

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SUPPLEMENTAL REPORTS

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2015**

MARY ANN HERSCHEL, TREASURER/CFO



Dave Yost • Auditor of State

Board of Education
Austintown Local School District
700 South Raccoon Road
Austintown, Ohio 44515

We have reviewed the *Independent Auditor's Report* of the Austintown Local School District, Mahoning County, prepared by Julian & Grube, Inc., for the audit period July 1, 2014 through June 30, 2015. 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 Austintown 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

May 12, 2016

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**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

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**AUSTINTOWN LOCAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(A) PASS-THROUGH GRANT NUMBER	(B) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION			
Child Nutrition Grant Cluster:			
(D) (E) School Breakfast Program	10.553	2015	\$ 177,509
(D) (E) National School Lunch Program	10.555	2015	975,826
(C) (D) National School Lunch Program - Food Donation	10.555	2015	110,490
Total National School Lunch Program			1,086,316
(D) (E) Summer Food Service Program for Children	10.559	2015	19,456
Total Child Nutrition Grant Cluster			1,283,281
Total U.S. Department of Agriculture			1,283,281
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION			
Title I Grants to Local Educational Agencies	84.010	2014	85,329
Title I Grants to Local Educational Agencies	84.010	2015	1,005,893
Total Title I Grants to Local Educational Agencies			1,091,222
Special Education_Grants to States	84.027	2014	134,265
Special Education_Grants to States	84.027	2015	950,751
Total Special Education _Grants to States			1,085,016
Improving Teacher Quality State Grants	84.367	2014	24,687
Improving Teacher Quality State Grants	84.367	2015	136,170
Total Improving Teacher Quality State Grants			160,857
ARRA - Race to the Top Incentive Grants, Recovery Act - Resident Educator Grant	84.395A	2014	8,050
Total U.S. Department of Education			2,345,145
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PASSED THROUGH THE OHIO DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES			
Temporary Assistance for Needy Families	93.558	99-0000-TANF-P-15-1503	6,621
Total U.S. Department of Health and Human Services			6,621
U.S. DEPARTMENT OF TRANSPORTATION PASSED THROUGH THE OHIO DEPARTMENT OF TRANSPORTATION			
Highway Planning and Construction	20.205	95938	1,017,866
Total U.S. Department of Transportation			1,017,866
Total Federal Financial Assistance			\$ 4,652,913

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

- (A) OAKS did not assign pass-through numbers for fiscal year 2015.
- (B) This schedule was prepared on the cash basis of accounting.
- (C) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are reported at the entitlement value.
- (D) Included as part of "Child Nutrition Grant Cluster" in determining major programs.
- (E) Commingled with state and local revenue from sales of breakfasts and lunches; assumed expenditures were made on a first-in, first-out basis.



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Required by *Government Auditing Standards***

Austintown Local School District
Mahoning County
700 South Raccoon Road
Youngstown, Ohio 44515

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, the business-type activities, each major fund, and the aggregate remaining fund information of the Austintown Local School District, Mahoning County, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Austintown Local School District's basic financial statements and have issued our report thereon dated January 29, 2016, wherein we noted as discussed in Note 3, the Austintown Local School District adopted Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*.

Internal Control Over Financial Reporting

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

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

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

Board of Education
Austintown Local School District

Compliance and Other Matters

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

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Austintown Local 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 Austintown Local School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.
January 29, 2016



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Compliance With Requirements Applicable to Each
Major Federal Program and on Internal Control Over
Compliance Required by OMB Circular A-133 and the Schedule of
Expenditures of Federal Awards**

Austintown Local School District
Mahoning County
700 South Raccoon Road
Youngstown, Ohio 44515

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Austintown Local School District's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Austintown Local School District's major federal programs for the fiscal year ended June 30, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Austintown Local School District's major federal programs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Austintown Local School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the fiscal year ended June 30, 2015.

Board of Education
Austintown Local School District

Report on Internal Control Over Compliance

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

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

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

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Austintown Local School District's basic financial statements. We issued our unmodified report thereon dated January 29, 2016. Our opinion also explained that the Austintown Local School District adopted *Governmental Accounting Standard No. 68 and 71* during the fiscal year. We conducted our audit to opine on the Austintown Local School District's basic financial statements. The accompanying schedule of expenditures of federal awards presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Julian & Grube, Inc.
January 29, 2016

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 2015**

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under §.510(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Child Nutrition Grant Cluster: School Breakfast Program, CFDA #10.553; Nutritional School Lunch Program, CFDA #10.555 and Summer Food Service Program for Children, CFDA #10.559, and Highway Planning and Construction, CFDA #20.205
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes
2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS		

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

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AUSTINTOWN LOCAL SCHOOL DISTRICT

MAHONING COUNTY, OHIO



Austintown Falcons

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

OF THE

**AUSTINTOWN LOCAL
SCHOOL DISTRICT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2015

**PREPARED BY
TREASURER'S DEPARTMENT
MARY ANN HERSCHEL, TREASURER/CFO**

700 S. RACCOON ROAD YOUNGSTOWN, OHIO 44515

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**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**
**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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INTRODUCTORY SECTION

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Austintown Local School District

Vincent S. Colaluca, Superintendent

Mary Ann Herschel, Treasurer



700 S. Raccoon Rd.

Austintown, Ohio 44515

Phone: (330) 797-3900

www.austintownschools.org

January 29, 2016

Members of the Board of Education and Residents of the
Austintown Local School District

The Comprehensive Annual Financial Report (CAFR) of the Austintown Local School District (the "District") for the fiscal year ended June 30, 2015 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of costs and benefits requires estimates and judgments by management.

State statute requires an annual audit by independent accountants. The firm of Julian & Grube, Inc. conducted the audit for fiscal year 2015. The audit has been conducted in accordance with generally accepted auditing standards, generally accepted government auditing standards, and includes a review of internal controls and test of compliance with Federal and State laws and regulations. The Independent Auditor's Report is included in this CAFR.

As a part of the District's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to Federal financial assistance programs, as well as to determine that the school district has complied with applicable laws and regulations. The results of the District's independent audit for the fiscal year ended June 30, 2015, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the District, as well as complement the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The District's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Auditor's Report.

Profile of Austintown Local School District

The District ranks as the 62th largest in the State of Ohio among 612 public school districts and is the 2nd largest of the 14 school districts located within Mahoning County in terms of total enrollment. As of the most current school year (2014-2015), 4,935 students were enrolled in the District's four schools (one elementary, one intermediate, one middle and one high school). Approximately 110 District residents attend the Mahoning County Career and Technical Center.

The District employs 246 non-certified staff members and 340 certificated staff members. The certified staff members include 20 administrators and 319 full-time and part-time teachers. Of the 319 member teaching staff, 67% have master's degrees. The District faculty has an average 11 years of teaching experience. Currently the District has 7 teachers who have attained National Board Certification. Classroom teachers at all levels are supported by specialists in reading, guidance, art, music and physical education. The District's Pupil Personnel Services include school health and psychological services, pupil appraisal, counseling and guidance services, and speech-language and hearing services at all levels.

The District's curriculum, based on the Ohio Common Core Standards, offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and alternative programs. The District has begun a Science, Technology, Engineering & Math (STEM) program at both the middle school and high school level. Our College in High School program continues to grow, giving students the opportunity to earn college credit along with their high school credit. The District has a rich history and tradition in music and the arts along with a high caliber athletic program. Students are offered a large range of extracurricular programs, beginning in the elementary grades with the after-school enrichment program. All District schools have media centers, lunch programs and multipurpose rooms or gyms for student activities. The District is very fortunate to have a supportive Parent Teacher Association (PTA) program at each building and a PTA council at the District level. The District is working on several areas to encourage parent involvement at all building levels.

Overlapping Governmental Entities

The major political subdivisions or other governmental entities that overlap the territory of the District are listed below. The stated percentage is that percentage of the tax valuation of the overlapping entity that is located within the District.

1. Mahoning County (14.70%)
2. Mill Creek Park District (14.70%)
3. Austintown Township (98.67%)
4. Mahoning County Career and Technical Center (16.53%)
5. City of Youngstown (0.08%)

Each of these entities operates independently, with its own separate budget, taxing power, and sources of revenue.

Economic Conditions and Outlook

The District is located in Mahoning County in northeastern Ohio, approximately 75 miles southeast of the City of Cleveland. The District's approximately 25.0 square miles encompasses most of the territory of Austintown Township. The District is in the Youngstown-Warren Metropolitan Statistical Area, which is comprised of Columbiana, Mahoning and Trumbull Counties.

The District's general area is served by diversified transportation facilities. Immediate access is available to several State and U.S. highways and to interstate highways I-76, I-80 and I-680, and Rt. 11. The District is adjacent to areas served by Conrail and Amtrak, and is served by passenger air service at Youngstown Municipal Airport, located near the City of Youngstown.

Within 75 miles of the District, there are approximately 11,700 manufacturing plants, 12,500 wholesale distribution centers, and 46 Fortune 500 industrial, service, and corporate world headquarters. Employment in the Youngstown-Warren Metropolitan Statistical Area is primarily comprised of the manufacturing sector, largely in the automobile and steel industries. Since the mid 1980's, there has been an overall decrease in employment in the manufacturing sector, which has been offset by an increase in employment in the non-manufacturing sector.

Major commercial banks with offices within the District include Chase, Citizens Bank, Farmers National Bank, First National Bank, Home Savings and Loan, Huntington Bank, Key Bank, Talmer Bank and Trust, Woodforest National; along with Associated School Employees Credit Union, Edison Financial Credit Union and Seven Seventeen Credit Union.

Two daily newspapers, The Vindicator and Warren Tribune Chronicle, serve the District. The District falls within the broadcast area of eight television stations and twenty one AM and FM radio stations. The District also operates a cable television channel which broadcasts school information on Channel 19.

Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include Youngstown State University, a public four-year university in the City of Youngstown with a full-time enrollment of over 13,500, Kent State University, The University of Akron, Penn State University (Sharon, Pennsylvania Branch), Mount Union College, Walsh University, Eastern Gateway Community College and Northeastern Ohio Universities College of Medicine.

A number of hospital and several adult and adolescent residential treatment centers are located in the area of the Youngstown-Warren Metropolitan Statistical Area.

Mahoning County provides numerous golf, tennis and swimming facilities all accessible to residents of the District.

There are many cultural activities available in the County including the Butler Institute of American Art, the Arms Museum, the Youngstown Playhouse and Youth Theatre, Easy Street Productions and the Youngstown Symphony Center. Youngstown State University also provides art, music and plays. The Covelli Center is Northeast Ohio's newest event arena. It opened in 2005 and is centrally located in downtown Youngstown. The arena seats 5,700 and is home to the Youngstown Phantoms, an ice hockey team. The center also hosts various concerts and performances, including such acts as Elton John, Carrie Underwood, and Disney-on-Ice. The Mahoning Scrappers, a minor league baseball team, is located in nearby Niles, Ohio and has many family activities during their summer season. The Canfield Fair (Mahoning County's fair) is the largest county fair in Ohio and offers many activities for the youth and families in the area. Many cultural activities are within driving distance in the greater Cleveland and Pittsburgh areas. Professional basketball, baseball, football and hockey teams are also located in the cities of Cleveland and Pittsburgh.

Budgetary Controls

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by the Ohio Administrative Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

Long-Term Financial Planning

The District prepares a five-year financial forecast annually for use as a tool for long range planning. The five-year forecast contains projected local and state revenues, spending patterns within each area of the budget, and cash balances in the District's operating fund. The five-year forecast provides early warning signs of potential financial problems.

The District uses the five-year forecast to provide a basis for making financial decisions, including the construction of the annual budget, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot.

Major Initiatives for the Year

The District has recently completed Strategic Planning through a program developed by the Ohio School Boards Association. District staff and community members met multiple times during the year to develop goals for the District for coming years. The Strategic Planning Committee developed a new vision for the District. “The Austintown Local School District is a united community with a proud legacy and a progressive approach to education.” A new mission statement was also developed. “We provide an inspiring education that strengthens and prepares our students for unlimited future opportunities.”

The District developed four goals:

1. *Academic* - Employ research-based strategies leading to all students achieving at or above grade-level state expectations.
2. *Communication* - Communicate effectively in a timely manner with a clear and concise message.
3. *Customer Service* - Establish positive relationships with students, staff and community.
4. *Finances* - Demonstrate fiscal responsibility to the Austintown community.

Capital Improvements - As our building project has been completed, we are working on improving the look of the campus. We are working to make it safer for the community for use throughout the day and evenings.

We have sold stadium naming rights to a local car dealership. Our stadium is now “The Greenwood Chevrolet Austintown Falcon Stadium.” Thanks to this partnership, we have been able to make some stadium upgrades that will benefit our community for years to come.

Community - The Austintown Racino has opened and is operating in our community. There is much excitement as businesses are seeing an increase in activity in our community. We are continuing to hope for growth and development in our community from the location of the Racino in our community.

Austintown Township has land available for additional growth near the Racino as well as other areas. A new YMCA has been discussed. We are hopeful that this will come to fruition.

Austintown Township voters recently passed a levy for a senior center. It has been very successful and makes the community a better place to live.

Major Initiatives for the Future

The District has purchased one-on-one devices for all students in grades 6-12. The District spent capital projects money to accomplish this goal. The District feels this is an investment in the academic success of our students. Professional development opportunities are available to staff to help them integrate this technology in their classroom. The District believes this is necessary for student success on state assessments.

The District has discussed building plans with the OFCC for a new high school building on the District’s campus. A bond issue was defeated on its initial attempt. The District will determine an appropriate time to revisit this issue.

Use of this Report

The report is published to provide to the Board of Education, as well as to our citizens and other interested persons, detailed information concerning the financial condition of the District, with particular emphasis placed on the utilization of resources during the past fiscal year. It is also intended that this report will serve as a guide in formulating policies and in conducting the District’s future day-to-day activities. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District’s financial affairs have been included.

In today's bond market environment, it is increasingly important that public agencies prepare soundly conceived annual financial reports which are independently audited by a qualified firm or agency. It has become almost required practice that such reports be prepared in accordance with generally accepted accounting principles (GAAP), and the major bond rating agencies review the data presented in such reports before determining a public agency's bond rating.

Use of this report by the various departments of the District is encouraged when furnishing information. Copies of this report are being placed in the public library for use by the general public.

Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Austintown Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

Acknowledgments

It is with great pride and pleasure that we submit this CAFR for review and wish to express appreciation to the members of the Board of Education for supporting us in this endeavor and other members of the Treasurer's office who contributed time and effort in completing this project. We would also like to acknowledge our consultant, Julian & Grube, Inc., who provided us with expert technical assistance in all phases of preparing the report and the cooperation of the team from Julian & Grube, Inc., who conducted a thorough audit of our finances.

Sincerely,



Mary Ann Herschel, Treasurer



Vincent S. Colaluca, Superintendent

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**LIST OF PRINCIPAL OFFICERS
JUNE 30, 2015**

Board of Education

<u>Name</u>	Began Service As Board Member <u>January 1</u>	Present Term Expires <u>December 31</u>	Vocation in Private <u>Life</u>
Mrs. Kathy Mock*	2010	2017	Educator
Mr. Harold Porter	2012	2019	Business Owner
Dr. David Ritchie**	1968	2019	Retired Podiatrist
Mr. Lou Chine	2014	2017	Retired Plumber
Mr. Ken Jakubec	2014	2017	Restaurant Manager

* President

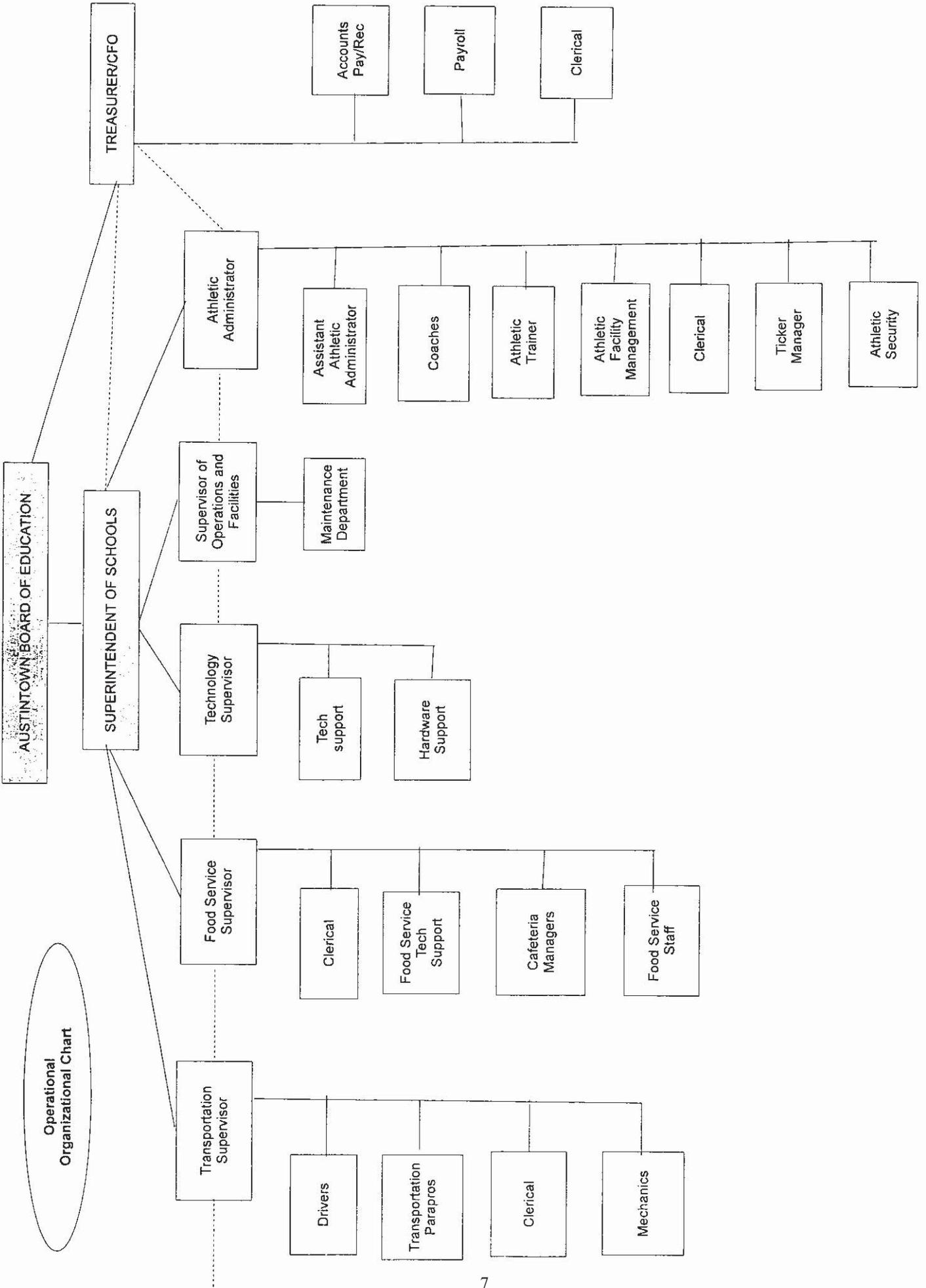
** Vice President

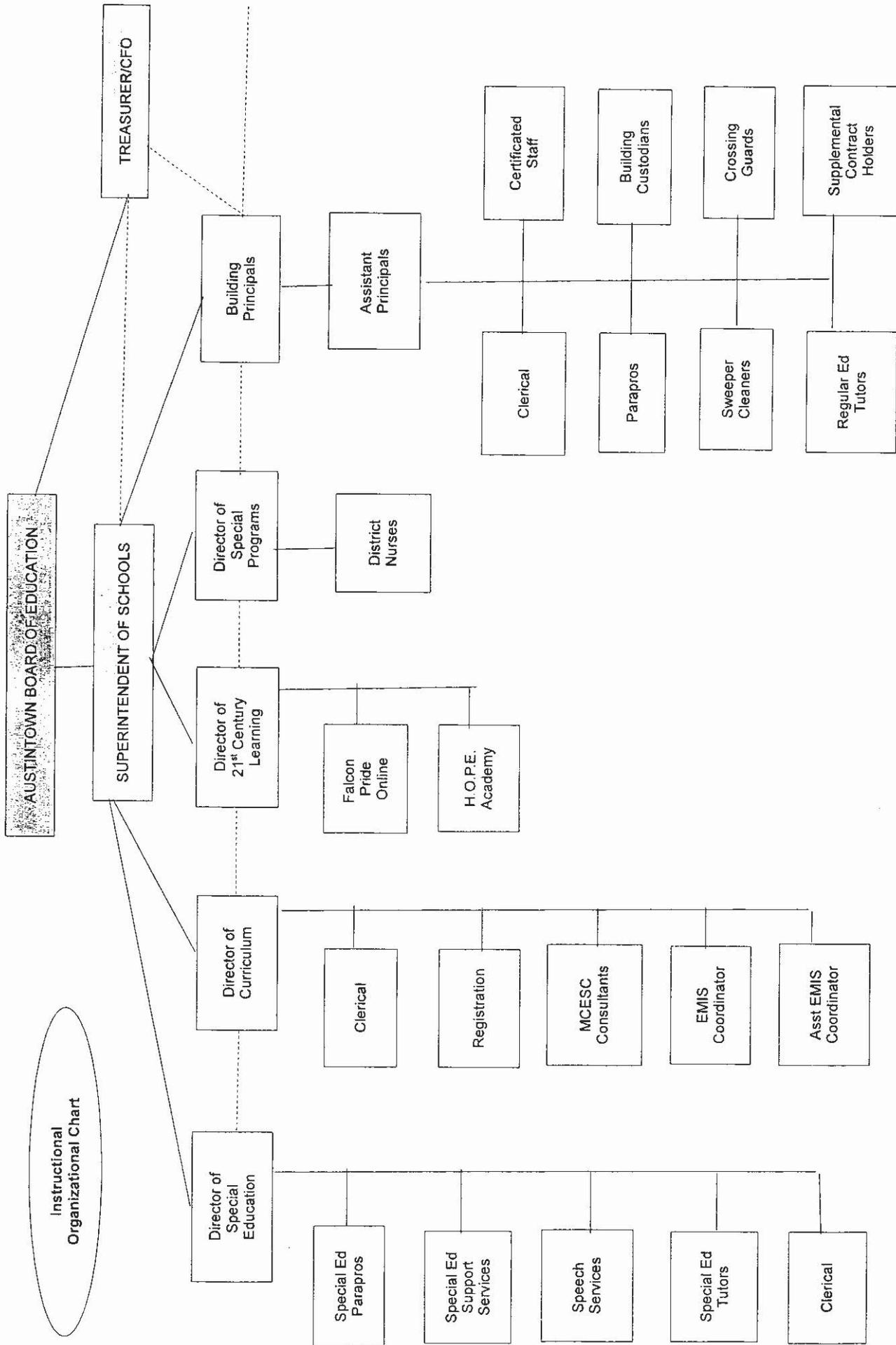
Central Office Administrative Staff

Superintendent	Mr. Vincent Colaluca
Assistant Superintendent	Mr. Jeremy Batchelor
Treasurer	Ms. Mary Ann Herschel

District Administrative Staff

Director of Special Education	Mrs. Becky Morris
Supervisor of Operations and Facilities	Mr. Mal Culp
Transportation Supervisor	Ms. Colleen Murphy-Penk
Technology Coordinator	Mr. Thomas Ventresco
Athletic Administrator	Mr. Robert Conklin
Director of 21 st Century Learning	Ms. Mariel Sallee
Director of Special Programs	Ms. Janet Polish
EMIS Coordinator	Ms. Cheryl Almy





Instructional Organizational Chart



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Austintown Local School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

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FINANCIAL SECTION

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Austintown Local School District
Mahoning County
700 South Raccoon Road
Austintown, Ohio 44515

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Austintown Local School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Austintown Local School District, Mahoning County, Ohio, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the fiscal year ended June 30, 2015, the Government adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2016, on our consideration of the Austintown Local 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 Austintown Local School District's internal control over financial reporting and compliance.



