

**ANSONIA LOCAL SCHOOL DISTRICT
DARKE COUNTY**

REGULAR AUDIT

FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013



Dave Yost • Auditor of State

Board of Education
Ansonia Local School District
P.O. Box 279

We have reviewed the *Independent Auditors' Report* of the Ansonia Local School District, Darke County, prepared by Manning & Associates CPAs, LLC, for the audit period July 1, 2012 through June 30, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

June 10, 2015

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ANSONIA LOCAL SCHOOL DISTRICT
DARKE COUNTY
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INDEPENDENT AUDITORS' REPORT

Ansonia Local School District
Darke County
P.O. Box 279
Ansonia, Ohio 45303

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ansonia Local School District, Darke County, (the District), as of and for the years ended June 30, 2014 and 2013, 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 the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the 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 evaluating the overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Ansonia Local School District, Darke County, Ohio, as of June 30, 2014 and 2013, and the respective changes in cash financial positions and the budgetary comparison for the General Fund thereof of the years then ended in accordance with the accounting basis described in Note 2.

Accounting Basis

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

Other Matters

Supplemental and Other Information

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

Management's Discussion & Analysis for fiscal years 2014 and 2013 includes tables of net position, changes in net position, and governmental activities. This information provides additional analysis and is not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2014, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

**Manning &
Associates
CPAs, LLC**

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Associates CPAs, LLC
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CPAs, LLC, o=Manning &
Associates CPAs, LLC, ou,
email=dayton@manningcpallc.co
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Manning & Associates CPAs, LLC
Dayton, Ohio

December 18, 2014

Ansonia Local School District
Darke County
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2014 and 2013
Unaudited

This discussion and analysis of the Ansonia Local School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal years ended June 30, 2014 and 2013, within the limitations of the School District's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Highlights

Key highlights for fiscal year 2014 are as follows:

- Total net position was \$2,809,299. For fiscal year 2014 net position increased \$619,890 or approximately 28 percent from the previous year.

Key highlights for fiscal year 2013 are as follows:

- Total net position was \$2,189,409. For fiscal year 2013 net position increased \$386,243 or approximately 21 percent from the previous year.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the School District's cash basis of accounting.

Report Components

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

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

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

Basis of Accounting

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

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in

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Management's Discussion and Analysis
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the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the School District as a Whole

Statement of Net Position – Cash Basis and the Statement of Activities – Cash Basis

The statement of net position – cash basis and the statement of activities – cash basis reflect how the School District did financially during fiscal years 2014 and 2013, within the limitations of cash basis accounting. The statement of net position – cash basis presents the cash balances of the School District at fiscal year-end. The statement of activities – cash basis compares cash disbursements with program receipts for the School District's programs. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of the program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the School District's general receipts.

These statements report the School District's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the School District's financial health. Over time, increases or decreases in the School District's cash position is one indicator of whether the School District's financial health is improving or deteriorating. When evaluating the School District's financial condition, you should also consider other non-financial factors as well such as the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities – Cash Basis, the School District reports governmental activities. Governmental activities are where the School District's basic services are reported, including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The School District has no business-type activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the School District's major funds – not the District as a whole. The School District establishes separate funds to better manage its activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The fund financial statements provide a detailed view of the School District's operations and the basic services it provides. Fund information helps determine whether there are more or less financial resources that can be spent to finance the School District's activities. The School District's significant funds are presented on the financial statements in separate columns. Information for non-major funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The District's major governmental funds are the General and the Bond Retirement Funds.

Governmental Funds - Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end available for spending in future periods. These funds are reported on a cash basis. The governmental fund statements provide a detailed short-term view of the School District's general governmental operations and the basic

Ansonia Local School District
Darke County
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2014 and 2013
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services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources of these funds are not available to support the School District's programs. The School District's fiduciary funds are all agency funds. Agency funds are custodial in nature (assets equal net position – cash basis) and do not involve a measurement of results of operations. These funds use the cash basis of accounting.

The School District as a Whole

Table 1 provides a summary of the School District's net position for fiscal year 2014 compared to fiscal year 2013 compared to fiscal year 2012 on a cash basis:

Table 1
Net Position

	Governmental Activities		
	2014	2013	2012
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 2,809,299	\$ 2,189,409	\$ 1,803,166
<i>Total Assets</i>	<u>2,809,299</u>	<u>2,189,409</u>	<u>1,803,166</u>
Net Position			
Restricted for:			
Debt Service	329,666	323,370	298,936
Capital Outlay	15,155	13,000	34,054
Other Purposes	140,624	141,058	162,692
Unrestricted	<u>2,323,854</u>	<u>1,711,981</u>	<u>1,307,484</u>
<i>Total Net Position</i>	<u>\$ 2,809,299</u>	<u>\$ 2,189,409</u>	<u>\$ 1,803,166</u>

When comparing fiscal year 2014 to 2013, total net position increased \$619,890. Unrestricted net position increased due to an increase in income taxes and strict monitoring of expenditures. When comparing fiscal year 2013 to 2012, total net position increased \$386,243. Unrestricted net position increased due to an increase in income taxes and strict monitoring of expenditures.

Table 2 reflects the changes in net position in fiscal years 2014, 2013 and 2012.

Ansonia Local School District
Darke County
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2014 and 2013
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Table 2
Change in Net Position

	Governmental Activities		
	2014	2013	2012
Receipts			
<i>Program Receipts</i>			
Charges for Services	\$ 1,219,629	\$ 1,207,875	\$ 1,194,362
Operating Grants and Contributions	648,398	734,309	1,018,401
<i>Total Program Receipts</i>	1,868,027	1,942,184	2,212,763
<i>General Receipts</i>			
Property Taxes	1,381,820	1,425,341	1,352,456
Income Taxes	1,142,456	1,012,960	880,121
Grants and Entitlements not Restricted to Specific Programs	3,998,017	3,884,204	3,920,654
Investment Earnings	5,792	3,535	4,061
Miscellaneous	25,863	41,679	21,726
<i>Total General Receipts</i>	6,553,948	6,367,719	6,179,018
<i>Total Receipts</i>	8,421,975	8,309,903	8,391,781
<i>Program Disbursements</i>			
Instruction:			
Regular	3,204,059	2,975,307	2,898,369
Special	878,766	1,023,224	949,163
Vocational	224,602	227,621	200,759
Other	248,278	248,197	233,005
Support Services:			
Pupils	287,666	301,227	315,194
Instructional Staff	176,900	475,127	419,458
Board of Education	30,221	32,877	51,887
Administration	549,471	654,014	627,462
Fiscal	185,851	125,117	121,084
Business	1,185	1,173	1,244
Operation and Maintenance of Plant	578,858	610,074	546,890
Pupil Transportation	361,665	490,065	753,529
Central	0	20,924	12,493
Operation of Non-Instructional Services	625,998	312,472	306,225
Extracurricular Activities	258,505	235,681	247,238
Debt Service:			
Principal Retirement	40,868	43,577	155,000
Interest and Fiscal Charges	149,192	146,983	36,585
<i>Total Program Disbursements</i>	7,802,085	7,923,660	7,875,585
<i>Change in Net Position</i>	619,890	386,243	516,196
<i>Net Position Beginning of Year</i>	2,189,409	1,803,166	1,286,970
<i>Net Position End of Year</i>	\$ 2,809,299	\$ 2,189,409	\$ 1,803,166

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Darke County
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Governmental Activities

The largest source of receipts for governmental activities is unrestricted grants and entitlements which accounted for about 47 percent of the total cash received during both 2014 and 2013. Property and income taxes accounted for an additional 30 and 29 percent of receipts during 2014 and 2013, respectively. Income taxes increased due to an increase in income for both 2014 and 2013. Charges for services accounted for 14 and 15 percent of total receipts in 2014 and 2013, respectively. Operating grants and contributions accounted for 8 and 9 percent of total receipts in 2014 and 2013, respectively. Interest and miscellaneous receipts accounted for less than one percent of receipts in both 2014 and 2013.

