bonds	2000	5.45%	\$415,000	\$0	\$200,000	\$215,000	\$215,000
Refunding Bonds	2008	3.98%	2,004,998	0	50,000	1,954,998	50,000
Premium on Refunding Bonds			242,029	0	24,203	217,826	24,203
Capital Lease Payable			21,886	270,073	35,053	256,906	55,023
Compensated Absences Payable			334,012	292,424	272,798	353,638	61,695
Total Governmental Activities Long-Term Obligations			<u>\$3,017,925</u>	<u>\$562,497</u>	<u>\$582,054</u>	<u>\$2,998,368</u>	<u>\$405,921</u>

*School Construction general obligation bonds* were issued by the District on March 15, 2000 in amount of \$4,417,000 for the purpose of the constructing a K-12 facility. These bonds were issued for a period of 22 years at a rate of 5.45%, mature December 1, 2022, and are in full compliance with the general laws of the State of Ohio, particularly Sections 133.01 to 133.48, inclusive, of the Ohio Revised Code and Section 133.09 thereof. These bonds will be paid from the Bond Retirement Fund using property tax revenues.

These bonds were issued to provide a partial cash match for the classroom facilities assistance program of \$24,738,919 for which the District was approved by the State Department of Education. As a requirement of the classroom facilities assistance program, the District was required to pass a 4.5 mill levy to the District's residents. The 4.5 mill levy, of which .5 mills must be set aside and used for facilities maintenance, will be in effect for twenty-two years.

*Refunding General Obligation Bonds* - During fiscal year 2008, the District issued \$2,219,998 of general obligation bonds for the current refunding of \$2,219,998 of the 2000 series bonds. The \$363,044 premium on the issuance of the refunding bonds is netted against this new debt and will be amortized over the life of this new debt, which has the same remaining life of the refunded debt of 15 years. The refunding was undertaken to reduce total future debt service payments. The refunding resulted in an economic gain of \$684,826 and a reduction of \$401,410 in future debt service payments. The refunding bonds are retired through the Bond Retirement Fund using tax revenues.

Compensated absences will be paid from the fund from which the employee is paid. The capital lease payable will be paid from the General Fund.

The District's overall legal debt margin was \$13,222,608 with an unvoted debt margin of \$171,029 at June 30, 2014.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

**NOTE 15 - LONG-TERM LIABILITIES** - (Continued)

The annual requirements to retire the general obligation bonds outstanding at June 30, 2014, are as follows:

Year Ending June 30	School Construction Bonds		Refunding Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$215,000	\$6,988	\$50,000	\$72,875	\$265,000	\$79,863
2016	0	0	57,813	284,187	57,813	284,187
2017	0	0	47,185	294,815	47,185	294,815
2018	0	0	275,000	66,500	275,000	66,500
2019	0	0	285,000	55,300	285,000	55,300
2019-2023	0	0	1,240,000	101,800	1,240,000	101,800
Total	<u>\$215,000</u>	<u>\$6,988</u>	<u>\$1,954,998</u>	<u>\$875,477</u>	<u>\$2,169,998</u>	<u>\$882,465</u>

**NOTE 16 - CAPITAL LEASES - LESSEE DISCLOSURE**

Previously, the District entered into a capital lease for the acquisition of a new computer and peripheral equipment. During the year, the District entered into new capital leases for the acquisition of several copiers. The lease agreement is accounted for as program/function expenditures in the General Fund with an offsetting amount reported as another financing source, inception of capital lease. These leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the fund financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized in an amount equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability has been recorded as a long-term obligation. Principal payments in fiscal year 2014 totaled \$35,053.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 16 - CAPITAL LEASES - LESSEE DISCLOSURE** - (Continued)

The following is a schedule of the future minimum lease payments required under the capital leases and present value of the minimum lease payments as of June 30, 2014.

Fiscal Year Ending June 30,	Lease Payments
2015	\$71,264
2016	71,264
2017	71,264
2018	71,264
2019	11,877
Total	296,933
Less: Amount Representing Interest	40,027
Total Principal	\$256,906