Julian & Grube, Inc.
January 29, 2016

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The management's discussion and analysis of Austintown Local School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- In total, net position increased \$2,953,939. Net position of governmental activities increased \$2,963,197, which represents a 12.13% increase from 2014's restated net position. Net position of business-type activities decreased \$9,258 or 8.35% from 2014.
- General revenues accounted for \$41,995,999 in revenue or 75.20% of all governmental activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$13,851,692 or 24.80% of total governmental activities revenues.
- The District had \$52,884,494 in expenses related to governmental activities; only \$13,851,692 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$41,995,999 were adequate to provide for these programs.
- The District's major governmental funds are the general fund, bond retirement fund and capital projects fund. The general fund had \$45,064,104 in revenues and \$44,481,242 in expenditures and other financing uses. The general fund's fund balance increased \$582,862 from \$943,439 to \$1,526,301.
- The bond retirement fund had \$3,971,248 in revenues and \$3,328,632 in expenditures. This fund accounts for the District's accumulation of resources for and payment of long-term debt obligations. The fund balance of the bond retirement fund increased \$642,616 from \$1,894,989 to a balance of \$2,537,605.
- The capital projects fund had \$2,200,000 in other financing sources and \$1,231,179 in expenditures. This fund accounts for various capital projects. The fund balance of the capital projects fund increased \$968,821 from \$3,074,716 to \$4,043,537.
- Net position for the business-type activities decreased in 2015 by \$9,258. This decrease in net position was mainly due to operating expenses exceeding tuition and fees revenue.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund, bond retirement fund and capital projects fund are by far the most significant funds, and the only governmental funds reported as major funds.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the 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, the District is divided into two distinct kinds of activities:

Governmental activities - Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities and food service.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's special enterprise operations are reported as business activities.

The District's statement of net position and statement of activities can be found on pages 27-29 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds and the District's nonmajor enterprise fund begins on page 23. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, bond retirement fund and capital projects fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Governmental Funds

Most of the 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 year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic 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. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 30-34 of this report.

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole. The basic proprietary fund financial statements can be found on pages 35-37 of this report.

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages 38 and 39. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 40-80 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability. The required supplementary information can be found on pages 82-88 of this report.

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**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The District as a Whole

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position at June 30, 2015 and June 30, 2014. The net position at June 30, 2014 has been restated as described in Note 3.

	Net Position					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>Restated 2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>Restated 2014</u>
<u>Assets</u>						
Current assets	\$ 38,228,742	\$ 36,733,746	\$ 92,551	\$ 95,161	\$ 38,321,293	\$ 36,828,907
Capital assets, net	<u>74,629,029</u>	<u>76,075,247</u>	<u>20,857</u>	<u>24,518</u>	<u>74,649,886</u>	<u>76,099,765</u>
Total assets	<u>112,857,771</u>	<u>112,808,993</u>	<u>113,408</u>	<u>119,679</u>	<u>112,971,179</u>	<u>112,928,672</u>
<u>Deferred outflows of resources</u>						
Unamortized deferred charges	2,051,237	2,184,291	-	-	2,051,237	2,184,291
Pension	<u>4,015,796</u>	<u>3,277,133</u>	<u>-</u>	<u>-</u>	<u>4,015,796</u>	<u>3,277,133</u>
Total deferred outflows of resources	<u>6,067,033</u>	<u>5,461,424</u>	<u>-</u>	<u>-</u>	<u>6,067,033</u>	<u>5,461,424</u>
<u>Liabilities</u>						
Current liabilities	5,795,566	6,738,666	11,729	8,742	5,807,295	6,747,408
Long-term liabilities:						
Due within one year	1,502,096	1,529,639	-	-	1,502,096	1,529,639
Net pension liability	55,391,092	65,817,992	-	-	55,391,092	65,817,992
Other amounts	<u>49,043,723</u>	<u>50,079,628</u>	<u>-</u>	<u>-</u>	<u>49,043,723</u>	<u>50,079,628</u>
Total liabilities	<u>111,732,477</u>	<u>124,165,925</u>	<u>11,729</u>	<u>8,742</u>	<u>111,744,206</u>	<u>124,174,667</u>
<u>Deferred inflows of resources</u>						
Property taxes	18,632,500	18,526,000	-	-	18,632,500	18,526,000
Pension	<u>10,018,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,018,138</u>	<u>-</u>
Total deferred inflows of resources	<u>28,650,638</u>	<u>18,526,000</u>	<u>-</u>	<u>-</u>	<u>28,650,638</u>	<u>18,526,000</u>
<u>Net Position</u>						
Net investment in capital assets	29,351,797	29,743,734	20,857	24,518	29,372,654	29,768,252
Restricted	5,652,682	4,200,520	-	-	5,652,682	4,200,520
Unrestricted (deficit)	<u>(56,462,790)</u>	<u>(58,365,762)</u>	<u>80,822</u>	<u>86,419</u>	<u>(56,381,968)</u>	<u>(58,279,343)</u>
Total net position	<u>\$ (21,458,311)</u>	<u>\$ (24,421,508)</u>	<u>\$ 101,679</u>	<u>\$ 110,937</u>	<u>\$ (21,356,632)</u>	<u>\$ (24,310,571)</u>

During 2015, the District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the District's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, for governmental activities from \$38,119,351 to (\$24,421,508). The implementation of GASB 68 had no effect on the beginning net position of the business-type activities.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

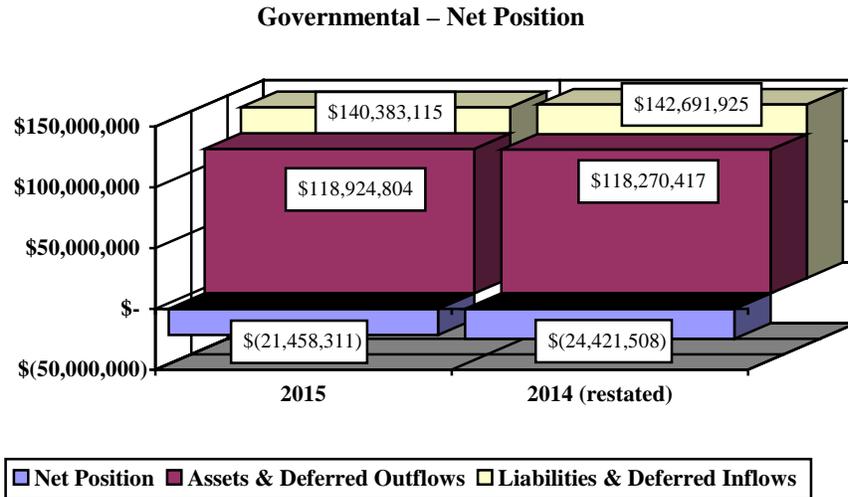
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

At year-end, capital assets represented 66.08% of total assets. Capital assets include, land, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. The District’s net investment in capital assets at June 30, 2015 was \$29,372,654. These capital assets are used to provide services to the students and are not available for future spending. Although the District’s investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District governmental activities’ net position, \$5,652,682, represents resources that are subject to external restriction on how they may be used. \$1,983,082 of the District’s net position is restricted for debt service. The remaining balance of governmental activities unrestricted net position is a deficit balance of (\$56,462,790).

During fiscal year 2015, the decrease in current assets and the increase in capital assets is a result of the District’s construction project. The completion of the construction project is also the cause of the decrease in the District’s current liabilities as there are no contracts payable outstanding at year end.

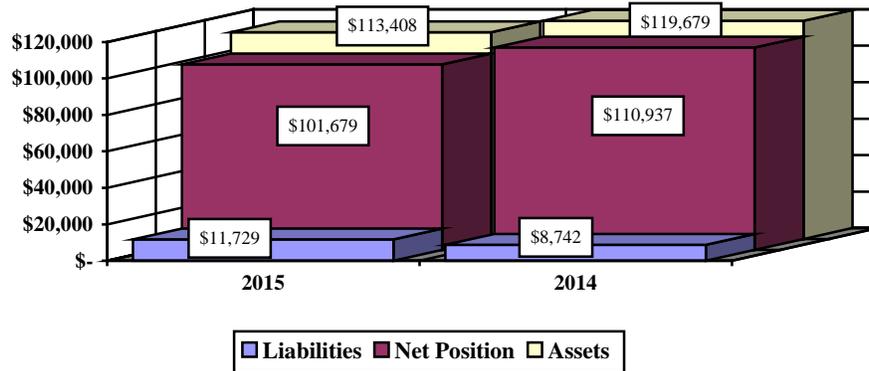
The graphs below present the District’s governmental and business-type assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2015 and June 30, 2014. The net position at June 30, 2014 was restated as described in Note 3.



**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Business-Type – Net Position



The table below shows the changes in net position for fiscal year 2014 and 2015.

Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	Restated 2014	2015	2014	2015	Restated 2014
Revenues						
Program revenues:						
Charges for services and sales	\$ 5,942,195	\$ 5,678,033	\$ 56,301	\$ 65,172	\$ 5,998,496	\$ 5,743,205
Operating grants and contributions	6,891,631	5,972,294	-	-	6,891,631	5,972,294
Capital grants and contributions	1,017,866	-	-	-	1,017,866	-
General revenues:						
Property taxes	19,030,716	18,370,885	-	-	19,030,716	18,370,885
Unrestricted grants and entitlements	22,772,715	21,208,581	-	-	22,772,715	21,208,581
Investment earnings	5,633	3,479	-	-	5,633	3,479
Other	186,935	53,352	-	-	186,935	53,352
Total revenues	55,847,691	51,286,624	56,301	65,172	55,903,992	51,351,796

- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Governmental Activities		Business-type Activities		Total	
	2015	Restated 2014	2015	2014	2015	Restated 2014
Expenses						
Program expenses:						
Instruction:						
Regular	22,210,972	22,304,725	-	-	22,210,972	22,304,725
Special	6,134,578	6,170,417	-	-	6,134,578	6,170,417
Vocational	385,273	427,984	-	-	385,273	427,984
Other	2,441,428	2,150,753	-	-	2,441,428	2,150,753
Support services:						
Pupil	2,837,305	2,848,276	-	-	2,837,305	2,848,276
Instructional staff	997,171	759,210	-	-	997,171	759,210
Board of education	89,853	66,993	-	-	89,853	66,993
Administration	4,398,169	4,332,735	-	-	4,398,169	4,332,735
Fiscal	1,002,069	1,001,162	-	-	1,002,069	1,001,162
Business	2,404	2,252	-	-	2,404	2,252
Operations and maintenance	4,272,007	4,499,699	-	-	4,272,007	4,499,699
Pupil transportation	2,125,452	1,886,764	-	-	2,125,452	1,886,764
Central	22,194	7,200	-	-	22,194	7,200
Operation of non-instructional services:						
Food service operations	2,578,874	2,556,366	-	-	2,578,874	2,556,366
Other non-instructional services	2,939	107,209	-	-	2,939	107,209
Extracurricular activities	1,129,455	1,176,115	-	-	1,129,455	1,176,115
Interest and fiscal charges	2,254,351	2,292,137	-	-	2,254,351	2,292,137
Special enterprise	-	-	65,559	49,887	65,559	49,887
Total expenses	52,884,494	52,589,997	65,559	49,887	52,950,053	52,639,884
Special item	-	(1,022,147)	-	-	-	(1,022,147)
Changes in net position	2,963,197	(2,325,520)	(9,258)	15,285	2,953,939	(2,310,235)
Net position at beginning of year (restated)	(24,421,508)	N/A	110,937	95,652	(24,310,571)	N/A
Net position at end of year	\$ (21,458,311)	\$ (24,421,508)	\$ 101,679	\$ 110,937	\$ (21,356,632)	\$ (24,310,571)

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$3,277,133 computed under GASB 27 for governmental activities. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,346,391 for governmental activities.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	<u>Governmental Activities</u>
Total 2015 program expenses under GASB 68	\$ 52,884,494
Pension expense under GASB 68	(2,346,391)
2015 contractually required contributions	<u>3,493,816</u>
Adjusted 2015 program expenses	54,031,919
Total 2014 program expenses under GASB 27	<u>52,589,997</u>
Increase in program expenses not related to pension	<u>\$ 1,441,922</u>

Governmental Activities

For fiscal year 2015, the net position of the District's governmental activities increased \$2,963,197. Total governmental expenses of \$52,884,494 were offset by program revenues of \$13,851,692 and general revenues of \$41,995,999. Program revenues supported 26.19% of the total governmental expenses.

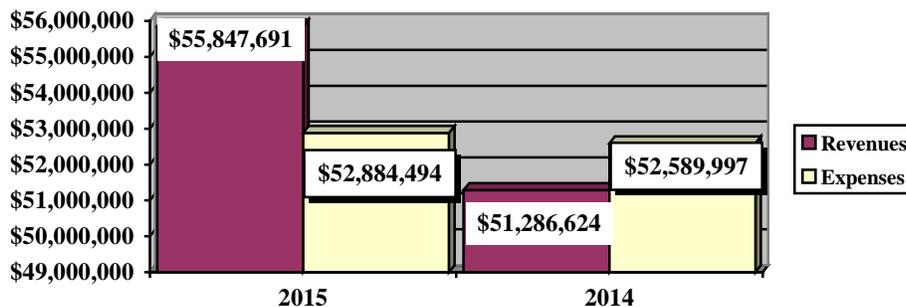
The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These two revenue sources represent 74.85% of total governmental revenue. Real estate property is reappraised every six years.

Expenses increased due to demolition costs not being capitalized and an increase in depreciation expense due to a full year of depreciation on the new intermediate school and elementary school. The District also purchased significant amounts of technology from the regular instruction function. This technology was not capitalized as the individual components were less than the District's capitalization threshold of \$4,000.

Charges for services revenue increased mainly because of an increase in open enrollment revenue in the general fund. Grants and entitlements not restricted to specific programs increased due to formula changes made to the State Foundation program, which resulted in the District receiving more revenue.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2014 and 2015.

Governmental Activities - Revenues and Expenses



**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2014 and 2015. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services <u>2015</u>	Net Cost of Services <u>2015</u>	Total Cost of Services <u>2014</u>	Net Cost of Services <u>2014</u>
Program expenses:				
Instruction:				
Regular	\$ 22,210,972	\$ 17,853,606	\$ 22,304,725	\$ 18,003,353
Special	6,134,578	1,672,282	6,170,417	2,511,850
Vocational	385,273	358,130	427,984	398,637
Other	2,441,428	2,441,428	2,150,753	2,150,753
Support services:				
Pupil	2,837,305	2,693,092	2,848,276	2,723,379
Instructional staff	997,171	727,703	759,210	528,562
Board of education	89,853	89,853	66,993	66,993
Administration	4,398,169	3,614,943	4,332,735	3,753,830
Fiscal	1,002,069	1,000,808	1,001,162	999,666
Business	2,404	2,404	2,252	2,252
Operations and maintenance	4,272,007	4,260,923	4,499,699	4,481,505
Pupil transportation	2,125,452	980,541	1,886,764	1,738,339
Central	22,194	14,994	7,200	-
Operation of non-instructional services:				
Food service operations	2,578,874	362,980	2,556,366	516,540
Other non-instructional services	2,939	(1,988)	107,209	(9,119)
Extracurricular activities	1,129,455	706,752	1,176,115	780,993
Interest and fiscal charges	<u>2,254,351</u>	<u>2,254,351</u>	<u>2,292,137</u>	<u>2,292,137</u>
Total expenses	<u>\$ 52,884,494</u>	<u>\$ 39,032,802</u>	<u>\$ 52,589,997</u>	<u>\$ 40,939,670</u>

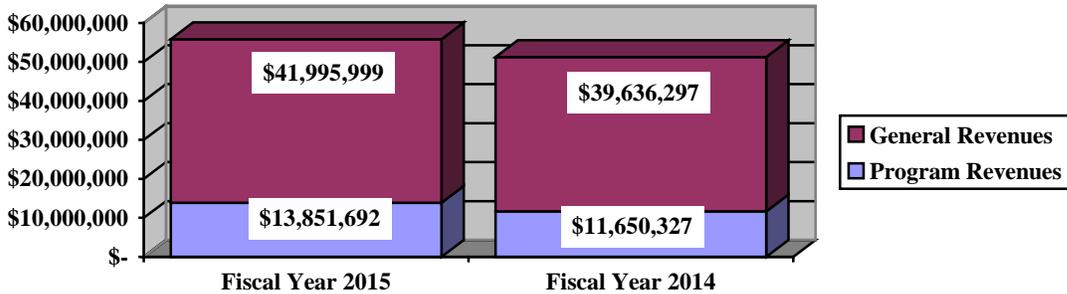
The dependence upon tax revenues during fiscal year 2015 for governmental activities is apparent, as 71.62% of 2015 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 73.81%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for District's students.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The graph below presents the District's governmental activities revenue for fiscal years 2014 and 2015.

Governmental Activities - General and Program Revenues



Business-type Activities

Business-type activities include special enterprise operations. These programs had revenues of \$56,301 and expenses of \$65,559 for fiscal year 2015. The District's business-type activities receive no support from tax revenues.

The District's Funds

The District's governmental funds reported a combined fund balance of \$11,302,041, which is greater than last year fund's total of \$9,211,662.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2014 and 2015.

	Fund Balance <u>June 30, 2015</u>	Fund Balance <u>June 30, 2014</u>	Increase <u>(Decrease)</u>
General	\$ 1,526,301	\$ 943,439	\$ 582,862
Bond retirement	2,537,605	1,894,989	642,616
Capital projects	4,043,537	3,074,716	968,821
Other governmental	<u>3,194,598</u>	<u>3,298,518</u>	<u>(103,920)</u>
Total	<u>\$ 11,302,041</u>	<u>\$ 9,211,662</u>	<u>\$ 2,090,379</u>

General Fund

The District's general fund balance increased \$582,862, which is primarily due to an increase in intergovernmental revenues during the fiscal year. The table that follows assists in illustrating the revenues of the general fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>2015</u> <u>Amount</u>	<u>2014</u> <u>Amount</u>	<u>Increase</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Taxes	\$ 16,241,405	\$ 15,763,419	\$ 477,986	3.03 %
Intergovernmental	24,186,889	22,191,193	1,995,696	8.99 %
Other revenues	<u>4,635,810</u>	<u>4,667,862</u>	<u>(32,052)</u>	(0.69) %
Total	<u>\$ 45,064,104</u>	<u>\$ 42,622,474</u>	<u>\$ 2,441,630</u>	5.73 %

Taxes revenue had a 3.03% increase in fiscal year 2015. Intergovernmental revenue increased mainly due to changes made to the State Foundation funding formula which benefitted the District. Other revenues decreased \$32,052 or 0.69%.

The table that follows assists in illustrating the expenditures of the general fund.

	<u>2015</u> <u>Amount</u>	<u>2014</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<u>Expenditures</u>				
Instruction	\$ 27,247,853	\$ 27,944,068	\$ (696,215)	(2.49) %
Support services	14,355,878	13,644,337	711,541	5.21 %
Operation of non-instructional services	1,268	1,676	(408)	(24.34) %
Extracurricular activities	574,371	556,526	17,845	3.21 %
Facilities acquisition and construction	<u>-</u>	<u>3,975</u>	<u>(3,975)</u>	(100.00) %
Total	<u>\$ 42,179,370</u>	<u>\$ 42,150,582</u>	<u>\$ 28,788</u>	0.07 %

The most significant decrease in expenditures during fiscal year 2015 was for instructional services. In fiscal year 2014, the District purchased significant amounts of technology equipment from the instructional functions in the general fund. In fiscal year 2015, these purchases were primarily made from the capital projects fund. The District purchased new school buses during fiscal year 2015. Part of this was offset by a grant in the nonmajor governmental funds but the District was required to make a 20% matching contribution from the general fund. The District also increased spending on staff training. These are the two main reasons for the increase in support services in fiscal year 2015. Other expenditures remained consistent with the prior fiscal year.

Bond Retirement Fund

The bond retirement fund had \$3,971,248 in revenues and \$3,328,632 in expenditures. This fund accounts for the District's accumulation of resources for and payment of long-term debt obligations. During fiscal year 2015, the fund balance of the bond retirement fund increased \$642,616 from \$1,894,989 to \$2,537,605.

Capital Projects Fund

The capital projects fund had \$2,200,000 in other financing sources and \$1,231,179 in expenditures. This fund is used to account for various capital projects. During fiscal year 2015, the primary expenditures were for computer technology for students. During fiscal year 2015, the fund balance of the capital projects fund increased \$968,821, from \$3,074,716 to \$4,043,537.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

General Fund Budgeting Highlights

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

During the course of fiscal 2015, the District amended its general fund budget numerous times, none significant. The District uses budgeting systems to tightly control local budgets but provide flexibility for management.

For the general fund, final budgeted revenues and other financing sources were \$44,744,296, which was increased from the original budgeted revenues and other financing sources estimate of \$43,754,300. This increase was due to changes in the State Foundation formula which resulted in an estimated increase in intergovernmental revenue. Actual revenues and other financing sources for fiscal 2015 were \$44,754,370. This represents a \$10,074 increase from final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$45,525,191 were increased to \$45,531,569 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2015 totaled \$45,276,327, which was \$255,242 less than the final budget appropriations.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2015, the District had \$74,649,886 invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. Of this total, \$74,629,029 was reported in governmental activities and \$20,857 was reported in business-type activities.

The following table shows fiscal 2015 balances compared to 2014:

**Capital Assets at June 30
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 885,690	\$ 885,690	\$ -	\$ -	\$ 885,690	\$ 885,690
Land improvements	2,089,247	2,288,389	-	-	2,089,247	2,288,389
Building and improvements	69,107,469	71,327,071	-	-	69,107,469	71,327,071
Furniture and equipment	1,032,281	1,014,419	20,857	24,518	1,053,138	1,038,937
Vehicles	1,514,342	525,568	-	-	1,514,342	525,568
Textbooks	-	34,110	-	-	-	34,110
Total	<u>\$ 74,629,029</u>	<u>\$ 76,075,247</u>	<u>\$ 20,857</u>	<u>\$ 24,518</u>	<u>\$ 74,649,886</u>	<u>\$ 76,099,765</u>

Capital assets of the governmental activities decreased \$1,446,218, which is due to capital outlays of \$1,490,194 being less than depreciation expense of \$2,576,655 and disposals of \$359,757 (net of accumulated depreciation) in the current fiscal year. Capital assets of the business-type activities decreased \$3,661 which is due to depreciation expense in the current year.