Instruction accounted for approximately 58 and 56 percent of total cash disbursements with Regular Instruction making up the largest share at about 41 and 38 percent of total disbursements for 2014 and 2013, respectively. Board of education, administration, fiscal and business disbursements accounted for another 10 percent of disbursements in both 2014 and 2013. Pupil and instructional staff support services accounted another 6 and 10 percent of total disbursements in 2014 and 2013, respectively. Pupil transportation accounted for about 5 and 6 percent of total disbursements in 2014 and 2013, respectively. Operation and maintenance of plant disbursements were about 7 and 8 percent of total disbursements in 2014 and 2013, respectively. Operation of non-instructional services, which includes food services costs, accounted for 8 and 4 percent of total disbursements in 2014 and 2013, respectively, and Extracurricular Activities accounted for about 3 percent of total disbursements in both 2014 and 2013.

Statement of Activities

If you look at the Statement of Activities, you will see that the first column lists the major activities of the School District. The next column identifies the costs of providing these services. The next two columns of the Statement entitled Program Receipts identify, in general, the source of the receipts. The amounts are either paid by people who are directly charged for the service or grants and contributions received by the School District that must be used to provide a specific service. A comparison between the total cost of services and the net cost is presented in Table 3, along with the same information for fiscal year 2012. That is, it identifies the cost of these services supported by taxes, unrestricted State entitlements and investment earnings.

Ansonia Local School District
Darke County
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2014 and 2013
Unaudited

Table 3
Governmental Activities

	Total Costs of Services		Net Costs of Services	
	2014	2013	2014	2013
<i>Program Disbursements</i>				
Instruction:				
Regular	\$ 3,204,059	\$ 2,975,307	\$ 2,323,187	\$ 2,133,552
Special	878,766	1,023,224	611,243	731,377
Vocational	224,602	227,621	162,678	163,706
Other	248,278	248,197	248,278	248,197
Support Services:				
Pupils	287,666	301,227	138,605	128,605
Instructional Staff	176,900	475,127	168,064	393,509
Board of Education	30,221	32,877	30,221	32,877
Administration	549,471	654,014	549,471	562,539
Fiscal	185,851	125,117	185,851	125,117
Business	1,185	1,173	1,185	1,173
Operation and Maintenance of Plant	578,858	610,074	578,858	603,134
Pupil Transportation	361,665	490,065	335,958	463,504
Central	0	20,924	0	20,924
Operation of Non-Instructional Services	625,998	312,472	307,888	6,397
Extracurricular Activities	258,505	235,681	102,511	176,305
Debt Service:				
Principal Retirement	155,000	155,000	155,000	155,000
Interest and Fiscal Charges	35,060	35,560	35,060	35,560
Total	\$ 7,802,085	\$ 7,923,660	\$ 5,934,058	\$ 5,981,476

	Total Costs of Services		Net Costs of Services	
	2013	2012	2013	2012
<i>Program Disbursements</i>				
Instruction:				
Regular	\$ 2,975,307	\$ 2,898,369	\$ 2,133,552	\$ 1,904,343
Special	1,023,224	949,163	731,377	726,309
Vocational	227,621	200,759	163,706	136,844
Other	248,197	233,005	248,197	233,005
Support Services:				
Pupils	301,227	315,194	128,605	108,465
Instructional Staff	475,127	419,458	393,509	208,618
Board of Education	32,877	51,887	32,877	51,887
Administration	654,014	627,462	562,539	547,938
Fiscal	125,117	121,084	125,117	121,084
Business	1,173	1,244	1,173	1,244
Operation and Maintenance of Plant	610,074	546,890	603,134	546,890
Pupil Transportation	490,065	753,529	463,504	695,877
Central	20,924	12,493	20,924	12,493
Operation of Non-Instructional Services	312,472	306,225	6,397	(1,834)
Extracurricular Activities	235,681	247,238	176,305	178,074
Debt Service:				
Principal Retirement	155,000	155,000	155,000	155,000
Interest and Fiscal Charges	35,560	36,585	35,560	36,585
Total	\$ 7,923,660	\$ 7,875,585	\$ 5,981,476	\$ 5,662,822

Ansonia Local School District
Darke County
Management's Discussion and Analysis
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Unaudited

Charges for services, operating grants and capital grants of approximately 22 and 23 percent of total cash receipts were received and used to fund the expenses of the School District in 2014 and 2013, respectively. The remaining 78 and 77 percent of cash receipts were from taxes, unrestricted State entitlements, investment earnings and miscellaneous receipts in 2014 and 2013, respectively. The School District relies on these receipts to furnish the services it provides to students.

The School District's Funds

The School District's governmental funds are accounted for on a cash basis of accounting. All governmental funds had total receipts of \$8,421,975 and total disbursements of \$7,802,085 in 2014. All governmental funds had total receipts of \$8,309,903 and total disbursements of \$7,923,660 in 2013.

During fiscal year 2014 and 2013, the School District had on major fund; the General Fund.

The General Fund is the chief operating fund of the School District. As the end of fiscal 2014 and 2013, unassigned fund balance of the General Fund was \$2,060,656 and \$1,551,607, respectively. The greatest change within funds occurred in the General Fund which had an increase of \$610,662 and \$409,230 in fund balance during 2014 and 2013, respectively, due to an increase in income taxes and strict monitoring of expenditures.

Major Funds Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The School District's budget is adopted on a line item basis. The Board of Education adopts the budget at the fund and function level for the General Fund (i.e. General Fund - Regular Instruction), and at the fund level for all other funds. The most significant budgeted fund is the General Fund.

During the course of the 2014 fiscal year, the School District amended its General Fund budget as needed. Original appropriations were budgeted at \$6,946,021, and final appropriations of \$6,774,332, while actual expenditures plus encumbrances were \$6,774,335.

During the course of the 2013 fiscal year, the School District amended its General Fund budget as needed. Original appropriations were budgeted at \$6,581,730, and final appropriations of \$6,695,333, while actual expenditures plus encumbrances were \$6,695,330.

Capital Assets

The School District tracks its capital assets on the State EIS system for insurance purposes.

Debt

At June 30, 2014, the School District had \$1,274,999 outstanding in general obligation bonds. At June 30, 2013, the School District had \$1,429,999 outstanding in general obligation bonds. The bonds are being paid through the Bond Retirement Fund with property tax revenue. For information on the Schools District's debt see Note 11 of the notes to the basic financial statements.

