



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

Lakota Local Schools  
5572 Princeton Road  
Liberty Twp., OH 45011-9726

Phone: 513-874-5505  
Fax: 513-644-1196  
lakota@lakotaonline.com

[www.Lakotaonline.com](http://www.Lakotaonline.com)

July 1, 2012—June 30, 2013

**LAKOTA LOCAL SCHOOL DISTRICT**

**BUTLER COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Prepared by:  
Office of the CFO/Treasurer  
Jenni Logan

**THIS PAGE INTENTIONALLY LEFT BLANK**



**TABLE OF CONTENTS**

---

	<b>Page</b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	vii
List of Principal Officials	xvii
Organizational Chart	xviii
GFOA Certificate of Achievement for Excellence in Financial Reporting	xix
ASBO Certificate of Excellence in Financial Reporting	xx
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet - Governmental Funds	14
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	15
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	17
Statement of Fiduciary Net Position - Fiduciary Funds	18
Statement of Changes in Fiduciary Net Position - Fiduciary Fund	19
Notes to the Basic Financial Statements	20
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	45
Notes to the Required Supplementary Information	46
Combining Statements and Individual Fund Schedules:	
Major Governmental Fund	49
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Debt Service	50
Nonmajor Governmental Funds	51
Combining Balance Sheet	52
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	53
Nonmajor Special Revenue Funds	
Fund Descriptions	54
Combining Balance Sheet	56
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	60

**TABLE OF CONTENTS**

---

	<b>Page</b>
<b>Nonmajor Special Revenue Funds (Continued)</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Other Grants	64
Student Activities	65
Auxiliary Services	66
MIS	67
School Net Professional Development	68
Ohio Reads	69
Alt. School Grant	70
Miscellaneous State Grants	71
Education Jobs	72
Title VI-B	73
Title III	74
Title I	75
EHA Pre-School	76
Title II-A	77
High Schools That Work	78
Title II D	79
Food Service	80
<b>Nonmajor Capital Projects Funds</b>	
Fund Descriptions	81
Combining Balance Sheet	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	83
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Permanent Improvement	84
Building	85
<b>Other General Funds</b>	
Fund Descriptions	86
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Public School Support	87
Underground Storage Tanks	88
Uniform School Supply	89
Adult Education	90
<b>Nonmajor Fiduciary Fund</b>	
Fund Description	91
Statement of Changes in Assets and Liabilities - Agency Fund	92

**TABLE OF CONTENTS**

---

	<u>Schedule</u>	<u>Page</u>
<b>STATISTICAL SECTION</b>		
Net Position by Component	1	94
Expenses, Program Revenues and Net (Expense)/Revenue	2	95
General Revenues and Total Change in Net Position	3	97
Fund Balances, Governmental Funds	4	98
Governmental Funds Revenues	5	99
Governmental Funds Expenditures and Debt Service Ratio	6	100
Other Financing Sources and Uses and Net Change in Fund Balances	7	101
Assessed Value and Actual Value of Taxable Property	8	102
Direct and Overlapping Property Tax Rates	9	103
Principal Property Tax Payers	10	104
Property Tax Levies and Collections	11	105
Outstanding Debt by Type	12	106
Direct and Overlapping Governmental Activities Debt	13	107
Legal Debt Margin Information	14	108
Demographic and Economic Statistics	15	109
Major Employers	16	110
Full-Time Equivalent District Employees by Type	17	112
Operating Statistics	18	114
School Building Information	19	116

**THIS PAGE INTENTIONALLY LEFT BLANK**



# INTRODUCTORY SECTION







*Office of the Treasurer*

*Lakota Central Office*  
5572 Princeton Road  
Liberty Township, Ohio  
45011-9726

513 644-1180 Fax: 513  
644-1183  
[www.lakotaonline.com](http://www.lakotaonline.com)

Jenni Logan  
*Treasurer*

January 30, 2014

To the Citizens and Board of Education of the Lakota Local School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Lakota Local School District (District) for the fiscal year ended June 30, 2013. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report is prepared in conformance with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. We believe the enclosed data is fairly presented in all material aspects 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. This report has been prepared by the Chief Fiscal Officer's Office and includes an opinion from Plattenburg and Associates.

This report will be made available via the World Wide Web at [www.LakotaOnLine.com](http://www.LakotaOnLine.com). Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Chamber of Commerce, Butler County Administrative Offices, West Chester Township, Liberty Township, other governments in Butler County, the branches of the Butler County Public Library located within the District, Moody's financial rating services, realtors, and any other interested parties.

As part of this reporting model, management is responsible for preparing a Management's Discussion and Analysis (MD&A) of the District. This letter should be read in conjunction with the Management Discussion and Analysis that can be found immediately following the Independent Auditor's Report.

The District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory, advanced placement, gifted, special education and vocational levels; a broad range of co-curricular and extra-curricular activities; special education programs and community recreation activities.

### **ECONOMIC CONDITION AND OUTLOOK**

Located in Butler County and situated between Cincinnati to the south and Dayton to the north, the Lakota Local School District serves a population of approximately 87,895 people.

Within the District boundaries is the majority of West Chester Township and Liberty Township.

### West Chester Township

West Chester Township ("West Chester") makes up approximately 68% of the School District's territory and the School District covers 96% of West Chester. Geographically, West Chester Township consists of 35 square miles of residential neighborhoods and commercial and industrial developments. West Chester has nearly 61,000 residents according to the most recent U.S. Census and approximately 3,000 businesses. It is the largest township in the State of Ohio by population. West Chester Township is located within minutes of the Tri-state's three major interstates (I-75, I-71, and I-275) and has immediate access to three interstate interchanges off I-75 and two from I-275.

West Chester Township is a unique community combining suburban amenities and qualities with the energy and vitality of an urban community. Exceptional residential neighborhoods and the local schools benefit from the infrastructure investments – including parks and library – and added revenue made possible by economic development. This synergy of residential and corporate development has positioned West Chester for long-term sustainability.

West Chester's leaders have planned for and achieved development of an expansive corporate valuation to complement and balance residential growth in the community. Today, West Chester is at the epicenter for the region in terms of employment and commerce with more than 50,000 employees working in nearly 3,000 businesses.

In 2013, nearly 1,500 new jobs were created in West Chester and companies announced nearly \$80 million in new investment.

The largest investments announced in 2013 were the first phase of the Butler Tech Bio Science Campus at \$13 million and a new West Chester YMCA at \$12 million. Butler Tech planned for an early 2014 construction start on its 30,000 square foot development that would serve as a world-class training center for future workforce in the area of health and bio-sciences.

The health and medical market in West Chester continues to thrive with the opening of the new \$10 million Beckett Springs facility, announcement of a new \$6 million Group Health/Tri-Health facility on State Route 747 and a \$1.4 million investment by ABC Pediatric Therapy Network. Medical office space in West Chester's Uptown is 100 percent occupied as West Chester Hospital continues to thrive and expand services offered to the community. These companies are "in good company" in West Chester with advanced bio-medical manufacturers such as Bristol-Myers Squibb and Atricure.

Due to West Chester's prime location between Cincinnati and Dayton, the local economic base includes a combination of national and global companies, such as Procter & Gamble and corporate headquarters for AKSteel, as well as locally owned small businesses. West

Chester's local economy is a well-balanced blend of manufacturing, technology, corporate headquarters/office, healthcare and life science industries. The Township's economy is further enhanced by the professional, business and financial services sector, providing support to these targeted industries. This balance demonstrates the local economy is not dominated by any particular industry or reliant on any single major employer. The diversification sustains the local macro economy even though a particular industry sector may struggle.

North Pointe at Union Centre is a Class A office facility located within a Joint Economic Development District and utilized exclusively by GE Aviation's engineering division. GE Aviation is West Chester's top employer with nearly 2,000 employees.

Of the 6,783 acres designated for commercial use in West Chester, nearly 70 percent has been developed. Community leaders are more focused than ever on the fiscal stewardship of the community and its future sustainability.

### Liberty Township

Liberty Township is located in southwest Ohio's Butler County in the center of the fast-growing Cincinnati-Dayton metroplex. Located along the I-75 Growth Corridor, with Cincinnati 20 miles to the south and Dayton 25 miles to the north, Liberty Township is an attractive community for its 37,000+ residents while offering a variety of development opportunities for businesses. Liberty Township provides quality housing, healthcare and schools. The community's location allows easy access to Cincinnati and Dayton with a variety of cultural events ranging from museums, symphonies, college and professional sports and fine dining. Both metropolitan areas provide businesses with the assets necessary to recruit and retain a highly-skilled and educated workforce. Liberty Township is a growing, vibrant community that encourages involvement by residents and businesses in planning its future. According to the most recent census, Liberty Township has over 37,000 residents. The average household income is \$107,245.

An upcoming economic development project is the Liberty Center. Poised to emerge as the premiere mixed-use development in greater Cincinnati, Liberty Center co-developers Steiner + Associates and Bucksbaum Retail Properties are thinking big. Set to open in 2015, the first phase of the project will include approximately 1.1 million square feet of diverse and dynamic retail, dining and entertainment options, including 75,000 square feet of Class A Office, 62,000 square feet of restaurant and dining, 190,000 square feet of upscale residential, a 67,000 square-foot cinema and a 150-key hotel.

A 64-acre site conveniently located at the newly constructed \$55 million interchange at I-75 and SR 129, a major East-West connector, Liberty Center counts accessibility and demographic strength among its many assets. The Greater Cincinnati marketplace includes 2.2 million residents, making it the largest in the State of Ohio. Within that market, perhaps no single region is hotter or more desirable than the young, affluent, and fast-growing communities of North Cincinnati. The North Cincinnati communities of Liberty Township, Mason, and West Chester that surround Liberty Center are ideally situated at the center of

the high growth I-75 corridor that connects Cincinnati and Dayton and are consistently ranked by the national media as top places to live and raise a family.

Bracketed by 230,000 square feet of anchor retail, Liberty Center features approximately 352,000 square feet of multi-level inline specialty retail fronting parks and a series of retail and restaurant pavilions. Tree-lined pedestrian walkways bisect the site. The project’s dynamic and appealing combination of luxurious live, work and play options is destined to leave an indelible mark on the region.

**THE DISTRICT AND ITS FACILITIES**

The District is located in Butler County, and covers an area of 68 square miles. It serves pupils from West Chester and Liberty Townships. Since the consolidation of the Liberty and Union districts into the Liberty-Union School District in 1958, the growth in the District has gone from 1,696 students to its largest enrollment in 2010 of 18,409. The name of the district was changed to Lakota Local School District in 1970.

The District now houses students in two high schools, two freshman schools, four junior schools, ten elementary schools and four early childhood schools.

<b>Name of Bldg Address</b>	<b>Group or Grade Housed</b>	<b>Date of Original Building</b>	<b>Enrollment</b>
Creekside Early Childhood School 5060 Tylersville Road	Pre K-1	1970	566
Liberty Early Childhood School 6040 Princeton Road	K-1	1928	401
Shawnee Early Childhood School 9394 Sterling Drive	Pre K-1	1993	539
Wyandot Early Childhood School 7667 Summerlin Blvd.	K-1	2007	772
Adena Elementary 9316 Minuteman Way	2-6	1978	663
Cherokee Elementary 5345 Kyles Station Road	2-6	1994	762
Endeavor Elementary	2-6	2007	726

4400 Smith Road

Freedom Elementary 6035 Beckett Ridge Blvd.	2-6	1988	647
Heritage Elementary 5052 Hamilton-Mason Road	2-6	1992	531
Hopewell Elementary 8300 Cox Road	2-6	1961	704
Independence Elementary 7480 Princeton Road	2-6	1994	685
Union Elementary 7672 LeSourdsville- West Chester Road	2-6	2008	706
Van Gorden Elementary West Chester Road	2-6	2003	670
Woodland Elementary 6923 Dutchland Pkwy	2-6	1990	546
Hopewell Junior 8200 Cox Road	7-8	1972	609
Lakota Plains Junior 5500 Princeton Road	7-8	2003	695
Lakota Ridge Junior 6199 Beckett Ridge Blvd.	7-8	1992	582
Liberty Junior 7055 Dutchland Pkwy.	7-8	1977	840
Lakota East Freshman 7630 Bethany Road	9	2008	677
Lakota East High 6840 Lakota Lane	10-12	1997	1,954
Lakota West Freshman 5050 Tylersville Road	9	1958	609

Lakota West High 8940 Union Centre Blvd.	10-12	1997	1,931
Central Office 5572 Princeton Road	Admin	2003	-
Service Center 6947 Yankee Road	Offices	1977	-
Union Elementary 8735 Cincinnati-Dayton Road	-	1953	-

**ORGANIZATION OF THE SCHOOL DISTRICT**

The Board members represent a cross section of professions in the community. The Board members on June 30, 2012 were as follows:

<b>Board Member</b>	<b>Term Expires</b>	<b>Years as Member</b>	<b>Profession</b>
Joan Powell, President	12/31/2013	15.5	Realtor
Lynda O'Connor, Vice President	12/31/2015	5.5	Community Leader
Ben Dibble	12/31/2013	3.5	Computer Programmer
Ray Murray	12/31/2013	3.5	Hospitality Manager & Developer
Julie Shaffer	12/31/2015	1.5	Licensed Employee Benefits Rep

Effective August 1, 2011, the Lakota Board of Education unanimously appointed Dr. Karen Mantia Superintendent. Dr. Mantia previously served as Superintendent of Sycamore Community Schools for 6 years, and Pickerington Schools (Columbus, Ohio) for 5 years. She possesses a Bachelor of Arts in Political Science & Economics (WSU); a Master of Education (WSU); an Education Specialist Degree (UFS) and a Doctorate- Educational Leadership (UFS).

The Treasurer of the District is Jenni L. Logan. She became Treasurer on January 3, 2011. Ms. Logan holds a bachelor's degree from Shawnee State University in Business Administration and is completing her master's degree in education administration from Ohio University. Mrs. Logan has more than 15 years experience in school finance. Prior to joining Lakota, she was employed by Robert W. Baird & Co, Inc. as a Director in the public funds

department. She has also served the Milford Exempted Village School District and Waverly City School District as Treasurer/CFO.

### **EMPLOYEE RELATIONS**

The District currently has over 1,500 full-time and part-time employees. The licensed/certified staff are represented for collective bargaining purposes by the Lakota Education Association (LEA, an OEA affiliate). The District has a three-year collective bargaining agreement with LEA which expires June 30, 2014. The District's support staff is represented by the Lakota Support Staff Association (LSSA, an OEA affiliate). The District has a three year collective bargaining agreement which expires June 30, 2014. The District has contracted its transportation services through Petermann LLC.

### **SERVICES PROVIDED**

The District offers regular instructional programs daily to students in grades PS-12. Nearly 700 students participated in the specific trades through Butler Tech vocational education. Over 1,500 students receive special services, due to physical or mental handicapping conditions. In grades K-12, approximately 4,500 students have been identified as gifted.

The District provides a wide variety of education and support services, as mandated by the Ohio Revised Code or board directives.

The accounting department processes purchase orders, handles invoices and issues checks for goods and/or services for the District. Those goods and services include transportation services, utilities, computers, software, instructional materials, maintenance and tuition.

The payroll department issues checks to employees entitled to remuneration for services rendered and for payroll-associated costs such as taxes, retirement and insurance.

In addition to accounting and payroll support services, the District also provides guidance, psychological, transportation, and limited health services free of charge to its students. The guidance services are designed to help students match their natural skills with vocational and/or academic programs to help them achieve their full potential in life. Psychological services include the testing and identification of students for special education programs.

Limited health services are provided by registered nurses at each of the 22 school sites.

### **RELEVANT FINANCIAL POLICIES**

The financial forecast of General Fund operations for the next five years demonstrates that the District's fiscal year 2014 ending cash balance is projected to be \$30,349,462. The District has eliminated a projected spending balance beginning in 2016 with the November, 2013, passage of a combined operating and permanent improvement levy.

The District has stabilized its finances for the five year projected period of fiscal year 2014-2018. The recent approval of a combination 5.5 mill operating and permanent improvement

levy has made an improvement to the financial health of the District. This additional infusion of cash beginning in calendar year 2014 will provide funding to implement much needed operational, technology, safety, and curricular projects.

The District's financial stability has improved. The Board of Education has approved policy which sets caps on increases to expenditures from year to year. This is tied to the CPI (Consumer Price Index). Additionally, the Board recently approved a financial philosophy through policy adoption that sets a minimum cash balance of 60 days. In addition to policy, the District has implemented procedures which more closely tie enrollment to staffing decisions.

## **FINANCIAL INFORMATION**

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

## **INTERNAL ACCOUNTING AND BUDGETARY CONTROL**

In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted within three months.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level. All purchase order requests must be approved by the



individual program managers and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors.

The accounting system used by the District provides financial reports, which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to the financial statements retained in the Treasurer's Office, each program manager can monitor their budgets by running interim financial reports.

As an additional safeguard, a blanket bond covers all employees involved with receiving and depositing funds and a separate, higher bond covers certain individuals in policy-making roles.

The basis of accounting and the various funds utilized by the District are fully described in the notes to the basic financial statements. Additional information on the District's budgetary accounts can also be found in the notes to the basic financial statements.

### **INDEPENDENT AUDIT**

Provisions of State statute require that the District's financial statements be subjected to an annual examination by an independent auditor. The unqualified opinion rendered by Plattenburg and Associates on the District's basic financial statements, combining statements and individual fund schedules, is included in the financial section of this Comprehensive Annual Financial Report. Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and has been in conformance with that system effective with its annual financial report since the 1979 calendar year.

### **AWARDS**

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

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2012. The School District has received this award for ten years. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports 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 the GFOA.

### ASBO Certificate of Excellence in Financial Reporting

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials.

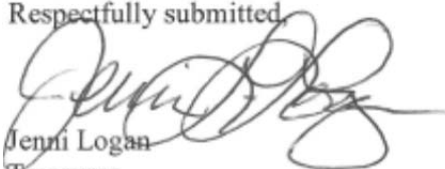
The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2012. This was the twelfth year the School District has received this award.

The District believes that the current report which will be submitted to ASBO for review will conform to ASBO's principles and standards.

### **ACKNOWLEDGEMENT**

The preparation of the fiscal year 2013 Comprehensive Annual Financial Report of the Lakota Local School District was made possible by the combined efforts of the District's Treasurer's Office and Plattenburg and Associates, Incorporated. The publication of this Comprehensive Annual Financial Report for the District is a major step in reinforcing the accountability and transparency of the District to the taxpayers of the community.