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

**NOTE 17 – FUND BALANCES**

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

	<u>General</u>	<u>Bond Retirement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<i>Restricted:</i>				
<i>Special Revenues:</i>				
Facilities Maintenance	\$0	\$0	\$201,938	\$201,938
Food Service	0	0	18,172	18,172
District Managed Activities	0	0	207	207
Local Grants	0	0	168	168
State Grants	0	0	6,619	6,619
Debt Service	0	575,283	0	575,283
Capital Projects	0	0	215,620	215,620
<i>Total Restricted</i>	<u>0</u>	<u>575,283</u>	<u>442,724</u>	<u>1,018,007</u>
<i>Assigned:</i>				
<i>Encumbrances:</i>				
Regular	120,116	0	0	120,116
Special	75,821	0	0	75,821
Vocational	21,334	0	0	21,334
Pupils	420	0	0	420
Board of Education	56,866	0	0	56,866
Administration	14,503	0	0	14,503
Fiscal	2,772	0	0	2,772
Business	3,297	0	0	3,297
Operation and Maintenance of Plant	40,024	0	0	40,024
Pupil Transportation	66,979	0	0	66,979
Central	4,089	0	0	4,089
Public School Support	18,147	0	0	18,147
	<u>424,368</u>	<u>0</u>	<u>0</u>	<u>424,368</u>
<i>Unassigned</i>	<u>8,125,283</u>	<u>0</u>	<u>(24,050)</u>	<u>8,101,233</u>
<b>Total Fund Balances</b>	<u><u>\$8,549,651</u></u>	<u><u>\$575,283</u></u>	<u><u>\$418,674</u></u>	<u><u>\$9,543,608</u></u>

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

**NOTE 18 - INTERFUND ACTIVITY**

As of June 30, 2014, receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$133,530	\$0
<i>Nonmajor Special Revenue Funds:</i>		
Title VI-B	0	28,508
School Improvement	0	9,603
Title I	0	88,501
Improving Teacher Quality	0	6,918
Total Nonmajor Special Revenue Funds	0	133,530
Total	\$133,530	\$133,530

The balance of \$133,530 due to the General Fund from the funds listed is a result of negative cash balances in these funds. The General Fund is responsible for any deficit in these funds and interfund transactions were established to cover these expenditures. The purpose for these interfund balances is to eliminate the negative cash balances in these funds.

**NOTE 19 - STATUTORY SET-ASIDES**

The following changes occurred in the District's set-aside reserve accounts during fiscal year 2014:

	<u>Capital Acquisition</u>
Set-Aside Balance as of June 30, 2013	\$0
Current Year Set-Aside Requirement	289,166
Current Year Offset	(116,753)
Qualifying Disbursements	<u>(369,383)</u>
Total	<u>(196,970)</u>
Set-Aside Reserve Balance as of June 30, 2014	<u>\$0</u>

Although the District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital improvements set-aside, this amount may not be used to reduce the set-aside requirement for future years. The negative balance is therefore not presented as being carried forward to future years.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 20 – ENCUMBRANCE COMMITMENTS**

At June 30, 2014, the District had encumbrance commitments in the Governmental Funds as follows:

<u>Major Funds</u>	
General	\$424,368
<u>Nonmajor Funds</u>	
Food Service	444
Classroom Facilities	7,275
Title VI-B	3,503
Title I	6,924
Permanent Improvement	25,500
<i>Total Nonmajor Funds</i>	<u>43,646</u>
Total Encumbrances	<u>\$468,014</u>

**NOTE 21 - JOINTLY GOVERNED ORGANIZATIONS**

**Metropolitan Education Council (MEC)**

Metropolitan Education Council is a jointly governed organization created as a regional council of governments pursuant to State statutes. MEC is a not for profit educational council whose primary purpose and objective is to contribute to the educational services available to school districts in Franklin County and surrounding areas by cooperative action membership. The governing board consists of a representative from each of the Franklin County districts. Districts outside of Franklin County are associate members and each county selects a single district to represent them on the governing board. MEC is its own fiscal agent. The District does not have an ongoing financial interest in or ongoing financial responsibility for MEC. MEC provides computer services to the District. During 2014, the District paid \$50,179 to MEC for services provided.

**South Central Ohio Insurance Consortium (SCOIC)**

South Central Ohio Insurance Consortium is a regional council of governments organized under Ohio Revised Code Chapter 167. The SCOIC's primary purpose and objective is establishing and carrying out a cooperative health program for its member organizations. The governing board consists of the superintendent or other designee appointed by each of the members of the SCOIC. The District does not have an ongoing financial interest in or financial responsibility for the SCOIC other than claims paid on behalf of the District for District employees.

**AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2014*

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**NOTE 22 - INSURANCE PURCHASING POOL**

**Ohio School Plan (OSP)**

The District participates in the Ohio School Plan, an insurance purchasing pool. The OSP is created and organized pursuant to and as authorized by Section 2744.081 of the Ohio Revised Code. The OSP is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the Plan to provide for a formalized, joint insurance purchasing program to maintain adequate insurance protection, risk management programs and other administrative services. The OSP's business and affairs are conducted by a fifteen member Board of directors consisting of school district superintendents and treasurers, as well as the president of Harcum-Hyre Insurance Agency, Inc. and a partner of Hylant Group, Inc. Hylant Group, Inc. is the Administrator of the OSP and is responsible for processing claims. Harcum-Hyre Insurance Agency, Inc. is the sales and marketing representative, which establishes agreements between OSP and member schools.

**NOTE 23 - CONTINGENCIES**

**Grants**

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2014, if applicable, cannot be determined at this time.

AMANDA CLEARCREEK LOCAL SCHOOL DISTRICT  
FAIRFIELD COUNTY

SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2014

FEDERAL GRANTOR/ <i>Pass Through Grantor</i> Program Title	Grant Year	Federal CFDA Number	Receipts	Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed Through Ohio Department of Education:</i>				
Child Nutrition Cluster:				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program	2014	10.555	\$ 25,005	\$ 25,005
Cash Assistance:				
School Breakfast Program	2014	10.553	100,403	100,403
National School Lunch Program	2014	10.555	253,842	253,842
Total Child Nutrition Cluster			<u>379,250</u>	<u>379,250</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b><u>379,250</u></b>	<b><u>379,250</u></b>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<i>Passed Through Ohio Department of Education:</i>				
Title I Grants to Local Educational Agencies	2014	84.010	195,069	283,845
Title I Grants to Local Educational Agencies	2013	84.010	84,784	84,202
Total Title I Grants to Local Educational Agencies			<u>279,853</u>	<u>368,047</u>
Special Education Cluster:				
Special Education Grants to States	2014	84.027	293,233	321,741
Special Education Grants to States	2013	84.027	10,517	6,947
Total Special Education Cluster			<u>303,750</u>	<u>328,688</u>
Improving Teacher Quality State Grants	2014	84.367	23,442	30,360
Total Improving Teacher Quality State Grants			<u>23,442</u>	<u>30,360</u>
ARRA - State Fiscal Stabilization Fund (SFSF) - Race to the Top Incentive Grants, Recovery Act	2013	84.395	4,900	4,900
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b><u>611,945</u></b>	<b><u>731,995</u></b>
<b>TOTALS</b>			<b><u>\$ 991,195</u></b>	<b><u>\$ 1,111,245</u></b>

*The accompanying notes to this schedule are an integral part of this schedule.*

**AMANDA CLEARCREEK LOCAL SCHOOL DISTRICT  
FAIRFIELD COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS & EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2014**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts & Expenditures (the Schedule) reports Amanda Clearcreek Local School District's (the District's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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



# Dave Yost • Auditor of State

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

Amanda Clearcreek Local School District  
Fairfield County  
328 East Main Street  
Amanda, Ohio 43102

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 Amanda Clearcreek Local School District, Fairfield County, (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 16, 2015.

### ***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" and "O".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

March 16, 2015



# Dave Yost • Auditor of State

## 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

Amanda Clearcreek Local School District  
Fairfield County  
328 East Main Street  
Amanda, Ohio 43102

To the Board of Education:

### ***Report on Compliance for Each Major Federal Program***

We have audited the Amanda Clearcreek Local School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Amanda Clearcreek Local School District's major federal programs for the year ended June 30, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal programs.

### ***Management's Responsibility***

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

### ***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, the Amanda Clearcreek 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, 2014.

***Report on Internal Control Over Compliance***

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

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



**Dave Yost**  
Auditor of State  
Columbus, Ohio

March 16, 2015

**AMANDA CLEARCREEK LOCAL SCHOOL DISTRICT  
FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2014**

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

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No.
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No.
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No.
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No.
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No.
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #10.553 and #10.555 Child Nutrition Cluster  CFDA #84.010 Title I Grants to Local Educational Agencies
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

**AMANDA CLEARCREEK LOCAL SCHOOL DISTRICT  
FAIRFIELD COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2014**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2013-001	Classification of Revenues	Yes.	
2013-002	Financial Statement Reporting	No.	Reissued as a Management Letter Comment.
2013-003	Semi-Annual Certifications	Yes.	
2013-004	Free & Reduced Lunch Applications	Yes.	
2013-005	Federal Schedule Adjustments	No	Reissued as a Management Letter comment.



# Dave Yost • Auditor of State

**AMANDA CLEARCREEK LOCAL SCHOOL DISTRICT**

**FAIRFIELD COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
APRIL 7, 2015**