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Management's Discussion and Analysis
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Current Financial Issues and Concerns

The challenge for all governments is to provide quality services to the public while staying within the restrictions imposed by limited, and in some cases shrinking, funding. Ansonia Local Schools is constantly re-evaluating costs and expenditures to continue to offer a quality education at the most economically feasible price.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Nick Hamilton, Treasurer, Ansonia Local School District, P.O. Box 279, Ansonia, OH 45303.

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Ansonia Local School District
Darke County, Ohio
Statement of Net Position - Cash Basis
June 30, 2014

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash, Cash Equivalents and Investments	<u>\$2,809,299</u>
<i>Total Assets</i>	<u><u>\$2,809,299</u></u>
Net Position	
Restricted for:	
Debt Service	\$329,666
Capital Outlay	15,155
Other Purposes	140,624
Unrestricted	<u>2,323,854</u>
<i>Total Net Position</i>	<u><u>\$2,809,299</u></u>

See accompanying notes to the basic financial statements.

Ansonia Local School District
Darke County, Ohio
Statement of Activities - Cash Basis
For the Fiscal Year Ended June 30, 2014

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$3,204,059	\$760,060	\$120,812	(\$2,323,187)
Special	878,766	141,823	125,700	(611,243)
Vocational	224,602	0	61,924	(162,678)
Other	248,278	0	0	(248,278)
Support Services:				
Pupil	287,666	0	149,061	(138,605)
Instructional Staff	176,900	0	8,836	(168,064)
Board of Education	30,221	0	0	(30,221)
Administration	549,471	0	0	(549,471)
Fiscal	185,851	0	0	(185,851)
Business	1,185	0	0	(1,185)
Operation and Maintenance of Plant	578,858	0	0	(578,858)
Pupil Transportation	361,665	25,707	0	(335,958)
Operation of Non-Instructional Services	625,998	142,670	175,440	(307,888)
Extracurricular Activities	258,505	149,369	6,625	(102,511)
Debt Service:				
Principal	155,000	0	0	(155,000)
Interest	35,060	0	0	(35,060)
<i>Totals</i>	<u>7,802,085</u>	<u>1,219,629</u>	<u>648,398</u>	<u>(5,934,058)</u>
General Receipts				
Property Taxes Levied for:				
General Purposes				1,144,596
Debt Service				173,170
Capital Outlay				42,703
Classroom Maintenance				21,351
Income Taxes Levied for General Purposes				1,142,456
Grants and Entitlements not Restricted to Specific Programs				3,998,017
Interest				5,792
Miscellaneous				25,863
<i>Total General Receipts</i>				<u>6,553,948</u>
Change in Net Position				619,890
<i>Net Position Beginning of Year</i>				<u>2,189,409</u>
<i>Net Position End of Year</i>				<u><u>\$2,809,299</u></u>

See accompanying notes to the basic financial statements.

Ansonia Local School District
Darke County, Ohio
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
As of June 30, 2014

	<u>General</u>	<u>Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$2,321,547	\$329,666	\$102,588	\$2,753,801
Restricted Asset:				
Equity in Pooled Cash and Cash Equivalents	<u>55,498</u>	<u>0</u>	<u>0</u>	<u>55,498</u>
<i>Total Assets</i>	<u><u>\$2,377,045</u></u>	<u><u>\$329,666</u></u>	<u><u>\$102,588</u></u>	<u><u>\$2,809,299</u></u>
Fund Balances				
Restricted	55,498	329,666	100,281	485,445
Committed	0	0	2,307	2,307
Assigned	260,891	0	0	260,891
Unassigned	<u>2,060,656</u>	<u>0</u>	<u>0</u>	<u>2,060,656</u>
<i>Total Fund Balances</i>	<u><u>2,377,045</u></u>	<u><u>329,666</u></u>	<u><u>102,588</u></u>	<u><u>2,809,299</u></u>

See accompanying notes to the basic financial statements.

Ansonia Local School District
Darke County, Ohio

Statement of Cash Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds

For the Fiscal Year Ended June 30, 2014

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Receipts				
Property Taxes	\$1,144,596	\$173,170	\$64,054	\$1,381,820
Income Tax	1,142,456	0	0	1,142,456
Intergovernmental	4,000,517	27,567	608,831	4,636,915
Interest	5,792	0	0	5,792
Tuition and Fees	862,674	0	62,949	925,623
Extracurricular Activities	95,065	0	54,304	149,369
Contributions and Donations	4,700	0	4,800	9,500
Charges for Services	0	0	139,617	139,617
Miscellaneous	27,830	0	3,053	30,883
<i>Total Receipts</i>	<u>7,283,630</u>	<u>200,737</u>	<u>937,608</u>	<u>8,421,975</u>
Disbursements				
Current:				
Instruction:				
Regular	3,022,986	0	181,073	3,204,059
Special	760,624	0	118,142	878,766
Vocational	224,602	0	0	224,602
Other	248,278	0	0	248,278
Support Services:				
Pupil	135,403	0	152,263	287,666
Instructional Staff	169,809	0	7,091	176,900
Board of Education	30,221	0	0	30,221
Administration	547,471	0	2,000	549,471
Fiscal	179,878	4,381	1,592	185,851
Business	1,185	0	0	1,185
Operation and Maintenance of Plant	483,136	0	95,722	578,858
Pupil Transportation	355,452	0	6,213	361,665
Operation of Non-Instructional Services	315,400	0	310,598	625,998
Extracurricular Activities	198,523	0	59,982	258,505
Debt Service:				
Principal	0	155,000	0	155,000
Interest	0	35,060	0	35,060
<i>Total Disbursements</i>	<u>6,672,968</u>	<u>194,441</u>	<u>934,676</u>	<u>7,802,085</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>610,662</u>	<u>6,296</u>	<u>2,932</u>	<u>619,890</u>
<i>Net Change in Fund Balances</i>	610,662	6,296	2,932	619,890
<i>Fund Balances Beginning of Year</i>	<u>1,766,383</u>	<u>323,370</u>	<u>99,656</u>	<u>2,189,409</u>
<i>Fund Balances End of Year</i>	<u><u>\$2,377,045</u></u>	<u><u>\$329,666</u></u>	<u><u>\$102,588</u></u>	<u><u>\$2,809,299</u></u>

See accompanying notes to the basic financial statements.