See Note 8 to the basic financial statements for detail on the District's capital assets.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Debt Administration

At June 30, 2015 the District had \$44,960,842 in a House Bill 264 loan and general obligation bonds outstanding. Of this total, \$952,232 is due within one year and \$44,008,610 is due in greater than one year. The following table summarizes the bonds and loans outstanding.

	Outstanding Debt, at Year End	
	Governmental Activities <u>2015</u>	Governmental Activities <u>2014</u>
House Bill 264 loan	\$ 186,512	\$ 212,488
General obligation bonds	<u>44,774,330</u>	<u>45,731,543</u>
Total	<u>\$ 44,960,842</u>	<u>\$ 45,944,031</u>

During fiscal 2004, the District issued \$26,000,000 in current interest and capital appreciation bonds. The bonds bear an annual interest rate of 2.00% - 5.13% and mature on December 1, 2030. These bonds were refunded during fiscal year 2012.

The District issued a House Bill 264 loan to provide for energy improvements to various District buildings. The House Bill 264 loan bears an interest rate of 4.75% and matures on October 1, 2021.

During fiscal year 2011, the District issued \$26,680,000 in general obligation bonds. The bonds bear interest rates ranging from 2% to 6% and mature on November 1, 2047.

At June 30, 2015 the District's overall legal debt margin was \$11,093,935 with an unvoted debt margin of \$588,126.

See Note 9 to the basic financial statements for more detail on the District's long-term obligations.

Current Financial Related Activities

The District passed a 2.4 mill bond issue placed on the May 2010 ballot. This allowed the District to construct two new elementary schools with the State covering nearly half the cost of the new buildings. The construction included two buildings: one houses Kindergarten through 2nd grade and the other 3rd through 5th grade. These two buildings replaced the District's five existing elementary schools which will decrease utilities and maintenance expenses. The Ohio School Facilities Commission (OSFC) paid 47% of the cost with the remaining 53% paid by local taxpayers. The new buildings were ready for students in the Fall of 2013.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Mary Ann Herschel, Treasurer, Austintown Local School District, 700 S. Raccoon Road, Youngstown, Ohio 44515.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents. . . .	\$ 16,068,686	\$ 92,376	\$ 16,161,062
Receivables:			
Property taxes	20,812,210	-	20,812,210
Accounts	4,217	175	4,392
Intergovernmental	630,983	-	630,983
Prepayments	12,646	-	12,646
Inventory held for resale.	30,000	-	30,000
Restricted assets:			
Cash with escrow agent	670,000	-	670,000
Capital assets:			
Nondepreciable capital assets	885,690	-	885,690
Depreciable capital assets, net.	73,743,339	20,857	73,764,196
Capital assets, net	<u>74,629,029</u>	<u>20,857</u>	<u>74,649,886</u>
Total assets.	<u>112,857,771</u>	<u>113,408</u>	<u>112,971,179</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	2,051,237	-	2,051,237
Pension - STRS	3,152,559	-	3,152,559
Pension - SERS	863,237	-	863,237
Total deferred outflows of resources	<u>6,067,033</u>	<u>-</u>	<u>6,067,033</u>
Liabilities:			
Accounts payable.	107,566	632	108,198
Accrued wages and benefits	4,376,876	10,990	4,387,866
Intergovernmental payable	224,459	107	224,566
Pension and postemployment			
obligation payable.	694,872	-	694,872
Accrued interest payable	391,793	-	391,793
Long-term liabilities:			
Due within one year.	1,502,096	-	1,502,096
Due in more than one year:			
Net pension liability (See Note 12)	55,391,092	-	55,391,092
Other amounts due in more than one year	49,043,723	-	49,043,723
Total liabilities	<u>111,732,477</u>	<u>11,729</u>	<u>111,744,206</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year. . . .	18,632,500	-	18,632,500
Pension - STRS.	8,377,849	-	8,377,849
Pension - SERS.	1,640,289	-	1,640,289
Total deferred inflows of resources	<u>28,650,638</u>	<u>-</u>	<u>28,650,638</u>
Net position:			
Net investment in capital assets	29,351,797	20,857	29,372,654
Restricted for:			
Capital projects	1,181,142	-	1,181,142
Classroom facilities maintenance	1,580,180	-	1,580,180
Debt service.	1,983,082	-	1,983,082
Locally funded programs	18,619	-	18,619
State funded programs.	147	-	147
Federally funded programs	669,260	-	669,260
Student activities	220,252	-	220,252
Unrestricted (deficit)	(56,462,790)	80,822	(56,381,968)
Total net position.	<u>\$ (21,458,311)</u>	<u>\$ 101,679</u>	<u>\$ (21,356,632)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
Instruction:				
Regular	\$ 22,210,972	\$ 4,262,415	\$ 94,951	\$ -
Special	6,134,578	49,872	4,412,424	-
Vocational	385,273	-	27,143	-
Other	2,441,428	-	-	-
Support services:				
Pupil	2,837,305	6,335	137,878	-
Instructional staff	997,171	25,426	244,042	-
Board of education	89,853	-	-	-
Administration	4,398,169	223,013	560,213	-
Fiscal	1,002,069	-	1,261	-
Business	2,404	-	-	-
Operations and maintenance	4,272,007	11,084	-	-
Pupil transportation	2,125,452	40,130	86,915	1,017,866
Central	22,194	-	7,200	-
Operation of non-instructional services:				
Food service operations	2,578,874	905,960	1,309,934	-
Other non-instructional services	2,939	1,164	3,763	-
Extracurricular activities	1,129,455	416,796	5,907	-
Interest and fiscal charges	2,254,351	-	-	-
Total governmental activities	<u>52,884,494</u>	<u>5,942,195</u>	<u>6,891,631</u>	<u>1,017,866</u>
Business-type activities:				
Special enterprise	<u>65,559</u>	<u>56,301</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 52,950,053</u>	<u>\$ 5,998,496</u>	<u>\$ 6,891,631</u>	<u>\$ 1,017,866</u>

General revenues:

Property taxes levied for:

- General purposes
- Debt service
- Classroom facilities maintenance

Grants and entitlements not restricted to specific programs

- Investment earnings
- Miscellaneous

Total general revenues

Change in net position

Net position at beginning of year (restated)

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue
and Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ (17,853,606)	\$ -	\$ (17,853,606)
(1,672,282)	-	(1,672,282)
(358,130)	-	(358,130)
(2,441,428)	-	(2,441,428)
(2,693,092)	-	(2,693,092)
(727,703)	-	(727,703)
(89,853)	-	(89,853)
(3,614,943)	-	(3,614,943)
(1,000,808)	-	(1,000,808)
(2,404)	-	(2,404)
(4,260,923)	-	(4,260,923)
(980,541)	-	(980,541)
(14,994)	-	(14,994)
(362,980)	-	(362,980)
1,988	-	1,988
(706,752)	-	(706,752)
(2,254,351)	-	(2,254,351)
<u>(39,032,802)</u>	<u>-</u>	<u>(39,032,802)</u>
-	(9,258)	(9,258)
<u>(39,032,802)</u>	<u>(9,258)</u>	<u>(39,042,060)</u>
16,077,123	-	16,077,123
2,703,334	-	2,703,334
250,259	-	250,259
22,772,715	-	22,772,715
5,633	-	5,633
186,935	-	186,935
<u>41,995,999</u>	<u>-</u>	<u>41,995,999</u>
2,963,197	(9,258)	2,953,939
<u>(24,421,508)</u>	<u>110,937</u>	<u>(24,310,571)</u>
<u>\$ (21,458,311)</u>	<u>\$ 101,679</u>	<u>\$ (21,356,632)</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>General</u>	<u>Bond Retirement</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Equity in pooled cash and cash equivalents.	\$ 6,581,359	\$ 1,867,605	\$ 4,043,537	\$ 3,576,185	\$ 16,068,686
Receivables:					
Property taxes.	17,620,823	2,921,600	-	269,787	20,812,210
Accounts	3,026	-	-	1,191	4,217
Intergovernmental.	158,014	-	-	472,969	630,983
Prepayments.	12,646	-	-	-	12,646
Inventory held for resale.	-	-	-	30,000	30,000
Due from other funds	109,849	-	-	-	109,849
Restricted assets:					
Cash with escrow agent	-	670,000	-	-	670,000
Total assets	<u>\$ 24,485,717</u>	<u>\$ 5,459,205</u>	<u>\$ 4,043,537</u>	<u>\$ 4,350,132</u>	<u>\$ 38,338,591</u>
Liabilities:					
Accounts payable	\$ 105,419	\$ -	\$ -	\$ 2,147	\$ 107,566
Accrued wages and benefits	3,961,617	-	-	415,259	4,376,876
Compensated absences payable	268,295	-	-	-	268,295
Intergovernmental payable	210,735	-	-	13,724	224,459
Pension and postemployment obligation payable	634,513	-	-	60,359	694,872
Due to other funds	-	-	-	109,849	109,849
Total liabilities.	<u>5,180,579</u>	<u>-</u>	<u>-</u>	<u>601,338</u>	<u>5,781,917</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year . . .	15,700,000	2,685,000	-	247,500	18,632,500
Delinquent property tax revenue not available. . .	1,920,823	236,600	-	22,287	2,179,710
Intergovernmental revenue not available	158,014	-	-	284,409	442,423
Total deferred inflows of resources	<u>17,778,837</u>	<u>2,921,600</u>	<u>-</u>	<u>554,196</u>	<u>21,254,633</u>
Fund balances:					
Nonspendable:					
Prepays.	12,646	-	-	-	12,646
Restricted:					
Debt service	-	2,537,605	-	-	2,537,605
Capital improvements	-	-	-	1,181,142	1,181,142
Classroom facilities maintenance	-	-	-	1,557,893	1,557,893
Extracurricular.	-	-	-	220,252	220,252
Other purposes.	-	-	-	514,052	514,052
Committed:					
Capital improvements	450,000	-	4,043,537	-	4,493,537
Extracurricular.	-	-	-	75,101	75,101
Assigned:					
Student instruction	130,299	-	-	-	130,299
Student and staff support.	360,743	-	-	-	360,743
Subsequent year's appropriations	293,641	-	-	-	293,641
Other purposes.	278,972	-	-	-	278,972
Unassigned (deficit)	-	-	-	(353,842)	(353,842)
Total fund balances	<u>1,526,301</u>	<u>2,537,605</u>	<u>4,043,537</u>	<u>3,194,598</u>	<u>11,302,041</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 24,485,717</u>	<u>\$ 5,459,205</u>	<u>\$ 4,043,537</u>	<u>\$ 4,350,132</u>	<u>\$ 38,338,591</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2015

Total governmental fund balances		\$	11,302,041
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			74,629,029
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	2,179,710	
Intergovernmental receivable		442,423	
Total		<u>2,622,133</u>	2,622,133
Unamortized premiums on bonds issued are not recognized in the funds.			(2,766,957)
Unamortized amounts on refundings are not recognized in the funds.			2,051,237
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(391,793)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows\outflows are not in governmental funds.			
Deferred outflows - pension		4,015,796	
Deferred inflows - pension		(10,018,138)	
Net pension liability		(55,391,092)	
Total		<u>(61,393,434)</u>	(61,393,434)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(44,774,330)	
Compensated absences		(2,549,725)	
House Bill 264 loan		(186,512)	
Total		<u>(47,510,567)</u>	(47,510,567)
Net position of governmental activities		<u>\$</u>	<u>(21,458,311)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General</u>	<u>Bond Retirement</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
From local sources:					
Taxes	\$ 16,241,405	\$ 2,776,242	\$ -	\$ 255,909	\$ 19,273,556
Tuition	4,094,944	-	-	-	4,094,944
Earnings on investments	5,226	-	-	445	5,671
Charges for services	1,164	-	-	903,960	905,124
Extracurricular	219,300	-	-	441,428	660,728
Classroom materials and fees	214,715	-	-	155	214,870
Other local revenues	100,461	-	-	60,599	161,060
Intergovernmental - intermediate	-	-	-	26,307	26,307
Intergovernmental - state	24,186,889	436,950	-	142,386	24,766,225
Intergovernmental - federal	-	758,056	-	4,959,418	5,717,474
Total revenues	<u>45,064,104</u>	<u>3,971,248</u>	<u>-</u>	<u>6,790,607</u>	<u>55,825,959</u>
Expenditures:					
Current:					
Instruction:					
Regular	20,196,780	-	1,101,220	102,913	21,400,913
Special	4,223,039	-	-	1,828,179	6,051,218
Vocational	386,606	-	-	-	386,606
Other	2,441,428	-	-	-	2,441,428
Support services:					
Pupil	2,744,742	-	-	108,765	2,853,507
Instructional staff	619,095	-	-	284,403	903,498
Board of education	89,853	-	-	-	89,853
Administration	4,031,941	-	-	368,965	4,400,906
Fiscal	923,830	55,583	-	5,784	985,197
Business	2,404	-	-	-	2,404
Operations and maintenance	3,926,251	-	-	22,609	3,948,860
Pupil transportation	2,002,768	-	-	1,062,589	3,065,357
Central	14,994	-	-	7,200	22,194
Operation of non-instructional services:					
Food service operations	-	-	-	2,460,143	2,460,143
Other non-instructional services	1,268	-	-	21,488	22,756
Extracurricular activities	574,371	-	-	428,614	1,002,985
Facilities acquisition and construction	-	-	129,959	295,497	425,456
Debt service:					
Principal retirement	-	1,120,976	-	-	1,120,976
Interest and fiscal charges	-	2,152,073	-	-	2,152,073
Total expenditures	<u>42,179,370</u>	<u>3,328,632</u>	<u>1,231,179</u>	<u>6,997,149</u>	<u>53,736,330</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,884,734</u>	<u>642,616</u>	<u>(1,231,179)</u>	<u>(206,542)</u>	<u>2,089,629</u>
Other financing sources (uses):					
Sale/loss of assets	-	-	-	750	750
Transfers in	-	-	2,200,000	101,872	2,301,872
Transfers (out)	<u>(2,301,872)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,301,872)</u>
Total other financing sources (uses)	<u>(2,301,872)</u>	<u>-</u>	<u>2,200,000</u>	<u>102,622</u>	<u>750</u>
Net change in fund balances	582,862	642,616	968,821	(103,920)	2,090,379
Fund balances at beginning of year	<u>943,439</u>	<u>1,894,989</u>	<u>3,074,716</u>	<u>3,298,518</u>	<u>9,211,662</u>
Fund balances at end of year	<u>\$ 1,526,301</u>	<u>\$ 2,537,605</u>	<u>\$ 4,043,537</u>	<u>\$ 3,194,598</u>	<u>\$ 11,302,041</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Net change in fund balances - total governmental funds	\$	2,090,379
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 1,490,194	
Current year depreciation	(2,576,655)	
Total	(1,086,461)	(1,086,461)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(359,757)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(242,840)	
Intergovernmental	264,572	
Total	21,732	21,732
Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		1,120,976
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable	3,546	
Accreted interest on capital appreciation bonds	(137,787)	
Amortization of bond premiums	165,017	
Amortization of deferred charges	(133,054)	
Total	(102,278)	(102,278)
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.		
		3,493,816
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(2,346,391)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		131,181
Change in net position of governmental activities	\$	2,963,197

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
From local sources:				
Taxes	\$ 15,882,054	\$ 16,241,405	\$ 16,241,405	\$ -
Tuition.	4,004,341	4,094,944	4,094,944	-
Earnings on investments	3,911	4,000	5,201	1,201
Charges for services	1,138	1,164	1,164	-
Extracurricular.	3,608	3,690	3,690	-
Classroom materials and fees	111,648	114,174	114,663	489
Other local revenues	21,657	22,147	22,778	631
Intergovernmental - state	23,477,372	24,008,577	24,016,330	7,753
Total revenues	<u>43,505,729</u>	<u>44,490,101</u>	<u>44,500,175</u>	<u>10,074</u>
Expenditures:				
Current:				
Instruction:				
Regular	20,453,284	20,444,566	20,471,915	(27,349)
Special.	4,246,489	4,244,679	4,244,679	-
Vocational.	393,602	393,434	393,434	-
Other.	2,442,469	2,441,428	2,441,428	-
Support services:				
Pupil.	2,859,525	2,858,306	2,782,825	75,481
Instructional staff	611,132	610,872	610,735	137
Board of education	97,093	97,052	97,052	-
Administration.	3,777,120	3,775,510	3,788,155	(12,645)
Fiscal	959,107	958,698	908,742	49,956
Business	2,905	2,904	2,904	-
Operations and maintenance.	4,213,634	4,211,838	4,123,559	88,279
Pupil transportation	2,078,763	2,077,877	1,995,459	82,418
Central.	-	25,783	25,783	-
Other non-instructional services	1,230	1,229	1,229	-
Extracurricular activities.	574,066	573,821	574,856	(1,035)
Facilities acquisition and construction.	450,192	450,000	450,000	-
Total expenditures	<u>43,160,611</u>	<u>43,167,997</u>	<u>42,912,755</u>	<u>255,242</u>
Excess of revenues over expenditures.	<u>345,118</u>	<u>1,322,104</u>	<u>1,587,420</u>	<u>265,316</u>
Other financing sources (uses):				
Refund of prior year's expenditures	246,615	252,195	252,195	-
Transfers in	1,956	2,000	2,000	-
Transfers (out).	(2,364,580)	(2,363,572)	(2,363,572)	-
Total other financing sources (uses)	<u>(2,116,009)</u>	<u>(2,109,377)</u>	<u>(2,109,377)</u>	<u>-</u>
Net change in fund balance	(1,770,891)	(787,273)	(521,957)	265,316
Fund balance at beginning of year	4,892,575	4,892,575	4,892,575	-
Prior year encumbrances appropriated	1,094,386	1,094,386	1,094,386	-
Fund balance at end of year	<u>\$ 4,216,070</u>	<u>\$ 5,199,688</u>	<u>\$ 5,465,004</u>	<u>\$ 265,316</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2015

	Business-type Activities
	Nonmajor Enterprise Fund
Assets:	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 92,376
Receivables:	
Accounts	175
Total current assets	92,551
Noncurrent assets:	
Depreciable capital assets, net	20,857
Total assets.	113,408
Liabilities:	
Accounts payable.	632
Accrued wages and benefits	10,990
Intergovernmental payable	107
Total liabilities	11,729
Net position:	
Investment in capital assets	20,857
Unrestricted.	80,822
Total net position.	\$ 101,679

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Business-type Activities
	Nonmajor Enterprise Funds
Operating revenues:	
Tuition and fees.	\$ 56,301
Operating expenses:	
Personal services.	40,041
Contractual services.	4,090
Materials and supplies	17,767
Depreciation	3,661
Total operating expenses.	65,559
Change in net position	(9,258)
Net position at beginning of year.	110,937
Net position at end of year	\$ 101,679

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Business-type Activities
	Nonmajor Enterprise Funds
Cash flows from operating activities:	
Cash received from tuition and fees	\$ 56,126
Cash payments for personal services.	(37,140)
Cash payments for contractual services	(4,090)
Cash payments for materials and supplies	(17,681)
Net cash used in operating activities	(2,785)
Net decrease in cash and cash equivalents.	(2,785)
Cash and cash equivalents at beginning of year . . .	95,161
Cash and cash equivalents at end of year.	\$ 92,376
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (9,258)
Adjustments:	
Depreciation.	3,661
Changes in assets and liabilities:	
Increase in accounts receivable.	(175)
Increase in accounts payable	86
Increase in accrued wages and benefits	3,082
Decrease in intergovernmental payable	(181)
Net cash used in operating activities.	\$ (2,785)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	Private Purpose Trust	
	Scholarship	Agency
Assets:		
Equity in pooled cash and cash equivalents	\$ 77,363	\$ 45,614
Total assets.	77,363	\$ 45,614
Liabilities:		
Accounts payable.	-	\$ 250
Due to students.	-	32,392
Due to others	-	12,972
Total liabilities	-	\$ 45,614
Net position:		
Held in trust for scholarships	77,363	
Total net position.	\$ 77,363	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Private Purpose Trust
	Scholarship
Additions:	
Interest	\$ 33
Gifts and contributions	14,560
Total additions.	14,593
Deductions:	
Scholarships awarded	16,349
Change in net position	(1,756)
Net position at beginning of year.	79,119
Net position at end of year	\$ 77,363

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

Austintown Local School District (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is governed by a locally elected five member Board of Education (the "Board") which provides educational services.

The District is staffed by 246 non-certified and 340 certified personnel to provide services to approximately 4,935 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

The following organizations are described due to their relationship with the District:

JOINTLY GOVERNED ORGANIZATIONS

Area Cooperative Computerized Educational Service System

Area Cooperative Computerized Educational Service System (ACCESS), a not-for-profit computer service, is jointly governed by 24 districts within Mahoning and Columbiana counties. ACCESS is governed by an assembly consisting of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the assembly. Members of ACCESS are assessed annual user fees and periodic capital improvement fees based on their average daily membership. The members have an ongoing financial interest in ACCESS, however, they do not have an equity interest. Financial information can be obtained from the Treasurer for the Mahoning County Educational Service Center, who serves as fiscal agent, at 7300 North Palmyra Road, Canfield, Ohio 44406.

Mahoning County Career & Technical Center

The Mahoning County Career & Technical Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of representatives from the participating school districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information, write to the Treasurer of the Career & Technical Center, at 7300 North Palmyra Road, Canfield, Ohio 44406.

PUBLIC ENTITY RISK POOLS

Stark County Schools Council of Governments

The Stark County Schools Council of Governments (Council) is a shared risk pool created pursuant to State statute for the purpose of administering health care and dental benefits. The Council is governed by an Assembly which consists of one representative from each participating school district (usually the superintendent or designee). The Assembly elects officers for one year terms to serve on the Board of Directors. The Assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. Each school district reserves the right to terminate the plan in whole or in part, at any time. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance with the terms of the contract. Financial information can be obtained from the Treasurer for the Stark County Educational Service Center, who serves as fiscal agent, at 2100 38th Street N.W., Canton, Ohio 44709-2300.

B. Fund Accounting

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

GOVERNMENTAL FUNDS

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows and liabilities and deferred inflows is reported as fund balance. The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available 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 and payment of general obligation bond principal and interest from governmental resources when the government is obligated in some manner for payment.

Capital projects fund - The capital projects fund is used to accumulate money for one or more capital projects. In fiscal year 2015, the District used this fund primarily to account for the purchase of computer equipment for students.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

PROPRIETARY FUNDS

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise funds or internal service funds. The District has no internal service funds.

Enterprise fund - The enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The District's enterprise fund accounts for community center and summer school operations.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: private-purpose trust funds, investment trust funds, pension trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private-purpose trust which accounts for scholarship programs for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency funds account for student managed activities and Ohio High School Athletic Association (OHSAA) tournament monies.

C. Basis of Presentation and Measurement Focus

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, deferred outflows, current liabilities and deferred inflows, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the special enterprise fund are tuition and fees. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-purpose trust funds are reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting on the fund financial statements. Proprietary and fiduciary funds also use the accrual basis of accounting.

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources have been reported for the following two items related the District's net pension liability: (1) the difference between expected and actual experience of the pension systems, and (2) the District's contributions to the pension systems subsequent to the measurement date. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

The District also reports a deferred inflow of resources for the net difference between projected and actual earnings on pension plan investments related to the District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as donated commodities revenue.