Respectfully submitted,

  
Jenni Logan  
Treasurer

**LAKOTA LOCAL SCHOOL DISTRICT, OHIO**

**LIST OF PRINCIPAL OFFICIALS**

**June 30, 2013**

**ELECTED OFFICIALS  
BOARD OF EDUCATION**

---

President, Board of Education	Mrs. Joan Powell
Vice- President, Board of Education	Mrs. Lynda O'Connor
Board Member	Mr. Ben Dibble
Board Member	Mr. Ray Murray
Board Member	Mrs. Julie Shaffer

**ADMINISTRATIVE OFFICIALS**

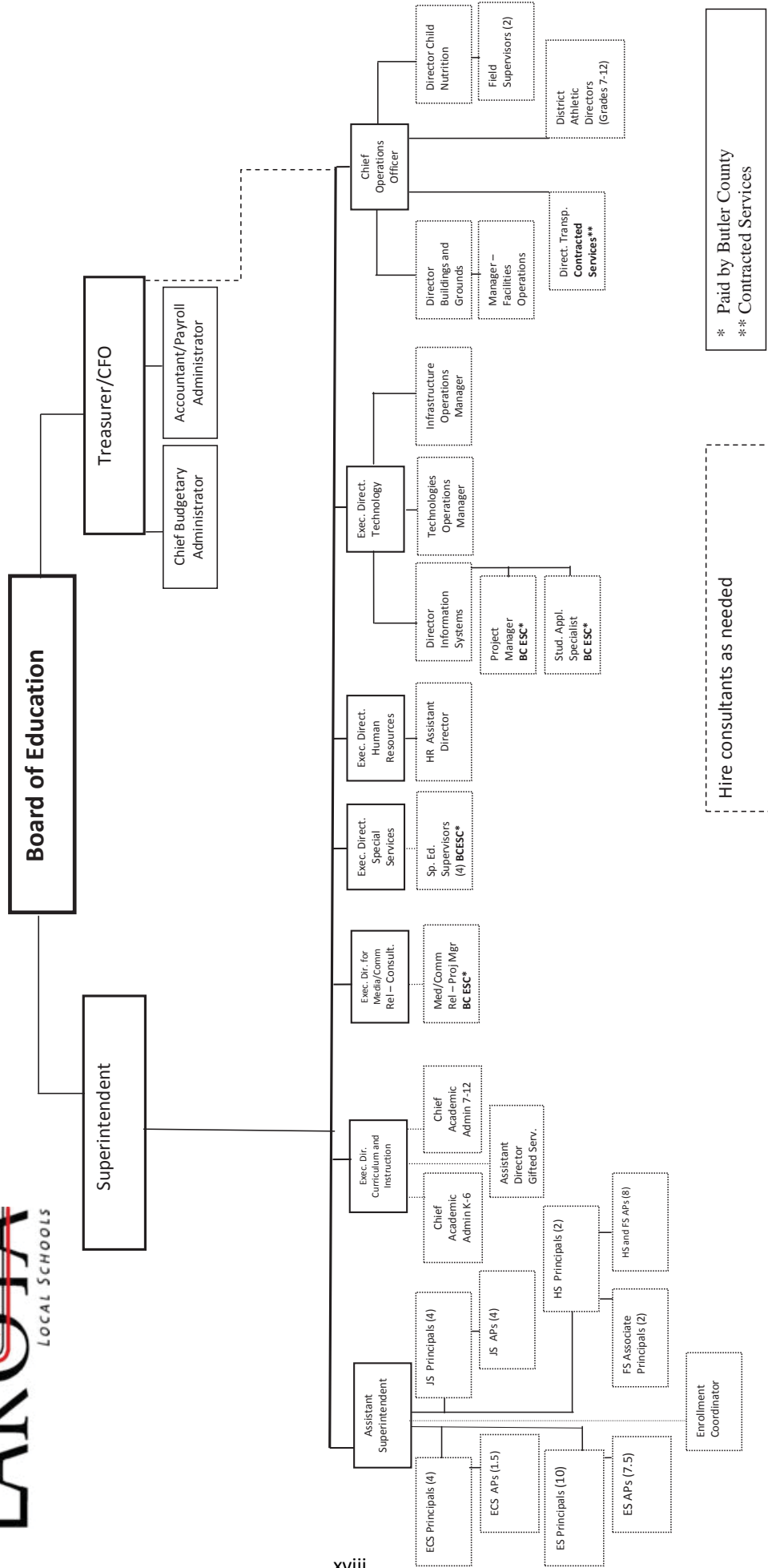
---

Superintendent	Dr. Karen Mantia
Treasurer	Mrs. Jenni L. Logan

ADMINISTRATIVE ORGANIZATIONAL  
STRUCTURE FOR LAKOTA LOCAL SCHOOL



Updated 8-6-12  
Revised 11-20-12  
Revised 9-10-13



Hire consultants as needed

\* Paid by Butler County  
\*\* Contracted Services



Government Finance Officers Association

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

Presented to

**Lakota Local School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

# Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award  
is presented to*

**Lakota Local School District, Ohio**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2012*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, appearing to read 'Ron McCulley', written over a horizontal line.

Ron McCulley, CPPB, RSBO  
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director

# FINANCIAL SECTION



**INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Lakota Local School District

**Report on the Financial Statements**

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
Cincinnati, Ohio  
January 30, 2014

**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

---

The discussion and analysis of Lakota Local School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2013. 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, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

**Financial Highlights**

Key financial highlights for 2013 are as follows:

- Net position of governmental activities increased \$2,264,850 which represents a 4% increase from 2012.
- General revenues accounted for \$157,844,891 in revenue or 90% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$18,060,663 or 10% of total revenues of \$175,905,554.
- The District had \$173,640,704 in expenses related to governmental activities; only \$18,060,663 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$157,844,891 were also used to provide for these programs.

**Overview of the Financial Statements**

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.

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. The General Fund and the Debt Service Fund are the major funds of the District.

**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

---

**Government-wide Financial Statements**

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 2013?" The Government-wide Financial Statements answers this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. 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 Government-wide Financial Statements, 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 of non-instructional services, extracurricular activities and interest and fiscal charges.

**Fund Financial Statements**

The analysis of the District's major funds are presented in the Fund Financial Statements (see Table of Contents). 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.

**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.

**Fiduciary Funds** Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

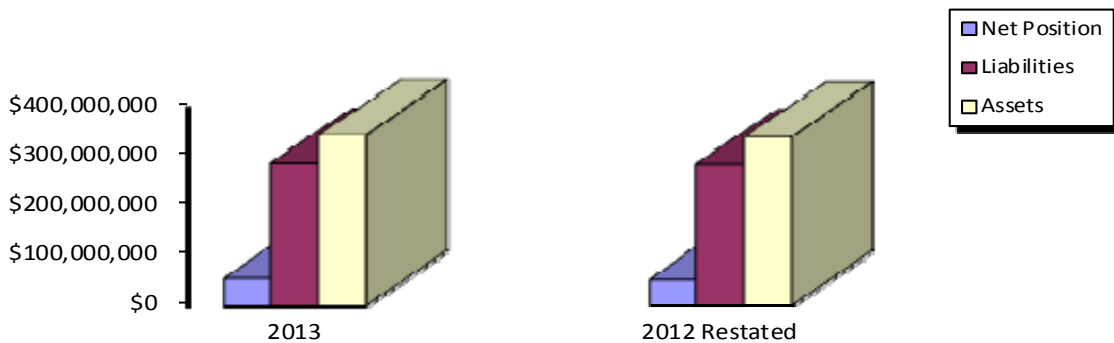
**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
(Unaudited)

**The District as a Whole**

As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2013 compared to 2012:

Table 1  
**Net Position**

	Governmental Activities	
	2013	2012 Restated
<b>Assets:</b>		
Current and Other Assets	\$154,655,190	\$145,950,404
Capital Assets	189,087,494	193,861,681
<b>Total Assets</b>	<b>343,742,684</b>	<b>339,812,085</b>
<b>Liabilities:</b>		
Long-Term Liabilities	161,793,547	170,329,704
Other Liabilities	125,806,769	115,604,863
<b>Total Liabilities</b>	<b>287,600,316</b>	<b>285,934,567</b>
<b>Net Position:</b>		
Net Investment in Capital Assets	34,044,680	30,724,896
Restricted	12,509,509	12,146,326
Unrestricted	9,588,179	11,006,296
<b>Total Net Position</b>	<b>\$56,142,368</b>	<b>\$53,877,518</b>



Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2013, the District's assets exceeded liabilities by \$56,142,368.

At year-end, capital assets represented 55% of total assets. Capital assets include land, land improvements, buildings and improvements and equipment. The District's Net Investment in Capital Assets at June 30, 2013, was \$34,044,680. 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.

**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
(Unaudited)

A portion of the District's net position, \$12,509,509, represents resources that are subject to external restriction on how they may be used. The external restriction will not affect the availability of fund resources for future use. The remaining balance of unrestricted net position of \$9,588,179 may be used to meet the District's ongoing obligations to the students and creditors.

Capital Assets decreased mainly due to current year depreciation expense exceeding current year additions. Long-term Liabilities decreased due to the District continuing to make principal payments on its long term obligations.

Table 2 shows the changes in net position for fiscal years 2013 and 2012.

Table 2  
Changes in Net Position

	Governmental Activities	
	2013	2012 Restated
Program Revenues:		
Charges for Services	\$8,884,801	\$9,393,110
Operating Grants	9,175,862	12,554,729
Total Program Revenues	18,060,663	21,947,839
General Revenue:		
Property Taxes	91,164,231	89,878,207
Grants and Entitlements	53,242,351	56,475,755
Other	13,438,309	11,209,889
Total General Revenues	157,844,891	157,563,851
Total Revenues	175,905,554	179,511,690
Program Expenses:		
Instruction	93,165,308	94,332,642
Support Services:		
Pupil and Instructional Staff	19,877,738	20,813,834
General and School Administrative, Fiscal and Business	13,777,937	14,629,797
Operations and Maintenance	12,987,618	12,375,806
Pupil Transportation	15,747,256	14,371,035
Central	2,938,700	3,586,813
Operation of Non-Instructional Services	6,115,163	5,989,839
Extracurricular Activities	2,615,894	2,825,760
Interest and Fiscal Charges	6,415,090	8,139,377
Total Expenses	173,640,704	177,064,903
Change in Net Position	2,264,850	2,446,787
Beginning - Net Position	53,877,518	51,430,731
Ending - Net Position	\$56,142,368	\$53,877,518

**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
(Unaudited)

---

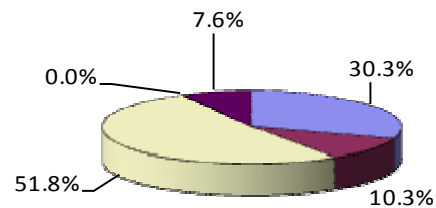
**Governmental Activities**

The District revenues are mainly from two sources. Property taxes levied for general purposes and debt service purposes, and grants and entitlements comprised 82% of the District’s revenues for governmental activities.

The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus Ohio districts do not receive additional property taxes related to increases in appraised values and must regularly return to the voters to maintain a constant level of service. Property taxes made up 52% of revenue for governmental activities for the District in fiscal year 2013.

<u>Revenue Sources</u>	<u>2013</u>	<u>Percent of Total</u>
General Grants	\$53,242,351	30.3%
Program Revenues	18,060,663	10.3%
General Tax Revenues	91,164,231	51.8%
Investment Earnings	65,183	0.0%
Other Revenues	13,373,126	7.6%
	<u>\$175,905,554</u>	<u>100.0%</u>



Instruction comprises 53.7% of governmental program expenses. Support services expenses were 37.6% of governmental program expenses. All other expenses including interest expense were 8.7% of governmental program expenses.

Operating Grants decreased mainly because to the majority of the Education Jobs grant monies were received in fiscal year 2012. Property tax revenues increased mainly due to an increase in real estate tax advances available. Instruction expenses decreased mainly due to the District’s ongoing efforts to cut costs throughout the District.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
(Unaudited)

Table 3  
**Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
Instruction	\$93,165,308	\$94,332,642	(\$85,498,407)	(\$85,954,681)
Support Services:				
Pupil and Instructional Staff	19,877,738	20,813,834	(19,055,862)	(17,518,912)
School Administrative, General				
Administration, Fiscal and Busine	13,777,937	14,629,797	(13,618,748)	(14,237,547)
Operations and Maintenance	12,987,618	12,375,806	(12,375,338)	(11,706,460)
Pupil Transportation	15,747,256	14,371,035	(15,352,305)	(13,975,606)
Central	2,938,700	3,586,813	(2,881,832)	(3,425,826)
Operation of Non-Instructional Servi	6,115,163	5,989,839	(38,387)	153,562
Extracurricular Activities	2,615,894	2,825,760	(344,072)	(312,217)
Interest and Fiscal Charges	6,415,090	8,139,377	(6,415,090)	(8,139,377)
Total Expenses	<u>\$173,640,704</u>	<u>\$177,064,903</u>	<u>(\$155,580,041)</u>	<u>(\$155,117,064)</u>

**The District's Funds**

The District has two major governmental funds: the General Fund and the Debt Service. Assets of these funds comprised \$150,522,571 (98%) of the total \$154,235,523 governmental funds' assets.

**General Fund:** Fund balance at June 30, 2013 was \$11,467,523 including \$9,147,491 of unassigned balance. Total fund balance decreased \$1,952,358 from fiscal year 2012. The primary reason for the decrease in fund balance was due to a decrease in intergovernmental revenue.

**Debt Service Fund:** Fund balance at June 30, 2013 was \$11,073,752. Total fund balance increased \$898,898 from fiscal year 2012. The primary reason for the increase in fund balance was a result in an increase in TIF monies received in fiscal year 2013 as compared to fiscal year 2012.

**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.

During the course of fiscal year 2013, the District amended its general fund budget. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. During the course of the year, the District revised the budget in an attempt to deal with unexpected changes in state revenues and subsequently reduced expenditures.

For the General Fund, original budget basis revenue was \$151,327,192 compared to final budget basis revenue of \$143,555,375. The difference of \$7,771,817 was mainly due to overestimates in taxes and intergovernmental revenue.

The District's ending unobligated cash balance for the General Fund was \$23,356,986.

**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
(Unaudited)

---

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal year 2013, the District had \$189,087,494 (net of accumulated depreciation) invested in land, land improvements, buildings and improvements and equipment. Table 4 shows fiscal year 2013 balances compared to fiscal year 2012:

Table 4  
Capital Assets at June 30  
(Net of Depreciation)

---

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012 Restated</u>
Land	\$8,858,505	\$8,858,505
Buildings and Improvements	170,284,637	174,307,830
Land Improvements	7,617,328	8,213,019
Equipment	<u>2,327,024</u>	<u>2,482,327</u>
Total Net Capital Assets	<u>\$189,087,494</u>	<u>\$193,861,681</u>

The decrease in capital assets is due to current year depreciation expense exceeding current year additions.

See Note 5 to the Basic Financial Statements for further details on the District's capital assets.

***This Space Intentionally Left Blank***



**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
(Unaudited)

**Debt**

At June 30, 2013, the District had \$155,042,814 in bonds outstanding, \$7,860,000 due within one year. Table 5 summarizes bonds outstanding.

Table 5  
**Outstanding Debt – Year End**

	Governmental Activities	
	2013	2012
General Obligation Bonds:		
2007 School Construction Bonds	\$8,245,000	\$8,625,000
Bond and Refunding	9,570,000	10,240,000
Lakota 2005 Refunding	0	400,000
Lakota 2005 Refunding	28,860,000	29,450,000
Premium on 2005 Refunding	2,086,054	2,240,576
Lakota Series 2005	24,708,740	72,765,000
Premium on 2005 Series	606,475	636,059
Lakota Series 2006	8,985,000	9,220,000
Premium on 2006 Series	108,405	113,693
2009 Energy Conservation Improvements	2,045,000	2,185,000
Premium on Energy Conservation Improvements	57,072	62,035
2009 Turf & Athletic Field Improvements	1,285,000	1,410,000
Premium on Turf & Athletic Field Improvements	15,924	17,797
Lakota 2009 Refunding	14,045,000	16,680,000
Premium on 2009 Refunding	480,850	587,706
Deferred Amount on 2009 Refunding	(274,975)	(336,081)
Lakota 2010 BAB Bonds	4,275,000	4,840,000
Lakota 2010 QSC Bonds	4,000,000	4,000,000
2013 Refunding Bonds	44,205,000	0
Premium - Lakota Series 2005 Bonds	7,301,848	0
Deferred Charge - Lakota Series 2005 Bonds	(5,562,579)	0
Total General Obligation Bonds	<u>\$155,042,814</u>	<u>\$163,136,785</u>

See Note 6 to the Basic Financial Statements for further details on the District's long-term obligations.

**For the Future**

In July, 2009, the Ohio's Governor signed HB 1, the state biennium budget bill. Included in this bill was a complete overhaul of the school funding model for all school districts in Ohio. The new Ohio Evidence-Based Model (OEBM) replaces the long-standing foundation formula that was declared unconstitutional by the Ohio Supreme Court. If ever fully-funded, the new model has the potential to drive funding based on student needs and could result in additional revenue. However, the current economic crisis has reduced revenue at the state level prompting budget reduction measures across the State. As such, the funding for the OEBM was phased in for FY10 and FY11 by allocating the funding for each year based on 99% of the FY09 funding and 98% of the FY10 funding, respectively. Federal stimulus funds are being used in Ohio to balance the education budget and as such, funding for public education at the current level is not secure beyond FY11.

**Lakota Local School District, Ohio**  
**Management Discussion and Analysis**  
**For The Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

---

On June 30, 2012, Ohio's Governor signed HB 153, the state biennium budget bill. The impact of this bill was a slight increase in state funding for the District for both fiscal years 2011-12 and 2012-13. The Governor has indicated that he will prepare a new school funding model for Ohio school districts for fiscal year 2012-13. At this time, we do not know the details of the changes or the impact that these changes may have on our future state funding. This uncertainty could have an impact on our instructional and operational programs. The need for additional revenue and or expenditure reductions will need to be closely monitored.

The administration and Board of Education continue to work through a five-year strategic plan which was based on conversations with students, community members, teachers, and administrators, as well as decades of research. The plan sets out four key strategies for helping students as follows:

1. Lakota will engage each student in an educational program that challenges him/her
2. Lakota will build staff capability and empowerment
3. Lakota will strengthen its relationships with the community
4. Lakota will improve organizational efficiency & flexibility

The Superintendent has established priorities, which are aligned with the key strategies, designed to guide decision making at all levels of the organization. They are as follows:

1. Student Achievement/Adequate Yearly Progress
2. Systems Alignment
3. Community Support and Trust
4. Short and Long Term Facilities Plan

In addition, we have charged ourselves with the goals of maintaining the state's Excellent rating, meeting the Federal Adequate Yearly Progress Benchmarks and to become a World Class school system. Response to intervention, use of data to drive planning and decision making, ensuring that customer service is a focus of reach employee of Lakota, providing safe and supportive learning facilities for our students and addressing the need for additional revenue are just a few of the ways in which the goals, priorities and strategies impact the three critical areas of student achievement, student engagement and pathways to success.