**Ansonia Local School District
Darke County, Ohio**

*Statement of Receipts, Disbursements and Changes in Fund Cash Balance -
Budget (Non-GAAP Basis) and Actual - General Fund
For the Fiscal Year Ended June 30, 2014*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,185,000	\$1,144,596	\$1,144,596	\$0
Income Taxes	1,062,000	1,142,456	1,142,456	0
Intergovernmental	3,953,000	4,000,517	4,000,517	0
Tuition and Fees	747,300	861,909	862,674	765
Interest	3,300	4,193	5,792	1,599
Miscellaneous	59,000	27,682	27,830	148
<i>Total Revenues</i>	<u>7,009,600</u>	<u>7,181,353</u>	<u>7,183,865</u>	<u>2,512</u>
Expenditures				
Current:				
Instruction:				
Regular	3,057,591	3,069,292	3,069,291	1
Special	771,297	762,896	762,896	0
Vocational	234,609	228,163	228,163	0
Other	263,425	249,310	249,310	0
Support Services:				
Pupil	139,283	135,816	135,816	0
Instructional Staff	255,036	211,616	211,616	0
Board of Education	58,940	31,723	31,724	(1)
Administration	417,501	460,601	460,602	(1)
Fiscal	197,632	180,068	180,069	(1)
Business	1,200	1,185	1,185	0
Operation and Maintenance of Plant	507,727	498,133	498,133	0
Pupil Transportation	461,898	431,606	431,607	(1)
Operation of Non-Instructional/Shared Services	387,782	315,400	315,400	0
Extracurricular Activities	192,100	198,523	198,523	0
<i>Total Expenditures</i>	<u>6,946,021</u>	<u>6,774,332</u>	<u>6,774,335</u>	<u>(3)</u>
<i>Excess of Revenues Under Expenditures</i>	<u>63,579</u>	<u>407,021</u>	<u>409,530</u>	<u>2,509</u>
 <i>Net Change in Fund Balance</i>	 63,579	 407,021	 409,530	 2,509
<i>Fund Balance Beginning of Year</i>	1,607,144	1,607,144	1,607,144	0
Prior Year Encumbrances Appropriated	144,503	144,503	144,503	0
<i>Fund Balance End of Year</i>	<u><u>\$1,815,226</u></u>	<u><u>\$2,158,668</u></u>	<u><u>\$2,161,177</u></u>	<u><u>\$2,509</u></u>

See accompanying notes to the basic financial statements.

Ansonia Local School District
Darke County, Ohio
Statement of Fiduciary Net Position - Cash Basis
Fiduciary Funds
June 30, 2014

	<u>Agency</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$25,614</u></u>
Liabilities	
Held for Students	<u><u>\$25,614</u></u>

See accompanying notes to the basic financial statements.

Ansonia Local School District
Darke County, Ohio
Statement of Net Position - Cash Basis
June 30, 2013

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash, Cash Equivalents and Investments	<u>\$2,189,409</u>
<i>Total Assets</i>	<u><u>\$2,189,409</u></u>
Net Position	
Restricted for:	
Debt Service	\$323,370
Capital Outlay	13,000
Other Purposes	141,058
Unrestricted	<u>1,711,981</u>
<i>Total Net Position</i>	<u><u>\$2,189,409</u></u>

See accompanying notes to the basic financial statements.

Ansonia Local School District
Darke County, Ohio
Statement of Activities - Cash Basis
For the Fiscal Year Ended June 30, 2013

	Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$2,975,307	\$754,897	\$86,858	(\$2,133,552)
Special	1,023,224	93,045	198,802	(731,377)
Vocational	227,621	0	63,915	(163,706)
Other	248,197	0	0	(248,197)
Support Services:				
Pupil	301,227	15,533	157,089	(128,605)
Instructional Staff	475,127	25,152	56,466	(393,509)
Board of Education	32,877	0	0	(32,877)
Administration	654,014	84,120	7,355	(562,539)
Fiscal	125,117	0	0	(125,117)
Business	1,173	0	0	(1,173)
Operation and Maintenance of Plant	610,074	6,940	0	(603,134)
Pupil Transportation	490,065	20,104	6,457	(463,504)
Central	20,924	0	0	(20,924)
Operation of Non-Instructional Services	312,472	148,958	157,117	(6,397)
Extracurricular Activities	235,681	59,126	250	(176,305)
Debt Service:				
Principal	155,000	0	0	(155,000)
Interest	35,560	0	0	(35,560)
Totals	<u>7,923,660</u>	<u>1,207,875</u>	<u>734,309</u>	<u>(5,981,476)</u>
General Receipts				
Property Taxes Levied for:				
General Purposes				1,168,620
Debt Service				43,757
Capital Outlay				191,086
Classroom Maintenance				21,878
Income Taxes Levied for General Purposes				1,012,960
Grants and Entitlements not Restricted to Specific Programs				3,884,204
Interest				3,535
Miscellaneous				41,679
<i>Total General Receipts</i>				<u>6,367,719</u>
Change in Net Position				386,243
<i>Net Position Beginning of Year</i>				<u>1,803,166</u>
<i>Net Position End of Year</i>				<u><u>\$2,189,409</u></u>

See accompanying notes to the basic financial statements.

Ansonia Local School District
Darke County, Ohio
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
As of June 30, 2013

	<u>General</u>	<u>Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$1,710,885	\$323,370	\$99,656	\$2,133,911
Restricted Asset:				
Equity in Pooled Cash and Cash Equivalents	<u>55,498</u>	<u>0</u>	<u>0</u>	<u>55,498</u>
<i>Total Assets</i>	<u><u>\$1,766,383</u></u>	<u><u>\$323,370</u></u>	<u><u>\$99,656</u></u>	<u><u>\$2,189,409</u></u>
Fund Balances				
Restricted	55,498	323,370	98,560	477,428
Committed	0	0	1,096	1,096
Assigned	159,278	0	0	159,278
Unassigned	<u>1,551,607</u>	<u>0</u>	<u>0</u>	<u>1,551,607</u>
<i>Total Fund Balances</i>	<u><u>1,766,383</u></u>	<u><u>323,370</u></u>	<u><u>99,656</u></u>	<u><u>2,189,409</u></u>

See accompanying notes to the basic financial statements.

**Ansonia Local School District
Darke County, Ohio**

*Statement of Cash Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds*

For the Fiscal Year Ended June 30, 2013

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Receipts				
Property Taxes	\$1,168,620	\$191,086	\$65,635	\$1,425,341
Income Tax	1,012,960	0	0	1,012,960
Intergovernmental	3,887,441	28,941	699,461	4,615,843
Interest	3,535	0	0	3,535
Tuition and Fees	814,169	0	73,977	888,146
Extracurricular Activities	84,120	0	59,126	143,246
Contributions and Donations	0	0	2,670	2,670
Charges for Services	0	0	143,973	143,973
Miscellaneous	69,204	0	4,985	74,189
<i>Total Receipts</i>	<u>7,040,049</u>	<u>220,027</u>	<u>1,049,827</u>	<u>8,309,903</u>
Disbursements				
Current:				
Instruction:				
Regular	2,829,313	0	145,994	2,975,307
Special	897,941	0	125,283	1,023,224
Vocational	226,967	0	654	227,621
Other	229,148	0	19,049	248,197
Support Services:				
Pupil	146,127	0	155,100	301,227
Instructional Staff	344,852	0	130,275	475,127
Board of Education	32,877	0	0	32,877
Administration	647,278	0	6,736	654,014
Fiscal	118,365	5,033	1,719	125,117
Business	1,173	0	0	1,173
Operation and Maintenance of Plant	479,657	0	130,417	610,074
Pupil Transportation	482,838	0	7,227	490,065
Central	20,924	0	0	20,924
Operation of Non-Instructional Services	0	0	312,472	312,472
Extracurricular Activities	178,000	0	57,681	235,681
Debt Service:				
Principal	0	155,000	0	155,000
Interest	0	35,560	0	35,560
<i>Total Disbursements</i>	<u>6,635,460</u>	<u>195,593</u>	<u>1,092,607</u>	<u>7,923,660</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>404,589</u>	<u>24,434</u>	<u>(42,780)</u>	<u>386,243</u>
Other Financing Sources (Uses)				
Advances In	4,641	0	0	4,641
Advances Out	0	0	(4,641)	(4,641)
<i>Total Other Financing Sources (Uses)</i>	<u>4,641</u>	<u>0</u>	<u>(4,641)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	409,230	24,434	(47,421)	386,243
<i>Fund Balances Beginning of Year</i>	1,357,153	298,936	147,077	1,803,166
<i>Fund Balances End of Year</i>	<u>\$1,766,383</u>	<u>\$323,370</u>	<u>\$99,656</u>	<u>\$2,189,409</u>

See accompanying notes to the basic financial statements.