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

E. Budgets

The District is required by State statute to adopt an annual appropriated cash basis budget for all funds. The specific timetable for the fiscal year is as follows:

1. The Mahoning County Budget Commission voted to waive the requirement that school districts adopt a tax budget as required by Section 5705.28 of the Ohio Revised Code, by January 15th and the filing by January 20th. The Budget Commission now requires an alternate tax budget be submitted by January 20th, which no longer requires specific Board approval.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

2. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificated of estimated resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate in effect when the final appropriations were passed by the Board of Education.
3. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year). Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures for the general fund. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation total.
4. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.
5. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized cash basis appropriation.
6. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal year 2015. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board of Education during the fiscal year.
7. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be re-appropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level.

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

F. Cash and Cash Equivalents

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

During fiscal year 2015, investments were limited to a repurchase agreements and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on June 30, 2015.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or by policy of the Board of Education. Interest revenue credited to the general fund during fiscal 2015 amounted to \$5,226, which includes \$2,788 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at year end is provided in Note 4.

G. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the purchase method on the fund statements and using the consumption method on the government-wide statements.

Inventories consist of donated food and purchased food.

H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary fund are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$4,000 for its capital assets. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

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

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>Estimated Lives</u>
Land improvements	10 - 30 years	N/A
Building/improvements	10 - 40 years	N/A
Furniture/equipment	5 - 20 years	5 - 20 years
Vehicles	8 - 15 years	N/A
Textbooks	7 years	N/A

I. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2015, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences and retirement incentives that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability in the fund financial statements when due.

K. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District 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.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. 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. Unlike commitments, assignments general only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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 could be used.

L. Net Position

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

M. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase, and the expenditure/expense is reported in the year in which services are consumed.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

N. Parochial Schools

Within the District boundaries, St. Joseph Immaculate Heart of Mary is operated through the Youngstown Catholic Diocese. Current State legislation provides funding to this parochial school. These monies are received and disbursed on behalf of the parochial school by the Treasurer of the District, as directed by the parochial school. The fiduciary responsibility of the District for this money is reflected in the auxiliary services fund, a nonmajor governmental fund, for financial reporting purposes.

O. Estimates

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

P. Unamortized Bond Premium and Deferred Charges on Refunding

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds. A reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 9.E.

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

Q. Capital Contributions

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, or from grants, or outside contributions of resources restricted to capital acquisition and construction. The enterprise fund did not receive any capital contributions from governmental funds during fiscal year 2015.

R. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. See Note 9.C. for further detail on restricted assets related to the bond sinking fund deposits with fiscal agent.

S. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during fiscal year 2015.

U. Interfund Balances

Short-term interfund loans used to cover negative cash balances in funds are classified as “due to/from other funds”. These amounts are eliminated in the governmental activities column of the statement of net position.

V. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles/Restatement of Net Position

For fiscal year 2015, the District has implemented GASB Statement No. 68, “Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27”, GASB Statement No. 69 “Government Combinations and Disposals of Government Operations”, and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68”.

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the District.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 affected the District's pension plan disclosures and added required supplementary information.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

A net position restatement is required in order to implement GASB Statement No 68 and 71. The governmental activities at July 1, 2014 have been restated as follows:

	Governmental Activities
Net position as previously reported	\$ 38,119,351
Deferred outflows - payments subsequent to measurement date	3,277,133
Net pension liability	(65,817,992)
Restated net position at July 1, 2014	\$ (24,421,508)

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available. The restatement had no effect on fund balances.

B. Deficit Fund Balances

Fund balances at June 30, 2015 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Food service	\$ 295,340
Title VI-B	44,177
Title I	2,693
Improving teacher quality	11,632

The general fund is liable for deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances in the Title I fund and the improving teacher quality fund resulted from adjustments for accrued liabilities. The food service fund ended the year with a negative cash balance. The Title VI-B fund deficit cash balance resulted from a lag between disbursements made by the District and reimbursements from grantors, and is allowable under Ohio Revised Code Section 3315.20.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

Interim monies 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. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool the State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one-hundred-eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time: and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash with Fiscal Agent

At fiscal year-end, \$670,000 was on deposit with a fiscal agent for required sinking fund deposits relating to the District's general obligation bonds. These funds are not included in "deposits with financial institutions" below.

B. Deposits with Financial Institutions

At June 30, 2015, the carrying amount of all District deposits was \$96,200 exclusive of the repurchase agreement reported in investments below. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2015, \$700,000 of the District's bank balance of \$950,000 was exposed to custodial risk as discussed below, while \$250,000 was covered by the FDIC.

C. Investments

As of June 30, 2015, the District had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment maturities</u> 6 months or less
STAR Ohio	\$ 101,581	\$ 101,581
Repurchase agreement	<u>16,086,258</u>	<u>16,086,258</u>
	<u>\$ 16,187,839</u>	<u>\$ 16,187,839</u>

Interest Rate Risk: Interest rate risk arises as potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: STAR Ohio carries a rating of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's investments in the federal agency securities that underlie the repurchase agreement, were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The District's investment policy does not specifically address credit risk beyond requiring the District to only invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the District's investment in repurchase agreements, the entire balance is collateralized by underlying securities that are held by the investment's counterparty, not in the name of the District. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of securities subject to a repurchase agreement by 2%. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2015:

<u>Investment type</u>	<u>Fair value</u>	<u>% of total</u>
STAR Ohio	\$ 101,581	0.63
Repurchase agreement	<u>16,086,258</u>	<u>99.37</u>
Total investments	<u>\$ 16,187,839</u>	<u>100.00</u>

D. Reconciliation of Cash and Cash Equivalents to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2015:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 96,200
Investments	16,187,839
Cash with fiscal agent	<u>670,000</u>
Total	<u>\$ 16,954,039</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 16,738,686
Business type activities	92,376
Private-purpose trust fund	77,363
Agency funds	<u>45,614</u>
Total	<u>\$ 16,954,039</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 5 - INTERFUND TRANSACTIONS

- A.** Interfund balances consisted of the following due to/from other funds at June 30, 2015, as reported on the fund statements:

<u>Due to the general fund from:</u>	<u>Amount</u>
Nonmajor governmental funds	\$ 109,849

The primary purpose of the interfund loans due to the general fund is to cover negative cash balances in the Food Service fund, and Title VI-B fund. The interfund balance will be repaid once the anticipated revenues are received.

Amounts due to/from other funds between governmental funds are eliminated on the government-wide financial statements.

- B.** Interfund transfers for the year ended June 30, 2015, consisted of the following, as reported on the fund financial statements:

<u>Transfers from the general fund to:</u>	<u>Amount</u>
Capital projects fund	\$ 2,200,000
Nonmajor governmental funds	101,872
	<u>\$ 2,301,872</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2015 represent the collection of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed values as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2015 represent the collection of calendar year 2014 taxes. Public utility real and personal property taxes received in calendar year 2015 became a lien on December 31, 2013, were levied after April 1, 2014, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 6 - PROPERTY TAXES - (Continued)

The District receives property taxes from Mahoning County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2015, are available to finance fiscal year 2015 operations. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2015 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow.

The assessed values upon which the fiscal year 2015 taxes were collected are:

	2014 Second Half Collections		2015 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 577,611,960	97.53	\$ 571,626,360	97.19
Public utility personal	<u>14,654,570</u>	<u>2.47</u>	<u>16,499,530</u>	<u>2.81</u>
Total	<u>\$ 592,266,530</u>	<u>100.00</u>	<u>\$ 588,125,890</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation				
Operations	\$ 54.60		\$ 54.60	
Debt service	5.50		5.30	
Classroom facilities maintenance	0.50		0.50	

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 7 - RECEIVABLES

Receivables at June 30, 2015 consisted of taxes, accounts (billings for user charged services and student fees) and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:

Taxes	\$ 20,812,210
Accounts	4,217
Intergovernmental	<u>630,983</u>
Total governmental activities	<u>21,447,410</u>

Business-type activities:

Accounts	<u>175</u>
Total receivables	<u>\$ 21,447,585</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

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**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	<u>Balance</u> <u>6/30/14</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>6/30/15</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 885,690	\$ -	\$ -	\$ 885,690
Total capital assets, not being depreciated	<u>885,690</u>	<u>-</u>	<u>-</u>	<u>885,690</u>
Capital assets, being depreciated:				
Land improvements	3,861,039	-	(4,994)	3,856,045
Building/improvements	88,560,944	-	(2,153,392)	86,407,552
Furniture/equipment	3,367,123	193,874	(554,508)	3,006,489
Vehicles	3,057,872	1,296,320	(997,372)	3,356,820
Textbooks	3,763,697	-	-	3,763,697
Total capital assets, being depreciated	<u>102,610,675</u>	<u>1,490,194</u>	<u>(3,710,266)</u>	<u>100,390,603</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(1,572,650)	(199,142)	4,994	(1,766,798)
Building/improvements	(17,233,873)	(1,981,963)	1,915,753	(17,300,083)
Furniture/equipment	(2,352,704)	(148,633)	527,129	(1,974,208)
Vehicles	(2,532,304)	(212,807)	902,633	(1,842,478)
Textbooks	(3,729,587)	(34,110)	-	(3,763,697)
Total accumulated depreciation	<u>(27,421,118)</u>	<u>(2,576,655)</u>	<u>3,350,509</u>	<u>(26,647,264)</u>
Governmental activities capital assets, net	<u>\$ 76,075,247</u>	<u>\$ (1,086,461)</u>	<u>\$ (359,757)</u>	<u>\$ 74,629,029</u>
Business-type activities:				
Capital assets, being depreciated:				
Furniture/equipment	\$ 79,565	\$ -	\$ -	\$ 79,565
Less: accumulated depreciation	<u>(55,047)</u>	<u>(3,661)</u>	<u>-</u>	<u>(58,708)</u>
Total	<u>\$ 24,518</u>	<u>\$ (3,661)</u>	<u>\$ -</u>	<u>\$ 20,857</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 8 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged as follows:

Governmental activities:	<u>Amount</u>
<u>Instruction:</u>	
Regular	\$ 1,283,528
Special	195,599
Vocational	3,945
<u>Support services:</u>	
Pupil	79,039
Instructional staff	104,405
Administration	128,873
Fiscal	25,509
Operations and maintenance	145,110
Pupil transportation	314,385
Food service operations	145,382
Extracurricular activities	<u>150,880</u>
Total governmental activities	<u>2,576,655</u>
 Business-type activities:	
Community center	<u>3,661</u>
Total depreciation expense	<u><u>\$ 2,580,316</u></u>

NOTE 9 - LONG-TERM OBLIGATIONS

- A.** During fiscal year 2004, the District issued \$26,000,000 in general obligation bonds to provide funds for various District building projects. These bonds are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to this bond are recorded as expenditures in the bond retirement fund.

This issue is comprised of both current interest bonds, par value \$25,065,000, and capital appreciation bonds, par value \$935,000. The interest rates on the current interest bonds range from 2.00% to 5.13%. The last capital appreciation bonds matured on and December 1, 2013.

On June 13, 2012, the District issued \$20,975,000 (series 2012 advance refunding general obligation bonds) to advance refund the callable portion of the bonds. The refunded portions of the series 2004 bonds included portions of the serial bonds and the entire amount of the term bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The remaining current interest bonds matured on December 1, 2014.

The following is a schedule of activity for fiscal year 2015 on the 2004 general obligation bonds:

<u>Series 2004</u>	<u>Balance</u> <u>6/30/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/15</u>
Current interest bonds	\$ 630,000	\$ -	\$ (630,000)	\$ -

- B.** The District has a House Bill 264 loan to provide for energy improvements to various District buildings. The primary source of repayment of this obligation is through energy savings as a result of the improvements. The loan was issued on October 5, 2006 and matures on October 1, 2021. The loan bears an interest rate of 4.75%. Payments of principal and interest relating to these liabilities are recorded as expenditures in the bond retirement fund.

The following is a description of the District's House Bill 264 loan outstanding as of June 30, 2015:

	<u>Balance</u> <u>6/30/14</u>	<u>Issued</u> <u>in 2015</u>	<u>Retired</u> <u>in 2015</u>	<u>Balance</u> <u>6/30/15</u>
House Bill 264 Loan	\$ 212,488	\$ -	\$ (25,976)	\$ 186,512

The following is a summary of the District's future annual debt service requirements to maturity for the House Bill 264 loan:

<u>Fiscal</u> <u>Year Ending</u>	<u>Principal on</u> <u>Loan</u>	<u>Interest on</u> <u>Loan</u>	<u>Total</u>
2016	\$ 27,232	\$ 8,412	\$ 35,644
2017	28,596	7,048	35,644
2018	30,004	5,640	35,644
2019	31,481	4,163	35,644
2020	33,024	2,620	35,644
2021 - 2022	<u>36,175</u>	<u>993</u>	<u>37,168</u>
Total	<u>\$ 186,512</u>	<u>\$ 28,876</u>	<u>\$ 215,388</u>

- C.** On September 1, 2010, the District issued general obligation classroom facilities improvement bonds, in the amount of \$26,680,000, for constructing, adding to, renovating, remodeling, furnishing, equipping, and improving District buildings. The bond issue included tax exempt current interest serial bonds, tax exempt capital appreciation bonds, term Build America Bonds (BABs) and Qualified School Construction Bonds (QSCBs) in the amount of \$2,625,000, \$140,000, \$12,655,000 and \$11,260,000, respectively. The bonds were issued for a thirty-eight year period, with final maturity during fiscal year 2048. The bonds will be retired through the bond retirement fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The interest rate on the tax exempt current interest bonds is 2.00%. The tax exempt capital appreciation bonds mature on November 1, 2028 (approximate initial offering yield to maturity 4.75%), November 1, 2029 (approximate initial offering yield to maturity 4.85%), and November 1, 2030 (approximate initial offering yield to maturity 4.95%), at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$1,605,000. A total of \$114,038 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2015.

The term BABs maturing on November 1, 2040 (interest rate 6.006%), and November 1, 2047 (interest rate 6.306%), are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the District. The mandatory redemption of the 2040 term BABs is to occur on November 1 in each of the years 2031 through 2039 (with the balance of \$760,000 to be paid at stated maturity on November 1, 2040) and of the 2047 term BABs is to occur on November 1 in each of the years 2041 through 2046 (with the balance of \$1,000,000 to be paid at stated maturity on November 1, 2047), at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

2040 term BABs		2047 term BABs	
Year	Amount	Year	Amount
2031	\$ 535,000	2041	\$ 785,000
2032	560,000	2042	820,000
2033	580,000	2043	855,000
2034	600,000	2044	890,000
2035	625,000	2045	925,000
2036	650,000	2046	965,000
2037	675,000		
2038	700,000		
2039	730,000		

Term BABs redeemed by other than mandatory redemption, or purchased for cancellation may be credited against the applicable mandatory redemption requirement.

The District receives a reimbursement from the United States Treasury of 35% of the corresponding interest payable on the term BABs. The District records this reimbursement as federal intergovernmental revenue in the bond retirement fund.

The QSCBs bear an interest rate of 5.327% and mature September 1, 2027. The District is required to make mandatory sinking fund deposits (consisting of cash and/or U.S. Treasury obligations) on September 1, in the following years and in the following amounts (in each case equal to the value of any cash deposits, plus the stated principal value at maturity of any U.S. Treasury obligations plus any interest to be paid thereon through and including the maturity date) except the final principal payment date shall be the maturity date:

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

<u>September 1 of year</u>	<u>Amounts Due</u>	<u>Amounts Deposited</u>
2014	\$ 670,000	\$ 670,000
2015	695,000	-
2016	705,000	-
2017	715,000	-
2018	765,000	-
2019	775,000	-
2020	785,000	-
2021	815,000	-
2022	830,000	-
2023	840,000	-
2024	895,000	-
2025	905,000	-
2026	915,000	-
	<u>\$ 10,310,000</u>	<u>\$ 670,000</u>

The amount deposited is recorded as “restricted cash with escrow agent” on the basic financial statements.

The District receives a reimbursement from the United States Treasury equal to 100% of the lesser of the interest payments on the QSCBs or the federal tax credits that would have otherwise been available to the holders of the QSCBs. The District records this reimbursement as federal intergovernmental revenue in the bond retirement fund.

The following is a schedule of activity for fiscal year 2015 on the 2010 general obligation bonds:

<u>Series 2010</u>	<u>Balance 6/30/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/15</u>
Current interest bonds	\$ 215,000	\$ -	\$ (215,000)	\$ -
Capital appreciation bonds	140,000	-	-	140,000
Accreted interest	83,608	30,430	-	114,038
BABs	12,655,000	-	-	12,655,000
QSCBs	11,260,000	-	-	11,260,000
Total series 2010	<u>\$ 24,353,608</u>	<u>\$ 30,430</u>	<u>\$ (215,000)</u>	<u>\$ 24,169,038</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the future debt service requirements to maturity for the 2010 general obligation bonds:

Fiscal Year Ended	Current Interest Bonds, BABs and QSCBs			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ -	\$ 1,378,600	\$ 1,378,600	\$ -	\$ -	\$ -
2017	-	1,378,600	1,378,600	-	-	-
2018	-	1,378,600	1,378,600	-	-	-
2019	-	1,378,600	1,378,600	-	-	-
2020	-	1,378,600	1,378,600	-	-	-
2021 - 2025	-	6,892,996	6,892,996	-	-	-
2026 - 2030	11,260,000	5,393,448	16,653,448	95,000	975,000	1,070,000
2031 - 2035	2,275,000	3,627,080	5,902,080	45,000	490,000	535,000
2036 - 2040	3,380,000	2,718,823	6,098,823	-	-	-
2041 - 2045	4,110,000	1,578,827	5,688,827	-	-	-
2046 - 2048	2,890,000	278,094	3,168,094	-	-	-
Total	\$ 23,915,000	\$ 27,382,268	\$ 51,297,268	\$ 140,000	\$ 1,465,000	\$ 1,605,000

D. On June 13, 2012, the District issued general obligation bonds (series 2012 refunding bonds) to advance refund the callable portion of the series 2004 current interest general obligation bonds. The issuance proceeds of \$23,431,421 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The principal balance outstanding of the defeased bonds was \$20,975,000 at June 30, 2015.

The 2012 refunding issue is comprised of both current interest bonds, par value \$20,290,000, and capital appreciation bonds, par value \$685,000. The interest rate on the current interest bonds ranges from 2.00-5.00%. The capital appreciation bonds mature on December 1, 2024 (approximate initial offering yield to maturity 3.5%), and December 1, 2025 (approximate initial offering yield to maturity 3.6%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$3,130,000. A total of \$285,292 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2015. The bonds will be retired through the bond retirement fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a schedule of activity for fiscal year 2015 on the 2012 series refunding bonds:

	Balance <u>6/30/14</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>6/30/15</u>
Refunding bonds - series 2012:				
Current interest bonds	\$ 19,885,000	\$ -	\$ (250,000)	\$ 19,635,000
Capital appreciation bonds	685,000	-	-	685,000
Accreted interest	<u>177,935</u>	<u>107,357</u>	-	<u>285,292</u>
Total refunding bonds - series 2012	<u>\$ 20,747,935</u>	<u>\$ 107,357</u>	<u>\$ (250,000)</u>	<u>\$ 20,605,292</u>

The reacquisition price exceeded the net carrying amount of the old debt by \$2,450,398. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

Interest payments on the current interest bonds are due June 1 and December 1 each year. The final maturity stated on the issue is December 1, 2030.

The following is a summary of the future debt service requirements to maturity for the 2012 series refunding bonds:

Fiscal Year Ended	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 925,000	\$ 726,175	\$ 1,651,175	\$ -	\$ -	\$ -
2017	980,000	692,975	1,672,975	-	-	-
2018	1,020,000	657,875	1,677,875	-	-	-
2019	1,120,000	615,075	1,735,075	-	-	-
2020	1,180,000	569,075	1,749,075	-	-	-
2021 - 2025	5,355,000	2,319,307	7,674,307	360,000	1,195,000	1,555,000
2026 - 2030	6,995,000	1,398,094	8,393,094	325,000	1,250,000	1,575,000
2031	<u>2,060,000</u>	<u>46,350</u>	<u>2,106,350</u>	-	-	-
Total	<u>\$ 19,635,000</u>	<u>\$ 7,024,926</u>	<u>\$ 26,659,926</u>	<u>\$ 685,000</u>	<u>\$ 2,445,000</u>	<u>\$ 3,130,000</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

E. The changes in the District's long-term obligations during the year consist of the following:

	Restated Balance <u>6/30/14</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>6/30/15</u>	Amounts Due in <u>One Year</u>
Governmental activities:					
Compensated absences payable	\$ 2,733,262	\$ 496,245	\$ (411,487)	\$ 2,818,020	\$ 549,864
Net pension liability	65,817,992	-	(10,426,900)	55,391,092	-
Loans payable	212,488	-	(25,976)	186,512	27,232
G.O. bonds payable	<u>45,731,543</u>	<u>137,787</u>	<u>(1,095,000)</u>	<u>44,774,330</u>	<u>925,000</u>
Total governmental activities long-term liabilities	<u>\$ 114,495,285</u>	<u>\$ 634,032</u>	<u>\$ (11,959,363)</u>	103,169,954	<u>\$ 1,502,096</u>
Add: Unamortized premium on bond issues				<u>2,766,957</u>	
Total on statement of net position				<u>\$ 105,936,911</u>	

Compensated absences will be paid from the fund from which the employee is paid, which, for the District, is primarily the general fund, food service fund, auxiliary services fund, Title VI-B fund and Title I fund.

The District's net pension liability is discussed in Note 12.

F. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2015, are a voted debt margin of \$11,093,935 (including available funds of \$2,537,605) and an unvoted debt margin of \$588,126.

NOTE 10 - COMPENSATED ABSENCES

Employees earn vacation at rates specified under State of Ohio law and based on credited service. Teachers and some administrators do not earn vacation time. Administrators, clerical, technical, and maintenance and operations employees with one or more years of service are entitled to vacation ranging from 5 to 25 days. Employees with less than one year of service earn one vacation day per month worked, not to exceed five days. Unused vacation is not cumulative to the next year.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 10 - COMPENSATED ABSENCES - (Continued)

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service (earned on a pro-rata basis for less than full-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 168 days and ten percent of remaining days for certified employees and classified employees.

NOTE 11 - RISK MANAGEMENT

A. Property, Fleet, and Liability Insurance

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2015, the District contracted with Ohio Casualty for property, automobile, liability and umbrella insurance.

	<u>Per Occurrence</u>	<u>Deductibles</u>	<u>Annual Aggregate</u>
Property:			
Building and contents - replacement cost	\$ -	\$ 5,000	\$ -
Computers	-	500	-
Equipment	-	500	-
Automobile:			
Liability	-	-	1,000,000
Uninsured motorist	-	-	350,000
Medical payments	-	-	5,000
Liability:			
General	1,000,000	-	2,000,000
Fire damage	-	-	300,000
Employer's liability	-	-	1,000,000
Employee benefits	-	1,000	1,000,000
Sexual misconduct	1,000,000	-	1,000,000
Employment practices	-	2,500	1,000,000
Umbrella	1,000,000	-	1,000,000

Settled claims have not exceeded this commercial coverage for the past three years and there has not been a significant reduction in coverage from the prior year.

