



Dave Yost • Auditor of State



**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY**

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**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY**

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

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b> <i>Passed Through Ohio Department of Education</i>			
Nutrition Cluster:			
Non-Cash Assistance (Food Distribution)			
National School Lunch Program	10.555	\$ 178,803	\$ 178,803
Cash Assistance			
School Breakfast Program	10.553	151,540	151,540
National School Lunch Program	10.555	817,201	817,201
Special Milk Program for Children	10.556	<u>235</u>	<u>235</u>
Total Nutrition Cluster		<u>1,147,779</u>	<u>1,147,779</u>
Total U.S. Department of Agriculture		<u><b>1,147,779</b></u>	<u><b>1,147,779</b></u>
<b>U.S. DEPARTMENT OF EDUCATION</b> <i>Passed Through Ohio Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	722,962	741,672
Special Education Cluster			
Special Education Grants to States	84.027	1,100,410	1,163,303
Special Education - Preschool Grants	84.173	<u>24,263</u>	<u>22,575</u>
Total Special Education Cluster		<u><b>1,124,673</b></u>	<u><b>1,185,878</b></u>
Twenty-First Century Community Learning Centers	84.287	368,955	365,474
English Language Acquisition Grants	84.365	12,916	11,716
Improving Teacher Quality State Grants	84.367	155,245	151,229
Race to the Top	84.395	<u>176,905</u>	<u>201,412</u>
Total U.S. Department of Education		<u><b>2,561,656</b></u>	<u><b>2,657,381</b></u>
<b>Total Federal Awards</b>		<u><b>\$ 3,709,435</b></u>	<u><b>\$ 3,805,160</b></u>

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

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY**

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

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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



# Dave Yost • Auditor of State

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

Delaware City School District  
Delaware County  
248 North Washington Street  
Delaware, Ohio 43015

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Delaware City School District, Delaware County, Ohio (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 19, 2014.

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

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

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

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

***Compliance and Other Matters***

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2014-001.

***Entity's Response to Findings***

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

***Purpose of this Report***

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



**Robert R. Hinkle, CPA, CGFM**  
Chief Deputy Auditor  
Columbus, Ohio

December 19, 2014



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND ON THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES

Delaware City School District  
Delaware County  
248 North Washington Street  
Delaware, Ohio 43015

To the Board of Education:

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

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

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

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

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

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

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

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

In our opinion, the District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2014.

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

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

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

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

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

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Delaware City School District (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 19, 2014. We conducted our audit to opine on the Districts' basic financial statements. The accompanying schedule of federal awards receipts and expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements.

Delaware City School District  
Delaware County  
Independent Auditor's Report on Compliance With Requirements  
Applicable to Each Major Federal Program, Internal Control Over  
Compliance Required By OMB Circular A-133, and on the Schedule of Federal Awards  
Receipts and Expenditures  
Page 3

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



**Robert R. Hinkle, CPA, CGFM**  
Chief Deputy Auditor  
Columbus, Ohio

December 19, 2014

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**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY**

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

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

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #84.010 – Title I Grants to Local Educational Agencies and CFDA #84.027 & CFDA #84.173 – Special Education Cluster
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

**FINDING NUMBER 2014-001**

**Finding for Recovery - Noncompliance**

School District Policy 3411 establishes staff member placement on the District's salary schedule based on years of service in the same school district or educational service center, regardless of training level, with each year consisting of at least 120 days under a teacher's contract.

DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY

SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2014  
(Continued)

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

**FINDING NUMBER 2014-001 (Continued)**

**Finding for Recovery - Noncompliance (Continued)**

On June 4, 2012 the Board of Education approved unpaid leave for Kristen Wilder and Tiffany Vroegop for a portion of time included in the 2012-2013 contract year. As a result, they worked 108 and 61 days, respectively, for the 2012-2013 contract year and were not eligible to move up on the salary schedule for the 2013-2014 contract year. However, each staff member was moved from step 4 to step 5 on the District's salary schedule for the 2013-2014 contract year which resulted in an overpayment in salary for the 2013-2014 contract year for Kristen Wilder for \$1,951 and Tiffany Vroegop for \$1,878.