**Ansonia Local School District
Darke County, Ohio**

*Statement of Receipts, Disbursements and Changes in Fund Cash Balance -
Budget (Non-GAAP Basis) and Actual - General Fund
For the Fiscal Year Ended June 30, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,122,142	\$1,168,620	\$1,168,620	\$0
Income Taxes	900,000	1,012,960	1,012,960	0
Intergovernmental	3,909,232	3,876,352	3,887,441	11,089
Tuition and Fees	752,700	814,169	814,169	0
Interest	2,200	3,472	3,535	63
Miscellaneous	52,000	80,293	69,204	(11,089)
<i>Total Revenues</i>	<u>6,738,274</u>	<u>6,955,866</u>	<u>6,955,929</u>	<u>63</u>
Expenditures				
Current:				
Instruction:				
Regular	2,791,185	2,835,327	2,835,326	1
Special	863,710	905,209	905,208	1
Vocational	202,583	231,130	231,129	1
Other	244,300	229,148	229,148	0
Support Services:				
Pupil	148,020	147,537	147,536	1
Instructional Staff	343,202	355,021	355,021	0
Board of Education	52,034	35,907	35,907	0
Administration	542,706	566,266	566,267	(1)
Fiscal	142,676	148,411	148,412	(1)
Business	1,200	1,173	1,173	0
Operation and Maintenance of Plant	564,358	536,983	536,984	(1)
Pupil Transportation	494,956	504,297	504,295	2
Central	20,000	20,924	20,924	0
Extracurricular Activities	170,800	178,000	178,000	0
<i>Total Expenditures</i>	<u>6,581,730</u>	<u>6,695,333</u>	<u>6,695,330</u>	<u>3</u>
<i>Excess of Revenues Under Expenditures</i>	<u>156,544</u>	<u>260,533</u>	<u>260,599</u>	<u>66</u>
Other Financing Sources (Uses):				
Advances In	<u>0</u>	<u>4,641</u>	<u>4,641</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	156,544	265,174	265,240	66
<i>Fund Balance Beginning of Year</i>	1,244,481	1,244,481	1,244,481	0
Prior Year Encumbrances Appropriated	<u>97,430</u>	<u>97,430</u>	<u>97,430</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,498,455</u></u>	<u><u>\$1,607,085</u></u>	<u><u>\$1,607,151</u></u>	<u><u>\$66</u></u>

See accompanying notes to the basic financial statements.

Ansonia Local School District
Darke County, Ohio
Statement of Fiduciary Net Position - Cash Basis
Fiduciary Funds
June 30, 2013

	<u>Agency</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$21,582</u>
Liabilities	
Held for Students	<u>\$21,582</u>

See accompanying notes to the basic financial statements.

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Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

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

The School District is located in Darke County and includes the entire Village of Ansonia, New Weston, and Rossburg, all of Brown Township, and portions of Allen, Richland, Wabash and York townships. It is staffed by 34 classified employees, 50 certified teaching personnel, and 10 administrative employees who provide services to approximately 675 students and other community members. The School District currently operates 1 instructional building, 1 bus garage and 1 administrative facility.

Reporting Entity

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

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

The School District participates in four organizations, which are defined as jointly governed organizations and group purchasing pools. These organizations include the Metropolitan Dayton Educational Cooperative Association, Southwestern Ohio Educational Purchasing Council, Southwestern Ohio Educational Purchasing Council Workers’ Compensation Group Rating Plan, and Southwestern Ohio Educational Purchasing Council Medical Benefits Plan. These organizations are presented in Notes 13 and 14 to the financial statements.

The School District’s management believes these financial statements present all activities for which the District is financially accountable.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Although required by Ohio Admin. Code, Sec. 117-2-03(B), requires the School District prepare annual financial report in accordance with generally accepted accounting principles, the School District prepared its statements on a cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed further in Note 2.C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally used in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which, have been applied to the extent they are applicable to the cash basis of accounting. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The FASB has codified its standards and the standards issued prior to November 30, 1989 are included in the codification.

Following are the more significant of the School District's accounting policies.

A. Basis of Presentation

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

1. Government-Wide Financial Statements

The statement of net position – cash basis and the statement of activities – cash basis display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Fund Financial Statements

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

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that records cash and other financial resources, and changes therein, which are segregated for the purposes of carrying on specific activities or attaining certain objectives in accordance with special restrictions or limitations. The funds of the School District are divided into two categories, governmental and fiduciary.

1. Governmental Funds

The School District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants) and other non-exchange transactions as governmental funds. The following are the School District's major governmental funds:

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

Bond Retirement Fund – The Bond Retirement Fund is used to account for the accumulation of resources for, and the payment of general long-term and short-term debt principal and interest.

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

2. Fiduciary Funds

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The School District's fiduciary funds include agency funds. Agency funds are custodial in nature (assets equal net assets) and do not involve measurement of results of operations. The School District's agency funds include various student managed activities.

C. Basis of Accounting

The School District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the School District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

D. Budgetary Process

The budgetary process is prescribed by provision of the Ohio Revised Code and entails the preparation of budgetary documents within established timetable.

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of 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 amount the Board of Education may appropriate.

The appropriations resolution is the Board's authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board at the function level for the General Fund and the fund level for all other funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

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

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

E. Cash and Investments

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in pooled accounts or temporarily used to purchase short term investments. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

For purposes of financial reporting, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months and which are not purchased with pooled monies are reported as investments.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

During 2014 and 2013, the School District invested with STAROhio. Investments are reported at cost, except for STAROhio. STAROhio is an investment pool managed by the State Treasurer's office, which allows governments within the state to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for at fiscal year-end. Investment earnings are allocated as authorized by State statute based upon School District policy.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest receipts credited to the General Fund during fiscal year 2014 were \$5,792, which includes \$841 assigned from other School District funds. While interest receipts credited to the General Fund during fiscal year 2013 were \$3,535, which includes \$656 assigned from other School District funds.

F. Restricted Assets

Cash and investments are reported as restricted when limitations on their use change the nature or normal understanding of their use. Creditors, contributors, grantors, laws of other governments or enabling legislation is the source of the restrictions. Restricted cash and investments in the General Fund include amounts required to be spent on bus purchases and amounts State statute requires to be set aside for textbooks and instructional materials, and to create a budget reserve. See Note 12 for additional information regarding set-asides.

G. Inventory and Prepaid Items

The School District reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements. On the cash basis of accounting, payments made to vendors for services that will benefit periods beyond the fiscal year are recorded as disbursements when made.

H. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. The financial statements do not report these assets.