B. Employee Health Benefits

The District has contracted with Stark County Schools Council of Governments (a shared risk pool) (Note 2) to provide employee medical/surgical and dental benefits. Rates are set through an annual calculation process. The District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating districts. The District's Board of Education pays 93% of medical/surgical premiums for certified and administrative employees and 90% for classified employees. Employees are responsible for the remaining 7% and 10% respectively.

The dental coverage is administered by Medical Mutual of Ohio; a third party administrator. The District pays 100% of dental premiums.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 11 - RISK MANAGEMENT - (Continued)

Claims are paid for all participants regardless of claims flow. Upon termination, all District claims would be paid without regard to the District's account balance. The Directors have the right to hold monies for an exiting district subsequent to the settlement of all expenses and claims.

C. Workers' Compensation

Workers' compensation coverage is provided by the State of Ohio. The District pays the Bureau of Workers' Compensation a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the District's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the District's obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions are financed; however, the District does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *pension and postemployment obligation payable* on both the accrual and modified accrual bases of accounting.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - School Employees Retirement System (SERS)

Plan Description - District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. 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 Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District's contractually required contribution to SERS was \$777,221 for fiscal year 2015. Of this amount \$66,742 is reported as pension and postemployment obligation payable.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - State Teachers Retirement System (STRS)

Plan Description - District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site 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. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. 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 DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$2,716,595 for fiscal year 2015. Of this amount, \$458,556 is reported as pension and postemployment obligation payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 10,106,349	\$ 45,284,743	\$ 55,391,092
Proportion of the net pension liability	0.19969300%	0.18617722%	
Pension expense	\$ 589,771	\$ 1,756,620	\$ 2,346,391

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 86,016	\$ 435,964	\$ 521,980
District contributions subsequent to the measurement date	<u>777,221</u>	<u>2,716,595</u>	<u>3,493,816</u>
Total deferred outflows of resources	<u>\$ 863,237</u>	<u>\$ 3,152,559</u>	<u>\$ 4,015,796</u>
Deferred inflows of resources			
Net difference between projected and actual earnings on pension plan investments	<u>\$ 1,640,289</u>	<u>\$ 8,377,849</u>	<u>\$ 10,018,138</u>
Total deferred inflows of resources	<u>\$ 1,640,289</u>	<u>\$ 8,377,849</u>	<u>\$ 10,018,138</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

\$3,493,816 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2016	\$ (388,568)	\$ (1,985,471)	\$ (2,374,039)
2017	(388,568)	(1,985,471)	(2,374,039)
2018	(388,568)	(1,985,471)	(2,374,039)
2019	<u>(388,569)</u>	<u>(1,985,472)</u>	<u>(2,374,041)</u>
Total	<u>\$ (1,554,273)</u>	<u>\$ (7,941,885)</u>	<u>\$ (9,496,158)</u>

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	15.00	7.50
Total	<u>100.00 %</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$ 14,418,757	\$ 10,106,349	\$ 6,479,241

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and not set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$ 64,830,047	\$ 45,284,743	\$ 28,755,993

NOTE 13 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 13 - 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 basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the District's surcharge obligation was \$101,044.

The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$147,614, \$101,901, and \$92,724, respectively. For fiscal year 2015, 92.32 percent has been contributed, with the balance being reported as pension and postemployment obligation payable. The full amount has been contributed for fiscal years 2014 and 2013.

B. State Teachers Retirement System

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS 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. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$194,278, and \$194,731 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) 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 an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and,
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (521,957)
Net adjustment for revenue accruals	108,095
Net adjustment for expenditure accruals	285,865
Net adjustment for other sources/uses	(270,995)
Funds budgeted elsewhere	211,568
Adjustment for encumbrances	770,286
GAAP basis	\$ 582,862

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the CCIP fund, miscellaneous general funds fund, BWC fund and the public school support fund.

NOTE 15 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous Federal, State and local 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District at June 30, 2015.

B. Litigation

The District is a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and spending projects. The District management is of the opinion that disposition of the claim and legal proceedings will not have a material effect, if any, on the financial condition of the District.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 15 - CONTINGENCIES - (Continued)

C. Foundation Funding

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional Districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

NOTE 16 - SET ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2014	\$ -
Current year set-aside requirement	918,126
Contributions in excess of the current fiscal year set-aside requirement	-
Current year qualifying expenditures	(337,775)
Excess qualified expenditures from prior years	-
Current year offsets	(349,755)
Waiver granted by ODE	-
Prior year offset from bond proceeds	<u>(230,596)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2016	<u>\$ -</u>
Set-aside balance June 30, 2015	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 16 - SET ASIDES - (Continued)

During fiscal year 2011, the District issued \$26,680,000 in capital related school improvement bonds. These proceeds may be used to reduce the capital improvements set-aside amount to below zero for future years. The amount presented for prior year offset from bond proceeds is limited to an amount needed to reduce the capital improvements set-aside balance to \$0. The District is responsible for tracking the amount of bond proceeds that may be used as an offset in future periods, which was \$25,383,675 at June 30, 2015.

NOTE 17 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 778,122
Capital projects	7,500
Other governmental	<u>1,017,428</u>
 Total	 <u>\$ 1,803,050</u>

REQUIRED SUPPLEMENTARY INFORMATION

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TWO FISCAL YEARS (1)

	2014	2013
District's proportion of the net pension liability	0.19969300%	0.19969300%
District's proportionate share of the net pension liability	\$ 10,106,349	\$ 11,875,102
District's covered-employee payroll	\$ 5,802,677	\$ 5,446,647
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	174.17%	218.03%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	65.52%

(1) Information prior to fiscal year 2013 was unavailable.

Note: Amounts presented as of the District's measurement date which is the prior fiscal year end.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TWO FISCAL YEARS (1)

	2014	2013
District's proportion of the net pension liability	0.18617722%	0.18617722%
District's proportionate share of the net pension liability	\$ 45,284,743	\$ 53,942,890
District's covered-employee payroll	\$ 19,022,169	\$ 19,473,131
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	238.06%	277.01%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	69.30%

(1) Information prior to fiscal year 2013 was unavailable.

Note: Amounts presented as of the District's measurement date which is the prior fiscal year end.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**SCHEDULE OF DISTRICT CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO**

	LAST TEN FISCAL YEARS			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 777,221	\$ 804,251	\$ 753,816	\$ 744,324
Contributions in relation to the contractually required contribution	<u>(777,221)</u>	<u>(804,251)</u>	<u>(753,816)</u>	<u>(744,324)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 5,896,973	\$ 5,802,677	\$ 5,446,647	\$ 5,534,007
Contributions as a percentage of covered-employee payroll	13.18%	13.86%	13.84%	13.45%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 703,667	\$ 770,347	\$ 554,019	\$ 580,453	\$ 607,909	\$ 585,920
<u>(703,667)</u>	<u>(770,347)</u>	<u>(554,019)</u>	<u>(580,453)</u>	<u>(607,909)</u>	<u>(585,920)</u>
<u>\$ -</u>					
\$ 5,597,987	\$ 5,689,417	\$ 5,630,274	\$ 5,910,927	\$ 5,692,032	\$ 5,537,996
12.57%	13.54%	9.84%	9.82%	10.68%	10.58%

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**SCHEDULE OF DISTRICT CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO**

	LAST TEN FISCAL YEARS			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 2,716,595	\$ 2,472,882	\$ 2,531,507	\$ 2,610,544
Contributions in relation to the contractually required contribution	<u>(2,716,595)</u>	<u>(2,472,882)</u>	<u>(2,531,507)</u>	<u>(2,610,544)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 19,404,250	\$ 19,022,169	\$ 19,473,131	\$ 20,081,108
Contributions as a percentage of covered-employee payroll	14.00%	13.00%	13.00%	13.00%

2011	2010	2009	2008	2007	2006
\$ 2,596,057	\$ 2,619,986	\$ 2,559,627	\$ 2,620,012	\$ 2,622,392	\$ 2,646,448
(2,596,057)	(2,619,986)	(2,559,627)	(2,620,012)	(2,622,392)	(2,646,448)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 19,969,669	\$ 20,153,738	\$ 19,689,438	\$ 20,153,938	\$ 20,172,246	\$ 20,357,292
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Information about factors that significantly affect trends in the amounts reported in the schedules should be presented as notes to the schedule.

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for fiscal year 2014 and 2015.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for fiscal year 2014 and 2015.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

MAJOR GOVERNMENTAL FUND

General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio. A budgetary statement for the general fund is presented as part of the basic financial statements. The level of detail presented in that statement is greater than the legal level of budgetary control; therefore, a separate additional schedule is not presented.

Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

Public School Support

Section 5705.12, Revised Code

To account for specific local revenue sources (other than taxes) generated by individual school buildings (e.g. sale of pictures, profits from vending machines, etc.) Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

CCIP

Section 5705.09, Revised Code

A fund used to account for the District's activities relating to the Comprehensive Continuous Improvement Plan and grant administration. The sole revenue source of this fund is transfers from the general fund.

Miscellaneous General Fund

Section 5705.12, Revised Code

A fund used to account for miscellaneous programs, such as independent study and various other instructional programs funded by fees.

BWC Rebate

Section 5705.13, Revised Code

A fund to account for rebates received from the Ohio Bureau of Workers' Compensation.

OTHER MAJOR GOVERNMENTAL FUNDS

Bond Retirement

Section 5705.09, Revised Code

The bond retirement debt service fund is used to account for the accumulation of resources for and the payment of general obligation bond principal and interest and certain other long-term obligations for governmental resources when the District is obligated in some manner for the payment.

Capital Projects

Section 5705.13, Revised Code

A fund used to accumulate money for one or more capital projects.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public School Support				
Total revenues and other sources	\$ 214,027	\$ 328,390	\$ 329,862	\$ 1,472
Total expenditures and other uses	<u>225,881</u>	<u>285,084</u>	<u>271,464</u>	<u>13,620</u>
Net change in fund balance	(11,854)	43,306	58,398	15,092
Fund balance at beginning of year.	97,374	97,374	97,374	-
Prior year encumbrances appropriated.	<u>7,209</u>	<u>7,209</u>	<u>7,209</u>	<u>-</u>
Fund balance at end of year	<u>\$ 92,729</u>	<u>\$ 147,889</u>	<u>\$ 162,981</u>	<u>\$ 15,092</u>
CCIP				
Total revenues and other sources	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Total expenditures and other uses	<u>56,800</u>	<u>41,446</u>	<u>41,446</u>	<u>-</u>
Net change in fund balance	(6,800)	8,554	8,554	-
Fund balance at beginning of year.	<u>25,044</u>	<u>25,044</u>	<u>25,044</u>	<u>-</u>
Fund balance at end of year	<u>\$ 18,244</u>	<u>\$ 33,598</u>	<u>\$ 33,598</u>	<u>\$ -</u>
Miscellaneous General Fund				
Total revenues and other sources	\$ 63,900	\$ 25,349	\$ 25,635	\$ 286
Total expenditures and other uses	<u>41,510</u>	<u>26,167</u>	<u>26,167</u>	<u>-</u>
Net change in fund balance	22,390	(818)	(532)	286
Fund balance at beginning of year.	<u>5,156</u>	<u>5,156</u>	<u>5,156</u>	<u>-</u>
Fund balance at end of year	<u>\$ 27,546</u>	<u>\$ 4,338</u>	<u>\$ 4,624</u>	<u>\$ 286</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
BWC Rebate				
Total revenues and other sources	\$ 131,462	\$ 131,462	\$ 131,462	\$ -
Net change in fund balance	131,462	131,462	131,462	-
Fund balance at beginning of year.	111,081	111,081	111,081	-
Fund balance at end of year	<u>\$ 242,543</u>	<u>\$ 242,543</u>	<u>\$ 242,543</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Bond Retirement				
Total revenues and other sources	\$ 3,270,000	\$ 3,213,192	\$ 3,213,192	\$ -
Total expenditures and other uses	<u>3,108,925</u>	<u>3,240,576</u>	<u>3,240,576</u>	<u>-</u>
Net change in fund balance	161,075	(27,384)	(27,384)	-
Fund balance at beginning of year.	<u>1,894,989</u>	<u>1,894,989</u>	<u>1,894,989</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 2,056,064</u></u>	<u><u>\$ 1,867,605</u></u>	<u><u>\$ 1,867,605</u></u>	<u><u>\$ -</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Capital Projects				
Total revenues and other sources	\$ 500,000	\$ 2,200,000	\$ 2,200,000	\$ -
Total expenditures and other uses	<u>1,420,000</u>	<u>1,420,000</u>	<u>1,238,679</u>	<u>181,321</u>
Net change in fund balance	(920,000)	780,000	961,321	181,321
Fund balance at beginning of year.	<u>3,074,716</u>	<u>3,074,716</u>	<u>3,074,716</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 2,154,716</u></u>	<u><u>\$ 3,854,716</u></u>	<u><u>\$ 4,036,037</u></u>	<u><u>\$ 181,321</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

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

Food Service Section 3313.81, Revised Code

A fund used to record financial transactions related to food service operations.

Other Grants Section 5705.09, Revised Code

A fund used to account for the proceeds of specific revenue sources, except for State and federal grants that are legally restricted to expenditures for specified purposes.

Miscellaneous Grants Section 5705.12, Revised Code

A fund provided to account for the proceeds of specific local revenue sources, except for State and federal grants that are legally restricted for specified purposes. This fund is used to account for the District's DARE and Channel 19 programs.

Classroom Facilities Maintenance Section 3318.06, Revised Code

A fund used to account for the proceeds of a levy for the maintenance of facilities.

District Managed Student Activity Section 3313.062, Revised Code

A fund provided to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

Auxiliary Services Current Budget Bill appropriation line item 200-511 and 200-532

A fund used to account for monies which provide services and materials to pupils attending non-public schools within the school district.

OneNet Subsidy Current Budget Bill appropriation line item 200-426

A fund provided to account for money appropriated for Ohio Educational Computer Network (OECN) connections.

Alternative School Grant Current Budget Bill appropriation line item 200-421

A fund used to account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services facility.

Race to the Top Catalog of Federal Domestic Assistance #84.395A

To account for federal monies related to the Race to the Top program.

Title VI-B Catalog of Federal Domestic Assistance #84.027

To account for federal monies which assist states in the identification of handicapped children, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

Nonmajor Special Revenue Funds - (Continued)

Title I

Catalog of Federal Domestic Assistance #84.010

To account for funds which are to: 1) establish or improve programs designed to meet the special educational need of migratory children of migratory agricultural workers or migratory fishers' and 2) enable State education agencies to coordinate their state migrant education programs and local projects with similar programs and projects in other states, including the transfer of school records of other information about migratory children.

Improving Teacher Quality

Catalog of Federal Domestic Assistance #84.367

A fund used to account for monies to hire additional classroom teachers in grades one through three so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants

Catalog of Federal Domestic Assistance #84 and #94

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant and be approved by the Auditor of State.

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or trust funds. During fiscal year 2015, the District had three nonmajor capital projects funds. A description of the District's capital projects funds follows:

Permanent Improvement

Section 5705.12, Revised Code

A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705, Revised Code.

Building

Section 5705.09, Revised Code

This fund is used to account for monies received and expended in connection with the renovation and construction of District buildings.

Classroom Facilities

Sections 3318.080 and 3318.15, Revised Code

The classroom facilities capital projects fund is used to account for monies received and expended in connection with contracts entered into by the District and the Ohio School Facilities Commission (OSFC) for the building and equipping of classroom facilities.

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**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and cash equivalents.	\$ 2,395,043	\$ 1,181,142	\$ 3,576,185
Receivables:			
Taxes	269,787	-	269,787
Accounts	1,191	-	1,191
Intergovernmental	472,969	-	472,969
Inventory held for resale.	30,000	-	30,000
Total assets.	<u>\$ 3,168,990</u>	<u>\$ 1,181,142</u>	<u>\$ 4,350,132</u>
Liabilities:			
Accounts payable.	\$ 2,147	\$ -	\$ 2,147
Accrued wages and benefits	415,259	-	415,259
Pension and postemployment obligation payable.	60,359	-	60,359
Intergovernmental payable	13,724	-	13,724
Due to other funds.	109,849	-	109,849
Total liabilities.	<u>601,338</u>	<u>-</u>	<u>601,338</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	247,500	-	247,500
Delinquent property tax revenue not available	22,287	-	22,287
Intergovernmental revenue not available	284,409	-	284,409
Total deferred inflows of resources	<u>554,196</u>	<u>-</u>	<u>554,196</u>
Fund balances:			
Restricted:			
Capital improvements.	-	1,181,142	1,181,142
Classroom facilities maintenance	1,557,893	-	1,557,893
Extracurricular	220,252	-	220,252
Other purposes	514,052	-	514,052
Committed:			
Extracurricular	75,101	-	75,101
Unassigned (deficit).	(353,842)	-	(353,842)
Total fund balances.	<u>2,013,456</u>	<u>1,181,142</u>	<u>3,194,598</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 3,168,990</u>	<u>\$ 1,181,142</u>	<u>\$ 4,350,132</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
From local sources:			
Taxes	\$ 255,909	\$ -	\$ 255,909
Earnings on investments	13	432	445
Charges for services	903,960	-	903,960
Extracurricular	441,428	-	441,428
Classroom materials and fees	155	-	155
Other local revenue	60,599	-	60,599
Intergovernmental - Intermediate	26,307	-	26,307
Intergovernmental - State	142,386	-	142,386
Intergovernmental - Federal	4,959,418	-	4,959,418
Total revenues	6,790,175	432	6,790,607
Expenditures:			
Current:			
Instruction:			
Regular	102,913	-	102,913
Special	1,828,179	-	1,828,179
Support services:			
Pupil	108,765	-	108,765
Instructional staff	284,403	-	284,403
Administration	368,965	-	368,965
Fiscal	5,784	-	5,784
Operations and maintenance	22,609	-	22,609
Pupil transportation	1,062,589	-	1,062,589
Central	7,200	-	7,200
Operation of non-instructional services:			
Food service operations	2,460,143	-	2,460,143
Other non-instructional services	21,488	-	21,488
Extracurricular activities	428,614	-	428,614
Facilities acquisition and construction	-	295,497	295,497
Total expenditures	6,701,652	295,497	6,997,149
Excess (deficiency) of revenues over (under) expenditures	88,523	(295,065)	(206,542)
Other financing sources:			
Sale of assets	750	-	750
Transfers in	101,872	-	101,872
Total other financing sources	102,622	-	102,622
Net change in fund balances	191,145	(295,065)	(103,920)
Fund balances at beginning of year	1,822,311	1,476,207	3,298,518
Fund balances at end of year	\$ 2,013,456	\$ 1,181,142	\$ 3,194,598

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	<u>Food Service</u>	<u>Other Grants</u>	<u>Miscellaneous Grants</u>	<u>Classroom Facilities Maintenance</u>
Assets:				
Equity in pooled cash and cash equivalents. . . .	\$ -	\$ 18,619	\$ 77,408	\$ 1,557,893
Receivables:				
Taxes.	-	-	-	269,787
Accounts.	210	-	12	-
Intergovernmental	-	-	-	-
Inventory held for resale.	30,000	-	-	-
Total assets.	<u>\$ 30,210</u>	<u>\$ 18,619</u>	<u>\$ 77,420</u>	<u>\$ 1,827,680</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits	168,961	-	2,297	-
Pension and postemployment obligation payable.	59,519	-	-	-
Intergovernmental payable	7,781	-	22	-
Due to other funds.	89,289	-	-	-
Total liabilities.	<u>325,550</u>	<u>-</u>	<u>2,319</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year. . . .	-	-	-	247,500
Delinquent property tax revenue not available. . . .	-	-	-	22,287
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources.	<u>-</u>	<u>-</u>	<u>-</u>	<u>269,787</u>
Fund balances:				
Restricted:				
Classroom facilities maintenance.	-	-	-	1,557,893
Extracurricular.	-	-	-	-
Other purposes.	-	18,619	-	-
Committed:				
Extracurricular.	-	-	75,101	-
Unassigned (deficit).	<u>(295,340)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>(295,340)</u>	<u>18,619</u>	<u>75,101</u>	<u>1,557,893</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 30,210</u>	<u>\$ 18,619</u>	<u>\$ 77,420</u>	<u>\$ 1,827,680</u>

District Managed Student Activity	Alternative School Grant	Title VI-B	Title I	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 220,309	\$ 147	\$ -	\$ 11,709	\$ 4,342	\$ 504,616	\$ 2,395,043
-	-	-	-	-	-	269,787
969	-	-	-	-	-	1,191
-	-	151,624	121,038	20,100	180,207	472,969
-	-	-	-	-	-	30,000
<u>\$ 221,278</u>	<u>\$ 147</u>	<u>\$ 151,624</u>	<u>\$ 132,747</u>	<u>\$ 24,442</u>	<u>\$ 684,823</u>	<u>\$ 3,168,990</u>
\$ 1,026	\$ -	\$ -	\$ -	\$ -	\$ 1,121	\$ 2,147
-	-	120,663	87,347	28,288	7,703	415,259
-	-	840	-	-	-	60,359
-	-	2,674	2,055	686	506	13,724
-	-	20,560	-	-	-	109,849
<u>1,026</u>	<u>-</u>	<u>144,737</u>	<u>89,402</u>	<u>28,974</u>	<u>9,330</u>	<u>601,338</u>
-	-	-	-	-	-	247,500
-	-	-	-	-	-	22,287
-	-	51,064	46,038	7,100	180,207	284,409
-	-	51,064	46,038	7,100	180,207	554,196
-	-	-	-	-	-	1,557,893
220,252	-	-	-	-	-	220,252
-	147	-	-	-	495,286	514,052
-	-	-	-	-	-	75,101
-	-	(44,177)	(2,693)	(11,632)	-	(353,842)
<u>220,252</u>	<u>147</u>	<u>(44,177)</u>	<u>(2,693)</u>	<u>(11,632)</u>	<u>495,286</u>	<u>2,013,456</u>
<u>\$ 221,278</u>	<u>\$ 147</u>	<u>\$ 151,624</u>	<u>\$ 132,747</u>	<u>\$ 24,442</u>	<u>\$ 684,823</u>	<u>\$ 3,168,990</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Service	Other Grants	Miscellaneous Grants	Classroom Facilities Maintenance
Revenues:				
From local sources:				
Taxes	\$ -	\$ -	\$ -	\$ 255,909
Earnings on investments	1	-	-	-
Charges for services	903,960	-	-	-
Extracurricular	-	-	-	-
Classroom materials and fees.	-	-	-	-
Other local revenues	2,000	12,545	32,308	-
Intergovernmental - Intermediate	-	26,307	-	-
Intergovernmental - State	-	-	-	93,846
Intergovernmental - Federal	1,309,933	-	-	-
Total revenues	<u>2,215,894</u>	<u>38,852</u>	<u>32,308</u>	<u>349,755</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	32,775	-	-
Special	-	-	-	-
Support services:				
Pupil	-	1,351	-	-
Instructional staff.	-	1,024	37,039	-
Administration	-	2,635	-	-
Fiscal	-	-	-	5,171
Operations and maintenance.	22,609	-	-	-
Pupil transportation.	-	476	-	-
Central.	-	-	-	-
Operation of non-instructional services:				
Food service operations	2,460,143	-	-	-
Other non-instructional services	-	1,293	-	-
Extracurricular activities	-	-	-	-
Total expenditures	<u>2,482,752</u>	<u>39,554</u>	<u>37,039</u>	<u>5,171</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(266,858)</u>	<u>(702)</u>	<u>(4,731)</u>	<u>344,584</u>
Other financing sources:				
Sale of assets.	750	-	-	-
Transfers in	-	-	1,872	-
Total other financing sources	<u>750</u>	<u>-</u>	<u>1,872</u>	<u>-</u>
Net change in fund balances	(266,108)	(702)	(2,859)	344,584
Fund balances (deficits) at beginning of year	<u>(29,232)</u>	<u>19,321</u>	<u>77,960</u>	<u>1,213,309</u>
Fund balances (deficits) at end of year . . .	<u>\$ (295,340)</u>	<u>\$ 18,619</u>	<u>\$ 75,101</u>	<u>\$ 1,557,893</u>