All of the District's financial abilities will be needed to meet the challenges of the future. With careful planning and monitoring of the District's finances, the District's management is confident that the District can continue to provide a quality education for our students and provide a secure financial future.

### **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 the Treasurer at Lakota Local School District, 5572 Princeton Road, Liberty Township, Ohio 45011.

Lakota Local School District, Ohio  
Statement of Net Position  
June 30, 2013

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$41,904,634
Receivables:	
Taxes	96,818,493
Accounts	282,560
Interest	16,457
Intergovernmental	14,157,516
Deferred Bond Issuance Costs	1,407,657
Inventory	67,873
Nondepreciable Capital Assets	8,858,505
Depreciable Capital Assets, Net	<u>180,228,989</u>
 Total Assets	 <u>343,742,684</u>
Liabilities:	
Accounts Payable	2,767,688
Accrued Wages and Benefits	17,508,363
Accrued Interest Payable	558,840
Unearned Revenue	102,635,869
Other Liabilities	2,336,009
Long-Term Liabilities:	
Due Within One Year	8,831,015
Due In More Than One Year	<u>152,962,532</u>
 Total Liabilities	 <u>287,600,316</u>
Net Position:	
Net Investment in Capital Assets	34,044,680
Restricted for:	
Debt Service	10,882,775
Capital Projects	2,201
Other Grants	79,609
Student Activities	965,274
Food Service	540,275
Federal Grants	3,651
Other Purposes	35,724
Unrestricted	<u>9,588,179</u>
 Total Net Position	 <u>\$56,142,368</u>

See accompanying notes to the basic financial statements.

Lakota Local School District, Ohio  
Statement of Activities  
For the Fiscal Year Ended June 30, 2013

	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$72,509,936	\$2,094,822	\$760,299	(\$69,654,815)
Special	15,649,305	182,608	4,402,658	(11,064,039)
Vocational	7,710	0	6,983	(727)
Other	4,998,357	219,399	132	(4,778,826)
<b>Support Services:</b>				
Pupil	10,615,552	0	18,612	(10,596,940)
Instructional Staff	9,262,186	0	803,264	(8,458,922)
General Administration	131,324	0	89,621	(41,703)
School Administration	11,501,259	0	69,568	(11,431,691)
Fiscal	1,823,403	0	0	(1,823,403)
Business	321,951	0	0	(321,951)
Operations and Maintenance	12,987,618	612,280	0	(12,375,338)
Pupil Transportation	15,747,256	3,840	391,111	(15,352,305)
Central	2,938,700	32,448	24,420	(2,881,832)
Operation of Non-Instructional Services	6,115,163	3,467,769	2,609,007	(38,387)
Extracurricular Activities	2,615,894	2,271,635	187	(344,072)
Interest and Fiscal Charges	6,415,090	0	0	(6,415,090)
<b>Total Governmental Activities</b>	<b>\$173,640,704</b>	<b>\$8,884,801</b>	<b>\$9,175,862</b>	<b>(155,580,041)</b>
<b>General Revenues:</b>				
Property Taxes Levied for:				
				78,411,041
				12,753,190
				53,242,351
				12,790,111
				222,389
				65,183
				360,626
<b>Total General Revenues</b>				<b>157,844,891</b>
<b>Change in Net Position</b>				<b>2,264,850</b>
<b>Net Position - Beginning of Year, Restated</b>				<b>53,877,518</b>
<b>Net Position - End of Year</b>				<b>\$56,142,368</b>

See accompanying notes to the basic financial statements.

Lakota Local School District, Ohio  
Balance Sheet  
Governmental Funds  
June 30, 2013

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$28,946,289	\$10,595,863	\$2,362,482	\$41,904,634
<b>Receivables:</b>				
Taxes	82,786,630	14,031,863	0	96,818,493
Accounts	282,560	0	0	282,560
Interest	16,457	0	0	16,457
Intergovernmental	11,378,599	1,496,320	1,282,597	14,157,516
Interfund	987,990	0	0	987,990
Inventory	0	0	67,873	67,873
<b>Total Assets</b>	<b>124,398,525</b>	<b>26,124,046</b>	<b>3,712,952</b>	<b>154,235,523</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	2,618,921	175	148,592	2,767,688
Accrued Wages and Benefits	16,504,843	0	1,003,520	17,508,363
Compensated Absences	224,056	0	8,297	232,353
Interfund Payable	0	0	987,990	987,990
Deferred Revenue	91,247,173	15,050,119	1,204,560	107,501,852
Other Liabilities	2,336,009	0	0	2,336,009
<b>Total Liabilities</b>	<b>112,931,002</b>	<b>15,050,294</b>	<b>3,352,959</b>	<b>131,334,255</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	67,873	67,873
Restricted	0	11,073,752	1,706,624	12,780,376
Assigned	2,320,032	0	0	2,320,032
Unassigned	9,147,491	0	(1,414,504)	7,732,987
<b>Total Fund Balances</b>	<b>11,467,523</b>	<b>11,073,752</b>	<b>359,993</b>	<b>22,901,268</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$124,398,525</b>	<b>\$26,124,046</b>	<b>\$3,712,952</b>	<b>\$154,235,523</b>

See accompanying notes to the basic financial statements.

Lakota Local School District, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 June 30, 2013

---

Total Governmental Fund Balance \$22,901,268

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

Capital assets used in governmental activities are not financial  
 resources and therefore are not reported in the funds. 189,087,494

Other long-term assets are not available to pay for current-  
 period expenditures and therefore are deferred in the funds.

Delinquent Property Taxes	\$3,281,982	
Interest	10,964	
Intergovernmental	1,204,560	
Other	368,477	
		4,865,983

In the statement of net position interest payable is accrued when  
 incurred, whereas in the governmental funds interest is  
 reported as a liability only when it will require the use of  
 current financial resources. (558,840)

Some liabilities reported in the statement of net position do not  
 require the use of current financial resources and therefore  
 are not reported as liabilities in governmental funds.

Compensated Absences (6,518,380)

Deferred bond issuance cost associated with long-term liabilities  
 are not reported in the funds. 1,407,657

Long-term liabilities, are not due and payable in the current  
 period and therefore are not reported in the funds. (155,042,814)

Net Position of Governmental Activities \$56,142,368

See accompanying notes to the basic financial statements.

Lakota Local School District, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2013

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$78,390,497	\$12,718,238	\$0	\$91,108,735
Revenue in lieu of taxes	11,293,791	1,496,320	0	12,790,111
Tuition and Fees	2,205,304	0	0	2,205,304
Investment Earnings	66,138	0	421	66,559
Intergovernmental	54,120,073	1,744,911	8,027,479	63,892,463
Extracurricular Activities	448,841	0	2,325,397	2,774,238
Charges for Services	303,294	93,938	3,500,484	3,897,716
Other Revenues	340,982	0	249,873	590,855
<b>Total Revenues</b>	<b>147,168,920</b>	<b>16,053,407</b>	<b>14,103,654</b>	<b>177,325,981</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	65,945,914	0	1,238,638	67,184,552
Special	13,329,036	0	2,299,911	15,628,947
Vocational	7,710	0	0	7,710
Other	4,819,866	0	202,226	5,022,092
<b>Support Services:</b>				
Pupil	10,141,584	0	332,477	10,474,061
Instructional Staff	8,135,605	0	1,179,658	9,315,263
General Administration	53,236	0	78,088	131,324
School Administration	12,213,422	0	105,570	12,318,992
Fiscal	1,674,162	172,091	0	1,846,253
Business	293,402	0	0	293,402
Operations and Maintenance	11,805,660	0	325,711	12,131,371
Pupil Transportation	15,659,044	0	1,771	15,660,815
Central	2,760,864	0	57,157	2,818,021
Operation of Non-Instructional Services	24,187	0	5,918,946	5,943,133
Extracurricular Activities	105,430	0	2,335,142	2,440,572
Capital Outlay	1,737,236	0	0	1,737,236
<b>Debt Service:</b>				
Principal Retirement	0	8,220,000	0	8,220,000
Interest and Fiscal Charges	0	6,762,418	0	6,762,418
Bond Issuance Costs	0	470,319	0	470,319
<b>Total Expenditures</b>	<b>148,706,358</b>	<b>15,624,828</b>	<b>14,075,295</b>	<b>178,406,481</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,537,438)</b>	<b>428,579</b>	<b>28,359</b>	<b>(1,080,500)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	12,082	0	2,894	14,976
Payments to Refunded Bond Escrow Agent	0	(52,096,050)	0	(52,096,050)
Proceeds of Refunding Bonds	0	44,835,000	0	44,835,000
Premium on Bonds Sold	0	7,731,369	0	7,731,369
Transfers In	0	0	427,002	427,002
Transfers (Out)	(427,002)	0	0	(427,002)
<b>Total Other Financing Sources (Uses)</b>	<b>(414,920)</b>	<b>470,319</b>	<b>429,896</b>	<b>485,295</b>
<b>Net Change in Fund Balance</b>	<b>(1,952,358)</b>	<b>898,898</b>	<b>458,255</b>	<b>(595,205)</b>
<b>Fund Balance Beginning of Year</b>	<b>13,419,881</b>	<b>10,174,854</b>	<b>(98,262)</b>	<b>23,496,473</b>
<b>Fund Balance End of Year</b>	<b>\$11,467,523</b>	<b>\$11,073,752</b>	<b>\$359,993</b>	<b>\$22,901,268</b>

See accompanying notes to the basic financial statements.

Lakota Local School District, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2013

Net Change in Fund Balance - Total Governmental Funds (\$595,205)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	\$824,706	
Depreciation Expense	<u>(5,598,893)</u>	
		(4,774,187)

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

Delinquent Property Taxes	\$55,496	
Interest	(1,376)	
Intergovernmental	(1,474,249)	
Other	<u>(298)</u>	
		(1,420,427)

In the statement of activities, certain costs and proceeds associated with long-term debt obligations issued during the year are accrued and amortized over the life of the debt obligation. In governmental funds these costs and proceeds are recognized as financing sources and uses.

Bond Issuance Costs	\$470,319	
Premium on Bonds Issued	(7,731,369)	
Deferred Amount on Refunding	5,889,790	
Refunding Bonds	(44,835,000)	
Bonds Refunded	<u>46,206,260</u>	
		0

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 8,220,000

In the statement of activities interest expense is accrued when incurred, whereas in governmental funds an interest expenditure is reported when due. 97,608

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	\$487,341	
Amortization of Bond Issuance Cost	(94,570)	
Amortization of Bond Premium	732,607	
Amortization of Deferred Charge on Refunding	<u>(388,317)</u>	
		<u>737,061</u>

Change in Net Position of Governmental Activities \$2,264,850

See accompanying notes to the basic financial statements.



Lakota Local School District, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2013

---

---

	<u>Private Purpose Trust</u>	<u>Agency</u>
Assets:		
Equity in Pooled Cash and Investments	<u>\$14,873</u>	<u>\$257,948</u>
Total Assets	<u>14,873</u>	<u>257,948</u>
Liabilities:		
Accounts Payable	0	7,057
Other Liabilities	<u>0</u>	<u>250,891</u>
Total Liabilities	<u>0</u>	<u>\$257,948</u>
Net Position:		
Held in Trust	<u>14,873</u>	
Total Net Position	<u>\$14,873</u>	

See accompanying notes to the basic financial statements.

Lakota Local School District, Ohio  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2013

---

	<u>Private Purpose Trust</u>
Additions:	
Donations	<u>\$9,503</u>
Total Additions	<u>9,503</u>
Deductions:	
Scholarships	<u>12,366</u>
Total Deductions	<u>12,366</u>
Change in Net Position	(2,863)
Net Position - Beginning of Year	<u>17,736</u>
Net Position - End of Year	<u><u>\$14,873</u></u>

See accompanying notes to the basic financial statements.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

**Note 1 - Summary of Significant Accounting Policies**

---

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

**Description of the District**

The District was chartered in 1957 by the Ohio State Legislature. The original District was a consolidation of the Liberty Township District and the Union Township District into the Liberty-Union School District. The name of the District was changed to the Lakota Local School District in 1970. Today, the District operates under current standards prescribed by the Ohio State Board of Education as provided in Division D § 3301.07 and §119.01 of the Ohio Revised Code.

The District operates under a locally elected five-member board form of government and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. This board controls the District's 25 instructional and support facilities staffed by approximately 676 non-certificated personnel and approximately 920 certificated teaching and 61 administrative personnel to provide services to over 16,800 students.

**Reporting Entity**

The financial reporting entity consists of a primary government. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

There are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

**Measurement Focus**

**Government-wide Financial Statements**

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net position. The effect of all interfund activity has been removed from these statements. Fiduciary Funds are not included in entity-wide statements and Agency Funds do not have a measurement focus.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

The government-wide statement of activities presents a comparison between direct expenses and program revenues 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 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 contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**Fund Financial Statements**

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

The private purpose trust is reported using the economic resources 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).

**Fund Accounting**

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories governmental and fiduciary.

**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 liabilities is reported as fund balance. The following are the District's major governmental funds:

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

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

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

**Fiduciary Funds**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District maintains one agency fund known as the Student Activities Fund. The Student Activities Fund was established to account for revenues generated by student managed activities. Agency funds are custodian in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only trust fund is a private purpose trust which accounts for scholarship programs for students.

**Basis of Accounting**

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

Revenues – Exchange and Non-exchange 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.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

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

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

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2013, but which were levied to finance fiscal year 2014 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

Expenses/Expenditures

On the accrual basis of accounting, expenditures are recognized at the time they are incurred. The fair 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 deferred 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. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

**Equity in Pooled Cash and Investments**

Cash received by the District is pooled for investment purposes. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits and repurchase agreements are reported at cost.

The District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2013. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2A7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2013. The District also has invested in U.S. Agencies.

Following Ohio statutes, the Board has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue during fiscal year 2013 credited to the General Fund amounted to \$66,138 and \$421 in Other Governmental Funds.

**Interfund Activity**

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loan receivables/payables". These amounts are eliminated in the governmental activities column on the Statement of Net Position.

As a general rule with the exception of transfers between governmental and proprietary funds, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities.

Interfund transactions within governmental activities are eliminated in the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

**Inventory**

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories are accounted for using the purchase method on the fund level statements and using the consumption method on the proprietary funds statement of net position.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

**Capital Assets**

General capital 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.

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 five thousand dollars (\$5,000). 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.

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20 years
Buildings and Improvements	45 years
Equipment	5-20 years

**Accrued Liabilities and Long-Term Obligations**

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences and special termination benefits 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 fiscal year. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**Compensated Absences**

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.



**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. Compensated absences are reported in governmental funds only if they have matured. The noncurrent portion of the liability is not reported.

The District's policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certificated</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How earned	not eligible	20-23 days	10-20 days for each service year depending on length of service
Maximum accumulation	not applicable	40 days unless special permission granted	30-60 days
Vested	not applicable	as earned	as earned
Termination entitlement	not applicable	30 days maximum at retirement 10 days maximum at separation	paid upon termination
<u>Sick Leave</u>	<u>Certificated</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How earned	1 ¼ days per month of employment (15 days per year)	1 ¼ days per month of employment (15 days per year)	1 ¼ days per month of employment (15 days per year)
Maximum accumulation	300 days	370 days	300 days
Vested	as earned	as earned	as earned
Termination entitlement	per contract	per Board Policy	per contract

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

**Net Position**

Net position represent the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets (which includes retainage payable and contracts payable), net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the District's \$12,509,509 in restricted net position, none were restricted by enabling legislation.

**Fund Balance**

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – resources that can be used only for the specific purposes imposed by a formal action (board resolution) of the District's Board of Education. The Board of Education is the its highest level of decision making authority for the District. Those committed resources cannot be used for any other purpose unless the District's Board of Education removes or changes the specified use by taking the same type of action (board resolution) it employed to previously commit those resources.

Assigned – resources intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts are intended to be used for specific purposes as approved through the District's formal purchase order procedure by the Superintendent and the Treasurer. The adoption of the board appropriation resolution is the established policy, which gives the authorization to assign resources for a specific purpose.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

The District considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

**Estimates**

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

**Note 2 - Equity in Pooled Cash and Investments**

---

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current five year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (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.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

- (5) Bonds, and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, 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 moneys 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.

**Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of June 30, 2013, \$23,049,301 of the District's bank balance of \$23,308,426 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

**Investments**

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

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Money Market Funds	\$21,230	0.00
Federal Home Loan Bank	4,791,053	0.39
Freddie Mac	5,941,562	2.01
Federal Farm Credit Bank	901,623	0.79
Fannie Mae	5,532,657	3.04
Commercial Paper	2,546,989	0.37
STAROhio	136	0.16
Total Fair Value	<u>\$19,735,250</u>	
Portfolio Weighted Average Maturity		1.64

Interest Rate Risk - In accordance with the investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years.

Credit Risk – It is the District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings issued by nationally recognized statistical rating organizations. The District’s investments in Federal Home Loan Bank, Freddie Mac, Federal Farm Credit Bank and Fannie Mae were rated AA+ by Standard & Poor’s and Fitch Ratings and Aaa by Moody’s Investors Service. Commercial Paper was rated P-1 by Standard & Poor’s and Fitch Ratings and A-1+ by Moody’s Investors Service. Investments in STAR Ohio were rated AAAM by Standard & Poor’s. Money Market Funds were not rated.

Concentration of Credit Risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities. The District has invested less than 1% in Money Market Funds, 24% in Federal Home Loan Bank, 30% in Freddie Mac, 5% in Federal Farm Credit Bank, 28% in Fannie Mae, 13% in Commercial Paper, and less than 1% in STAROhio.

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. All of the District’s securities are either insured and registered in the name of the District or at least registered in the name of the District.

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

**Note 3 - Property Taxes**

---

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. The District receives property taxes from the 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, 2013, are available to finance fiscal year 2014 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2013. Delinquent property taxes collected within 60 days of the fiscal year end are included as a receivable and tax revenue on the fund financial statements. All delinquent property taxes outstanding at June 30, 2013 are recognized as a revenue and receivable on the government-wide financial statements. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available to finance current year operations. The receivable is offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2013, was \$3,204,689 for General Fund and \$478,064 for Debt Service Fund.

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

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

	Amount
Agricultural/Residential and Other Real Estate	\$2,450,209,760
Public Utility Personal	70,451,260
Total	<u>\$2,520,661,020</u>

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

**Note 4 – Receivables**

---

Receivables at June 30, 2013, consisted of taxes, accounts (rent and student fees), interest, intergovernmental grants and interfund. 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.