In accordance with the foregoing facts and pursuant to **Ohio Revised Code Section 117.28**, a Finding for Recovery for public money illegally expended is hereby issued against Kristen Wilder and Tiffany Vroegop in the amount of \$1,951 and \$1,878, respectively, and in favor of the District's, General Fund.

On September 10, 2014 the District established a repayment plan whereby the overpayment to Kristen Wilder will be recovered from bi-weekly payroll. As of this report date, Kristen Wilder had repaid \$569.17 with the final bi-weekly installment scheduled for August 18, 2015. On December 19, 2014, Tiffany Vroegop repaid in full \$1,878, in favor of the District's General Fund.

**Officials' Response:** The salary schedule movement was a result of a discrepancy between our payroll and human resource systems. Once Ms. Wilder's overpayment was brought to our attention, we reviewed all individuals for whom an improper movement might have occurred and identified the error with Ms. Vroegop as well. We have now put procedures in place to prevent this type of error from occurring in the future.

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

None

# Comprehensive Annual Financial Report

Delaware City School District  
Delaware, OH



For Fiscal Year Ended  
June 30, 2014



# **Delaware City School District**

**Delaware, Ohio**



## **Comprehensive Annual Financial Report**

*For Fiscal Year Ended June 30, 2014*

**Issued by:**  
*Office of the Treasurer*

**Melissa N. Lee**  
*Treasurer/C.F.O*

# Delaware City School District

Delaware, Ohio



# Introductory Section

Introductory Section





# DELAWARE CITY SCHOOL DISTRICT

## COMPREHENSIVE ANNUAL FINANCIAL REPORT JUNE 30, 2014

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Government Finance Officers Association

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

Presented to

**Delaware City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**



Executive Director/CEO



**Delaware City School District  
Elected Officials and Administrative Staff  
as of June 30, 2014**

**BOARD OF EDUCATION MEMBERS**

President	Mrs. Frances O'Flaherty
Vice President	Mr. Ted Backus
Member	Ms. Jayna McDaniel-Browning
Member	Mrs. Deborah Rafeld
Member	Mr. Matt Weller