I. Interfund Receivables/Payables

The School District reports advances-in and advances-out for interfund loans. These items are not reflected as assets in the accompanying financial statements.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Accumulated Leave

Employees are entitled to cash payments for unused vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the School District.

K. Employer Contributions to Cost-Sharing Pension Plans

The School District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for postretirement health care benefits.

L. Long-term Debt Obligations

The School District's cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

M. Intergovernmental Receipts

Unrestricted intergovernmental receipts received on the basis of entitlement are recorded as receipts when the entitlement is received. Federal and State reimbursement type grants for the student lunches served are recorded as receipts when the grant is received.

N. Interfund Activity

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

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

O. Receipts and Disbursements

Program Receipts

In the Statement of Activities, receipts that are derived directly from each activity or from parties outside the School District's taxpayers are reported as program receipts. The School District has the following program receipts: charges for services and sales, interest, operating and capital grants and contributions. All other governmental receipts are reported as general. All taxes are classified as general receipts even if restricted for a specific purpose.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Disbursements

Governmental activities include the School District's programs and services, including instruction, support services, operation and maintenance of plant (buildings), pupil transportation, extracurricular activities, and food service operations.

P. Fund Financial Statements

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

- a. **Nonspendable** - The nonspendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.
- b. **Restricted** - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or is imposed by law through constitutional provisions.
- c. **Committed** - The committed classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Education. The committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- d. **Assigned** - Amounts in the assigned classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Education. The Board of Education has by resolution authorized the treasurer to assign fund balance.

The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

- e. **Unassigned** - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

The Statement of Receipts, Disbursements and Changes in Fund Balances – Cash Basis – Governmental Funds, presented for each of the General Fund and the OSFC Permanent Improvement Maintenance Fund, is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the cash basis are that:

- (a) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of a disbursement; and,
- (b) difference in perspective arises from some funds are included in the General Fund (cash basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the cash basis to the budget basis for each fund is as follows:

	FY 2014
Cash Basis	\$ 610,662
Less Adjustment for Encumbrances	(195,838)
Perspective Difference	(5,294)
Budget Basis	\$ 409,530
	FY 2013
Cash Basis	\$ 409,230
Less Adjustment for Encumbrances	(144,504)
Perspective Difference	514
Budget Basis	\$ 265,240

NOTE 4 – DEPOSITS AND INVESTMENTS

State statutes classify monies held by the School 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 School District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

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

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

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 market 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 market daily, and that the term of the agreement must not exceed thirty days;
4. Bond 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) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasurer's investment pool (STAR Ohio).
7. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
8. Commercial paper and bankers acceptances, if training has been met.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 4 – DEPOSITS AND INVESTMENTS (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 School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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 money deposited with the institution.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the government’s deposits may not be returned to it. Protection of School District cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize uninsured public deposits. The face value of the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At June 30, 2014, the carrying amount of the School District’s deposits was \$396,686 and the bank balance was \$488,324. All of the School Districts deposits were insured by the federal depository insurance, based on the criteria described in GASB Statement 40, “Deposits and Investment Risk Disclosures”.

At June 30, 2013, the carrying amount of the School District’s deposits was \$404,012 and the bank balance was \$523,045. All of the School Districts deposits were insured by the federal depository insurance, based on the criteria described in GASB Statement 40, “Deposits and Investment Risk Disclosures”.

Investments

As of June 30, 2014 the School District had the following investment:

Investment Type	Maturity Date	Carrying Value
STAR Ohio	Various	\$2,438,227
Total Investment		\$2,438,227

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

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

Investment Type	Maturity Date	Carrying Value
STAR Ohio	Various	\$1,806,979
Total Investment		\$1,806,979

Interest Rate Risk -The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchases of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The School District’s investment policy addresses interest rate risk by requiring that the School District’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations.

Custodial Credit Risk -For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District has no investment policy dealing with investment custodial risk beyond the requirement of ORC 135.14(M)(2) which states, “Payments for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from custodian by the treasurer, governing board, or qualified trustee.” However, all of the School District’s investments are either insured and registered in the name of the School District, or at least registered in the name of the school district.

Credit Risk -Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District’s policy allows the Treasurer to invest in those investments authorized by the Ohio Revised Code, and places additional limitations with amounts authorized for investment in certain types.

STAROhio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAROhio as of June 30, 2014 and 2013, and carries a rating of AAAM by Standard and Poor’s.

Concentration of Risk – The School District places no limits on the amount the School District may invest in any one issuer. At June 30, 2014, 100% of the School District’s investments were in STAR Ohio. At June 30, 2013, 100% of the School District’s investments were in STAR Ohio.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 7 - RISK MANAGEMENT, (Continued)

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from the prior year.

Workers' Compensation

For fiscal years 2014 and 2013, the School District participated in the Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 13). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percent of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling fund" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Integrated Comp, Inc. provides administrative, cost control and actuarial services to the GRP.

Employee Medical Benefits

For fiscal years 2014 and 2013, the School District participated in the Southwestern Ohio Educational Purchasing Council Medical Benefits Plan (MBP), an insurance purchasing pool (Note 13). The intent of the MBP is to achieve the benefit of reduced health insurance premiums for the School District by virtue of its grouping and representation with other participants in the MBP. The health insurance experience of the participating school districts is calculated and a premium rate is applied to all school districts in the MBP. Each participant pays its health insurance premiums to Southwestern Ohio Educational Purchasing Council Medical Benefits Plan. Participation in the MBP is limited to school districts that can meet the MBP's selection criteria.

NOTE 8 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System of Ohio ("SERS"), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 8 - DEFINED BENEFIT PENSION PLANS (Continued)

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rating among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund and Health Care Fund) for the System. For fiscal years 2014 and 2013, the allocation of pension and death benefits were 13.1 percent. The remaining 0.9 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$125,181, \$119,440, and \$113,116 respectively; 55 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012.

B. State Teachers Retirement System

Plan Description - The School District participates in the State Teachers Retirement System of Ohio ("STRS Ohio"), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a publicly-available, stand-alone financial report that may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371, by calling (888) 227-7877, or by visiting the STRS Ohio website at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB Plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the 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.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 8 - DEFINED BENEFIT PENSION PLANS (Continued)

Funding Policy - For fiscal years ended 2014 and 2013, plan members were required to contribute 11 and 10 percent of their annual covered salaries, respectively. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employer contributions. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013, and 2012 were \$411,301, \$423,598, and \$431,958 respectively; 83 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2014 and 2013, four members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

NOTE 9 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description – The School District participates in two cost-sharing, multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage and traditional indemnity plans. A prescription drug plan 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 Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code Section 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2013 (the latest information available) was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal years ended 2014 and 2013, .14 and .16 percent of covered payroll was allocated to health care, respectively. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal years ended 2014 and 2013, the actuarially determined amount was \$25,250 for both periods.

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

The School District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2014, 2013, and 2012 were \$16,854, \$14,716, and \$33,228, respectively; 55 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2014, this actuarially required allocation was 0.76 percent of covered payroll. For fiscal year 2013, this actuarially required allocation was 0.74 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013 and 2012 were \$7,262, \$6,747, and \$6,692; 96 percent has been contributed for fiscal year 2014 and 100 percent has been contributed for fiscal year 2013 and 2012.