**Note 5 - Capital Assets**

---

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

	Restated Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<b><i>Capital Assets, not being depreciated:</i></b>				
Land	\$8,858,505	\$0	\$0	\$8,858,505
<b><i>Capital Assets, being depreciated:</i></b>				
Buildings and Improvements	227,559,102	487,687	0	228,046,789
Equipment	14,661,825	337,019	32,163	14,966,681
Land Improvements	<u>12,289,313</u>	<u>0</u>	<u>0</u>	<u>12,289,313</u>
Totals at Historical Cost	263,368,745	824,706	32,163	264,161,288
Less Accumulated Depreciation:				
Buildings and Improvements	53,251,272	4,510,880	0	57,762,152
Equipment	12,179,498	492,322	32,163	12,639,657
Land Improvements	<u>4,076,294</u>	<u>595,691</u>	<u>0</u>	<u>4,671,985</u>
Total Accumulated Depreciation	<u>69,507,064</u>	<u>5,598,893</u>	<u>32,163</u>	<u>75,073,794</u>
Governmental Activities Capital Assets, Net	<u><u>\$193,861,681</u></u>	<u><u>(\$4,774,187)</u></u>	<u><u>\$0</u></u>	<u><u>\$189,087,494</u></u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$4,912,525
Special	4,059
Support Services:	
Pupil	3,414
Instructional Staff	1,146
School Administration	1,389
Fiscal	12,692
Business	42,316
Operations and Maintenance	150,992
Pupil Transportation	82,091
Central	117,418
Operation of Non-Instructional Services	66,717
Extracurricular Activities	204,134
Total Depreciation Expense	<u><u>\$5,598,893</u></u>

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

**Note 6 - Long-Term Liabilities**

	Interest Rate	Issue Date	Maturity Date	Beginning Balance	Issued	Retired	Ending Balance	Due In One Year
<b>Governmental Activities:</b>								
General Obligation Bonds:								
\$2,450,000 - Energy Conservation Improvements	2.500%	5/28/09	12/1/24	\$2,185,000	\$0	\$140,000	\$2,045,000	\$140,000
\$79,404 - Premium on Energy Conservation Improvements		5/28/09	12/1/24	62,035	0	4,963	57,072	0
\$1,650,000 - Turf & Athletic Field Improvements	2.500%	5/28/09	12/1/21	1,410,000	0	125,000	1,285,000	130,000
\$24,355 - Premium on Turf & Athletic Field Improvements		5/28/09	12/1/21	17,797	0	1,873	15,924	0
\$16,680,000 - Lakota Refunding	5.000%	9/24/08	12/1/17	16,680,000	0	2,635,000	14,045,000	2,850,000
\$961,701 - Premium on Refunding		9/24/08	12/1/17	587,706	0	106,856	480,850	0
(\$549,951) - Deferred Amount on Refunding		9/24/08	12/1/17	(336,081)	0	(61,106)	(274,975)	0
\$10,000,000 - School Construction Bonds - Union Elem	4.000%	6/13/07	12/1/27	8,625,000	0	380,000	8,245,000	395,000
\$52,932,789 - Bond and Refunding	5.850%	4/19/01	12/1/26	10,240,000	0	670,000	9,570,000	705,000
\$8,625,000 - Lakota 2005 Refunding	3.076%	1/1/05	12/1/12	400,000	0	400,000	0	0
\$30,950,000 - Lakota 2005 Refunding	4.650%	11/3/05	12/1/26	29,450,000	0	590,000	28,860,000	705,000
\$3,244,969 - Premium on 2005 Refunding		11/3/05	12/1/26	2,240,576	0	154,522	2,086,054	0
\$74,470,000 - Lakota Series 2005	4.600%	12/19/05	12/1/33	72,765,000	0	48,056,260 *	24,708,740	2,095,000
\$828,359 - Premium on 2005 Series		12/19/05	12/1/33	636,059	0	29,584	606,475	0
\$9,830,000 - Lakota Series 2006	4.270%	1/10/06	12/1/33	9,220,000	0	235,000	8,985,000	265,000
\$148,065 - Premium on 2006 Series		1/10/06	12/1/33	113,693	0	5,288	108,405	0
\$5,405,000 - 2010 School Improvement Bonds	1.340%	6/17/10	12/1/20	4,840,000	0	565,000	4,275,000	575,000
\$4,000,000 - 2010 School Improvement Bonds	5.390%	6/17/10	12/1/25	4,000,000	0	0	4,000,000	0
\$44,835,000 - 2013 Refunding Bonds	2.0-5.0%	10/18/12	12/1/29	0	44,835,000	630,000	44,205,000	0
\$7,731,369 - Premium - Lakota Series 2005 Bonds		10/18/12	12/1/29	0	7,731,369	429,521	7,301,848	0
(\$5,889,790) - Deferred Charge - Lakota Series 2005 Bonds		10/18/12	12/1/29	0	(5,889,790)	(327,211)	(5,562,579)	0
<b>Total General Obligation Bonds</b>				<b>163,136,785</b>	<b>46,676,579</b>	<b>54,770,550</b>	<b>155,042,814</b>	<b>7,860,000</b>
Compensated Absences				<b>7,192,919</b>	<b>497,795</b>	<b>939,981</b>	<b>6,750,733</b>	<b>971,015</b>
<b>Total Governmental Activities Long-Term Liabilities</b>				<b>\$170,329,704</b>	<b>\$47,174,374</b>	<b>\$55,710,531</b>	<b>\$161,793,547</b>	<b>\$8,831,015</b>

\* \$44,835,000 was refunded and a principal payment of \$1,850,000 was made.

All long-term bonds will be paid from the debt service fund. Compensated absences will be paid from the general and special revenue funds. All debt will be used to acquire or construct a capital asset for the District. Premiums and deferred amount on the issuance of bonds are included in the debt and will be amortized over the life of the new debt.

Principal and interest requirements to retire general obligation debt outstanding at year end are as follows:



**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

Fiscal Year Ending June 30	General Obligation Bonds				
	Principal	Premium	Deferred Charge	Interest	Total
2014	\$7,860,000	\$732,607	(\$388,317)	\$6,870,792	\$15,075,082
2015	8,170,000	732,607	(388,317)	6,552,297	15,066,587
2016	7,698,740	732,607	(388,317)	7,262,459	15,305,489
2017	8,160,000	732,607	(388,317)	5,807,924	14,312,214
2018	8,635,000	679,177	(357,762)	5,393,232	14,349,647
2019-2023	35,930,000	3,125,949	(1,636,055)	21,699,202	59,119,096
2024-2028	43,010,000	2,870,241	(1,636,055)	11,496,062	55,740,248
2029-2033	25,000,000	1,033,393	(654,414)	4,173,650	29,552,629
2034	5,760,000	17,440	0	129,206	5,906,646
Total	\$150,223,740	\$10,656,628	(\$5,837,554)	\$69,384,824	\$224,427,638

**Note 7 – Advance Refunding**

On October 18, 2012 the District issued \$44,835,000 in General Obligation Refunding Bonds with an interest rate between 2.00% and 5.00%, all of which was used to partially advance refund \$46,206,260 of the outstanding 2005 General Obligation Refunding Bonds with an interest rate of 4.60%. The net proceeds of \$52,566,369 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the three bond issues. As a result, \$44,835,000 of the 2005 General Obligation Refunding Bonds are considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position.

The District advance refunded 2006 General Obligation Bonds to reduce its total debt service payments by \$3,195,700 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,529,631.

**Note 8 - Pension Plans**

**School Employees Retirement System of Ohio**

Plan Description

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

Funding Policy

Plan members are required to contribute 10% of their annual covered salary and District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund,

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

and Health Care fund) of the System. For fiscal year ending June 30, 2013, the allocation to pension and death benefits is 13.10%. The remaining 0.90% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's required contributions to SERS for the years ended June 30, 2013, 2012, and 2011 were \$3,506,304, \$3,352,416, and \$3,219,408, respectively; 75% has been actually contributed for fiscal year 2013 and 100% has been actually contributed for fiscal years 2012 and 2011. The District's unpaid contractually required SERS contributions (including post employment benefits) at year end (the liability) were recorded in the accrued wages and benefits line item of the government-wide and fund financial statements along with various corresponding expenses/expenditures.

**State Teachers Retirement System of Ohio**

Plan Description

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution, or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. Additional information or copies of STRS Ohio's *Comprehensive Annual Financial Report* can be requested by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio web site at [www.strsoh.org](http://www.strsoh.org).

Plan Options

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

DB Plan Benefits

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

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits

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

Combined Plan Benefits

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

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

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

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

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

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

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

Funding Policy

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

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2013, were 10% of covered payroll for members and 14% for employers. The District's required contributions to STRS for the years ended June 30, 2013, 2012, and 2011 were \$9,697,704, \$9,947,628, and \$11,246,736, respectively; 83% has been actually contributed for fiscal year 2013 and 100% has been actually contributed for fiscal years 2012 and 2011. The District's unpaid contractually required STRS contributions (including post employment benefits) at year end (the liability) were recorded in the accrued wages and benefits line item of the government-wide and fund financial statements along with various corresponding expenses/expenditures.

**Note 9 - Post Employment Benefits**

---

**School Employees Retirement System of Ohio**

Plan Description

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

Medicare Part B Plan

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

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2013, the actuarially required allocation was 0.74%. District contributions for the year ended June 30, 2013, 2012 and 2011 were \$185,333, \$181,989 and \$174,768, respectively, which equaled the required contributions each year.

Health Care Plan

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

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

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2013, the health care allocation was 0.16%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2013, the minimum compensation level was established at \$20,528. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District required contributions assigned to health care for the years ended June 30, 2013, 2012, and 2011 were \$40,072, \$126,477, and \$328,840, respectively; 75% has been actually contributed for fiscal year 2013 and 100% has been actually contributed for fiscal years 2012 and 2011.

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

The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Employers/Audit Resources*.

### **State Teachers Retirement System of Ohio**

#### Plan Description

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

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

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

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

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

Funding Policy

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contributions rate, 1% of covered payroll was allocated to post-employment health care for the year ended June 30, 2013, 2012 and 2011. The 14% employer contribution rate is the maximum rate established under Ohio law. The District required contributions for the years ended June 30, 2013, 2012, and 2011 were \$692,693, \$710,545, and \$803,338, respectively; 83% has been actually contributed for fiscal year 2013 and 100% has been actually contributed for fiscal years 2012 and 2011.

**Note 10 - Contingent Liabilities**

---

**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 is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.

However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District as of June 30, 2013.

**Litigation**

The District's attorney estimates that all other potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

**Note 11 - Risk Management**

---

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Below is a schedule of insurance coverage carried by the District:

Coverage	Company	Limits	Deductible
Fleet	Liberty Mutual	\$1,000,000 per occurrence	\$1,000 collision/pd
Property	Liberty Mutual	362,632,442 blanket coverage	10,000 per loss
General liability	Liberty Mutual	1,000,000 per occurrence/ 2,000,000 aggregate	
Liability umbrella	Liberty Mutual	10,000,000 aggregate	
Errors and omissions	Liberty Mutual	1,000,000 aggregate	5,000 per loss
Crime theft	Liberty Mutual	10,000 per occurrence	500 per loss
Faithful Performance Bond	Liberty Mutual	40,000 blanket bond with faithful performance endorsed on bond	

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

Medical and dental insurance benefits are offered to employees through Anthem. The employees share the cost of the monthly premium for the coverage with the District.

There were no significant reductions in insurance coverage from the prior year. Also, there were no settlements that exceeded insurance coverage for the past three fiscal years.

**Note 12 - Jointly Governed Organizations**

---

Pursuant to an interlocal agreement authorized by state statute, the District participates in the Southwestern Ohio Computer Association (SWOCA), which is a computer consortium. SWOCA is an association of public school districts within the boundaries of Warren, Preble, and Butler counties and involves all cities that have school districts within these counties.

The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts.

SWOCA is governed by a board of directors consisting of one representative from each of the participating members. The District paid SWOCA a fee for services provided during the year. Financial information may be obtained from Mike Crumley at the Butler County Joint Vocational School, 3603 Hamilton-Middletown Road, Hamilton, Ohio.

The Butler Technology and Career Development School is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating school districts' elected boards. It possesses its own budgeting and taxing authority. The Butler Technology and Career Development School was formed to provide vocational education opportunities to the students of Butler County, including students of the District. Financial information can be obtained from the Butler Technology and Career Development School Treasurer, at 3604 Hamilton Middletown Road, Hamilton, Ohio 45011.

**Note 13 – Accountability**

---

The following individual funds had a deficit in fund balance at year end:

	<u>Deficit</u>
Other Governmental Funds:	
Miscellaneous State Grants	\$33,779
Title VI-B	453,238
Title III	3,495
Title I	769,132
Title II-A	133,675
High Schools That Work	21,185

**Note 14 - Set-Asides**

---

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

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

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

	<u>Capital Acquisition</u>
Set Aside Reserve Balance as of June 30, 2012	\$0
Current Year Set Aside Requirements	2,946,357
Qualified Disbursements	(2,376,944)
Current Year Offsets	(569,413)
Set Aside Reserve Balance as of June 30, 2013	<u><u>\$0</u></u>

Offset credits for capital activity during the year exceeded the amount required for the set-aside.

**Note 15 - Interfund Transactions**

---

Interfund transactions at June 30, 2013, consisted of the following individual fund receivables and payables and transfers in and out:

	Interfund		Transfers	
	<u>Receivable</u>	<u>Payable</u>	<u>In</u>	<u>Out</u>
General Fund	\$987,990	\$0	\$0	\$427,002
Other Governmental Funds	0	987,990	427,002	0
Total All Funds	<u><u>\$987,990</u></u>	<u><u>\$987,990</u></u>	<u><u>\$427,002</u></u>	<u><u>\$427,002</u></u>

Transfers in and out and interfund balances are made to provide operating cash as needed.

**Note 16 – Fund Balances**

---

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



**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

Fund Balances	General	Debt Service	Other Governmental Funds	Total
<b>Nonspendable:</b>				
Inventory	\$0	\$0	\$67,873	\$67,873
<b>Total Nonspendable</b>	<u>0</u>	<u>0</u>	<u>67,873</u>	<u>67,873</u>
<b>Restricted for:</b>				
Other Grants	0	0	79,609	79,609
Student Activities	0	0	1,013,209	1,013,209
Auxiliary Services	0	0	15,590	15,590
MIS	0	0	1	1
School Net Professional Development	0	0	16	16
Ohio Reads	0	0	6,470	6,470
Alt. School Grant	0	0	3,293	3,293
EHA Pre-school	0	0	1	1
Food Service	0	0	586,234	586,234
Debt Service	0	11,073,752	0	11,073,752
Permanent Improvement Building	0	0	2,201	2,201
	0	0	0	0
<b>Total Restricted</b>	<u>0</u>	<u>11,073,752</u>	<u>1,706,624</u>	<u>12,780,376</u>
<b>Assigned to:</b>				
Encumbrances	672,593	0	0	672,593
Public School Support	1,647,439	0	0	1,647,439
<b>Total Assigned</b>	<u>2,320,032</u>	<u>0</u>	<u>0</u>	<u>2,320,032</u>
<b>Unassigned (Deficit)</b>	<u>9,147,491</u>	<u>0</u>	<u>(1,414,504)</u>	<u>7,732,987</u>
<b>Total Fund Balance</b>	<u>\$11,467,523</u>	<u>11,073,752</u>	<u>\$359,993</u>	<u>\$22,901,268</u>

**Note 17 – Prior Period Adjustment**

A prior period adjustment to restate capital assets as of June 30, 2012 was required mainly due to several changes in asset classification and depreciable lives of several capital asset tags when the District converted from pentamation software to state software. The restatement had the following effect on net position.

	Governmental Activities
Net Position - June 30, 2012	\$49,333,034
Restatement of Capital Assets	<u>4,544,484</u>
Net Position - July 1, 2012, Restated	<u>\$53,877,518</u>

**Lakota Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2013**

---

---

**Note 18 – Change in Accounting Principles**

---

The District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements and GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB Statement No. 62 incorporates Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants' (AICPA) accounting and financial reporting guidance issued on or before November 30, 1989 into GASB authoritative literature. GASB Statement No. 63 provides financial reporting guidance for deferred outflows and inflows of resources and net position.

# **REQUIRED SUPPLEMENTARY INFORMATION**

---

Lakota Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2013

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$80,734,719	\$76,588,369	\$76,589,044	\$675
Revenue in lieu of taxes	11,905,111	11,293,691	11,293,791	100
Tuition and Fees	1,104,617	1,047,887	1,047,896	9
Investment Earnings	134,061	127,176	127,177	1
Intergovernmental	57,049,529	54,119,596	54,120,073	477
Charges for Services	284,737	270,114	270,116	2
Other Revenues	114,418	108,542	108,543	1
<b>Total Revenues</b>	<b>151,327,192</b>	<b>143,555,375</b>	<b>143,556,640</b>	<b>1,265</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	63,423,743	64,648,742	63,193,451	1,455,291
Special	13,114,526	13,367,827	13,066,907	300,920
Vocational	6,621	6,749	6,597	152
Other	4,863,235	4,957,167	4,845,577	111,590
<b>Support Services:</b>				
Pupil	9,019,906	9,194,122	8,987,155	206,967
Instructional Staff	7,937,096	8,090,397	7,908,276	182,121
General Administration	55,385	56,455	55,184	1,271
School Administration	11,840,815	12,069,515	11,797,821	271,694
Fiscal	1,663,914	1,696,051	1,657,872	38,179
Business	286,939	292,481	285,897	6,584
Operations and Maintenance	12,083,318	12,316,701	12,039,443	277,258
Pupil Transportation	13,948,646	14,218,057	13,897,998	320,059
Central	2,820,901	2,875,385	2,810,658	64,727
Operation of Non-Instructional Services	5,685	5,794	5,664	130
Extracurricular Activities	109,864	111,986	109,465	2,521
Capital Outlay	1,746,705	1,780,442	1,740,363	40,079
<b>Total Expenditures</b>	<b>142,927,299</b>	<b>145,687,871</b>	<b>142,408,328</b>	<b>3,279,543</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>8,399,893</b>	<b>(2,132,496)</b>	<b>1,148,312</b>	<b>3,280,808</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	12,736	12,082	12,082	0
Advances In	852,072	808,312	808,319	7
Advances (Out)	(991,590)	(1,010,743)	(987,990)	22,753
Transfers (Out)	(476,296)	(485,496)	(474,567)	10,929
<b>Total Other Financing Sources (Uses)</b>	<b>(603,078)</b>	<b>(675,845)</b>	<b>(642,156)</b>	<b>33,689</b>
<b>Net Change in Fund Balance</b>	<b>7,796,815</b>	<b>(2,808,341)</b>	<b>506,156</b>	<b>3,314,497</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>22,850,830</b>	<b>22,850,830</b>	<b>22,850,830</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$30,647,645</b>	<b>\$20,042,489</b>	<b>\$23,356,986</b>	<b>\$3,314,497</b>

See accompanying notes to the required supplementary information.

**Lakota Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended June 30, 2013**

---

**Note 1 - Budgetary Process**

---

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2013.

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as assigned to a fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).