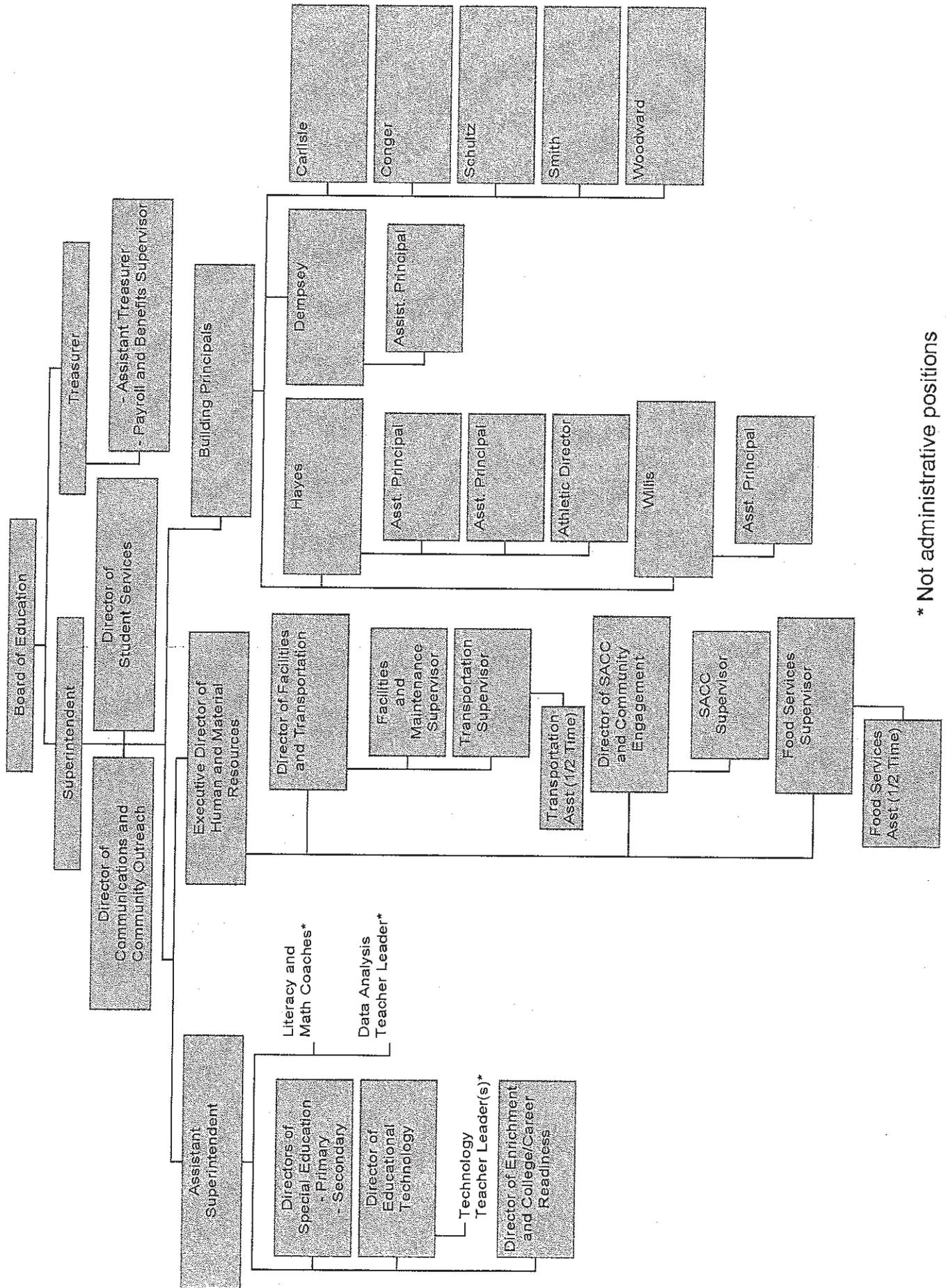
**APPOINTED OFFICIALS**

Superintendent	Paul A. Craft
Treasurer/CFO	Melissa N. Lee

**ADMINISTRATIVE STAFF**

Assistant Superintendent	Brad Faust
Assistant Treasurer	Monika Ray
Executive Director, Communications	Jen Ruhe
Executive Director, Curriculum	Brad Faust
Executive Director, Facilities & Transportation	Jason Sherman
Executive Director, Human and Material Resources	Jerry Stewart
Executive Director, Student Services	Andrew Hatton
Executive Director, Technology	Stan McDonald
Director, Food Service	Sally Rathje
Director, School Age Child Care	Karen Jackson
Director, Special Education	Virginia Cardwell
Director, Special Education	Mindy Rich
Supervisor, Custodial and Maintenance	George Harmon
Supervisor, Payroll	Laura Hallett
Supervisor, Transportation	Butch Rice
Principal, Delaware Hayes High School	Richard Stranges
Principal, Dempsey Middle School	Julie German-Murrey
Principal, Willis Intermediate School	Heidi Kegley
Principal, Carlisle Elementary School	Rena Schwartz
Principal, Conger Elementary School	Joshua Page
Principal, Schultz Elementary School	Travis Woodworth
Principal, Smith Elementary School	Rochelle Thompson
Principal, Woodward Elementary School	Jill Elliott

# Organizational Chart (Effective Aug 2013)



\* Not administrative positions



December 19, 2014

To the Citizens and Board of Education of the Delaware City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Delaware City School District (the "District"). This CAFR, which includes an unmodified opinion from the Auditor of the State of Ohio, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditor's report.