District Managed Student Activity	Auxiliary Services	OneNet Subsidy	Alternative School Grant	Title VI-B	Title I
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	-	-	-	-	-
-	-	-	-	-	-
441,428	-	-	-	-	-
155	-	-	-	-	-
13,746	-	-	-	-	-
-	-	-	-	-	-
-	-	7,200	41,340	-	-
-	-	-	-	998,154	1,111,841
<u>455,341</u>	<u>-</u>	<u>7,200</u>	<u>41,340</u>	<u>998,154</u>	<u>1,111,841</u>
-	-	-	22,830	-	-
-	-	-	-	807,777	1,020,402
-	-	-	11,856	50,600	14,535
2,661	-	-	-	106,366	22,664
-	-	-	6,670	123,248	54,326
-	-	-	-	-	-
-	-	-	-	-	-
39,279	-	-	-	4,968	-
-	-	7,200	-	-	-
-	-	-	-	-	-
-	17,980	-	-	-	2,215
428,614	-	-	-	-	-
<u>470,554</u>	<u>17,980</u>	<u>7,200</u>	<u>41,356</u>	<u>1,092,959</u>	<u>1,114,142</u>
<u>(15,213)</u>	<u>(17,980)</u>	<u>-</u>	<u>(16)</u>	<u>(94,805)</u>	<u>(2,301)</u>
-	-	-	-	-	-
<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
84,787	(17,980)	-	(16)	(94,805)	(2,301)
<u>135,465</u>	<u>17,980</u>	<u>-</u>	<u>163</u>	<u>50,628</u>	<u>(392)</u>
<u>\$ 220,252</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 147</u>	<u>\$ (44,177)</u>	<u>\$ (2,693)</u>

- - Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
Revenues:			
From local sources:			
Taxes	\$ -	\$ -	\$ 255,909
Earnings on investments	-	-	13
Charges for services	-	-	903,960
Extracurricular	-	-	441,428
Classroom materials and fees	-	-	155
Other local revenues	-	-	60,599
Intergovernmental - Intermediate	-	-	26,307
Intergovernmental - State	-	-	142,386
Intergovernmental - Federal	153,513	1,385,977	4,959,418
Total revenues	<u>153,513</u>	<u>1,385,977</u>	<u>6,790,175</u>
Expenditures:			
Current:			
Instruction:			
Regular	47,308	-	102,913
Special	-	-	1,828,179
Support services:			
Pupil	-	30,423	108,765
Instructional staff	114,649	-	284,403
Administration	-	182,086	368,965
Fiscal	-	613	5,784
Operations and maintenance	-	-	22,609
Pupil transportation	-	1,017,866	1,062,589
Central	-	-	7,200
Operation of non-instructional services:			
Food service operations	-	-	2,460,143
Other non-instructional services	-	-	21,488
Extracurricular activities	-	-	428,614
Total expenditures	<u>161,957</u>	<u>1,230,988</u>	<u>6,701,652</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,444)</u>	<u>154,989</u>	<u>88,523</u>
Other financing sources:			
Sale of assets	-	-	750
Transfers in	-	-	101,872
Total other financing sources	<u>-</u>	<u>-</u>	<u>102,622</u>
Net change in fund balances	(8,444)	154,989	191,145
Fund balances (deficits) at beginning of year	<u>(3,188)</u>	<u>340,297</u>	<u>1,822,311</u>
Fund balances (deficits) at end of year	<u>\$ (11,632)</u>	<u>\$ 495,286</u>	<u>\$ 2,013,456</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Food Service				
Total revenues and other sources	\$ 2,114,480	\$ 1,884,561	\$ 1,885,887	\$ 1,326
Total expenditures and other uses	<u>2,281,979</u>	<u>2,164,729</u>	<u>2,164,404</u>	<u>325</u>
Net change in fund balance	(167,499)	(280,168)	(278,517)	1,651
Fund balance at beginning of year.	187,946	187,946	187,946	-
Prior year encumbrances appropriated.	<u>982</u>	<u>982</u>	<u>982</u>	<u>-</u>
Fund balance (deficit) at end of year.	<u>\$ 21,429</u>	<u>\$ (91,240)</u>	<u>\$ (89,589)</u>	<u>\$ 1,651</u>
Other Grants				
Total revenues and other sources	\$ 36,400	\$ 40,171	\$ 38,852	\$ (1,319)
Total expenditures and other uses	<u>50,779</u>	<u>41,824</u>	<u>41,824</u>	<u>-</u>
Net change in fund balance	(14,379)	(1,653)	(2,972)	(1,319)
Fund balance at beginning of year.	<u>19,481</u>	<u>19,481</u>	<u>19,481</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,102</u>	<u>\$ 17,828</u>	<u>\$ 16,509</u>	<u>\$ (1,319)</u>
Miscellaneous Grants				
Total revenues and other sources	\$ 30,100	\$ 39,120	\$ 34,168	\$ (4,952)
Total expenditures and other uses	<u>46,232</u>	<u>49,396</u>	<u>49,396</u>	<u>-</u>
Net change in fund balance	(16,132)	(10,276)	(15,228)	(4,952)
Fund balance at beginning of year.	<u>80,785</u>	<u>80,785</u>	<u>80,785</u>	<u>-</u>
Fund balance at end of year	<u>\$ 64,653</u>	<u>\$ 70,509</u>	<u>\$ 65,557</u>	<u>\$ (4,952)</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Classroom Facilities Maintenance				
Total revenues and other sources	\$ 352,000	\$ 349,754	\$ 349,754	\$ -
Total expenditures and other uses	<u>904,800</u>	<u>5,170</u>	<u>5,170</u>	<u>-</u>
Net change in fund balance	(552,800)	344,584	344,584	-
Fund balance at beginning of year.	<u>1,213,309</u>	<u>1,213,309</u>	<u>1,213,309</u>	<u>-</u>
Fund balance at end of year	<u>\$ 660,509</u>	<u>\$ 1,557,893</u>	<u>\$ 1,557,893</u>	<u>\$ -</u>
District Managed Student Activity				
Total revenues and other sources	\$ 411,900	\$ 554,559	\$ 554,744	\$ 185
Total expenditures and other uses	<u>406,691</u>	<u>545,613</u>	<u>544,649</u>	<u>964</u>
Net change in fund balance	5,209	8,946	10,095	1,149
Fund balance at beginning of year.	79,035	79,035	79,035	-
Prior year encumbrances appropriated.	<u>56,696</u>	<u>56,696</u>	<u>56,696</u>	<u>-</u>
Fund balance at end of year	<u>\$ 140,940</u>	<u>\$ 144,677</u>	<u>\$ 145,826</u>	<u>\$ 1,149</u>
Auxiliary Services				
Total expenditures and other uses	<u>\$ 5,219</u>	<u>\$ 20,488</u>	<u>\$ 20,488</u>	<u>\$ -</u>
Net change in fund balance	(5,219)	(20,488)	(20,488)	-
Fund balance at beginning of year.	18,705	18,705	18,705	-
Prior year encumbrances appropriated.	<u>1,783</u>	<u>1,783</u>	<u>1,783</u>	<u>-</u>
Fund balance at end of year	<u>\$ 15,269</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OneNet Subsidy				
Total revenues and other sources	\$ 7,200	\$ 7,200	\$ 7,200	\$ -
Total expenditures and other uses	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Alternative School Grant				
Total revenues and other sources	\$ 66,935	\$ 68,396	\$ 68,396	\$ -
Total expenditures and other uses	<u>40,042</u>	<u>41,503</u>	<u>41,503</u>	<u>-</u>
Net change in fund balance	26,893	26,893	26,893	-
Fund balance (deficit) at beginning of year	(27,056)	(27,056)	(27,056)	-
Prior year encumbrances appropriated.	<u>163</u>	<u>163</u>	<u>163</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Race to the Top				
Total expenditures and other uses	<u>\$ 8,050</u>	<u>\$ 8,050</u>	<u>\$ 8,050</u>	<u>\$ -</u>
Net change in fund balance	(8,050)	(8,050)	(8,050)	-
Fund balance at beginning of year.	<u>8,050</u>	<u>8,050</u>	<u>8,050</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Title VI-B				
Total revenues and other sources	\$ 1,242,627	\$ 1,062,573	\$ 1,062,573	\$ -
Total expenditures and other uses	<u>1,244,509</u>	<u>1,092,799</u>	<u>1,092,783</u>	<u>16</u>
Net change in fund balance	(1,882)	(30,226)	(30,210)	16
Fund balance at beginning of year.	283	283	283	-
Prior year encumbrances appropriated.	<u>1,599</u>	<u>1,599</u>	<u>1,599</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (28,344)</u>	<u>\$ (28,328)</u>	<u>\$ 16</u>
Title I				
Total revenues and other sources	\$ 1,109,323	\$ 1,101,841	\$ 1,101,841	\$ -
Total expenditures and other uses	<u>1,110,413</u>	<u>1,093,122</u>	<u>1,093,122</u>	<u>-</u>
Net change in fund balance	(1,090)	8,719	8,719	-
Fund balance at beginning of year.	890	890	890	-
Prior year encumbrances appropriated.	<u>200</u>	<u>200</u>	<u>200</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 9,809</u>	<u>\$ 9,809</u>	<u>\$ -</u>
Improving Teacher Quality				
Total revenues and other sources	\$ 209,539	\$ 187,186	\$ 187,186	\$ -
Total expenditures and other uses	<u>187,553</u>	<u>160,858</u>	<u>160,858</u>	<u>-</u>
Net change in fund balance	21,986	26,328	26,328	-
Fund balance (deficit) at beginning of year	<u>(21,986)</u>	<u>(21,986)</u>	<u>(21,986)</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 4,342</u>	<u>\$ 4,342</u>	<u>\$ -</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous Federal Grants				
Total revenues and other sources	\$ -	\$ 1,381,086	\$ 1,385,977	\$ 4,891
Total expenditures and other uses	<u>195,786</u>	<u>1,257,032</u>	<u>1,257,014</u>	<u>18</u>
Net change in fund balance	(195,786)	124,054	128,963	4,909
Fund balance at beginning of year.	321,304	321,304	321,304	-
Prior year encumbrances appropriated.	<u>31,005</u>	<u>31,005</u>	<u>31,005</u>	<u>-</u>
Fund balance at end of year	<u>\$ 156,523</u>	<u>\$ 476,363</u>	<u>\$ 481,272</u>	<u>\$ 4,909</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2015

	Permanent Improvement	Building	Classroom Facilities	Total Nonmajor Capital Projects Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 357,182	\$ 30,280	\$ 793,680	\$ 1,181,142
Total assets.	\$ 357,182	\$ 30,280	\$ 793,680	\$ 1,181,142
Fund balances:				
Restricted:				
Capital improvements.	\$ 357,182	\$ 30,280	\$ 793,680	\$ 1,181,142
Total fund balances	357,182	30,280	793,680	1,181,142
Total liabilities and fund balances	\$ 357,182	\$ 30,280	\$ 793,680	\$ 1,181,142

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Classroom Facilities</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues:				
From local sources:				
Earnings on investments	\$ -	\$ -	\$ 432	\$ 432
Total revenues	<u>-</u>	<u>-</u>	<u>432</u>	<u>432</u>
Expenditures:				
Facilities acquisition and construction.	<u>-</u>	<u>-</u>	<u>295,497</u>	<u>295,497</u>
Net change in fund balances	-	-	(295,065)	(295,065)
Fund balances				
at beginning of year.	<u>357,182</u>	<u>30,280</u>	<u>1,088,745</u>	<u>1,476,207</u>
Fund balances at end of year	<u>\$ 357,182</u>	<u>\$ 30,280</u>	<u>\$ 793,680</u>	<u>\$ 1,181,142</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Permanent Improvement				
Fund balance at beginning of year	\$ 357,182	\$ 357,182	\$ 357,182	\$ -
Fund balance at end of year	<u>\$ 357,182</u>	<u>\$ 357,182</u>	<u>\$ 357,182</u>	<u>\$ -</u>
Building				
Total expenditures and other uses	\$ 30,280	\$ 30,280	\$ -	\$ 30,280
Net change in fund balance	(30,280)	(30,280)	-	30,280
Fund balance at beginning of year	30,280	30,280	30,280	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,280</u>	<u>\$ 30,280</u>
Classroom Facilities				
Total revenues and other sources	\$ 686,098	\$ 686,384	\$ 432	\$ (685,952)
Total expenditures and other uses	1,975,387	1,770,751	1,770,751	-
Net change in fund balance	(1,289,289)	(1,084,367)	(1,770,319)	(685,952)
Fund balance (deficit) at beginning of year . . .	(303,913)	(303,913)	(303,913)	-
Prior year encumbrances appropriated.	1,972,387	1,972,387	1,972,387	-
Fund balance (deficit) at end of year	<u>\$ 379,185</u>	<u>\$ 584,107</u>	<u>\$ (101,845)</u>	<u>\$ (685,952)</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

PROPRIETARY FUND DESCRIPTIONS

Nonmajor Enterprise Fund

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and indirect costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered quickly through user charges. This fund can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Special Enterprise

Section 5705.12, Revised Code

A fund to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and direct costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered primarily through user charges. This fund can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. This fund accounts for the programs of the community center and summer school. The District maintains only one enterprise fund, therefore combining statements schedules are not required.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Special Enterprise				
Total revenues	\$ 63,000	\$ 46,411	\$ 56,126	\$ 9,715
Total expenses	<u>80,850</u>	<u>59,430</u>	<u>59,015</u>	<u>415</u>
Net change in fund balance	(17,850)	(13,019)	(2,889)	10,130
Fund balance at beginning of year.	94,911	94,911	94,911	-
Prior year encumbrances appropriated.	<u>250</u>	<u>250</u>	<u>250</u>	<u>-</u>
Fund balance at end of year	<u>\$ 77,311</u>	<u>\$ 82,142</u>	<u>\$ 92,272</u>	<u>\$ 10,130</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

FIDUCIARY FUND DESCRIPTIONS

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: private purpose trust and agency funds. Private purpose trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results

Private Purpose Trust Fund

Scholarship Trust

Section 5705.09, Revised Code

A fund provided to account for monies set aside from endowments for scholarships for students enrolled in the District. The principal and income from such a fund may be expended.

Agency Funds

District Agency

Section 5705.12, Revised Code

A fund provided to account for monies for Ohio High School Athletic Association (OHSAA) tournaments.

Student Managed Activity

Section 3313.062, Revised Code

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Beginning Balance July 1, 2014	Additions	Deletions	Ending Balance June 30, 2015
District Agency				
Assets:				
Equity in pooled cash and cash equivalents	\$ 7,132	\$ 78,174	\$ 72,334	\$ 12,972
Total assets	<u>\$ 7,132</u>	<u>\$ 78,174</u>	<u>\$ 72,334</u>	<u>\$ 12,972</u>
Liabilities:				
Due to others	\$ 7,132	\$ 78,174	\$ 72,334	\$ 12,972
Total liabilities	<u>\$ 7,132</u>	<u>\$ 78,174</u>	<u>\$ 72,334</u>	<u>\$ 12,972</u>
Student Managed Activity				
Assets:				
Equity in pooled cash and cash equivalents	\$ 43,917	\$ 127,927	\$ 139,202	\$ 32,642
Total assets	<u>\$ 43,917</u>	<u>\$ 127,927</u>	<u>\$ 139,202</u>	<u>\$ 32,642</u>
Liabilities:				
Accounts payable	\$ 894	\$ 250	\$ 894	\$ 250
Due to students	43,023	127,677	138,308	32,392
Total liabilities.	<u>\$ 43,917</u>	<u>\$ 127,927</u>	<u>\$ 139,202</u>	<u>\$ 32,642</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and cash equivalents	\$ 51,049	\$ 206,101	\$ 211,536	\$ 45,614
Total assets	<u>\$ 51,049</u>	<u>\$ 206,101</u>	<u>\$ 211,536</u>	<u>\$ 45,614</u>
Liabilities:				
Accounts payable	\$ 894	\$ 250	\$ 894	\$ 250
Due to others.	7,132	78,174	72,334	12,972
Due to students	43,023	127,677	138,308	32,392
Total liabilities	<u>\$ 51,049</u>	<u>\$ 206,101</u>	<u>\$ 211,536</u>	<u>\$ 45,614</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Scholarship Trust				
Total revenues	\$ 15,721	\$ 14,587	\$ 14,593	\$ 6
Total expenses	<u>13,755</u>	<u>16,349</u>	<u>16,349</u>	<u>-</u>
Net change in fund balance	1,966	(1,762)	(1,756)	6
Fund balance at beginning of year.	<u>79,119</u>	<u>79,119</u>	<u>79,119</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 81,085</u></u>	<u><u>\$ 77,357</u></u>	<u><u>\$ 77,363</u></u>	<u><u>\$ 6</u></u>

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STATISTICAL SECTION

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**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	120-133
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	134-139
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	140-143
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	144-145
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	146-157

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental activities:				
Net investment in capital assets	\$ 29,351,797	\$ 29,743,734	\$ 31,791,028	\$ 21,302,378
Restricted	5,652,682	4,200,520	4,589,989	15,611,971
Unrestricted (deficit)	(56,462,790)	(58,365,762)	4,063,854	2,812,283
Total governmental activities net position	<u>(21,458,311)</u>	<u>(24,421,508)</u>	<u>40,444,871</u>	<u>39,726,632</u>
Business-type activities:				
Investment in capital assets	20,857	24,518	16,489	21,723
Unrestricted	80,822	86,419	79,163	33,237
Total governmental activities net position	<u>101,679</u>	<u>110,937</u>	<u>95,652</u>	<u>54,960</u>
Primary government:				
Net investment in capital assets	29,372,654	29,768,252	31,807,517	21,324,101
Restricted	5,652,682	4,200,520	4,589,989	15,611,971
Unrestricted (deficit)	(56,381,968)	(58,279,343)	4,143,017	2,845,520
Total net position - primary government	<u>\$ (21,356,632)</u>	<u>\$ (24,310,571)</u>	<u>\$ 40,540,523</u>	<u>\$ 39,781,592</u>

Source: District financial records.

Note: 2014 amounts have been restated due to the implementation of GASB Statements No. 68 & 71.

2011	2010	2009	2008	2007	2006
\$ 11,061,480	\$ 10,941,252	\$ 11,806,994	\$ 11,282,275	\$ 8,932,483	\$ 5,585,792
26,787,374	2,710,737	2,557,821	3,813,377	5,207,218	3,190,536
627,175	(1,162,831)	(2,970,216)	(2,054,471)	(921,311)	(2,444,751)
<u>38,476,029</u>	<u>12,489,158</u>	<u>11,394,599</u>	<u>13,041,181</u>	<u>13,218,390</u>	<u>6,331,577</u>
24,231	23,388	29,338	35,288	41,238	45,878
24,409	43,559	67,232	44,718	45,743	73,944
<u>48,640</u>	<u>66,947</u>	<u>96,570</u>	<u>80,006</u>	<u>86,981</u>	<u>119,822</u>
11,085,711	10,964,640	11,836,332	11,317,563	8,973,721	5,631,670
26,787,374	2,710,737	2,557,821	3,813,377	5,207,218	3,190,536
651,584	(1,119,272)	(2,902,984)	(2,009,753)	(875,568)	(2,370,807)
<u>\$ 38,524,669</u>	<u>\$ 12,556,105</u>	<u>\$ 11,491,169</u>	<u>\$ 13,121,187</u>	<u>\$ 13,305,371</u>	<u>\$ 6,451,399</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses:				
Governmental activities:				
Instruction:				
Regular	\$ 22,210,972	\$ 22,304,725	\$ 19,163,737	\$ 19,067,875
Special	6,134,578	6,170,417	5,922,687	6,170,894
Vocational	385,273	427,984	490,228	265,908
Adult/continuing	-	-	-	-
Other	2,441,428	2,150,753	2,064,679	1,735,218
Support services:				
Pupil	2,837,305	2,848,276	2,986,365	2,727,204
Instructional staff	997,171	759,210	1,512,809	1,276,998
Board of education	89,853	66,993	76,897	70,486
Administration	4,398,169	4,332,735	3,910,556	3,611,879
Fiscal	1,002,069	1,001,162	959,253	922,903
Business	2,404	2,252	2,766	1,579
Operations and maintenance	4,272,007	4,499,699	4,127,638	3,881,539
Pupil transportation	2,125,452	1,886,764	2,104,974	2,524,356
Central	22,194	7,200	34,522	19,025
Operation of non-instructional services:				
Food service operations	2,578,874	2,556,366	2,478,956	2,175,771
Other non-instructional services	2,939	107,209	153,856	190,475
Extracurricular activities	1,129,455	1,176,115	1,031,889	1,021,988
Interest and fiscal charges	2,254,351	2,292,137	2,349,048	2,577,479
Total governmental activities expenses	<u>52,884,494</u>	<u>52,589,997</u>	<u>49,370,860</u>	<u>48,241,577</u>
Business-type activities:				
Special enterprise	65,559	49,887	41,755	84,011
Total business-type activities expenses	<u>65,559</u>	<u>49,887</u>	<u>41,755</u>	<u>84,011</u>
Total primary government expenses	<u>\$ 52,950,053</u>	<u>\$ 52,639,884</u>	<u>\$ 49,412,615</u>	<u>\$ 48,325,588</u>