**Lakota Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended June 30, 2013**

---

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

	<u>General</u>
GAAP Basis	(\$1,952,358)
Revenue Accruals	(3,639,187)
Expenditure Accruals	7,639,692
Transfers (Out)	(47,565)
Advances In	808,319
Advances (Out)	(987,990)
Encumbrances	(1,303,565)
Funds Budgeted Elsewhere	<u>(11,190)</u>
Budget Basis	<u><u>\$506,156</u></u>

# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



## **MAJOR GOVERNMENTAL FUND**

**Debt Service Fund** - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.



Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$12,465,944	\$12,465,946	\$2
Revenue in lieu of taxes	1,496,320	1,496,320	0
Intergovernmental	1,486,723	1,486,723	0
Charges for Services	93,938	93,938	0
Total Revenues	<u>15,542,925</u>	<u>15,542,927</u>	<u>2</u>
Expenditures:			
Current:			
Instruction:			
Fiscal	172,813	172,091	722
Debt Service:			
Principal Retirement	8,254,503	8,220,000	34,503
Interest and Fiscal Charges	6,531,531	6,504,230	27,301
Total Expenditures	<u>14,958,847</u>	<u>14,896,321</u>	<u>62,526</u>
Net Change in Fund Balance	584,078	646,606	62,528
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>9,949,254</u>	<u>9,949,254</u>	<u>0</u>
Fund Balance End of Year	<u>\$10,533,332</u>	<u>\$10,595,860</u>	<u>\$62,528</u>

## **NONMAJOR GOVERNMENTAL FUNDS**

### **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 expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

### **Capital Projects Funds**

The Capital Projects Funds is 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 for assets that will be held in trust for individuals, private organizations, or other governments.

Lakota Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$2,360,281	\$2,201	\$2,362,482
<b>Receivables:</b>			
Intergovernmental	1,282,597	0	1,282,597
Inventory	67,873	0	67,873
<b>Total Assets</b>	<b>3,710,751</b>	<b>2,201</b>	<b>3,712,952</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts Payable	148,592	0	148,592
Accrued Wages and Benefits	1,003,520	0	1,003,520
Compensated Absences	8,297	0	8,297
Interfund Payable	987,990	0	987,990
Deferred Revenue	1,204,560	0	1,204,560
<b>Total Liabilities</b>	<b>3,352,959</b>	<b>0</b>	<b>3,352,959</b>
<b>Fund Balances:</b>			
Nonspendable	67,873	0	67,873
Restricted	1,704,423	2,201	1,706,624
Unassigned	(1,414,504)	0	(1,414,504)
<b>Total Fund Balances</b>	<b>357,792</b>	<b>2,201</b>	<b>359,993</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$3,710,751</b>	<b>\$2,201</b>	<b>\$3,712,952</b>

Lakota Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Investment Earnings	\$418	\$3	\$421
Intergovernmental	8,027,479	0	8,027,479
Extracurricular Activities	2,325,397	0	2,325,397
Charges for Services	3,500,484	0	3,500,484
Other Revenues	249,873	0	249,873
<b>Total Revenues</b>	<b>14,103,651</b>	<b>3</b>	<b>14,103,654</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	1,238,638	0	1,238,638
Special	2,299,911	0	2,299,911
Other	202,226	0	202,226
<b>Support Services:</b>			
Pupil	332,477	0	332,477
Instructional Staff	1,179,658	0	1,179,658
General Administration	78,088	0	78,088
School Administration	105,570	0	105,570
Operations and Maintenance	325,707	4	325,711
Pupil Transportation	1,771	0	1,771
Central	57,157	0	57,157
Operation of Non-Instructional Services	5,918,946	0	5,918,946
Extracurricular Activities	2,335,142	0	2,335,142
<b>Total Expenditures</b>	<b>14,075,291</b>	<b>4</b>	<b>14,075,295</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>28,360</b>	<b>(1)</b>	<b>28,359</b>
<b>Other Financing Sources (Uses):</b>			
Proceeds from Sale of Capital Assets	2,894	0	2,894
Transfers In	427,002	0	427,002
<b>Total Other Financing Sources (Uses)</b>	<b>429,896</b>	<b>0</b>	<b>429,896</b>
<b>Net Change in Fund Balance</b>	<b>458,256</b>	<b>(1)</b>	<b>458,255</b>
<b>Fund Balance Beginning of Year</b>	<b>(100,464)</b>	<b>2,202</b>	<b>(98,262)</b>
<b>Fund Balance End of Year</b>	<b>\$357,792</b>	<b>\$2,201</b>	<b>\$359,993</b>

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**Other Grants** - To account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

**Student Activities** - To account for those student activity programs which have student participation in the activity but do not have student management in the programs. This fund includes athletic programs as well as the band, cheerleaders, flag corps and other similar types of activities.

**Auxiliary Services** - To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

**MIS** - To account for state funds which are provided to assist the District in implementing a staff, student and financial system as mandated by the Omnibus Education Reform Act of 1989.

**SchoolNet Professional Development** - To account for a limited number of professional development subsidy grants.

**Ohio Reads** - To account for state funds, which are designated reading.

**Alt. School Grant** - To account for state funds used for alternative educational programs for existing and new at-risk and delinquent youth.

**Miscellaneous State Grants** - To account for state funds that are legally restricted to expenditures for specified purposes.

**Education Jobs** - To account for grant monies received from the Federal Government which focuses on saving or creating education jobs for the next two school years.

**Title VI-B** - To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialist in providing educational services to the handicapped.

**Title III** - Federal grant used to account for federal monies provided to support the District's ESL population.

**Title I** - To account for federal funds for services provided to meet special educational needs of educationally deprived children.

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**EHA Pre-School** - This program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Title II-A** - To account for federal funds to provide programs to enhance student achievement.

**High Schools That Work** - To account for funds related to the High Schools that Work program.

**Title II D** – To account for competitive grant monies received from the Federal Government which focuses on professional development and student learning needed for the 21st century.

**Food Service** - To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

Lakota Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2013

	Other Grants	Student Activities	Auxiliary Services	MIS
Assets:				
Equity in Pooled Cash and Investments	\$81,145	\$1,127,268	\$64,483	\$1
Receivables:				
Intergovernmental	0	0	0	0
Inventory	0	0	0	0
<b>Total Assets</b>	<b>81,145</b>	<b>1,127,268</b>	<b>64,483</b>	<b>1</b>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	1,536	90,927	9,243	0
Accrued Wages and Benefits	0	14,835	39,650	0
Compensated Absences	0	8,297	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<b>Total Liabilities</b>	<b>1,536</b>	<b>114,059</b>	<b>48,893</b>	<b>0</b>
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	79,609	1,013,209	15,590	1
Unassigned	0	0	0	0
<b>Total Fund Balances</b>	<b>79,609</b>	<b>1,013,209</b>	<b>15,590</b>	<b>1</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$81,145</b>	<b>\$1,127,268</b>	<b>\$64,483</b>	<b>\$1</b>

School Net Professional Development	Ohio Reads	Alt. School Grant	Miscellaneous State Grants	Education Jobs	Title VI-B
\$16	\$6,470	\$8,747	\$919	\$0	\$38,504
0	0	19,364	25,000	0	393,722
0	0	0	0	0	0
<u>16</u>	<u>6,470</u>	<u>28,111</u>	<u>25,919</u>	<u>0</u>	<u>432,226</u>
0	0	648	0	0	4,347
0	0	6,039	5,009	0	461,952
0	0	0	0	0	0
0	0	11,686	29,689	0	25,443
0	0	6,445	25,000	0	393,722
<u>0</u>	<u>0</u>	<u>24,818</u>	<u>59,698</u>	<u>0</u>	<u>885,464</u>
0	0	0	0	0	0
16	6,470	3,293	0	0	0
0	0	0	(33,779)	0	(453,238)
<u>16</u>	<u>6,470</u>	<u>3,293</u>	<u>(33,779)</u>	<u>0</u>	<u>(453,238)</u>
<u>\$16</u>	<u>\$6,470</u>	<u>\$28,111</u>	<u>\$25,919</u>	<u>\$0</u>	<u>\$432,226</u>

Continued



Lakota Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2013

	Title III	Title I	EHA Pre-School	Title II-A
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$15,612	\$156,286	\$1	\$5,497
<b>Receivables:</b>				
Intergovernmental	15,455	746,990	0	56,972
Inventory	0	0	0	0
<b>Total Assets</b>	<b>31,067</b>	<b>903,276</b>	<b>1</b>	<b>62,469</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	2,627	3,187	0	1,300
Accrued Wages and Benefits	11,462	174,494	0	71,373
Compensated Absences	0	0	0	0
Interfund Payable	13,164	747,737	0	123,471
Deferred Revenue	7,309	746,990	0	0
<b>Total Liabilities</b>	<b>34,562</b>	<b>1,672,408</b>	<b>0</b>	<b>196,144</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	0	0	1	0
Unassigned	(3,495)	(769,132)	0	(133,675)
<b>Total Fund Balances</b>	<b>(3,495)</b>	<b>(769,132)</b>	<b>1</b>	<b>(133,675)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$31,067</b>	<b>\$903,276</b>	<b>\$1</b>	<b>\$62,469</b>

High Schools That Work	Title II D	Food Service	Total Nonmajor Special Revenue Funds
\$23,288	\$0	\$832,044	\$2,360,281
25,094	0	0	1,282,597
0	0	67,873	67,873
<u>48,382</u>	<u>0</u>	<u>899,917</u>	<u>3,710,751</u>
7,673	0	27,104	148,592
0	0	218,706	1,003,520
0	0	0	8,297
36,800	0	0	987,990
25,094	0	0	1,204,560
<u>69,567</u>	<u>0</u>	<u>245,810</u>	<u>3,352,959</u>
0	0	67,873	67,873
0	0	586,234	1,704,423
(21,185)	0	0	(1,414,504)
<u>(21,185)</u>	<u>0</u>	<u>654,107</u>	<u>357,792</u>
<u>\$48,382</u>	<u>\$0</u>	<u>\$899,917</u>	<u>\$3,710,751</u>

Lakota Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2013

	Other Grants	Student Activities	Auxiliary Services	MIS
Revenues:				
Investment Earnings	\$0	\$164	\$19	\$0
Intergovernmental	85,165	0	431,529	0
Extracurricular Activities	0	2,325,397	0	0
Charges for Services	0	0	0	0
Other Revenues	2,000	240,961	0	0
<b>Total Revenues</b>	<b>87,165</b>	<b>2,566,522</b>	<b>431,548</b>	<b>0</b>
Expenditures:				
Current:				
Instruction:				
Regular	83,470	16,329	0	0
Special	0	0	0	0
Other	0	201,842	0	0
Support Services:				
Pupil	18,515	0	0	0
Instructional Staff	2,967	0	0	0
General Administration	0	0	0	0
School Administration	0	0	0	0
Operations and Maintenance	0	324,104	0	0
Pupil Transportation	131	0	0	0
Central	9,647	0	0	0
Operation of Non-Instructional Services	0	0	424,448	0
Extracurricular Activities	0	2,335,142	0	0
<b>Total Expenditures</b>	<b>114,730</b>	<b>2,877,417</b>	<b>424,448</b>	<b>0</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(27,565)</b>	<b>(310,895)</b>	<b>7,100</b>	<b>0</b>
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	0	0	0	0
Transfers In	0	427,000	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>427,000</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(27,565)</b>	<b>116,105</b>	<b>7,100</b>	<b>0</b>
Fund Balance Beginning of Year	107,174	897,104	8,490	1
<b>Fund Balance End of Year</b>	<b>\$79,609</b>	<b>\$1,013,209</b>	<b>\$15,590</b>	<b>\$1</b>

School Net Professional Development	Ohio Reads	Alt. School Grant	Miscellaneous State Grants	Education Jobs	Title VI-B
\$0	\$0	\$0	\$0	\$0	\$0
0	0	57,736	0	468,028	3,386,029
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	57,736	0	468,028	3,386,029
0	0	8,968	0	0	0
0	0	0	0	0	2,184,125
0	0	0	0	0	0
0	0	29,022	0	0	219,057
0	0	1,636	25,358	0	452,224
0	0	0	0	0	78,088
0	0	3,530	0	0	4,157
0	0	0	0	0	1,320
0	0	0	0	0	0
0	0	0	0	0	1,001
0	0	0	0	0	33,581
0	0	0	0	0	0
0	0	43,156	25,358	0	2,973,553
0	0	14,580	(25,358)	468,028	412,476
0	0	0	0	0	0
0	0	2	0	0	0
0	0	2	0	0	0
0	0	14,582	(25,358)	468,028	412,476
16	6,470	(11,289)	(8,421)	(468,028)	(865,714)
\$16	\$6,470	\$3,293	(\$33,779)	\$0	(\$453,238)

Continued

Lakota Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2013

	Title III	Title I	EHA Pre-School	Title II-A
<b>Revenues:</b>				
Investment Earnings	\$0	\$0	\$0	\$0
Intergovernmental	286,486	1,004,305	104,746	464,308
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Other Revenues	0	0	0	0
<b>Total Revenues</b>	<b>286,486</b>	<b>1,004,305</b>	<b>104,746</b>	<b>464,308</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	0	809,859	0	316,277
Special	30,071	0	85,715	0
Other	0	0	0	0
<b>Support Services:</b>				
Pupil	65,883	0	0	0
Instructional Staff	55,266	435,224	0	184,737
General Administration	0	0	0	0
School Administration	5,578	89,745	0	0
Operations and Maintenance	0	283	0	0
Pupil Transportation	1,640	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	58,624	155,421	0	1,300
Extracurricular Activities	0	0	0	0
<b>Total Expenditures</b>	<b>217,062</b>	<b>1,490,532</b>	<b>85,715</b>	<b>502,314</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>69,424</b>	<b>(486,227)</b>	<b>19,031</b>	<b>(38,006)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>69,424</b>	<b>(486,227)</b>	<b>19,031</b>	<b>(38,006)</b>
<b>Fund Balance Beginning of Year</b>	<b>(72,919)</b>	<b>(282,905)</b>	<b>(19,030)</b>	<b>(95,669)</b>
<b>Fund Balance End of Year</b>	<b>(\$3,495)</b>	<b>(\$769,132)</b>	<b>\$1</b>	<b>(\$133,675)</b>

High Schools That Work	Title II D	Food Service	Total Nonmajor Special Revenue Funds
\$0	\$0	\$235	\$418
8,498	0	1,730,649	8,027,479
0	0	0	2,325,397
0	0	3,500,484	3,500,484
0	0	6,912	249,873
<u>8,498</u>	<u>0</u>	<u>5,238,280</u>	<u>14,103,651</u>
3,734	1	0	1,238,638
0	0	0	2,299,911
0	0	384	202,226
0	0	0	332,477
22,246	0	0	1,179,658
0	0	0	78,088
2,560	0	0	105,570
0	0	0	325,707
0	0	0	1,771
0	0	46,509	57,157
0	0	5,245,572	5,918,946
0	0	0	2,335,142
<u>28,540</u>	<u>1</u>	<u>5,292,465</u>	<u>14,075,291</u>
<u>(20,042)</u>	<u>(1)</u>	<u>(54,185)</u>	<u>28,360</u>
0	0	2,894	2,894
0	0	0	427,002
<u>0</u>	<u>0</u>	<u>2,894</u>	<u>429,896</u>
(20,042)	(1)	(51,291)	458,256
<u>(1,143)</u>	<u>1</u>	<u>705,398</u>	<u>(100,464)</u>
<u>(\$21,185)</u>	<u>\$0</u>	<u>\$654,107</u>	<u>\$357,792</u>

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Final Budget	Other Grants Fund Actual	Variance from Final Budget
<b>Revenues:</b>			
Intergovernmental	\$85,164	\$85,165	\$1
Other Revenues	2,000	2,000	0
<b>Total Revenues</b>	<b>87,164</b>	<b>87,165</b>	<b>1</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	120,583	83,832	36,751
<b>Support Services:</b>			
Pupil	30,022	20,872	9,150
Instructional Staff	6,747	4,691	2,056
Pupil Transportation	188	131	57
Central	14,020	9,747	4,273
Extracurricular Activities	360	250	110
<b>Total Expenditures</b>	<b>171,920</b>	<b>119,523</b>	<b>52,397</b>
<b>Net Change in Fund Balance</b>	<b>(84,756)</b>	<b>(32,358)</b>	<b>52,398</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>107,640</b>	<b>107,640</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$22,884</b>	<b>\$75,282</b>	<b>\$52,398</b>

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Student Activities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$164	\$164	\$0
Extracurricular Activities	2,315,456	2,318,508	3,052
Other Revenues	240,644	240,961	317
Total Revenues	<u>2,556,264</u>	<u>2,559,633</u>	<u>3,369</u>
Expenditures:			
Current:			
Instruction:			
Regular	21,803	17,685	4,118
Other	248,844	201,842	47,002
Support Services:			
Operations and Maintenance	397,922	322,762	75,160
Extracurricular Activities	2,847,507	2,309,669	537,838
Total Expenditures	<u>3,516,076</u>	<u>2,851,958</u>	<u>664,118</u>
Excess of Revenues Over (Under) Expenditures	<u>(959,812)</u>	<u>(292,325)</u>	<u>667,487</u>
Other Financing Sources (Uses):			
Transfers In	426,438	427,000	562
Total Other Financing Sources (Uses)	<u>426,438</u>	<u>427,000</u>	<u>562</u>
Net Change in Fund Balance	(533,374)	134,675	668,049
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>908,070</u>	<u>908,070</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$374,696</u></u>	<u><u>\$1,042,745</u></u>	<u><u>\$668,049</u></u>



Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$19	\$19	\$0
Intergovernmental	431,528	431,529	1
Total Revenues	431,547	431,548	1
Expenditures:			
Current:			
Operation of Non-Instructional Services	464,618	452,046	12,572
Total Expenditures	464,618	452,046	12,572
Net Change in Fund Balance	(33,071)	(20,498)	12,573
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	34,061	34,061	0
Fund Balance End of Year	\$990	\$13,563	\$12,573

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	MIS Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Central	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1	1	0
Fund Balance End of Year	\$1	\$1	\$0

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	School Net Professional Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15	15	0
Fund Balance End of Year	<u>\$15</u>	<u>\$15</u>	<u>\$0</u>

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Ohio Reads Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,473	6,473	0
Fund Balance End of Year	\$6,473	\$6,473	\$0