B. State Teachers Retirement System

Plan Description - The School District contributes to the cost sharing, multiple-employer defined benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the financial report of STRS. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting www.strsoh.org or by requesting a copy by calling toll-free (888) 227-7877.

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2014 and 2013, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)

The School District's contributions for post employment health care for fiscal years ended June 30, 2014, 2013 and 2012 were \$31,639, \$32,584, and \$18,306, respectively; 83 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012.

NOTE 10 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Eligible classified employees earn five to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators who are not on a twelve month contract 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 the number of annual work days per contract plus ninety, not to exceed 220 days for all employees. Upon retirement, payment is made for one-fourth of the total sick leave accumulation, up to a maximum of 55 days for certified and classified employees.

B. Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to classified employees through the Community Life Insurance Company, and medical, surgical, dental and vision insurance through Anthem PPO Blue Cross Blue Shield to all employees.

C. Deferred Compensation Plan

Employees may elect to participate in the Ohio Association of School Business Officials Deferred Compensation Plan. The plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

Ansonia Local School District
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Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 11 - LONG-TERM OBLIGATIONS

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

	Principal Outstanding 6/30/13	Reductions	Principal Outstanding 6/30/14	Maturity Due in One Year
Class Facilities Bonds 2000 5%	260,000	130,000	130,000	130,000
Class Facilities Bonds 2010 1.0% - 3.7%	1,169,999	25,000	1,144,999	25,000

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

	Principal Outstanding 6/30/12	Reclassification of Debt	Restatement of Outstanding 6/30/12	Reductions	Principal Outstanding 6/30/13	Maturity Due in One Year
Class Facilities Bonds 2000 5%	48,000	342,000	390,000	130,000	260,000	130,000
Class Facilities Bonds 2010 1.0% - 3.7%	1,194,999	-	1,194,999	25,000	1,169,999	25,000

Classroom Facilities General Obligation Bonds – The remaining \$130,000 of the bonds are capital appreciation bonds, with maturity dates of December 1, 2012, 2013, and 2014. The maturity amount is \$130,000 for each year. Reclassification and restatement of the outstanding principal balance as of June 30, 2012 completed to adequately represent the December 1, 2012, 2013 and 2014 principal repayment schedule as stated above.

Class Facilities Bonds – Issued 2010 - the School District issued \$1,394,999 in general obligation bonds to advance refund a portion of the 2000 bonds. Of these bonds, \$75,000 are term bonds maturing on December 1, 2014; \$109,999 are capital appreciation bonds maturing on December 1, 2015 and December 1, 2016; \$200,000 are serial bonds with maturity dates of December 1, 2010 and December 1, 2011; and \$1,010,000 are serial bonds with maturity dates of December 1, 2017 through December 1, 2022. The maturity amounts for the capital appreciation bonds are \$189,310 for December 1, 2015 and \$194,310 for December 1, 2016.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 11 - LONG-TERM OBLIGATIONS (Continued)

Principal and interest requirements to retire the school facilities construction and improvement bonds are as follows:

Fiscal year Ending June 30,	Principal	Interest	Total
2015	\$ 155,000	\$ 34,560	\$ 189,560
2016	58,913	130,397	189,310
2017	51,086	143,224	194,310
2018	155,000	31,985	186,985
2019	160,000	27,100	187,100
2020-2023	695,000	51,355	746,355
Total	<u>\$1,274,999</u>	<u>\$535,066</u>	<u>\$1,693,620</u>

NOTE 12 - SET-ASIDE CALCULATIONS

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by fiscal year-end or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end and carried forward to be used for the same purposes in future fiscal years.

The following cash basis information identifies the changes in the fund balance reserves capital improvements during fiscal year 2014.

	Capital Acquisition	Budget Stabilization
Set-aside Reserve Balance as of June 30, 2013	(\$2,086,786)	\$55,498
Current Year Set-aside Requirement	121,060	0
Current Year Offsets	(31,857)	0
Qualifying Disbursements	<u>0</u>	<u>0</u>
Set-aside Balances Carried Forward to Future Fiscal Years	<u>(\$1,997,583)</u>	<u>\$55,498</u>
Set-aside Reserve Balances as of June 30, 2014	<u>\$0</u>	<u>\$55,498</u>

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 12 - SET-ASIDE CALCULATIONS (Continued)

The following cash basis information identifies the changes in the fund balance reserves capital improvements during fiscal year 2013.

	Capital Acquisition	Budget Stabilization
Set-aside Reserve Balance as of June 30, 2012	(\$2,093,070)	\$55,498
Current Year Set-aside Requirement	121,952	0
Current Year Offsets	(65,635)	0
Qualifying Disbursements	(50,033)	0
Set-aside Balances Carried Forward to Future Fiscal Years	(\$2,086,786)	\$55,498
Set-aside Reserve Balances as of June 30, 2013	\$0	\$55,498

The School District had offsets and qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside. The negative amount can be carried forward as it represents proceeds of bonds from prior fiscal years. The total reserve balance for the set-asides at the end of the fiscal years 2014 and 2013 was \$55,498.

NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS

A. Metropolitan Dayton Educational Cooperative Association

Metropolitan Dayton Educational Cooperative Association - The School District is a participant in the Metropolitan Dayton Educational Cooperative Association (MDECA) which is a computer consortium. MDECA is an association of public school districts within the boundaries of Montgomery, Miami and Darke Counties and the Cities of Dayton, Troy and Greenville. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts.

The governing board of MDECA consists of seven Superintendents of member school districts, with six of the Superintendents elected by majority vote of all member school districts except Montgomery County Educational Service Center. The seventh Superintendent is from the Montgomery County Educational Service Center. The School paid MDECA \$14,647 and \$15,809 for services provided during the fiscal years 2014 and 2013, respectively. Financial information can be obtained from Jerry Woodyard, who serves as director, at 225 Linwood Street, Dayton, Ohio 45405.

B. Southwestern Ohio Educational Purchasing Council

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing cooperative made up of nearly 100 school districts in 12 counties. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. All member school districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

Each member school district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member school districts. Any school district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the general fund. During fiscal year 2014 and 2013, the School District paid \$556 and \$552 SOEPC, respectively. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, at 303 Corporate Center Drive, Suite 208, Vandalia, OH 45377.

NOTE 14 - INSURANCE PURCHASING POOLS

A. Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan

During fiscal years 2014 and 2013, the School District participates in the Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan (GRP). The GRP's business and affairs are conducted by an eleven member committee consisting of various GRP representatives that are elected by the general assembly. Either the superintendent or treasurer from each participating school district serves on the general assembly. Each fiscal year, the participating School Districts pay an enrollment fee to the GRP to cover the costs of administering the program.