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	19,873,586	\$ 19,689,324	\$ 19,736,189	\$ 19,882,816	\$ 19,786,687	\$ 20,211,422
	5,880,047	5,945,781	5,370,879	5,098,781	5,086,712	4,677,768
	233,553	255,143	246,183	276,817	297,227	231,132
	-	-	-	-	-	31,691
	1,788,380	1,851,855	1,589,751	1,504,870	1,772,787	1,220,107
	2,848,283	2,767,898	2,777,257	2,689,774	2,727,291	2,541,249
	1,466,491	1,963,838	1,531,181	1,729,794	1,366,564	1,123,499
	78,862	51,886	46,498	58,681	65,160	52,807
	3,711,310	3,703,502	3,642,006	3,822,071	3,417,313	3,492,015
	869,790	837,264	891,394	876,977	856,985	846,012
	51,035	3,772	6,214	56,189	54,720	4,519
	3,992,828	4,130,588	4,246,874	4,201,380	4,231,309	4,044,331
	2,691,538	2,543,253	2,413,659	2,681,786	2,277,807	2,319,760
	7,278	337	557	47,782	-	2,282
	1,960,212	1,851,766	1,894,552	1,848,182	1,464,605	1,727,412
	158,420	337,536	216,103	400,251	386,883	300,405
	983,310	1,096,890	1,063,997	1,041,810	1,045,737	996,301
	2,621,249	1,218,649	1,245,703	1,234,668	1,246,393	1,258,858
	<u>49,216,172</u>	<u>48,249,282</u>	<u>46,918,997</u>	<u>47,452,629</u>	<u>46,084,180</u>	<u>45,081,570</u>
	<u>89,222</u>	<u>98,683</u>	<u>55,044</u>	<u>67,122</u>	<u>82,973</u>	<u>51,381</u>
	<u>89,222</u>	<u>98,683</u>	<u>55,044</u>	<u>67,122</u>	<u>82,973</u>	<u>51,381</u>
\$	<u>49,305,394</u>	<u>\$ 48,347,965</u>	<u>\$ 46,974,041</u>	<u>\$ 47,519,751</u>	<u>\$ 46,167,153</u>	<u>\$ 45,132,951</u>

- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 4,262,415	\$ 4,207,608	\$ 3,555,056	\$ 3,262,906
Special	49,872	59,438	95,363	15,753
Vocational	-	-	-	-
Support services:				
Pupil	6,335	25,901	150	-
Instructional staff	25,426	186	10,293	23,368
Administration	223,013	231,750	266,897	229,342
Fiscal	-	-	-	-
Operations and maintenance	11,084	18,194	32,567	18,629
Pupil transportation	40,130	40,967	50,950	4,484
Operation of non-instructional services:				
Food service operations	905,960	695,019	753,177	741,636
Other non-instructional services	1,164	4,957	776	769
Extracurricular activities	416,796	394,013	365,512	332,189
Operating grants and contributions:				
Instruction:				
Regular	94,951	93,764	91,927	143,448
Special	4,412,424	3,599,129	3,321,101	3,268,324
Vocational	27,143	29,347	69,315	69,315
Adult/continuing	-	-	-	-
Other	-	-	-	-
Support services:				
Pupil	137,878	98,996	9,457	141,255
Instructional staff	244,042	230,462	231,297	452,485
Administration	560,213	347,155	367,216	109,953
Fiscal	1,261	1,496	429	7,553
Operations and maintenance	-	-	-	-
Pupil transportation	86,915	107,458	121,610	242,773
Central	7,200	7,200	-	-
Operation of non-instructional services:				
Food service operations	1,309,934	1,344,807	1,389,443	1,273,355
Other non-instructional services	3,763	111,371	139,630	169,882
Extracurricular activities	5,907	1,109	2,883	13,501
Capital grants and contributions:				
Instruction:				
Regular	-	-	-	-
Support services:				
Pupil	-	-	376,037	92,776
Pupil transportation	1,017,866	-	-	-
Extracurricular activities	-	-	-	-
Total governmental program revenues	<u>13,851,692</u>	<u>11,650,327</u>	<u>11,251,086</u>	<u>10,613,696</u>
Business-type activities:				
Charges for services:				
Special enterprise	56,301	65,172	62,417	64,885
Operating grants and contributions:				
Special enterprise	-	-	-	-
Total business-type activities program revenues	<u>56,301</u>	<u>65,172</u>	<u>62,417</u>	<u>64,885</u>
Total primary government program revenues	<u>\$ 13,907,993</u>	<u>\$ 11,715,499</u>	<u>\$ 11,313,503</u>	<u>\$ 10,678,581</u>

	2011	2010	2009	2008	2007	2006
\$	2,124,828	\$ 1,279,150	\$ 159,310	\$ 123,064	\$ 139,332	\$ 97,459
	11,547	25,908	34,454	16,122	-	-
	-	-	24,322	22,030	24,504	-
	9,847	7,956	9,816	7,748	7,814	5,903
	-	23,668	21,135	17,587	6,879	-
	238,817	295,431	279,776	257,842	276,649	268,504
	-	-	-	-	-	3,333
	15,006	28,586	26,827	34,563	17,928	-
	-	4,483	-	-	-	-
	804,368	851,382	902,214	988,824	964,502	963,959
	888	1,035	530	614	933	11,326
	404,993	306,552	329,550	331,723	368,827	351,400
	1,132,693	133,344	379,489	465,826	525,126	522,623
	3,389,195	3,484,424	2,834,232	2,680,428	2,911,901	1,470,398
	69,315	68,799	68,664	68,065	50,065	-
	-	-	-	-	-	31,367
	73,374	58,040	-	80,364	161,527	-
	206,905	147,497	100,687	354,554	360,394	100,508
	494,611	614,738	363,313	473,835	214,488	211,625
	1,781,995	1,299,518	152,470	162,611	189,092	202,945
	4,148	15,926	-	-	-	-
	-	-	63,698	29,050	-	-
	126,652	97,938	133,787	175,092	141,853	29,435
	-	-	-	-	-	-
	1,149,164	1,162,895	936,765	812,129	697,680	762,747
	178,227	234,751	245,050	284,842	306,630	326,661
	608	873	823	1,711	12,510	2,575
	-	-	-	58,108	32,800	-
	-	-	-	-	-	-
	-	-	71,261	35,490	113,950	-
	-	-	36,353	-	-	-
	<u>12,217,181</u>	<u>10,142,894</u>	<u>7,174,526</u>	<u>7,482,222</u>	<u>7,525,384</u>	<u>5,362,768</u>
	65,915	67,514	71,608	60,032	63,674	53,067
	-	1,546	-	-	-	-
	<u>65,915</u>	<u>69,060</u>	<u>71,608</u>	<u>60,032</u>	<u>63,674</u>	<u>53,067</u>
\$	<u>12,283,096</u>	<u>\$ 10,211,954</u>	<u>\$ 7,246,134</u>	<u>\$ 7,542,254</u>	<u>\$ 7,589,058</u>	<u>\$ 5,415,835</u>

- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net (expense)/revenue				
Governmental activities	\$ (39,032,802)	\$ (40,939,670)	\$ (38,119,774)	\$ (37,627,881)
Business-type activities	(9,258)	15,285	20,662	(19,126)
Total primary government net expense	<u>(39,042,060)</u>	<u>(40,924,385)</u>	<u>(38,099,112)</u>	<u>(37,647,007)</u>
General revenues and other changes in net position				
Governmental activities:				
Property taxes levied for:				
General purposes	16,077,123	15,398,511	15,557,798	15,764,653
Debt service	2,703,334	2,725,756	2,737,581	2,780,185
Classroom facilities maintenance	250,259	246,618	244,149	249,048
Grants and entitlements not restricted to specific programs	22,772,715	21,208,581	20,008,694	20,556,806
Grants and entitlements restricted for Ohio School Facilities Commission	-	-	-	-
Investment earnings	5,633	3,479	28,692	124,079
Miscellaneous	186,935	53,352	281,099	18,140
Transfers	-	-	(20,000)	(24,300)
Special item	-	(1,022,147)	-	-
Total governmental activities	<u>41,995,999</u>	<u>38,614,150</u>	<u>38,838,013</u>	<u>39,468,611</u>
Business-type activities:				
Investment earnings	-	-	-	-
Miscellaneous	-	-	30	1,146
Transfers	-	-	20,000	24,300
Total business-type activities	<u>-</u>	<u>-</u>	<u>20,030</u>	<u>25,446</u>
Change in net position				
Governmental activities	2,963,197	(2,325,520)	718,239	1,840,730
Business-type activities	(9,258)	15,285	40,692	6,320
Total primary government	<u>\$ 2,953,939</u>	<u>\$ (2,310,235)</u>	<u>\$ 758,931</u>	<u>\$ 1,847,050</u>

Source: District financial records.

2011	2010	2009	2008	2007	2006
\$ (36,998,991)	\$ (38,106,388)	\$ (39,744,471)	\$ (39,970,407)	\$ (38,558,796)	\$ (39,718,802)
(23,307)	(29,623)	16,564	(7,090)	(19,299)	1,686
<u>(37,022,298)</u>	<u>(38,136,011)</u>	<u>(39,727,907)</u>	<u>(39,977,497)</u>	<u>(38,578,095)</u>	<u>(39,717,116)</u>
15,860,458	15,932,210	16,417,867	17,600,028	18,967,834	17,364,641
2,314,189	1,528,636	1,499,746	1,561,582	1,648,406	1,578,146
161,560	-	-	-	-	-
20,634,581	21,601,726	19,949,270	20,318,179	19,750,702	21,309,943
23,661,484	-	-	-	-	-
334,362	89,584	182,106	224,685	751,807	928,050
24,228	48,791	48,900	88,724	52,001	236,705
(5,000)	-	-	-	-	-
-	-	-	-	1,267,612	-
<u>62,985,862</u>	<u>39,200,947</u>	<u>38,097,889</u>	<u>39,793,198</u>	<u>42,438,362</u>	<u>41,417,485</u>
-	-	-	115	-	-
-	-	-	-	-	-
5,000	-	-	-	-	-
<u>5,000</u>	<u>-</u>	<u>-</u>	<u>115</u>	<u>-</u>	<u>-</u>
25,986,871	1,094,559	(1,646,582)	(177,209)	3,879,566	1,698,683
(18,307)	(29,623)	16,564	(6,975)	(19,299)	1,686
<u>\$ 25,968,564</u>	<u>\$ 1,064,936</u>	<u>\$ (1,630,018)</u>	<u>\$ (184,184)</u>	<u>\$ 3,860,267</u>	<u>\$ 1,700,369</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General fund:				
Nonspendable	\$ 12,646	\$ 38,265	\$ 41,579	\$ 35,745
Restricted	-	-	-	8,395
Committed	450,000	704,564	450,000	-
Assigned	1,063,655	200,610	1,006,458	1,858,367
Unassigned	-	-	-	-
Reserved	-	-	-	-
Designated	-	-	-	-
Unreserved, undesignated (deficit)	-	-	-	-
Total general fund	<u>\$ 1,526,301</u>	<u>\$ 943,439</u>	<u>\$ 1,498,037</u>	<u>\$ 1,902,507</u>
All other governmental funds:				
Nonspendable	\$ -	\$ 30,000	\$ 30,000	\$ 122,776
Restricted	6,010,944	4,791,177	14,582,543	38,876,043
Committed	4,118,638	3,509,858	2,536,557	1,591,572
Unassigned (deficit)	(353,842)	(62,812)	(172,212)	(173,051)
Reserved	-	-	-	-
Unreserved, undesignated, reported in:				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>\$ 9,775,740</u>	<u>\$ 8,268,223</u>	<u>\$ 16,976,888</u>	<u>\$ 40,417,340</u>

Source: District financial records.

Note: The District implemented GASB Statement No. 54 in fiscal year 2011. Descriptions of the GASB Statement No. 54 fund balance classifications can be found in Note 2.K. of the basic financial statements. Prior to fiscal year 2011, fund balance was classified as either reserved or unreserved. Reserved fund balance indicates that portion of fund balance which is not available for current appropriation or is legally segregated for a specific use. Any fund balance not classified as reserved was classified as unreserved.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 35,538	\$ -	\$ -	\$ -	\$ -	\$ -
71,058	-	-	-	-	-
-	-	-	-	-	-
457,516	-	-	-	-	-
82,512	-	-	-	-	-
-	195,350	397,580	768,693	340,417	331,372
-	128,000	224,000	-	-	-
-	252,909	(2,180,785)	(2,071,058)	(57,517)	(2,307,860)
<u>\$ 646,624</u>	<u>\$ 576,259</u>	<u>\$ (1,559,205)</u>	<u>\$ (1,302,365)</u>	<u>\$ 282,900</u>	<u>\$ (1,976,488)</u>
\$ 34,390	\$ -	\$ -	\$ -	\$ -	\$ -
35,690,765	-	-	-	-	-
479,417	-	-	-	-	-
(3,510)	-	-	-	-	-
-	1,211,413	1,492,412	1,595,886	3,891,211	8,304,427
-	668,015	802,325	821,460	454,752	534,602
-	-	-	-	-	-
-	116,884	149,834	1,905,931	1,172,347	5,670,148
<u>\$ 36,201,062</u>	<u>\$ 1,996,312</u>	<u>\$ 2,444,571</u>	<u>\$ 4,323,277</u>	<u>\$ 5,518,310</u>	<u>\$ 14,509,177</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues				
From local sources:				
Taxes	\$ 19,273,556	\$ 18,773,297	\$ 18,619,192	\$ 18,701,158
Tuition	4,094,944	4,080,360	3,505,796	3,132,701
Charges for services	905,124	695,849	753,953	742,405
Earnings on investments	5,671	8,375	55,156	125,013
Extracurricular	660,728	610,912	610,054	546,350
Classroom materials and fees	214,870	183,440	144,666	130,993
Other local revenues	161,060	256,839	418,759	140,613
Intergovernmental - intermediate	26,307	18,000	17,810	55,704
Intergovernmental - state	24,766,225	22,870,197	23,595,375	35,497,924
Intergovernmental - federal	5,717,474	4,467,784	4,726,326	5,259,663
Total revenues	<u>55,825,959</u>	<u>51,965,053</u>	<u>52,447,087</u>	<u>64,332,524</u>
Expenditures				
Current:				
Instruction:				
Regular	21,400,913	20,938,263	18,729,461	18,580,788
Special	6,051,218	5,930,474	5,819,119	6,091,849
Vocational	386,606	453,898	504,341	245,931
Adult/continuing	-	-	-	-
Other	2,441,428	2,150,753	2,064,679	1,735,218
Support services:				
Pupil	2,853,507	2,772,975	3,377,312	2,721,137
Instructional staff	903,498	624,205	1,416,437	1,186,546
Board of education	89,853	66,993	76,897	70,486
Administration	4,400,906	4,157,479	3,823,407	3,523,827
Fiscal	985,197	983,085	979,010	921,691
Business	2,404	2,252	2,766	1,579
Operations and maintenance	3,948,860	4,320,762	3,608,713	3,563,604
Pupil transportation	3,065,357	1,729,875	1,930,052	2,408,338
Central	22,194	7,200	34,522	19,025
Operation of non-instructional services:				
Food service operations	2,460,143	2,328,982	2,481,898	2,092,702
Other non-instructional services	22,756	107,519	153,856	190,444
Extracurricular activities	1,002,985	964,507	894,706	911,501
Facilities acquisitions and construction	425,456	9,751,157	26,666,224	10,750,612
Debt service:				
Principal retirement	1,120,976	1,754,757	1,343,595	1,060,015
Interest and fiscal charges	2,152,073	2,184,671	2,482,711	2,761,800
Bond and note issuance expenses	-	-	-	260,989
Total expenditures	<u>53,736,330</u>	<u>61,229,807</u>	<u>76,389,706</u>	<u>59,098,082</u>
Excess of revenues over (under) expenditures	\$ 2,089,629	\$ (9,264,754)	\$ (23,942,619)	\$ 5,234,442

	2011	2010	2009	2008	2007	2006
\$	18,027,724	\$ 17,208,374	\$ 17,941,733	\$ 19,201,073	\$ 19,853,553	\$ 19,851,045
	2,014,999	1,181,377	85,745	87,513	94,391	9,027
	805,256	852,417	902,744	967,438	943,435	963,959
	306,037	99,280	198,218	302,440	798,469	979,907
	584,360	587,519	593,200	582,953	639,472	616,047
	121,393	122,782	131,949	69,017	66,709	68,085
	151,326	170,847	171,582	262,352	126,158	286,504
	16,309	23,255	49,350	209,947	233,770	9,315
	28,860,425	23,683,691	22,413,011	22,453,385	22,138,528	21,934,592
	6,159,747	5,176,241	2,913,014	3,134,312	2,898,614	3,137,053
	<u>57,047,576</u>	<u>49,105,783</u>	<u>45,400,546</u>	<u>47,270,430</u>	<u>47,793,099</u>	<u>47,855,534</u>
	19,360,689	18,935,450	19,009,083	19,268,437	19,605,253	19,854,668
	5,791,048	5,855,395	5,244,421	5,031,897	5,007,673	4,698,465
	236,402	251,216	243,095	271,692	278,107	254,223
	-	-	-	-	-	31,691
	1,788,380	1,851,855	1,589,751	1,504,870	1,772,787	1,220,107
	2,835,923	2,796,078	2,755,992	2,698,174	2,699,948	2,567,320
	1,334,236	1,797,980	1,385,185	1,651,888	1,353,971	1,108,648
	78,862	51,886	46,498	58,681	65,160	52,807
	3,697,590	3,680,843	3,546,945	3,790,223	3,446,104	3,346,153
	873,475	881,289	844,500	871,834	852,861	852,175
	66,035	3,772	6,214	58,496	52,413	4,519
	3,814,778	4,091,115	4,108,072	4,246,777	4,192,060	4,002,233
	2,473,669	2,291,795	2,288,762	2,490,288	2,205,944	2,303,187
	7,278	337	557	47,782	-	2,282
	1,874,849	1,744,407	1,770,589	1,712,849	1,521,322	1,710,817
	158,420	337,797	215,813	400,220	386,806	300,345
	879,926	989,059	956,250	1,009,395	1,010,955	999,258
	1,671,462	169,283	1,857,459	3,313,074	10,105,357	12,538,541
	27,273,657	570,552	511,194	493,561	480,780	415,123
	2,182,301	1,117,785	1,135,753	1,148,464	1,150,169	1,178,030
	399,577	-	-	-	-	-
	<u>76,798,557</u>	<u>47,417,894</u>	<u>47,516,133</u>	<u>50,068,602</u>	<u>56,187,670</u>	<u>57,440,592</u>
\$	(19,750,981)	\$ 1,687,889	\$ (2,115,587)	\$ (2,798,172)	\$ (8,394,571)	\$ (9,585,058)

- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - (Continued)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Other financing sources (uses)				
Transfers in	\$ 2,301,872	\$ 1,026,605	\$ 754,185	\$ 1,278,424
Transfers (out)	(2,301,872)	(1,026,605)	(774,185)	(1,298,424)
Sale of assets	750	1,491	117,697	1,120
Loan issuance	-	-	-	-
Sale of bonds	-	-	-	20,975,000
Sale of notes	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(23,431,421)
Premium on bonds	-	-	-	2,717,410
Premium on notes	-	-	-	-
Total other financing sources (uses)	<u>750</u>	<u>1,491</u>	<u>97,697</u>	<u>242,109</u>
Special item:				
Consortium refund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 2,090,379</u>	<u>\$ (9,263,263)</u>	<u>\$ (23,844,922)</u>	<u>\$ 5,476,551</u>
Debt service as a percentage of noncapital expenditures	6.26%	7.55%	7.68%	7.88%

Source: District financial records.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 644,744	\$ 251,934	\$ 213,425	\$ 1,493,005	\$ 159,038	\$ 84,007
(649,744)	(251,934)	(213,425)	(1,493,005)	(159,038)	(84,007)
3,040	1,858	582	16,989	461	1,594
-	-	-	-	380,320	-
26,680,000	-	-	-	-	-
26,682,099	-	-	-	-	-
-	-	-	-	-	-
566,162	-	-	-	-	-
91,253	-	-	-	-	-
<u>54,017,554</u>	<u>1,858</u>	<u>582</u>	<u>16,989</u>	<u>380,781</u>	<u>1,594</u>
-	-	-	-	1,267,612	-
<u>\$ 34,266,573</u>	<u>\$ 1,689,747</u>	<u>\$ (2,115,005)</u>	<u>\$ (2,781,183)</u>	<u>\$ (6,746,178)</u>	<u>\$ (9,583,464)</u>
39.18%	3.57%	3.61%	3.52%	3.55%	3.58%

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN COLLECTION YEARS**

Collection Year	Real Property (a)	Tangible Personal Property (b)		Total
	Assessed Value	Tangible Assessed Value	Public Utility (b) Assessed Value	
2015	\$ 571,626,360	\$ -	\$ 16,499,530	\$ 16,499,530
2014	577,611,960	-	14,654,570	14,654,570
2013	568,931,040	-	13,376,760	13,376,760
2012	566,485,580	-	12,301,240	12,301,240
2011	595,580,890	-	11,788,190	11,788,190
2010	595,856,810	526,550	11,376,920	11,903,470
2009	598,068,280	1,058,233	10,757,860	11,816,093
2008	593,213,210	12,350,634	10,717,170	23,067,804
2007	582,798,810	24,701,268	13,835,580	38,536,848
2006	573,111,310	36,807,590	13,839,970	50,647,560

Source: Mahoning County Auditor's Office

(a) The assessed value of real property is fixed at 35% of true value.

(b) Tangible personal property and public utility tangible property are assessed at varying percentages of true value. As categories of tangible personal property have not been separated for this table, the maximum assessed rate of 25% of true value is assumed.

Total			
Assessed Value	Estimated Actual Value	%	Total Direct Tax Rate
\$ 588,125,890	\$ 1,699,216,291	34.61%	\$ 60.40
592,266,530	1,708,938,166	34.66%	60.60
582,307,800	1,679,024,297	34.68%	60.60
578,786,820	1,667,735,189	34.70%	60.60
607,369,080	1,748,812,446	34.73%	60.40
607,760,280	1,750,061,909	34.73%	57.50
609,884,373	1,756,030,886	34.73%	57.50
616,281,014	1,787,166,102	34.48%	57.50
621,335,658	1,819,286,849	34.15%	57.50
623,758,870	1,840,051,126	33.90%	57.50

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Overlapping Rates				Direct Rates				
	Mahoning County	Austintown Township	Park District	Career Center	Voted			Unvoted	Total
					General	Bond	Capital		
2014/2015	\$ 13.70	\$ 19.00	\$ 1.75	\$ 2.10	\$ 48.20	\$ 5.30	\$ 0.50	\$ 6.40	\$ 60.40
2013/2014	13.70	19.00	1.75	2.10	48.20	5.50	0.50	6.40	60.60
2012/2013	13.70	19.00	1.75	2.10	48.20	5.50	0.50	6.40	60.60
2011/2012	13.70	18.60	1.75	2.10	48.20	5.50	0.50	6.40	60.60
2010/2011	13.70	18.10	1.75	2.10	48.20	5.30	0.50	6.40	60.40
2009/2010	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2008/2009	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2007/2008	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2006/2007	11.90	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50
2005/2006	11.50	18.10	1.75	2.10	48.20	2.90	-	6.40	57.50

Source: Ohio Department of Taxation

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

PRINCIPAL PROPERTY TAX PAYERS
DECEMBER 31, 2014 AND DECEMBER 31, 2006

December 31, 2014			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Ohio Edison/First Energy	\$ 12,406,330	1	2.11%
Central Park West Ltd.	4,007,470	2	0.68%
Walmart Real Estate	3,364,210	3	0.57%
Austintown Plaza Ltd.	3,236,540	4	0.55%
West View Village Co.	3,197,090	5	0.54%
East Ohio Gas Co.	2,599,890	6	0.44%
Westminister Associates	2,463,280	7	0.42%
Hillbrook Apartments	2,354,630	8	0.40%
35th Strouss Associates	2,336,650	9	0.40%
Austintown Realty Co.	2,247,410	10	0.38%
Total	\$ 38,213,500		6.49%

December 31, 2006			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
P&S Equities	\$ 4,093,570	1	0.66%
Austintown Plaza Ltd.	3,831,920	2	0.62%
Gulch Ltd.	3,571,860	3	0.57%
West View Village Co.	2,819,220	4	0.45%
Hillbrook Apartments	2,814,420	5	0.45%
Retail Trust Co.	2,470,760	6	0.40%
Westminister Associates	2,372,480	7	0.38%
35th Strouss Associates	2,351,960	8	0.38%
Austintown Realty Co.	2,094,720	9	0.34%
Austintown Associates	1,813,770	10	0.29%
Total	\$ 28,234,680		4.54%

Source: Mahoning County Auditor's Office

Note: Information prior to 2006 is unavailable.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS**

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2014	\$ 21,820,755	\$ 2,031,694	\$ 23,852,449	\$ 21,218,934	97.24%
2013	21,678,771	2,359,579	24,038,350	20,995,075	96.85%
2012	21,561,681	2,376,596	23,938,277	20,820,233	96.56%
2011	21,778,746	2,937,700	24,716,446	20,981,142	96.34%
2010	19,948,776	2,630,491	22,579,267	19,159,546	96.04%
2009	19,780,329	2,571,092	22,351,421	18,997,922	96.04%
2008	20,570,272	2,474,778	23,045,050	19,564,836	95.11%
2007	21,285,244	2,472,362	23,757,606	20,302,467	95.38%
2006	21,398,775	2,206,308	23,605,083	20,896,817	97.65%
2005	21,278,874	2,394,420	23,673,294	20,522,828	96.45%

Source: Mahoning County Auditor's Office

Note: N/A indicates that the information was not available.