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Alt. School Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$44,816	\$44,817	\$1
Total Revenues	<u>44,816</u>	<u>44,817</u>	<u>1</u>
Expenditures:			
Current:			
Instruction:			
Regular	14,350	14,350	0
Support Services:			
Pupil	30,624	30,625	(1)
Instructional Staff	2,351	2,351	0
School Administration	3,530	3,530	0
Total Expenditures	<u>50,855</u>	<u>50,856</u>	<u>(1)</u>
Excess of Revenues Over (Under) Expenditures	<u>(6,039)</u>	<u>(6,039)</u>	<u>0</u>
Other Financing Sources (Uses):			
Advances In	11,685	11,685	0
Advances (Out)	(11,648)	(11,648)	0
Transfers In	2	2	0
Total Other Financing Sources (Uses)	<u>39</u>	<u>39</u>	<u>0</u>
Net Change in Fund Balance	(6,000)	(6,000)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>6,000</u>	<u>6,000</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	25,030	25,029	1
Total Expenditures	25,030	25,029	1
Excess of Revenues Over (Under) Expenditures	(25,030)	(25,029)	1
Other Financing Sources (Uses):			
Advances In	29,689	29,689	0
Advances (Out)	(4,659)	(4,659)	0
Total Other Financing Sources (Uses)	25,030	25,030	0
Net Change in Fund Balance	0	1	1
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	919	919	0
Fund Balance End of Year	\$919	\$920	\$1

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Education Jobs Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$415,102	\$415,102	\$0
Total Revenues	415,102	415,102	0
Expenditures:			
Current:			
Instruction:			
Special	383,290	383,288	2
Total Expenditures	383,290	383,288	2
Excess of Revenues Over (Under) Expenditures	31,812	31,814	2
Other Financing Sources (Uses):			
Advances (Out)	(31,811)	(31,811)	0
Total Other Financing Sources (Uses)	(31,811)	(31,811)	0
Net Change in Fund Balance	1	3	2
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$1	\$3	\$2

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Title VI-B Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$3,386,029	\$3,386,029	\$0
Total Revenues	<u>3,386,029</u>	<u>3,386,029</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	1,781,889	1,781,891	(2)
Support Services:			
Pupil	613,867	613,868	(1)
Instructional Staff	464,632	464,633	(1)
School Administration	78,088	78,088	0
Operations and Maintenance	2,533	2,533	0
Central	1,001	1,001	0
Operation of Non-Instructional Services	44,638	44,638	0
Total Expenditures	<u>2,986,648</u>	<u>2,986,652</u>	<u>(4)</u>
Excess of Revenues Over (Under) Expenditures	<u>399,381</u>	<u>399,377</u>	<u>(4)</u>
Other Financing Sources (Uses):			
Advances In	25,443	25,443	0
Advances (Out)	(490,962)	(490,963)	(1)
Total Other Financing Sources (Uses)	<u>(465,519)</u>	<u>(465,520)</u>	<u>(1)</u>
Net Change in Fund Balance	(66,138)	(66,143)	(5)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	68,287	68,287	0
Fund Balance End of Year	<u>\$2,149</u>	<u>\$2,144</u>	<u>(\$5)</u>



Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$288,013	\$278,340	(\$9,673)
Total Revenues	<u>288,013</u>	<u>278,340</u>	<u>(9,673)</u>
Expenditures:			
Current:			
Instruction:			
Special	32,715	32,715	0
Support Services:			
Pupil	65,883	65,883	0
Instructional Staff	70,509	70,509	0
School Administration	5,370	5,370	0
Operation of Non-Instructional Services	<u>69,461</u>	<u>69,461</u>	<u>0</u>
Total Expenditures	<u>243,938</u>	<u>243,938</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>44,075</u>	<u>34,402</u>	<u>(9,673)</u>
Other Financing Sources (Uses):			
Advances In	13,622	13,164	(458)
Advances (Out)	<u>(57,698)</u>	<u>(57,698)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(44,076)</u>	<u>(44,534)</u>	<u>(458)</u>
Net Change in Fund Balance	(1)	(10,132)	(10,131)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>10,132</u>	<u>10,132</u>	<u>0</u>
Fund Balance End of Year	<u>\$10,131</u>	<u>\$0</u>	<u>(\$10,131)</u>

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,004,305	\$1,004,305	\$0
Total Revenues	<u>1,004,305</u>	<u>1,004,305</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	952,720	952,717	3
Support Services:			
Instructional Staff	443,156	443,155	1
School Administration	83,994	83,994	0
Operations and Maintenance	283	283	0
Operation of Non-Instructional Services	<u>156,334</u>	<u>156,334</u>	<u>0</u>
Total Expenditures	<u>1,636,487</u>	<u>1,636,483</u>	<u>4</u>
Excess of Revenues Over (Under) Expenditures	<u>(632,182)</u>	<u>(632,178)</u>	<u>4</u>
Other Financing Sources (Uses):			
Advances In	747,737	747,737	0
Advances (Out)	<u>(128,349)</u>	<u>(128,349)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>619,388</u>	<u>619,388</u>	<u>0</u>
Net Change in Fund Balance	(12,794)	(12,790)	4
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>12,795</u>	<u>12,795</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$1</u></u>	<u><u>\$5</u></u>	<u><u>\$4</u></u>

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	EHA Pre-School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$104,746	\$104,746	\$0
Total Revenues	<u>104,746</u>	<u>104,746</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	<u>85,715</u>	<u>85,715</u>	<u>0</u>
Total Expenditures	<u>85,715</u>	<u>85,715</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>19,031</u>	<u>19,031</u>	<u>0</u>
Other Financing Sources (Uses):			
Advances (Out)	<u>(19,031)</u>	<u>(19,031)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(19,031)</u>	<u>(19,031)</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Title II-A Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$407,336	\$407,336	\$0
Total Revenues	407,336	407,336	0
Expenditures:			
Current:			
Instruction:			
Regular	276,603	276,603	0
Support Services:			
Instructional Staff	192,440	192,440	0
Operation of Non-Instructional Services	1,300	1,300	0
Total Expenditures	470,343	470,343	0
Excess of Revenues Over (Under) Expenditures	(63,007)	(63,007)	0
Other Financing Sources (Uses):			
Advances In	123,471	123,471	0
Advances (Out)	(62,569)	(62,569)	0
Total Other Financing Sources (Uses)	60,902	60,902	0
Net Change in Fund Balance	(2,105)	(2,105)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,105	2,105	0
Fund Balance End of Year	\$0	\$0	\$0

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	High Schools That Work Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$8,498	\$8,498	\$0
Total Revenues	8,498	8,498	0
Expenditures:			
Current:			
Instruction:			
Regular	16,451	16,434	17
Support Services:			
Instructional Staff	25,606	25,580	26
School Administration	2,563	2,560	3
Total Expenditures	44,620	44,574	46
Excess of Revenues Over (Under) Expenditures	(36,122)	(36,076)	46
Other Financing Sources (Uses):			
Advances In	36,801	36,800	(1)
Advances (Out)	(1,594)	(1,592)	2
Total Other Financing Sources (Uses)	35,207	35,208	1
Net Change in Fund Balance	(915)	(868)	47
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,324	1,324	0
Fund Balance End of Year	\$409	\$456	\$47

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Title II D Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$10,130	\$0	(\$10,130)
Total Revenues	<u>10,130</u>	<u>0</u>	<u>(10,130)</u>
Expenditures:			
Current:			
Instruction:			
Regular	<u>10,131</u>	<u>1</u>	<u>10,130</u>
Total Expenditures	<u>10,131</u>	<u>1</u>	<u>10,130</u>
Net Change in Fund Balance	(1)	(1)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1</u>	<u>1</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$235	\$235	\$0
Intergovernmental	1,541,550	1,541,550	0
Charges for Services	3,500,484	3,500,484	0
Other Revenues	6,912	6,912	0
<b>Total Revenues</b>	<b>5,049,181</b>	<b>5,049,181</b>	<b>0</b>
Expenditures:			
Current:			
Support Services:			
Central	47,303	46,509	794
Operation of Non-Instructional Services	5,208,930	5,121,454	87,476
<b>Total Expenditures</b>	<b>5,256,233</b>	<b>5,167,963</b>	<b>88,270</b>
Excess of Revenues Over (Under) Expenditures	(207,052)	(118,782)	88,270
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	2,894	2,894	0
<b>Total Other Financing Sources (Uses)</b>	<b>2,894</b>	<b>2,894</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(204,158)</b>	<b>(115,888)</b>	<b>88,270</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	797,422	797,422	0
<b>Fund Balance End of Year</b>	<b>\$593,264</b>	<b>\$681,534</b>	<b>\$88,270</b>

## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Descriptions**

**Permanent Improvement** - To account for financial resources, to be used to maintain the District's facilities, as well as provide for major equipment and instructional material purchases.

**Building** - To account for receipts and expenditures related to the construction of school facilities.



Lakota Local School District, Ohio  
 Combining Balance Sheet  
 Nonmajor Capital Projects Funds  
 June 30, 2013

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$2,201	\$0	\$2,201
<b>Total Assets</b>	<b>2,201</b>	<b>0</b>	<b>2,201</b>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
Fund Balances:			
Restricted	2,201	0	2,201
<b>Total Fund Balances</b>	<b>2,201</b>	<b>0</b>	<b>2,201</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$2,201</b>	<b>\$0</b>	<b>\$2,201</b>

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

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Investment Earnings	\$3	\$0	\$3
Total Revenues	3	0	3
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	2	2	4
Total Expenditures	2	2	4
Net Change in Fund Balance	1	(2)	(1)
Fund Balance Beginning of Year	2,200	2	2,202
Fund Balance End of Year	\$2,201	\$0	\$2,201

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3	\$3	\$0
Total Revenues	3	3	0
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	0	2	(2)
Total Expenditures	0	2	(2)
Net Change in Fund Balance	3	1	(2)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,200	2,200	0
Fund Balance End of Year	\$2,203	\$2,201	(\$2)

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	0	2	(2)
Total Expenditures	0	2	(2)
Net Change in Fund Balance	0	(2)	(2)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2	2	0
Fund Balance End of Year	\$2	\$0	(\$2)

## **OTHER GENERAL FUNDS**

With the implementation of GASB Statement No. 54, certain funds that the District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The District has only presented the budget schedules for these funds.

### **Fund Descriptions**

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

**Underground Storage Tanks** - To account for local funds which are provided in the event of an underground storage tank leak.

**Uniform School Supply** - To account for the purchase and sale of school supplies as adopted by the Board of Education for use in all schools of the District.

**Adult Education** - To account for all revenues and expenses related to education classes for adults.

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Public School Support Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$15,140	\$15,140	\$0
Extracurricular Activities	448,853	448,841	(12)
Charges for Services	33,179	33,178	(1)
Other Revenues	225,700	225,694	(6)
<b>Total Revenues</b>	<b>722,872</b>	<b>722,853</b>	<b>(19)</b>
Expenditures:			
Current:			
Instruction:			
Regular	144,546	99,404	45,142
Special	2,964	2,038	926
Vocational	2,594	1,784	810
Support Services:			
Pupil	934,338	642,544	291,794
Instructional Staff	32,654	22,456	10,198
School Administration	8,710	5,990	2,720
Business	509	350	159
Operations and Maintenance	412	283	129
Operation of Non-Instructional Services	34,943	24,030	10,913
Capital Outlay	14,541	10,000	4,541
<b>Total Expenditures</b>	<b>1,176,211</b>	<b>808,879</b>	<b>367,332</b>
<b>Net Change in Fund Balance</b>	<b>(453,339)</b>	<b>(86,026)</b>	<b>367,313</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	972,250	972,250	0
<b>Fund Balance End of Year</b>	<b>\$518,911</b>	<b>\$886,224</b>	<b>\$367,313</b>

(1) - This fund is included in General Fund in GAAP Statements but not for Budgetary Statements

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Underground Storage Tanks Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Pupil Transportation	1,600	1,600	0
Total Expenditures	1,600	1,600	0
Net Change in Fund Balance	(1,600)	(1,600)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	11,000	11,000	0
Fund Balance End of Year	\$9,400	\$9,400	\$0

(1) - This fund is included in General Fund in GAAP Statements but not for Budgetary Statements

Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Uniform School Supply Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$997,377	\$997,903	\$526
Total Revenues	997,377	997,903	526
Expenditures:			
Current:			
Instruction:			
Regular	1,278,637	1,057,749	220,888
Special	1,650	1,365	285
Support Services:			
Pupil Transportation	11,463	9,483	1,980
Total Expenditures	1,291,750	1,068,597	223,153
Net Change in Fund Balance	(294,373)	(70,694)	223,679
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	438,889	438,889	0
Fund Balance End of Year	\$144,516	\$368,195	\$223,679

(1) - This fund is included in General Fund in GAAP Statements but not for Budgetary Statements



Lakota Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2013

	Adult Education Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,510	3,510	0
Fund Balance End of Year	\$3,510	\$3,510	\$0

(1) - This fund is included in General Fund in GAAP Statements but not for Budgetary Statements

## **NONMAJOR FUND**

### **Fiduciary fund**

Fiduciary fund types are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental unites and/or other funds.

**Student Activities (Agency Fund)** – Fund used to account for resources that belong to various student groups in the District. Students are involved in the management of the program.

Lakota Local School District, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended June 30, 2013

---

	Student Activities			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$255,970	\$442,409	\$440,431	\$257,948
Total Assets	<u>255,970</u>	<u>442,409</u>	<u>440,431</u>	<u>257,948</u>
Liabilities:				
Accounts Payable	0	7,057	0	7,057
Other Liabilities	255,970	435,352	440,431	250,891
Total Liabilities	<u>\$255,970</u>	<u>\$442,409</u>	<u>\$440,431</u>	<u>\$257,948</u>

# STATISTICAL SECTION



## STATISTICAL SECTION

This part of the 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.

### **Contents**

**Financial Trends** - These schedules contain trend information to help the reader understand how the District's financial position has changed over time.

**Revenue Capacity** - These schedules contain information to help the reader understand and assess the District's most significant local revenue source, the property tax.

**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.

**Economic and Demographic Information** - These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

**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.

**Sources** - Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Lakota Local School District, Ohio  
 Net Position by Component,  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 1

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Net Investment in Capital Assets	\$30,153,111	\$31,812,847	\$34,805,845	\$43,792,493	\$28,638,246	\$32,506,569	\$30,152,263	\$27,488,410	\$26,180,412	\$34,044,680
Restricted	9,775,382	12,820,740	13,977,232	13,264,151	12,869,138	8,416,967	9,608,553	7,551,789	12,146,326	12,509,509
Unrestricted	18,057,776	15,068,049	21,532,618	37,944,136	32,168,847	23,890,999	16,155,094	11,846,048	11,006,296	9,588,179
Total Governmental Activities Net Position	\$57,986,269	\$59,701,636	\$70,315,695	\$95,000,780	\$73,676,231	\$64,814,535	\$55,915,910	\$46,886,247	\$49,333,034	\$56,142,368

Source: District Records

Lakota Local School District, Ohio  
 Expenses, Program Revenues and Net (Expense)/Revenue  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 2

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities:										
Instruction	\$72,506,183	\$68,933,022	\$73,176,247	\$76,890,642	\$90,031,129	\$93,452,835	\$100,378,362	\$98,167,225	\$94,332,642	\$93,165,308
Pupil	8,663,017	9,867,976	10,751,701	10,940,729	12,016,164	12,113,779	12,740,885	12,432,349	11,771,194	10,615,552
Instructional Staff	7,327,784	7,715,598	9,785,359	8,868,043	10,815,877	11,763,768	12,525,237	10,645,860	9,042,640	9,262,186
General Administration	23,719	67,385	44,068	62,727	78,578	99,449	66,318	93,099	44,037	131,324
School Administration	10,204,176	10,579,888	12,406,657	13,621,563	13,555,040	17,117,393	14,002,040	13,293,359	12,765,974	11,501,259
Fiscal	2,115,246	2,125,850	1,095,786	1,267,506	1,238,214	1,410,759	1,236,620	1,376,474	1,469,950	1,823,403
Business	466,188	329,164	292,860	222,208	335,700	349,666	357,957	410,605	349,836	321,951
Operations and Maintenance	11,177,889	10,438,378	10,900,201	11,300,285	13,420,202	15,569,138	14,249,777	13,471,298	12,375,806	12,987,618
Pupil Transportation	9,929,606	14,371,115	13,290,246	16,077,170	17,182,978	15,651,796	19,423,730	14,483,316	14,371,035	15,747,256
Central	2,343,254	2,555,949	2,983,262	2,637,239	4,293,249	4,117,653	3,663,618	3,383,747	3,586,813	2,938,700
Operation of Non-Instructional Services	4,902,583	5,748,778	6,609,266	6,614,004	7,510,386	7,660,032	7,073,573	6,452,226	5,989,839	6,115,163
Extracurricular Activities	3,011,917	3,103,182	3,292,761	3,023,706	3,278,754	3,620,893	3,426,136	3,005,242	2,825,760	2,615,894
Interest and Fiscal Charges	5,597,681	5,183,120	8,034,299	8,276,131	8,715,607	7,673,349	8,047,154	9,242,380	8,139,377	6,415,090
Total Governmental Activities Expenses	\$138,269,243	\$141,019,405	\$152,662,713	\$159,801,953	\$182,471,878	\$190,600,510	\$197,191,407	\$186,457,180	\$177,064,903	\$173,640,704

Source: District Records

Lakota Local School District, Ohio  
 Expenses, Program Revenues and Net (Expense)/Revenue  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 2 (Continued)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction	\$644,483	\$698,340	\$695,464	\$644,136	\$950,815	\$1,074,436	\$827,777	\$1,873,574	\$2,262,719	\$2,496,829
Pupil	626,643	748,353	752,472	641,584	733,516	619,309	599,203	27,638	28,558	0
Instructional Staff	6,717	5,758	9,576	81,704	112,068	125,840	80,305	0	0	0
General Administration	0	1,303	0	0	0	0	0	0	0	0
School Administration	1,145	0	172	0	7,263	3,984	3,412	0	0	0
Fiscal	0	0	0	0	0	272	131	0	0	0
Business	0	0	0	0	515	276	0	0	0	0
Operations and Maintenance	0	145,898	288,308	305,151	313,088	320,619	364,828	494,614	646,643	612,280
Pupil Transportation	0	0	0	0	0	1	0	0	17,976	3,840
Central	12,706	0	0	0	0	33	214	0	25,227	32,448
Operation of Non-Instructional Services	4,525,316	5,568,995	5,014,072	5,218,887	5,089,655	5,169,264	5,356,842	3,920,417	3,902,472	3,467,769
Extracurricular Activities	825,413	1,078,624	1,190,007	909,205	1,013,459	1,154,754	1,140,219	2,239,406	2,509,515	2,271,635
Operating Grants and Contributions	4,122,476	4,639,740	5,488,543	9,089,786	10,213,556	9,669,092	12,899,123	14,091,811	12,554,729	9,175,862
Capital Grants and Contributions	107,748	248,830	108,951	327,799	139,255	271,848	0	0	0	0
Total Governmental Activities Program Revenues	10,872,647	13,135,841	13,547,565	17,218,252	18,573,190	18,409,728	21,272,054	22,647,460	21,947,839	18,060,663
Net (Expense)/Revenue										
Governmental Activities	(\$127,396,596)	(\$127,883,564)	(\$139,115,148)	(\$142,583,701)	(\$163,898,688)	(\$172,190,782)	(\$175,919,353)	(\$163,809,720)	(\$155,117,064)	(\$155,580,041)