B. Southwestern Ohio Educational Purchasing Council Medical Benefits Plan

During fiscal years 2014 and 2013, the School District participates in Southwestern Ohio Educational Purchasing Council Medical Benefits Plan (MBP). The MBP is governed by an eleven member committee consisting of EPC representatives elected by the general assembly. The superintendent or treasurer from each participating educational service center or school district serves on the general assembly. Each year, the participating educational service centers and school districts pay an enrollment fee to cover the costs of administering the program.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 15 – FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds at June 30, 2014 are presented below:

	<u>General</u>	<u>Bond Retirement Funds</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
Restricted for:				
Debt Retirement		329,666		329,666
Budget Reserve	55,498			55,498
Martha Holden Jennings Grant			767	767
Facilities Maintenance			3,655	3,655
Permanent improvements			15,152	15,152
Educational Management Information Systems			6,423	6,423
Race to the Top Grant			8,133	8,133
Special Education			5,020	5,020
Food service Obligations			46,690	46,690
Clean Fuels			9,729	9,729
Athletics			4,712	4,712
Total Restricted	<u>55,498</u>	<u>329,666</u>	<u>100,281</u>	<u>485,445</u>
Committed to:				
Preschool			2,307	2,307
Total Committed	<u>0</u>	<u>0</u>	<u>2,307</u>	<u>2,307</u>
Assigned to:				
Unpaid Obligations	189,467			189,467
Technology	51,357			51,357
Educational Activities	15,896			15,896
Scholarships	1,500			1,500
Supplies	2,671			2,671
Total Assigned	<u>260,891</u>	<u>0</u>	<u>0</u>	<u>260,891</u>
Unassigned	<u>2,060,656</u>	<u>0</u>	<u>0</u>	<u>2,060,656</u>
Total Fund Balance	<u>\$2,377,045</u>	<u>\$ 329,666</u>	<u>\$102,588</u>	<u>\$2,809,299</u>

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 15 – FUND BALANCE (Continued)

The constraints placed on fund balance for the major governmental funds and all other governmental funds at June 30, 2013 are presented below:

	<u>General</u>	<u>Bond Retirement Funds</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
Restricted for:				
Debt Retirement		323,370		323,370
Budget Reserve	55,498			55,498
Martha Holden Jennings Grant			3,916	3,916
Facilities Maintenance			7,213	7,213
Permanent improvements			12,997	12,997
Educational Management Information Systems			6,453	6,453
Race to the Top Grant			4,394	4,394
Food service Obligations			39,180	39,180
Clean Fuels			15,943	15,943
Athletics			8,465	8,465
Total Restricted	<u>55,498</u>	<u>323,370</u>	<u>98,561</u>	<u>477,428</u>
Committed to:				
Preschool			1,096	1,096
Total Committed	<u>0</u>	<u>0</u>	<u>1,096</u>	<u>1,096</u>
Assigned to:				
Unpaid Obligations	144,504			144,504
Educational Activities	11,702			11,702
Scholarships	1,500			1,500
Supplies	1,572			1,572
Total Assigned	<u>159,278</u>	<u>0</u>	<u>0</u>	<u>159,278</u>
Unassigned	<u>1,551,607</u>	<u>0</u>	<u>0</u>	<u>1,551,607</u>
Total Fund Balance	<u>\$1,766,383</u>	<u>\$ 323,370</u>	<u>\$99,657</u>	<u>\$2,189,409</u>

NOTE 16 - INTERFUND ADVANCES

During the fiscal year 2012, the general fund had an advance out to the Race to the Top Grant Fund, which was repaid back during fiscal year 2013 when the grant funds are received.

NOTE 17 - CONTINGENCIES

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2014 and 2013.

Ansonia Local School District
Darke County
Notes to the Basic Financial Statements
For the Fiscal Years Ended June 30, 2014 and 2013

NOTE 18 – COMPLIANCE

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

NOTE 19 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2014, the School District has implemented Government Accounting Standards Board (GASB) *Statement No. 70, “Accounting and Financial Reporting for Non-Exchange Financial Guarantees.”* GASB *Statement No. 70* provides guidance for reporting financial guarantees that are non-exchange transactions extended or received by a state or local government. The implementation of this statement had no effect on the School District.

For fiscal year 2013, the School District has implemented Government Accounting Standards Board (GASB) *Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.”* GASB *Statement No.63* provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the School District’s fiscal year 2013 financial statements; however there was no effect on beginning net position/fund balance.

NOTE 20 – SUBSEQUENT EVENTS

The School District has evaluated subsequent events through December 18, 2014, the date on which the financial statements were available for issue. This evaluation determined that there are no subsequent event that necessitated disclosure and/or adjustments.

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

Ansonia Local School District
Darke County
P.O. Box 279
Ansonia, Ohio 45303

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 Ansonia Local School District, Darke County, (the District), as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 18, 2014, wherein noted the District uses a special purpose framework other than generally accepted accounting principles.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency or a combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected. 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 limitation, 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 School District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests an instance of noncompliance or other matters that we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2014-001.

Entity's Response to Findings

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

Purpose of this Report

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

Manning &
Associates
CPAs, LLC

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Manning & Associates CPAs, LLC
Dayton, Ohio

December 18, 2014

Ansonia Local School District
Darke County
Schedule of Findings
For The Fiscal Years Ended June 30, 2014 and 2013

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2014-001

Failure to file GAAP financial statements

Noncompliance Citation

Ohio Rev. Code Sec. 117.38 provides that each public office shall file a financial report each fiscal year. The Auditor of State may prescribe forms by rule or guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. Ohio Admin. Code Sec. 117-2-03 further clarifies these requirements.

Ohio Adm. Code Sec. 117-2-03 (B) requires the School District to prepare its annual financial report in accordance with generally accepted accounting principles (GAAP).

For 2014 and 2013, the School District prepared its financial statements, although formatted similar to financial statements prescribed by Governmental Accounting Standards Board Statement No. 34, report on the cash basis of accounting. This presentation differs from accounting principles generally accepted in the United States of America (GAAP). The accompanying financial statements omit assets, liabilities, fund equities, and disclosures that, while material, cannot be determined at this time. Pursuant to Ohio Rev. Code Section 117.38 the School District may be fined and subject to various other administrative remedies for its failure to file the required financial report.

The School District should prepare their financial statements in accordance with generally accepted accounting principles.

Response: The Board of Education unanimously agreed to approve filing on GASB 34 cash basis year-end reports. Due to the continuous pressure to minimize cost under the current school funding system, the Board has agreed that costs associated with generating and auditing the reports on a GAAP basis exceeds the benefits received by filing GAAP financial reports.

Ansonia Local School District
Darke County
Schedule of Prior Audit Findings and Questioned Costs
For The Fiscal Years Ended June 30, 2014 and 2013

Finding Number	Finding Summary	Fully Corrected	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No <u>Longer Valid</u> ; Explain
2012-001	Financial statement reported in accordance with GAGAS	No	Reissued as finding 2014-001

Manning & Associates Certified Public Accountants, LLC

John M. Manning, CPA • Sandra L. Comer, CPA • John C. Bensman, CPA • John M Keller, CPA

Independent Accountants' Report on Applying Agreed Upon Procedures

Ansonia Local School District
Darke County
P.O. Box 279
Ansonia, Ohio 45303

To the Board of Education:

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

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

1. We noted the Board amended its anti-harassment policy at its meeting on October 21, 2013 to include prohibiting harassment, intimidation, or bullying of any student “on a school bus” or by an “electronic act”.

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

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

Manning &
Associates CPAs,
LLC

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Manning & Associates CPAs, LLC
Dayton, Ohio

December 18, 2014

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Dave Yost • Auditor of State

ANSONIA LOCAL SCHOOL DISTRICT

DARKE 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
JUNE 23, 2015**