Delinquent Collection	Total Collection	Total Collection As a Percent of Total Levy
\$ 847,878	\$ 22,066,812	92.51%
713,760	21,708,835	90.31%
N/A	20,820,233	86.97%
758,253	21,739,395	87.96%
712,018	19,871,564	88.01%
767,602	19,765,524	88.43%
837,096	20,401,932	88.53%
969,511	21,271,978	89.54%
669,922	21,566,739	91.36%
597,190	21,120,018	89.21%

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			(a) Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita	(b) Per ADM
	General Obligation Bonds	Asbestos Abatement Loan	H.B. 264 Loan				
2015	\$ 47,541,287	\$ -	\$ 186,512	\$ 47,727,799	5.95%	\$ 1,494	\$ 9,671
2014	48,663,517	-	212,488	48,876,005	6.09%	1,530	9,136
2013	50,415,620	-	237,245	50,652,865	6.31%	1,586	9,584
2012	52,029,204	-	260,840	52,290,044	6.52%	1,637	9,825
2011	50,710,395	12,562	283,293	51,006,250	6.71%	1,485	9,891
2010	23,902,028	37,686	304,727	24,244,441	3.05%	695	4,723
2009	24,337,211	62,810	325,155	24,725,176	3.18%	697	4,991
2008	24,703,249	87,934	346,225	25,137,408	3.64%	696	5,077
2007	25,078,462	113,057	364,663	25,556,182	3.71%	707	5,323
2006	25,435,474	138,180	-	25,573,654	3.68%	702	5,296

Sources:

(a) See notes to the financial statements regarding the District's outstanding debt information.

(b) See schedule " Demographic and Economic Statistic, Last Ten Fiscal Years" for personal income, population and enrollment information.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
	General Obligation Bonds	Fund Balance Restricted for Debt Service	Net Bonded Debt		
2015	\$ 47,541,287	\$ 2,537,605	\$ 45,003,682	2.65%	\$ 1,409
2014	48,663,517	1,894,989	46,768,528	2.74%	1,464
2013	50,415,620	1,929,474	48,486,146	2.89%	1,518
2012	52,029,204	1,751,057	50,278,147	3.01%	1,574
2011	50,710,395	1,578,608	49,131,787	2.81%	1,430
2010	23,639,958	1,149,822	22,490,136	1.29%	644
2009	24,062,305	944,762	23,117,543	1.32%	652
2008	24,703,249	951,567	23,751,682	1.33%	657
2007	25,078,462	790,568	24,287,894	1.34%	672
2006	25,435,474	632,232	24,803,242	1.35%	680

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Note: The fund balance restricted for debt service represents the balance of the bond retirement fund. The portion specific to principal and interest cannot be determined. The entire balance may be applied to principal.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2015**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
Austintown Local School District	\$ 47,727,799	100.00%	\$ 47,727,799
Total direct	<u>47,727,799</u>		<u>47,727,799</u>
Overlapping:			
Mahoning County	29,290,000	14.70%	4,305,630
Austintown Township	696,000	98.67%	686,743
Mahoning County Career & Technical Center	1,749,999	16.53%	289,275
Total overlapping	<u>31,735,999</u>		<u>5,281,648</u>
Total direct and overlapping debt	<u>\$ 79,463,798</u>		<u>\$ 53,009,447</u>

Source: Ohio Municipal Advisory Council

Note: Percent applicable to Austintown Local School District calculated using assessed valuation of the District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Unvoted Debt Limit	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2015	\$ 588,126	\$ 52,931,330	\$ 44,375,000	\$ 2,537,605	\$ 41,837,395	\$ 11,093,935	79.04%
2014	592,267	53,303,988	45,470,000	1,894,989	43,575,011	9,728,977	81.75%
2013	582,308	52,407,702	46,875,000	1,929,474	44,945,526	7,462,176	85.76%
2012	578,787	52,090,814	48,195,000	1,751,057	46,443,943	5,646,871	89.16%
2011	607,369	54,663,217	49,220,000	1,578,608	47,641,392	7,021,825	87.15%
2010	607,234	54,651,036	23,085,000	1,149,822	21,935,178	32,715,858	40.14%
2009	608,810	54,792,918	23,610,000	944,762	22,665,238	32,127,680	41.37%
2008	603,905	54,351,455	24,075,000	951,567	23,123,433	31,228,022	42.54%
2007	592,962	53,366,610	24,525,000	790,568	23,734,432	29,632,178	44.47%
2006	623,759	56,138,298	24,965,000	632,232	24,332,768	31,805,530	43.34%

Source: Mahoning County Auditor and District financial records

Note: Ohio bond law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

Note: Voted debt margins are determined without reference to applicable monies in the District's debt service fund.

Note: Beginning in fiscal year 2007, the amount of assessed valuation for railroad and telephone personal property has been excluded from the debt margin calculation.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Personal Income (5)</u>	<u>Median Family Income (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rates (4)</u>		
						<u>Mahoning County</u>	<u>Ohio</u>	<u>United States</u>
2015	31,947	\$ 25,113	\$ 802,285,011	\$ 30,311	4,935	5.9%	5.2%	5.3%
2014	31,947	25,113	802,285,011	30,311	5,350	6.2%	5.5%	6.1%
2013	31,947	25,113	802,285,011	30,311	5,285	8.3%	7.2%	7.6%
2012	31,947	25,113	802,285,011	30,125	5,322	7.9%	7.2%	8.2%
2011	34,352	22,141	760,587,632	28,917	5,157	9.9%	8.8%	9.2%
2010	34,902	22,810	796,114,620	29,799	5,133	11.5%	10.5%	9.5%
2009	35,479	21,948	778,693,092	29,959	4,954	13.8%	11.2%	9.7%
2008	36,137	19,087	689,746,919	30,273	4,951	7.1%	6.6%	5.5%
2007	36,137	19,087	689,746,919	29,420	4,801	6.1%	6.1%	4.5%
2006	36,451	19,087	695,740,237	29,775	4,829	8.9%	5.9%	5.1%

Sources:

- (1 & 2) U. S. Census Bureau
- (3) District records
- (4) Bureau of Labor Statistics, U.S. Department of Labor
- (5) Per capita personal income multiplied by population

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

PRINCIPAL EMPLOYERS IN MAHONING COUNTY
DECEMBER 31, 2014 AND DECEMBER 31, 2006

December 31, 2014			
Employer	Employees	Rank	Percentage of Total County Employment
HM Health Services	3,100	1	3.07%
Mahoning County	1,678	2	1.66%
Youngstown State University	1,300	3	1.29%
Diocese of Youngstown	1,100	4	1.09%
Infocision Management	1,050	5	1.04%
U.S. Postal Service	725	6	0.72%
Youngstown City School District	616	7	0.61%
Falcon Transport	690	8	0.68%
AT&T Call Center	550	9	0.54%
Austintown Local School District	545	10	0.54%
Total	11,354		11.24%
Total County Employment	101,000		

December 31, 2006			
Employer	Employees	Rank	Percentage of Total County Employment
Humility of Mary Health Partners	5,440	1	4.85%
Forum Health	5,000	2	4.46%
Youngstown State University	2,105	3	1.88%
Mahoning County	1,799	4	1.60%
Youngstown City School District	1,534	5	1.37%
Infocision Management	1,071	6	0.95%
City of Youngstown	839	7	0.75%
U.S. Postal Service	768	8	0.68%
Austintown Local School District	764	9	0.68%
Boardman Local School District	650	10	0.58%
Total	19,970		17.80%
Total County Employment	112,200		

Source: Mahoning County Auditor's Office

Note: Information on principal employers prior to 2006 is unavailable.

Note: Information on principal employers at the City level could not be obtained; therefore, information at the County level will be disclosed.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS

<u>Type</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Administration	20.00	20.00	21.00	20.00
Certificated staff:				
Regular	251.50	250.50	249.00	246.00
Special	33.00	35.00	34.00	36.00
Vocational	2.00	2.00	2.00	2.00
Educational service personnel	2.00	2.00	-	-
Remedial specialist	-	-	-	-
Counseling	12.00	12.00	12.00	12.00
Library media	-	-	1.00	1.00
Audio visual	-	-	-	-
Curriculum specialist	10.00	11.00	11.00	12.00
Tutor	31.62	29.00	-	32.33
Other	2.50	2.50	-	-
Professional staff:				
Nursing	2.00	2.00	2.00	2.00
Speech therapist	4.00	4.00	4.00	4.00
Technology:				
Library technician	-	-	1.00	-
Library aide	-	1.00	-	6.58
Instructional paraprofessional	-	-	-	-
Other technical	5.44	4.00	7.00	5.94
Office/clerical:				
Office clerical	25.88	24.00	25.00	27.50
Instructional paraprofessional	39.59	42.00	38.00	30.12
Other clerical	2.00	-	0.50	-
Other operations:				
Maintenance	5.00	5.00	7.00	5.00
Custodial/grounds	40.72	41.00	33.00	38.48
Transportation/drivers	26.50	26.00	29.00	50.00
Food service	37.30	37.00	37.00	36.63
Other	1.00	-	-	-
Total	<u><u>554.05</u></u>	<u><u>550.00</u></u>	<u><u>513.50</u></u>	<u><u>567.58</u></u>

Source: District records

Note: Information prior to 2007 is unavailable.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
20.00	22.00	23.33	24.50	20.47
249.00	256.00	246.42	229.87	228.00
38.00	31.00	24.05	45.06	35.85
2.00	2.00	2.00	3.00	3.00
-	22.00	23.93	22.00	22.00
-	-	-	1.00	9.00
12.00	12.00	12.00	12.00	12.00
2.00	2.00	2.00	2.00	2.00
-	-	0.47	0.47	0.47
12.00	11.00	2.00	2.00	-
25.10	29.70	4.00	9.00	-
-	-	-	-	-
3.00	4.00	4.00	4.00	4.00
4.00	5.00	5.00	3.00	5.00
-	-	-	1.00	1.00
5.49	5.49	5.46	5.96	5.97
-	-	-	11.12	12.49
2.47	2.47	2.41	0.41	-
33.68	37.97	28.04	36.16	36.27
20.96	21.46	-	-	1.23
-	1.00	4.17	1.00	1.76
5.00	5.00	11.00	10.00	9.00
38.81	21.17	37.06	38.23	41.11
51.69	47.75	43.75	39.00	39.00
33.90	28.52	27.88	28.19	25.43
3.00	3.22	23.13	10.10	6.10
<u>562.10</u>	<u>570.75</u>	<u>532.10</u>	<u>539.07</u>	<u>521.15</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2015	2014	2013	2012	2011
Instruction:					
Regular and special					
Enrollment (students)	4,935	5,350	5,285	5,322	5,157
Graduates	428	405	353	362	369
Graduation rate	N/A	96.00%	93.00%	99.70%	98.50%
Support services:					
Board of education					
Regular meetings per year	12	12	12	12	12
Special meetings per year	8	10	8	8	12
Fiscal					
Nonpayroll checks issued	3,168	3,459	3,472	3,391	3,872
Operations and maintenance					
Square footage maintained	838,640	937,983	843,247	843,247	843,247
Pupil transportation					
Avg. students transported daily	3,300	3,138	3,117	N/A	3,486

Source: District records

Note: N/A indicates the information is unavailable.

2010	2009	2008	2007	2006
5,133	4,954	4,951	4,801	4,829
390	362	351	400	372
99.20%	98.90%	98.00%	97.10%	97.10%
13	13	13	12	12
11	14	18	10	17
4,344	3,963	4,490	5,300	4,508
843,247	843,247	843,247	665,047	665,047
3,486	4,132	4,354	4,620	4,778

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental activities:					
Land	\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690	\$ 833,477
Construction in progress	-	-	37,826,728	11,748,160	1,324,118
Land improvements	2,089,247	2,288,389	2,511,941	2,712,767	2,913,593
Buildings/improvements	69,107,469	71,327,071	26,238,332	27,106,238	28,005,809
Furniture/equipment	1,032,281	1,014,419	1,053,235	1,056,444	1,165,238
Vehicles	1,514,342	525,568	499,373	216,037	218,981
Textbooks	-	34,110	102,328	170,546	238,764
Total governmental activities capital assets, net	<u>\$ 74,629,029</u>	<u>\$ 76,075,247</u>	<u>\$ 69,117,627</u>	<u>\$ 43,895,882</u>	<u>\$ 34,699,980</u>
Business-type activities:					
Furniture/equipment	\$ 20,857	\$ 24,518	\$ 16,489	\$ 21,723	\$ 24,231
Total business-type activities capital assets, net	<u>\$ 20,857</u>	<u>\$ 24,518</u>	<u>\$ 16,489</u>	<u>\$ 21,723</u>	<u>\$ 24,231</u>
Primary government:					
Land	\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690	\$ 833,477
Construction in progress	-	-	37,826,728	11,748,160	1,324,118
Land improvements	2,089,247	2,288,389	2,511,941	2,712,767	2,913,593
Buildings/improvements	69,107,469	71,327,071	26,238,332	27,106,238	28,005,809
Furniture/equipment	1,053,138	1,038,937	1,069,724	1,078,167	1,189,469
Vehicles	1,514,342	525,568	499,373	216,037	218,981
Textbooks	-	34,110	102,328	170,546	238,764
Total primary government capital assets, net	<u>\$ 74,649,886</u>	<u>\$ 76,099,765</u>	<u>\$ 69,134,116</u>	<u>\$ 43,917,605</u>	<u>\$ 34,724,211</u>

Source: District financial records.

Notes: Amounts above are presented net of accumulated depreciation.

2010	2009	2008	2007	2006
\$ 672,477	\$ 672,477	\$ 672,477	\$ 672,477	\$ 502,026
-	-	-	26,648,963	15,268,495
3,032,849	3,200,073	3,395,671	1,100,565	103,598
28,936,714	29,739,145	28,906,503	3,479,073	4,075,607
1,324,543	1,503,318	1,670,808	769,156	204,511
297,952	411,990	414,195	557,930	726,184
366,200	552,862	739,524	414,550	-
<u>\$ 34,630,735</u>	<u>\$ 36,079,865</u>	<u>\$ 35,799,178</u>	<u>\$ 33,642,714</u>	<u>\$ 20,880,421</u>
\$ 23,388	\$ 29,338	\$ 35,288	\$ 41,238	\$ 45,878
<u>\$ 23,388</u>	<u>\$ 29,338</u>	<u>\$ 35,288</u>	<u>\$ 41,238</u>	<u>\$ 45,878</u>
\$ 672,477	\$ 672,477	\$ 672,477	\$ 672,477	\$ 502,026
-	-	-	26,648,963	15,268,495
3,032,849	3,200,073	3,395,671	1,100,565	103,598
28,936,714	29,739,145	28,906,503	3,479,073	4,075,607
1,347,931	1,532,656	1,706,096	810,394	250,389
297,952	411,990	414,195	557,930	726,184
366,200	552,862	739,524	414,550	-
<u>\$ 34,654,123</u>	<u>\$ 36,109,203</u>	<u>\$ 35,834,466</u>	<u>\$ 33,683,952</u>	<u>\$ 20,926,299</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Fitch High School (1968/'78/2000/2007)				
Square feet	262,048	262,048	262,048	262,048
Enrollment	1,510	1,739	1,680	1,659
Austintown Middle School (1914/'22/'26/'46/'54/2002) (Mahoning Avenue Building)				
Square feet	102,600	102,600	102,600	102,600
Enrollment	-	-	-	-
Austintown Middle School (2008) (Racoon Road Building)				
Square feet	174,688	174,688	174,688	174,688
Enrollment	1,222	1,316	1,315	1,315
Austintown Intermediate School (2013)				
Square feet	124,205	124,205	-	-
Enrollment	1,148	1,142	-	-
Austintown Elementary School (2013)				
Square feet	121,451	121,451	-	-
Enrollment	1,055	1,153	-	-
Frank Ohl Intermediate School (1960/'61/'92/2007)				
Square feet	-	-	89,485	89,485
Enrollment	-	-	768	806
Davis Elementary (1954/'57/2002)				
Square feet	-	32,958	32,958	32,958
Enrollment	-	-	-	-
Lloyd Elementary (1954/'57/'92)				
Square feet	-	33,013	33,013	33,013
Enrollment	-	-	361	373
Lynn Kirk Elementary (1958/'60)				
Square feet	35,136	35,136	35,136	35,136
Enrollment	-	-	303	307
Watson Elementary (1961)				
Square feet	-	-	61,435	61,435
Enrollment	-	-	501	503
Woodside Elementary (1948/'57)				
Square feet	-	33,372	33,372	33,372
Enrollment	-	-	357	359
District Board Office (2008)				
Square feet	3,512	3,512	3,512	3,512
Community Fitness Center (1999/2001)				
Square feet	15,000	15,000	15,000	15,000

Source: District records

Notes: Year of original construction and subsequent additions are in parentheses.

The original Austintown Middle School was replaced with the new Austintown Middle School for the 07-08 school year.

Davis Elementary was permanently closed on August 1, 2008.

Frank Ohl Intermediate School and Watson Elementary were demolished in fiscal year 2014.

Davis, Lloyd, and Woodside Elementaries were demolished in fiscal year 2015.

2011	2010	2009	2008	2007	2006
262,048 1,622	262,048 1,615	262,048 1,615	262,048 1,603	262,048 1,649	262,048 1,623
102,600 -	102,600 -	102,600 -	102,600 -	102,600 861	102,600 837
174,688 1,211	174,688 1,220	174,688 1,165	174,688 1,163	- -	- -
- -	- -	- -	- -	- -	- -
- -	- -	- -	- -	- -	- -
89,485 816	89,485 801	89,485 725	89,485 755	89,485 656	89,485 676
32,958 -	32,958 -	32,958 -	32,958 200	32,958 237	32,958 258
33,013 366	33,013 369	33,013 373	33,013 323	33,013 368	33,013 396
35,136 303	35,136 299	35,136 268	35,136 274	35,136 348	35,136 318
61,435 496	61,435 462	61,435 458	61,435 350	61,435 394	61,435 393
33,372 343	33,372 344	33,372 350	33,372 283	33,372 288	33,372 328
3,512	3,512	3,512	3,512	-	-
15,000	15,000	15,000	15,000	15,000	15,000

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities (2)		Enrollment	Percent Change	Teaching Staff
	Expenditures (1)	Cost per pupil	Expenses (1)	Cost per pupil			
2015	\$ 50,463,281	\$ 10,226	\$ 50,630,143	\$ 10,259	4,935	-7.76%	319
2014	57,290,379	10,708	50,297,860	9,401	5,350	1.23%	319
2013	72,563,400	13,730	47,021,812	8,897	5,285	-0.70%	317
2012	55,015,278	10,337	45,664,098	8,580	5,322	3.20%	315
2011	46,943,022	9,103	46,594,923	9,035	5,157	0.47%	322
2010	45,729,557	8,909	47,030,633	9,162	5,133	3.61%	328
2009	45,869,186	9,259	45,673,294	9,219	4,954	0.06%	326
2008	48,426,577	9,781	46,217,961	9,335	4,951	3.12%	326
2007	54,556,721	11,364	44,837,787	9,339	4,801	-0.58%	326
2006	55,847,439	11,565	43,822,712	9,075	4,829	-0.25%	329

Source: District records

(1) Debt service totals have been excluded.

Note: N/A indicates the information is unavailable.

Pupil/Teacher Ratio	Student Attendance Percentage
15.47	N/A
16.77	94.40%
16.67	93.90%
16.90	95.00%
16.02	95.20%
15.65	94.70%
15.20	94.80%
15.19	94.80%
14.73	94.70%
14.68	94.30%

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**TEACHER EDUCATION AND EXPERIENCE
AS OF JUNE 30, 2015 AND JUNE 30, 2007**

<u>Degree</u>	<u>June 30, 2015</u>		<u>June 30, 2007</u>	
	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Non-Degree	0	0.00%	0	0.00%
Bachelor's Degree	63	19.75%	51	15.64%
Bachelor's Degree + 15	35	10.97%	48	14.72%
Master's Degree	77	24.14%	76	23.32%
Master's Degree + 15	42	13.17%	30	9.20%
Master's Degree + 30	102	31.97%	119	36.51%
Ph.D.	0	0.00%	2	0.61%
	<u>319</u>	<u>100.00%</u>	<u>326</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>June 30, 2015</u>		<u>June 30, 2007</u>	
	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5 Years	110	34.48%	86	26.38%
6 - 10 Years	62	19.44%	65	19.94%
11 - 15 Years	61	19.12%	65	19.94%
16 - 20 Years	53	16.61%	22	6.75%
21 - 25 Years	13	4.08%	31	9.51%
26 - 42 Years	20	6.27%	57	17.48%
	<u>319</u>	<u>100.00%</u>	<u>326</u>	<u>100.00%</u>

Source: District personnel records

Note: Information prior to June 30, 2007 is not available.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**TEACHER SALARIES
LAST TEN FISCAL YEARS**

Teacher Salaries					
Year	Austintown			State	
	BA Min.	MA Max.	Average	Average	
2015	\$ 31,217	\$ 72,393	\$ 52,443	N/A	
2014	30,620	71,028	51,187	55,916	
2013	30,317	70,335	51,659	56,307	
2012	29,737	69,009	51,891	56,715	
2011	29,737	69,009	51,784	56,715	
2010	29,443	68,336	49,632	55,958	
2009	29,443	67,276	50,763	54,656	
2008	29,443	67,276	49,798	53,410	
2007	29,151	65,619	50,555	53,534	
2006	28,440	64,018	49,811	50,771	

Sources: District records and Ohio Department of Education

Note: N/A indicates the information is unavailable.

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Dave Yost • Auditor of State

AUSTINTOWN LOCAL SCHOOL DISTRICT

MAHONING 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
MAY 24, 2016**