This report includes all funds of the District. The District provides a full range of traditional and nontraditional educational programs, services and facilities. These include elementary and secondary curriculum at the general, college preparatory and vocational levels, as well as a broad range of co-curricular and extracurricular activities, special education programs and facilities.

In addition to providing these general activities the District has administrative responsibility for State funds distributed to St. Mary's School, Delaware Christian School and Grace Community School, private schools located within the School District boundaries. In accordance with GASB Statement 24, this responsibility is included in the reporting entity as a special revenue fund. While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, these organizations' financial statements are not included in this report.

## **PROFILE OF THE SCHOOL DISTRICT**

The District was organized in the late 1800's and is a fiscally independent political subdivision of the State of Ohio. The District is a public school system located in Delaware County. The District's area is approximately 36 square miles in and around the City of Delaware. Also included are portions of Troy, Delaware, and Brown Townships. Located approximately 25 miles north of the downtown area of the City of Columbus, the District is largely suburban in character and has experienced significant growth over the past several years.

The Board of Education (the "Board") of the District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body, and policy initiator for the operation of the District. The Board is responsible for the adoption of the

annual operating budget and the approval of all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

The District had an estimated enrollment of 5,556 students for the fiscal year end June 30, 2014 compared to 5,466 students for the fiscal year ended June 30, 2013. This makes the District the second largest public school district in Delaware County. These students are housed in 5 elementary schools (grades pre-k to 4), 1 Intermediate school (grades 5 to 6), 1 middle school (grades 7 to 8), and 1 comprehensive high school (grades 9 to 12). The age of buildings varies with the oldest built in 1869 and the latest which opened in the fall of 2000. Of the District's 8 instructional buildings, 2 have been built since 1994. Additionally, the District operates an administration building, a transportation compound and a technology center. The District estimates enrollment to be 5,505; 5,621; and 5,905 for the fiscal years ended June 30, 2015, 2016, and 2020 respectively. The District's enrollment figures do not include students living within the District's attendance area who attend charter schools. Currently, the District has 194 students attending 18 different charter schools.

### **Economic Condition and Outlook**

**Local Economy** - The School District is in the Columbus, Ohio Metropolitan Statistical Area (MSA), which is comprised of the counties of Delaware, Fairfield, Franklin, Licking, Madison, Morrow, Pickaway and Union, and is the thirty-second largest MSA of 362 in the United States at the time of the 2010 census.

Employment in Delaware County has increased slightly with unemployment decreasing from 5.0% in June of 2013 to 4.1% in June 2014. Employment in the District is diversified with a majority in the service sector. One of the largest employers in the District with approximately 1,500 employees is Grady Memorial Hospital, located within the City of Delaware. Another employer within the City is Delaware County with approximately 1,082 employees. Additionally, the District is home to many small manufacturing companies as a result of State Routes 23, 42, 36 and 37 intersecting the District.

The City of Delaware is aggressive in recruiting new businesses and will make use of all economic incentives to increase the tax base. The city has made use of tax abatements and Tax Increment Financing to attract businesses. Through negotiations with the city the District has been reimbursed for property taxes it would have otherwise collected ranging from complete reimbursements to the minimums required by law.

**Long-term Financial Planning** – The financial forecast of General Fund operations for the next five years demonstrates that the District's fiscal year 2015 ending General Fund cash balance is projected to be approximately at \$8,244,068. Negative ending cash balances are projected beginning in fiscal year 2017.