Source: District Records



Lakota Local School District, Ohio  
 General Revenues and Total Change in Net Position,  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 3

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (Expense)/Revenue										
Governmental Activities	(\$127,396,596)	(\$127,883,564)	(\$139,115,148)	(\$142,583,701)	(\$163,898,688)	(\$172,190,782)	(\$175,919,353)	(\$163,809,720)	(\$155,117,064)	(\$155,580,041)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes										
Property Taxes Levied for General Purposes	65,507,861	63,722,046	77,220,286	86,994,400	80,968,922	81,845,161	81,301,524	71,923,151	76,293,977	78,411,041
Property Taxes Levied for Debt Service Purposes	12,135,005	11,156,541	11,789,412	12,127,727	12,502,843	10,940,720	11,706,135	11,309,553	13,584,230	12,753,190
Grants and Entitlements Not Restricted to Specific Programs	51,777,045	54,260,058	55,735,058	54,786,321	57,026,114	59,350,755	59,845,825	58,880,750	56,475,755	53,242,351
Revenue in Lieu of Taxes - Unrestricted	2,153,931	257,770	1,599,259	2,437,337	1,482,251	8,862,405	13,164,088	11,874,109	10,724,516	12,790,111
Unrestricted Contributions	0	0	0	0	55,000	0	0	195,225	125,665	222,389
Investment Earnings	471,746	1,029,907	3,132,833	7,567,638	5,030,023	1,674,144	158,738	93,272	150,995	65,183
Refunds and Reimbursements	0	0	20,700	7,744	30,915	148,655	0	0	0	0
Other Revenues	466,531	434,303	435,887	1,055,900	245,871	507,246	844,418	503,997	208,713	360,626
Total Governmental Activities	132,512,119	130,860,625	149,933,435	164,977,067	157,341,939	163,329,086	167,020,728	154,780,057	157,563,851	157,844,891
Change in Net Position										
Governmental Activities	\$5,115,523	\$2,977,061	\$10,818,287	\$22,393,366	(\$6,556,749)	(\$8,861,696)	(\$8,898,625)	(\$9,029,663)	\$2,446,787	\$2,264,850

Source: District Records

Lakota Local School District, Ohio  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
Schedule 4

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011 (1)	2012	2013
<b>General Fund</b>										
Reserved	\$4,641,568	\$5,680,104	\$8,145,908	\$5,713,978	\$4,675,843	\$4,748,650	\$5,673,834	\$0	\$0	\$0
Unreserved	17,066,027	15,120,212	20,107,297	36,756,523	32,561,593	25,764,017	19,421,784	0	0	0
Restricted								1,976,054	0	0
Assigned								1,340,988	1,987,149	2,320,032
Unassigned								9,786,790	11,432,732	9,147,491
<b>Total General Fund</b>	<b>21,707,595</b>	<b>20,800,316</b>	<b>28,253,205</b>	<b>42,470,501</b>	<b>37,237,436</b>	<b>30,512,667</b>	<b>25,095,618</b>	<b>13,103,832</b>	<b>13,419,881</b>	<b>11,467,523</b>
<b>All Other Governmental Funds</b>										
Reserved	895,082	808,753	22,552,576	32,675,178	11,356,315	3,794,230	916,357	0	0	0
Unreserved, Reported In:										
Special Revenue Funds	1,101,409	1,015,338	982,361	1,154,791	1,090,115	631,697	408,704	0	0	0
Debt Service Funds	6,323,687	7,764,970	7,262,811	5,223,525	4,661,672	5,220,175	5,965,990	0	0	0
Capital Project Funds	14,492	133,168	55,588,815	14,391,862	3,018,349	1,211,247	6,981,989	0	0	0
Nonspendable								63,434	98,667	67,873
Restricted								10,237,959	11,803,043	12,780,376
Unassigned								(381,833)	(1,825,118)	(1,414,504)
<b>Total all Other Governmental Funds</b>	<b>\$8,334,670</b>	<b>\$9,722,229</b>	<b>\$86,386,563</b>	<b>\$53,445,356</b>	<b>\$20,126,451</b>	<b>\$10,857,349</b>	<b>\$14,273,040</b>	<b>\$9,919,560</b>	<b>\$10,076,592</b>	<b>\$11,433,745</b>

Source: District Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The change in the classification of fund balance amounts in 2011 are discussed in the Notes to the Financial Statements.

Lakota Local School District, Ohio  
 Governmental Funds Revenues,  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 5

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Taxes	\$74,974,566	\$76,558,847	\$88,219,693	\$99,366,657	\$92,729,935	\$93,210,158	\$92,536,437	\$80,952,105	\$91,254,610	\$91,108,735
Revenue in Lieu of Taxes	0	0	0	0	0	8,862,405	13,164,088	11,824,742	10,681,075	12,790,111
Tuition and Fees	443,132	550,997	623,401	548,049	725,425	746,895	780,464	865,429	911,559	2,205,304
Investment Earnings	461,120	1,016,474	3,117,591	7,552,512	5,009,134	1,674,144	158,134	93,272	138,655	66,559
Intergovernmental	56,941,382	58,629,909	60,772,380	63,869,399	65,892,942	67,917,331	71,241,438	72,825,089	67,045,964	63,892,463
Extracurricular Activities	1,545,353	1,831,947	2,089,798	1,741,406	1,980,928	2,006,843	1,949,537	2,471,629	2,938,060	2,774,238
Charges for Services	0	295,331	0	0	0	0	0	4,865,460	5,441,167	3,897,716
Other Revenues	1,262,626	656,487	2,350,844	3,774,211	2,191,041	1,138,540	1,045,490	958,635	595,535	590,855
Total Revenues	\$135,628,179	\$139,539,992	\$157,173,707	\$176,852,234	\$168,529,405	\$175,556,316	\$180,875,588	\$174,856,361	\$179,006,625	\$177,325,981

Source: District Records

Lakota Local School District, Ohio  
 Governmental Funds Expenditures and Debt Service Ratio,  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 6

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Regular Instruction	\$59,355,751	\$56,610,305	\$58,134,589	\$63,108,553	\$67,168,954	\$70,110,539	\$72,485,934	\$73,724,468	\$68,630,735	\$67,184,552
Special Instruction	9,698,915	9,310,344	10,412,781	10,825,993	12,086,711	13,119,471	14,714,652	15,108,862	15,140,017	15,628,947
Vocational Instruction	283,553	186,872	99,012	126,020	97,588	335	0	258	2,409	7,710
Other Instruction	292,795	244,275	2,886,570	3,018,895	2,603,832	2,860,997	3,035,460	5,083,411	4,360,229	5,022,092
Pupil	8,606,366	9,808,007	10,833,785	10,831,902	11,839,061	12,002,967	12,670,167	12,781,903	11,843,829	10,474,061
Instructional Staff	7,295,815	7,730,941	8,986,605	8,797,966	10,827,641	11,767,805	12,448,325	10,608,861	9,089,492	9,315,263
General Administration	23,719	67,385	44,068	62,727	78,578	99,449	66,318	93,099	44,037	131,324
School Administration	10,272,880	10,341,744	11,992,785	13,442,807	14,377,494	16,520,191	14,385,096	12,593,415	12,770,073	12,318,992
Fiscal	2,082,673	2,089,853	1,061,100	1,227,995	1,282,321	1,350,862	1,275,852	1,354,628	1,444,518	1,846,253
Business	339,578	194,347	250,186	171,521	269,953	319,840	282,518	329,850	298,498	293,402
Operations and Maintenance	11,211,971	10,348,015	10,778,978	11,184,911	13,243,610	15,416,204	14,038,230	13,054,256	12,220,783	12,131,371
Pupil Transportation	9,305,327	13,801,460	12,392,940	15,225,047	16,648,154	15,456,434	17,417,776	14,393,792	14,281,471	15,660,815
Central	2,204,567	2,398,020	2,772,271	3,127,979	4,002,284	3,922,128	3,483,625	3,219,005	3,465,160	2,818,021
Operation of Non-Instructional Services	135,224	354,212	546,483	555,986	272,258	710,274	599,732	6,192,026	5,900,036	5,943,133
Extracurricular Activities	2,803,482	2,936,849	3,151,638	2,896,885	3,106,657	3,461,532	3,124,572	2,778,846	2,474,836	2,440,572
Capital Outlay	4,310,899	757,466	9,708,525	45,983,393	35,589,747	14,644,749	9,142,535	7,579,315	2,406,771	1,737,236
Debt Service:										
Principal Retirement	6,784,094	5,760,593	8,591,962	6,668,076	4,660,658	6,279,450	4,734,714	5,305,024	4,379,103	8,220,000
Interest and Fiscal Charges	5,566,021	5,342,006	5,652,789	8,457,993	8,873,127	7,698,465	8,205,712	8,127,454	9,803,688	6,762,418
Bond Issuance Costs	0	0	0	0	0	222,100	0	0	0	470,319
<b>Total Expenditures</b>	<b>\$140,573,630</b>	<b>\$138,282,694</b>	<b>\$158,297,067</b>	<b>\$205,714,649</b>	<b>\$207,028,628</b>	<b>\$195,963,792</b>	<b>\$192,111,218</b>	<b>\$192,328,473</b>	<b>\$178,555,685</b>	<b>\$178,406,481</b>

Debt Service as a Percentage of  
 Noncapital Expenditures

10.82%      8.35%      9.13%      7.76%      8.62%      8.77%      7.22%      7.17%      8.01%      8.44%

Source: District Records

Lakota Local School District, Ohio  
 Other Financing Sources and Uses and Net Change in Fund Balances,  
 Governmental Funds,  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 7

	Fiscal Year									
	2003	2004	2005	2007	2008	2009	2010	2011	2012	2013
<b>Other Financing Sources (Uses):</b>										
Issuance of Long Term Debt	\$0	\$0	\$0	\$10,000,000	\$0	\$4,100,000	\$9,405,000	\$0	\$0	\$0
Issuance of Refunding Bonds	0	0	8,625,000	0	0	0	0	0	0	0
Premium on Bonds Sold	0	0	0	0	0	1,065,460	0	0	0	7,731,369
Payment to Refunded Bonds Escrow Agent	0	0	(8,625,000)	0	0	(17,479,951)	0	0	0	(52,096,050)
Proceeds of Refunding Bonds	0	0	0	0	0	16,680,000	0	0	0	44,835,000
Proceeds of Capital Leases	0	261,402	161,818	0	0	0	0	0	0	0
Proceeds from Sale of Capital Assets	138,101	0	0	0	3,519	48,096	110,234	203,980	22,141	14,976
Transfers In	1,387	24,908	1,808,906	1,779,391	1,870,362	1,996,206	1,974,538	1,500,000	600,839	427,002
Transfers (Out)	(1,387)	(24,908)	(1,845,001)	(1,845,117)	(1,926,628)	(1,996,206)	(2,255,500)	(1,500,000)	(600,839)	(427,002)
<b>Total Other Financing Sources (Uses)</b>	<b>138,101</b>	<b>261,402</b>	<b>125,723</b>	<b>9,934,274</b>	<b>(52,747)</b>	<b>4,413,605</b>	<b>9,234,272</b>	<b>203,980</b>	<b>22,141</b>	<b>485,295</b>
<b>Net Change in Fund Balances</b>	<b>(\$4,807,350)</b>	<b>\$1,518,700</b>	<b>(\$997,637)</b>	<b>(\$18,928,141)</b>	<b>(\$38,551,970)</b>	<b>(\$15,993,871)</b>	<b>(\$2,001,358)</b>	<b>(\$17,268,132)</b>	<b>\$473,081</b>	<b>(\$595,205)</b>

Source: District Records

Lakota Local School District, Ohio  
 Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Collection (Calendar) Years  
 Schedule 8

Collection Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total	Total	Total
	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Estimated Actual Value	Direct Rate
2003	\$1,960,455,290	\$171,600,152	\$58,862,530	\$2,190,917,972	\$6,346,563,967	60.04
2004	2,027,523,000	171,154,345	59,663,620	2,258,340,965	6,537,203,857	60.04
2005	2,145,381,260	173,951,122	60,653,310	2,379,985,692	6,886,118,541	65.64
2006	2,324,789,851	188,497,872	65,725,474	2,579,013,197	7,461,973,679	65.63
2007	2,415,765,750	163,745,949	57,329,510	2,636,841,209	7,614,501,163	65.39
2008	2,478,371,360	132,724,791	55,548,700	2,666,644,851	7,667,508,893	65.39
2009	2,683,065,110	0	57,758,480	2,740,823,590	7,723,658,794	65.39
2010	2,693,254,040	0	60,809,140	2,754,063,180	7,755,820,683	65.84
2011	2,586,411,730	0	65,850,220	2,652,261,950	7,455,598,020	65.84
2012	2,450,209,760	0	70,451,260	2,520,661,020	7,071,050,574	65.84

Source: County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. The tangible personal property values were phased out for the 2009 calendar year.

Lakota Local School District, Ohio  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 9

Calendar Year	District Direct Rates			Overlapping Rates				
	General Purpose	Capital Purpose	Total	Butler County	EXC Monroe Liberty Town	Liberty Township	City of Monroe	Butler TCDS
2003	6.49	53.55	60.04	8.74	0.59	10.59	9.85	1.93
2004	6.49	53.55	60.04	8.74	0.59	10.59	9.85	1.93
2005	6.49	59.15	65.64	8.74	0.59	10.50	9.85	1.93
2006	6.49	59.14	65.63	9.44	0.59	10.50	9.85	1.93
2007	6.49	58.90	65.39	10.95	0.59	10.50	8.01	1.93
2008	6.49	58.90	65.39	10.45	0.59	10.50	8.00	1.93
2009	6.49	58.90	65.39	9.75	0.59	10.50	8.00	1.93
2010	6.49	59.35	65.84	9.72	0.59	11.59	8.00	1.93
2011	6.49	59.35	65.84	9.72	0.59	11.59	8.00	1.93
2012	6.49	59.35	65.84	9.72	0.59	11.59	8.00	1.93

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Lakota Local School District, Ohio  
Principal Property Tax Payers  
Current Year and Seven Years Ago (1)  
Schedule 10

Taxpayer	2012	
	Tangible Personal & Real Property	Percentage of Total Assessed Value
Duke Energy Ohio Inc	\$56,386,040	2.24%
Duke Realty Ohio	12,790,640	0.51%
First Industrial LP	9,876,740	0.39%
US Industrial Reit III Midwest	9,065,000	0.36%
Cincinnati Lesaint Industrial	8,050,000	0.32%
Lakes at West Chester Village	6,930,000	0.27%
Landings at Beckett Ridge LLC	6,916,590	0.27%
Amylin Ohio LLC	6,183,710	0.25%
Union Station of West Chester	5,835,000	0.23%
Four Bridges Apartments	5,129,480	0.20%
<b>Total Principal Taxpayers</b>	<b>127,163,200</b>	<b>5.04%</b>
All Other Taxpayers	2,393,497,820	94.96%
<b>Total Taxpayers</b>	<b>\$2,520,661,020</b>	<b>100.00%</b>

Taxpayer	2005	
	Tangible Personal & Real Property	Percentage of Total Taxable Value
Cincinnati Gas & Electric	\$46,064,120	1.94%
Security Capital IND TR	12,186,170	0.51%
Cincinnati Bell Telephone	10,229,560	0.43%
Duke Realty Ohio	8,282,300	0.35%
Union Station of West Chester LLC	6,667,050	0.28%
Landings at Beckett Ridge LLC	6,591,950	0.28%
Dugan Financing LLC	6,518,310	0.27%
Port Union LLC	6,064,080	0.25%
Four Bridges Apartments LTD	5,382,380	0.23%
First Industrial L P	5,196,980	0.22%
<b>Total Principal Taxpayers</b>	<b>113,182,900</b>	<b>4.76%</b>
All Other Taxpayers	2,266,802,792	95.24%
<b>Total Taxpayers</b>	<b>\$2,379,985,692</b>	<b>100.00%</b>

Source: County Auditor

(1) - The amounts presented represent the assessed values upon which 2005 to 2012 collections were based. Information from Seven years prior is not available.



Lakota Local School District, Ohio  
Property Tax Levies and Collections  
Last Ten Calendar Years  
Schedule 11

Calendar Year (1)	Taxes Levied for the Calendar Year (2)	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount (3)	Percentage of Levy		Amount	Percentage of Levy
2003	\$71,617,353	\$71,010,316	99.15%	\$607,037	\$71,617,353	100.00%
2004	72,237,286	72,208,219	99.96%	29,067	72,237,286	100.00%
2005	75,498,963	72,635,918	96.21%	2,120,237	74,756,155	99.02%
2006	93,214,462	88,979,494	95.46%	4,234,968	93,214,462	100.00%
2007	106,207,980	95,734,594	90.14%	4,927,183	100,661,777	94.78%
2008	105,907,712	95,707,017	90.37%	3,422,593	99,129,610	93.60%
2009	100,776,727	96,441,221	95.70%	1,813,818	98,255,039	97.50%
2010	103,871,567	97,513,228	93.88%	3,746,652	101,259,880	97.49%
2011	102,415,624	98,668,972	96.34%	1,318,706	99,987,678	97.63%
2012	101,883,254	98,516,714	96.70%	0	98,516,714	96.70%

Source: County Auditor

- (1) - Per county auditor, amounts in earlier years based on fiscal years; amounts have been readjusted to reflect calendar year.
- (2) - Taxes levied and collected are presented on a cash basis.
- (3) - State reimbursements of rollback and homestead exemptions are included.

Lakota Local School District, Ohio  
 Outstanding Debt by Type  
 Last Ten Fiscal Years  
 Schedule 12

Fiscal Year	General Bonded Debt Outstanding			Percentage of Estimated Actual Value of Taxable Property	Percentage of Total Personal Income (1)	Per Capita
	General Obligation Bonds	Net Position Restricted for Debt Service	Net General Obligation Bonds			
2004	\$98,639,581	\$6,494,503	\$92,009,177	1.55%	0.92%	\$1,340
2005	92,878,987	7,835,191	84,824,579	1.42%	0.84%	1,261
2006	172,713,717	7,018,900	165,167,412	2.51%	1.50%	2,346
2007	175,856,247	4,984,483	170,334,397	2.36%	1.46%	2,388
2008	171,006,195	6,476,400	166,050,785	2.25%	1.36%	2,322
2009	168,876,566	6,202,221	163,311,218	2.20%	1.30%	2,293
2010	173,304,872	7,052,376	166,890,648	2.24%	1.37%	2,354
2011	167,757,868	6,152,120	159,948,667	2.16%	1.29%	1,909
2012	163,136,785	9,851,317	152,961,931	2.19%	1.21%	1,856
2013	155,042,814	10,882,775	144,160,039	2.19%	1.08%	1,764

Source: District Records

(1) - On the calendar year basis

Lakota Local School District, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2013  
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Butler County	\$55,455,120	33.75%	\$18,716,103
City of Fairfield	26,065,000	1.08%	281,502
City of Monroe	10,445,000	3.57%	372,887
Liberty Township	9,595,000	100.00%	9,595,000
West Chester Township	55,925,000	96.74%	54,101,845
Butler Technology & Career Center JT. Voc. School District	3,000,000	31.01%	930,300
Subtotal, Overlapping Debt	160,485,120		83,997,637
District Direct Debt	155,042,814	100.00%	155,042,814
Total Direct and Overlapping Debt	\$315,527,934		\$239,040,451

Source: Ohio Municipal Advisory Council

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government.