The projected declining General Fund cash balance is a reflection of the challenge of Ohio school district financing. The District had been essentially flat-funded (no increase in state funding) since 2009. The State of Ohio implemented an Evidence Base Funding Model (EBM) in Fiscal Year 2010 called PASS (Pathway to Student Success) which resulted in a 2% drop in the FY2011 foundation revenue. In FY 2012 the Bridge formula replaced the PASS model until a new funding mechanism could be formulated. Under the Bridge formula, the District's Fiscal Year 2013 total state funding is divided by a per pupil costs formula from the ADM count the first full week of October 2012. The Statewide per pupil adjustment amount must be determined by the Department of Education such that the State's total education aid obligation does not exceed the aggregate appropriated amount. A supplemental funding provision for Fiscal Year 2013 guaranteed to each school district operating funding in an amount equal to at least the amount of State operating funding (excluding any State Fiscal Stabilization Fund money) the district received for Fiscal Year 2011 under the Evidence Based Model. In addition, the Department of

Education is required to pay an additional amount for high performing schools equivalent to \$17 per student to each school district that is rated as “Excellent with Distinction” or “Excellent” on the annual district and school academic performance report cards. For 2012-2013 the District was rated as “Excellent with Distinction” and would have maintained this rating for 2013-14 if those designations had been used. A new funding formula was introduced for FY 2014 and FY 2015, which has allowed the District to see an increase in State foundation revenue. These increases have been capped at 6.25% and 10.5% for Fiscal Years 2014 and 2015 respectively.

In addition, there is no permanent reimbursement plan to replace tangible tax revenues eliminated through Amended Substitute House Bill 66 passed in June 2005, and possible further eroding of the District’s tax base through future legislation. The budget passed in 2009 modified the reimbursement plan for school districts for lost tangible taxes. These reimbursements were to begin to be phased out in 2011, but the reimbursement was extended at 100% for two years to 2014. The biennium budget for FY12-13 changed the schedule for tangible personal property reimbursement dramatically to reduce the replacement revenues over the next two fiscal years and to continue at this reduced rate in future years. In fiscal year 2012, the District received approximately \$2.6 million through this reimbursement. The reimbursement dropped to \$1.7 million in FY13 and FY14. Future reimbursements are expected to be phased out in the next biennium.

## **MAJOR INITIATIVES AND ACCOMPLISHMENTS**

### ***Accomplishments for 2014***

**Financial** – The District applied for and received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for the first time. The District also issued \$20,000,000 in schools facilities and improvement bonds in August 2013. This was part of the \$50 million approved by voters in May 2013.

**Instruction** – The Delaware City School District met 23 out of 24 required State performance indicators and received a performance index score of 101.4.

Beginning last year, each school district and individual school received a series of letter grades (A-F) rather than the one overall designation. For 2010-11 and 2011-12 all Delaware City Schools earned the highest ratings of *Excellent* or *Excellent with Distinction*. The data shows that had the report not changed, the District again would have been rated *Excellent with Distinction* for 2012-13 and 2013-14.

The 2014-15 school year began with a very successful rollout of our 1:1 initiative at our middle school. Every Grade 7 student received a Chromebook at the beginning of the school year. In anticipation of this rollout our teachers participated in professional development in blended learning. In our initial survey students and teachers indicated a higher level of interest and engagement. Future surveys will determine to what degree this tool has impacted the work and level of classroom instruction.

With the implementation of Ohio Learning Standards, it has been vital for us to reach curriculum consistency across the district. To ensure this consistency we began a series of Elementary Grade Level meetings that resulted in common assessments at each grade level. All grade level teachers participated and provided input and agreement regarding the level of rigor and grade level preparedness for each of the assessments.

After a successful pilot of Measure of Academic Performance (MAP) during the 2013-14 school year, we have moved to full implementation of this formative assessment tool during the 2014-15 school year. Our teaching staff has used the information to successfully identify gaps in our

curriculum and provide highly targeted instruction identified by the data. This data is instantaneous and allows instructors to deliver personalized instruction immediately.

Additionally, as we prepare for the Next Generation Assessments our district will deliver these high stakes test completely on-line. We have provided essential professional development for this new format. Technical skills will be necessary as students maneuver this new platform. We have incorporated building these skills for students during classroom time, and have provided professional development for building rigorous PARCC questions in several after school sessions for our teachers.