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value (1)	\$2,520,661,020
Debt limit (9% of assessed value)	226,859,492
Debt applicable to limit	155,042,814
Legal debt margin	<u>\$71,816,678</u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	\$203,250,687	\$214,198,712	\$214,198,712	\$232,111,188	\$237,315,709	\$239,998,037	\$246,674,123	\$247,865,686	\$238,703,576	\$226,859,492
Total Net Debt Applicable to Limit	105,815,653	92,878,988	168,587,026	171,918,950	167,258,291	164,828,841	169,524,128	164,194,104	159,815,000	155,042,814
Legal Debt Margin	<u>\$97,435,034</u>	<u>\$121,319,724</u>	<u>\$45,611,686</u>	<u>\$60,192,238</u>	<u>\$70,057,418</u>	<u>\$75,169,196</u>	<u>\$77,149,995</u>	<u>\$83,671,582</u>	<u>\$78,888,576</u>	<u>\$71,816,678</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	52.06%	43.36%	78.71%	74.07%	70.48%	68.68%	68.72%	66.24%	66.95%	68.34%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2012 is calendar year 2011)

Lakota Local School District, Ohio  
 Demographic and Economic Statistics  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2003	73,633	\$10,677,206	\$31,127	5.4%
2004	73,633	11,050,706	31,878	5.0%
2005	73,633	11,491,241	32,764	5.1%
2006	73,633	12,034,316	33,739	5.6%
2007	73,633	12,561,553	34,778	5.1%
2008	73,633	12,968,770	35,611	6.5%
2009	73,633	12,653,202	34,512	9.4%
2010	87,895	12,959,978	35,138	9.6%
2011	87,895	13,538,158	36,590	6.0%
2012	87,895	14,398,043	38,852	7.1%

- Sources:
- (1) - Population estimates provided by Lakota School District Records
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Butler County
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Butler County
  - (4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

Lakota Local School District, Ohio  
 Major Employers (1)  
 Current Fiscal Year and Fiscal Period Five Years Ago (2)  
 Schedule 16

2013			
Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
AK Steel Holding Corp	Mfg	(4)	(5)
Butler County Government	Govt	(4)	(5)
Cincinnati Financial Corp	Ins	(4)	(5)
Cornerstone Brands Inc	Trade	(4)	(5)
Fairfield City Bd of Ed	Govt	(4)	(5)
Ft Hamilton Memorial Hospital	Serv	(4)	(5)
GE Aviation	Mfg	(4)	(5)
Hamilton City Schools	Govt	(4)	(5)
Lakota Local Schools	Govt	(4)	(5)
Liberty Mutual/Ohio Casualty Corp	Ins	(4)	(5)
Mercy Regional Hospital	Serv	(4)	(5)
Miami University	Govt	(4)	(5)
Middletown Regional Health System	Serv	(4)	(5)
Miller Coors	Mfg	(4)	(5)
Pierre Foods	Mfg	(4)	(5)

2008			
Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Population
AK Steel Holding Corp	Mfg	(4)	(5)
Amylin Pharmaceuticals Inc	Mfg	(4)	(5)
Armor Holdings Inc	Mfg	(4)	(5)
Butler County Government	Govt	(4)	(5)
Cincinnati Financial Corp	Ins	(4)	(5)
Cornerstone Brands Inc	Trade	(4)	(5)
Fairfield City Bd of Ed	Govt	(4)	(5)
Ft Hamilton Memorial Hospital	Serv	(4)	(5)
Hamilton City Bd of Ed	Govt	(4)	(5)
Lakota Local Bd of Ed	Govt	(4)	(5)
Liberty Mutual/Ohio Casualty Corp	Ins	(4)	(5)
Mercy Regional Hospital	Serv	(4)	(5)
Miami University	Govt	(4)	(5)
Middletown Regional Health System	Serv	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Butler County

(2) - Only current fiscal year and fiscal period five years ago information available. Information for fiscal period nine years ago not available.

(3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(4) - The number of employees of each listed major employer was not available.

(5) - The employer's percentage of total employment for each major employer was not available.

**THIS PAGE INTENTIONALLY LEFT BLANK**



Lakota Local School District, Ohio  
 Full-Time Equivalent District Employees by Type  
 Last Ten Fiscal Years  
 Schedule 17

	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Official/Administrative</b>										
Assist. Deputy/Superintendent	1	1	1	2	2	1	2	2	2	1
Assistant Principal	23	24	23	24	27	28	23	23	22	22
Principal	19	19	19	19	20	20	19	20	20	21
Superintendent	1	1	1	1	1	1	1	1	1	1
Supervising/Managing/Directing	14	12	4	8	9	6	6	6	5	3
Treasurer	1	1	1	1	1	1	1	0	1	1
Coordinator	2	2	3	4	5	4	5	5	0	2
Education Admin Specialist	0	0	0	0	0	0	0	0	0	4
Director	0	0	5	8	7	8	7	6	0	6
ESC Supervisor	0	0	0	0	0	3	0	0	0	0
Other Official/Administrative	4	5	4	5	4	7	7	8	11	0
<b>Totals</b>	<b>65</b>	<b>65</b>	<b>61</b>	<b>72</b>	<b>76</b>	<b>79</b>	<b>71</b>	<b>71</b>	<b>62</b>	<b>61</b>
<b>Professional - Educational/Other</b>										
Curriculum Specialist	6	5	5	5	5	8	8	8	7	5
Counseling	31	29	31	32	33	37	34	33	31	31
Librarian/Media	18	19	14	18	21	17	18	14	6	2
Remedial Specialist	2	1	30	39	34	31	34	31	26	27
Tutor/Small Gr Instructor	53	43	19	14	32	30	32	32	15	13
Regular Teaching	671	699	701	733	747	845	828	773	748	658
Special Education Teaching	129	132	129	140	153	137	139	140	142	121
Vocational Education Teach	3	2	1	1	1	0	0	0	0	0
Educational Service Teacher	108	71	72	71	80	0	0	0	0	0
Other Professional	12	9	8	6	10	11	20	16	13	22
<b>Totals</b>	<b>1,033</b>	<b>1,010</b>	<b>1,009</b>	<b>1,057</b>	<b>1,116</b>	<b>1,116</b>	<b>1,112</b>	<b>1,046</b>	<b>989</b>	<b>879</b>
<b>Professional - Other</b>										
Accounting	0	0	0	0	0	0	0	0	1	1
Negotiating	0	0	1	0	1	0	0	0	0	0
Personnel	0	0	1	0	1	0	0	0	0	0
Dietician/Nutrition	0	0	0	0	0	0	0	0	2	2
Psychologist	12	11	12	13	14	14	14	13	12	13
Publicity Relations	1	1	1	1	1	1	1	1	1	0
Registered Nursing	15	15	15	15	16	16	15	11	10	24
Social Work	4	4	2	2	2	2	2	2	2	0
Physical Therapist	1	1	1	2	2	2	1	2	2	2
Speech and Language Therapist	29	30	30	31	33	34	32	32	27	23
Occupational Therapist	6	4	4	4	5	5	5	6	6	4
Educational Interpreter	0	0	6	6	5	6	5	4	4	4
Visiting Teacher	0	0	2	0	0	0	0	0	0	0
Occupational Ther Assist	0	0	4	4	4	5	4	4	4	4
Physical Therapy Assist	0	0	1	1	1	1	1	1	1	0
Adapted PE Therapist	2	2	2	2	2	2	2	2	2	2
Planning/Research/Develop	0	0	0	0	0	0	0	0	3	0
Other Professional - Other	0	0	0	0	0	0	0	0	2	1
<b>Totals</b>	<b>70</b>	<b>67</b>	<b>81</b>	<b>80</b>	<b>87</b>	<b>87</b>	<b>82</b>	<b>78</b>	<b>79</b>	<b>80</b>
<b>Technical</b>										
Computer Operating	14	15	14	19	21	21	21	22	20	21
Practical Nursing	0	12	7	7	11	9	9	15	12	2
Library Aide	15	17	12	10	13	15	14	12	20	17
Instructional Parapro	0	1	129	147	159	174	164	164	172	187
Other Technical	0	0	1	3	3	1	1	1	2	2
<b>Totals</b>	<b>29</b>	<b>45</b>	<b>162</b>	<b>187</b>	<b>207</b>	<b>220</b>	<b>209</b>	<b>214</b>	<b>226</b>	<b>229</b>
<b>Office/Clerical</b>										
Bookkeeping	4	5	4	5	5	4	4	4	4	3
Clerical	97	89	87	90	92	99	93	82	83	78



Messenger	0	0	3	2	3	3	3	3	3	2
Records Managing	0	0	0	0	0	0	0	0	2	1
Teaching Aide	145	154	12	10	11	11	10	10	0	0
Parent Mentor	1	1	1	1	1	1	1	1	1	1
Other Office/Clerical	0	0	0	0	0	1	1	1	0	3
Totals	246	248	106	108	111	118	111	100	93	88
Crafts and Trades										
Carpentering	0	0	1	1	1	1	1	1	0	2
Electrician	0	0	2	2	2	1	0	0	1	0
General Maintenance	18	22	7	7	8	11	11	11	12	4
Mechanic	10	9	9	7	8	8	7	7	6	6
Plumbing	0	0	2	2	2	2	3	2	1	1
Foreman	0	0	0	0	0	0	0	0	0	2
Other Crafts and Trades	0	0	0	0	0	0	0	0	0	5
Totals	28	31	21	19	21	23	22	21	20	20
Operative										
Vehicle Operator (buses)	185	0	0	0	0	0	0	0	0	0
Other Operative	1	0	0	0	0	1	1	0	0	0
Totals	186	0	0	0	0	1	1	0	0	0
Service Worker/Laborer										
Attendance Officer	0	0	1	2	2	0	0	0	0	0
Custodian	106	98	85	85	95	105	102	88	92	93
Food Service	109	120	63	63	65	79	70	66	69	68
Monitoring	33	2	11	8	7	9	9	6	1	0
Stores Handling	0	0	1	1	1	0	0	0	0	0
Groundskeeping	0	0	5	5	5	5	5	5	5	2
Attendant	56	59	16	19	25	26	19	20	1	8
Other Service Worker/Lab	3	0	0	0	0	0	0	0	0	3
Totals	306	279	181	181	199	224	204	185	168	174
Grand Totals	1,963	1,745	1,622	1,704	1,817	1,869	1,811	1,716	1,637	1,531

Source: Lakota Local School District records.

Lakota Local School District, Ohio  
 Operating Statistics  
 Last Ten Fiscal Years  
 Schedule 18

Fiscal Year	Enrollment	Professional/ Educational Staff	Professional/ Educational Staff Average Salary	Pupil-Professional/ Educational Staff Ratio	Percentage Of Students on Free/Reduced Meals
2003/2004	16,358	1,103	51,251	10.34	13.01%
2004/2005	16,961	1,078	52,583	14.83	13.57%
2005/2006	17,422	1,090	53,123	15.74	15.91%
2006/2007	17,782	1,139	53,622	15.98	15.39%
2007/2008	18,234	1,188	58,382	15.62	11.11%
2008/2009	18,330	1,196	59,660	15.33	13.97%
2009/2010	18,473	1,192	62,331	15.50	16.08%
2010/2011	18,426	1,176	63,000	15.67	16.60%
2011/2012	17,663	988	63,660	17.88	17.50%
2012/2013	16,815	988	63,750	17.02	19.40%

Source: Lakota Local School District records.

**THIS PAGE INTENTIONALLY LEFT BLANK**



Lakota Local School District  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19

	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Creekside Early Childhood*										
Square Feet	67,685	67,685	67,685	67,685	67,685	67,685	67,685	67,685	67,685	67,685
Enrollment	1,236	1,264	1,284	1,325	930	889	872	818	690	566
Liberty Early Childhood (1928)										
Square Feet	50,600	50,600	50,600	50,600	50,600	50,600	50,600	50,600	50,600	50,600
Enrollment	570	595	621	598	466	440	578	591	522	401
Shawnee Early Childhood (1990)										
Square Feet	60,070	60,070	60,070	60,070	60,070	60,070	60,070	60,070	60,070	60,070
Enrollment	559	643	636	622	796	816	743	723	681	539
Wyandot Early Childhood (2007)***										
Square Feet	N/A	N/A	N/A	N/A	75,397	75,397	75,397	75,397	75,397	75,397
Enrollment	0	0	0	0	969	915	856	831	768	772
VanGorden Elementary (2003)**										
Square Feet	90,901	90,901	90,901	90,901	90,901	90,901	90,901	90,901	90,901	90,901
Enrollment	697	939	959	906	708	742	738	697	663	670
Adena Elementary (1978)										
Square Feet	61,532	61,532	61,532	61,532	61,532	61,532	61,532	61,532	61,532	61,532
Enrollment	692	719	700	673	805	738	749	763	693	663
Hopewell Elementary (1961)										
Square Feet	73,173	73,173	73,173	73,173	73,173	73,173	73,173	73,173	73,173	73,173
Enrollment	885	887	878	907	825	841	833	799	766	704
Endeavor Elementary (2007)***										
Square Feet	N/A	N/A	N/A	N/A	75,397	75,397	75,397	75,397	75,397	75,397
Enrollment	0	0	0	0	654	661	701	753	760	726

Source: Lakota Local School District records.

\* - Lakota Early Childhood Center is located in the Lakota Freshman school.

\*\* - VanGorden Elementary and Lakota Plains Junior opened beginning 2003-04.

\*\*\* - Wyandot Early Childhood and Endeavor Elementary opened beginning 2007-08.

\*\*\*\* - Lakota East Freshman opened beginning 2008-09.

\*\*\*\*\* - New Union Elementary 2007-2008 (Liberty ECS occupied in the first year while the building was renovated).

N/A - Information not available

Lakota Local School District  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19 (Continued)

	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Old Union Elementary (1916) *****										
Square Feet	54,364	54,364	54,364	54,364	54,364	N/A	N/A	N/A	N/A	N/A
Enrollment	609	583	582	588	570	0	0	0	0	0
New Union Elementary (2007) *****										
Square Feet	N/A	N/A	N/A	N/A	N/A	86,262	86,262	86,262	86,262	86,262
Enrollment	0	0	0	0	0	619	747	753	749	706
Freedom Elementary (1988)										
Square Feet	61,175	61,175	61,175	61,175	61,175	61,175	61,175	61,175	61,175	61,175
Enrollment	698	657	638	676	671	655	680	672	642	647
Woodland Elementary (1990)										
Square Feet	66,792	66,792	66,792	66,792	66,792	66,792	66,792	66,792	66,792	66,792
Enrollment	729	753	778	837	749	752	605	596	563	546
Heritage Elementary (1992)										
Square Feet	60,620	60,620	60,620	60,620	60,620	60,620	60,620	60,620	60,620	60,620
Enrollment	694	715	703	687	644	641	639	606	554	531
Cherokee Elementary (1995)										
Square Feet	76,612	76,612	76,612	76,612	76,612	76,612	76,612	76,612	76,612	76,612
Enrollment	748	823	897	891	712	765	788	810	794	762
Independence Elementary (1994)										
Square Feet	79,612	79,612	79,612	79,612	79,612	79,612	79,612	79,612	79,612	79,612
Enrollment	907	844	764	832	536	605	660	674	659	685
Hopewell Junior (1972)										
Square Feet	75,874	75,874	75,874	75,874	75,874	75,874	75,874	75,874	75,874	75,874
Enrollment	537	521	560	650	674	603	592	605	602	609
Liberty Junior (1977)										
Square Feet	85,197	85,197	85,197	85,197	85,197	85,197	85,197	85,197	85,197	85,197
Enrollment	785	778	896	894	763	801	767	823	879	840
Lakota Ridge Junior (1997)										
Square Feet	74,652	74,652	74,652	74,652	74,652	74,652	74,652	74,652	74,652	74,652
Enrollment	702	670	642	663	661	674	635	599	612	582

Source: Lakota Local School District records.

\* - Lakota Early Childhood Center is located in the Lakota Freshman school.

\*\* - VanGorden Elementary and Lakota Plains Junior opened beginning 2003-04.

\*\*\* - Wyandot Early Childhood and Endeavor Elementary opened beginning 2007-08.

\*\*\*\*\* - Lakota East Freshman opened beginning 2008-09.

\*\*\*\*\* - New Union Elementary 2007-2008 (Liberty ECS occupied in the first year while the building was renovated).

N/A - Information not available

Lakota Local School District  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19 (Continued)

	Fiscal Year									
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Lakota Plains Junior (2003)**										
Square Feet	113,777	113,777	113,777	113,777	113,777	113,777	113,777	113,777	113,777	113,777
Enrollment	639	652	850	893	756	776	753	752	744	695
Lakota Freshman (1958)										
Square Feet	247,739	247,739	247,739	247,739	247,739	247,739	247,739	247,739	247,739	247,739
Enrollment	1,219	1,320	1,281	1,282	1,312	680	712	653	600	609
Lakota West High (1997)										
Square Feet	257,888	257,888	257,888	257,888	257,888	318,862	318,862	318,862	318,862	318,862
Enrollment	1,804	1,886	1,988	1,997	2,087	2,028	2,105	2,200	2,055	1,931
Lakota East Freshman (2009)****										
Square Feet	N/A	N/A	N/A	N/A	N/A	126,903	126,903	126,903	126,903	126,903
Enrollment	0	0	0	0	0	679	739	628	643	677
Lakota East High (1997)										
Square Feet	257,888	257,888	257,888	257,888	257,888	318,862	318,862	318,862	318,862	318,862
Enrollment	1,648	1,712	1,765	1,861	1,946	1,941	1,987	2,080	2,024	1,954
<b>Total Enrollment</b>	<b>16,701</b>	<b>17,108</b>	<b>17,633</b>	<b>18,166</b>	<b>18,258</b>	<b>18,287</b>	<b>18,409</b>	<b>17,910</b>	<b>17,663</b>	<b>16,815</b>

Source: Lakota Local School District records.

\* - Lakota Early Childhood Center is located in the Lakota Freshman school.

\*\* - VanGorden Elementary and Lakota Plains Junior opened beginning 2003-04.

\*\*\* - Wyandot Early Childhood and Endeavor Elementary opened beginning 2007-08.

\*\*\*\* - Lakota East Freshman opened beginning 2008-09.

\*\*\*\*\* - New Union Elementary 2007-2008 (Liberty ECS occupied in the first year while the building was renovated).

N/A - Information not available