Our district continues to be committed to ensuring College and Career readiness for our students. Research is an important component of readiness and must begin at an early age. Our elementary libraries have been underutilized as a springboard for research. During this school year, we have committed resources and technology to our elementary libraries providing students will computers, iPads, eBooks and a variety of apps that encourage reading and research. A district Elementary Library/Media Specialist has joined our team to assist with providing leadership in this area.

**Facilities** – In 2013-14 the District began phase 1 of a three part building project, which will impact all of the District's facilities. Additional classroom space is being added to accommodate increased enrollment. Schultz Elementary, Dempsey Middle School and Hayes High School are included in Phase 1 of the three year project. The bid opening for Schultz Elementary occurred in May 2013, along with the bid opening, contract award, and ground breaking.

### ***Initiatives for 2015***

**Financial** – In November 2014, the District issued its second phase of school improvement bonds to finance the continued expansion and renovation of buildings across the District. The \$10 million was part of the \$50 million approved by voters in May 2013.

The District will continue its focus on the implementation of new state and national standards during the 2014-2015 school year. Financial resources will be used to accommodate needed professional development for teachers through this process.

**Instruction** – As we look to future initiatives we will continue to align our assessments vertically as well as horizontally. We will continue to provide PD for this work resulting in clear definitions about the expectation for what students must know and be able to do at each grade level. The 2015-16 school year will encompass this work in grades 6-12.

The 2015-16 school year will also begin an expansion of our 1:1 Blended Learning Initiative. We will expand the requirement of devices to Grade 8 and Grades 9-12. We are currently meeting with steering committees at these grade levels to inform parents and students about the need for the new technology requirements.

**Facilities** – In 2014-15 the District will continue phase 1 and begin phase 2 of a three part building project, which impacts all of the District's facilities. Additional classroom space will be added to accommodate increased enrollment. Schultz Elementary and Dempsey Middle School are included in Phase 1 and Carlisle Elementary and Conger Elementary are included in Phase 2. Hayes High School has portions in Phases 1 and 2 of the three year project.

## **FINANCIAL INFORMATION**

### **Internal Controls**

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

### **Budgetary Controls**

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

### **Cash Management**

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, and the State Treasury Asset Reserve of Ohio (STAR Ohio). As of June 30, 2014 the maturity of investments was from one day to two years, with a weighted average maturity of 78.97 days. The weighted average yield to maturity at June 30 was 0.50%.

### **Independent Audit**

Office of Management and Budget Circular A-133 requires an annual audit by independent auditors. The Ohio Auditor of State conducted the District's 2014 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements is included in the financial section of this report.

### **Awards**

GFOA Certificate of Achievement - The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for Comprehensive Annual Financial Reports.

In order to be awarded a Certificate of Achievement, a governmental 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 conforms to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for their review.

### **Acknowledgements**

Preparation of this report could not have been accomplished without the support and hard work of the staff of the Treasurer's office, Superintendent's office, and the Communication's office. Credit must also be given to the Board of Education. Without their leadership and commitment to excellence this report would not be possible.

Respectfully submitted,



Melissa N. Lee  
Treasurer/CFO



Paul A. Craft  
Superintendent

# Financial Section



Financial Section





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Delaware City School District  
Delaware County  
248 North Washington Street  
Delaware, Ohio 43015

To the Board of Education:

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

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

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

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

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

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

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

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

**Opinion**

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

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

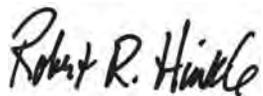
The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**Robert R. Hinkle, CPA, CGFM**  
Chief Deputy Auditor  
Columbus, Ohio

December 19, 2014

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# DELAWARE CITY SCHOOL DISTRICT

Delaware County

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

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The discussion and analysis of the Delaware City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

### Financial Highlights

Key financial highlights for fiscal year 2014 are as follows:

- Total net position increased by 17.5 percent from fiscal year 2013 as the increase in current assets, primarily cash and investments, was greater than the increase in long-term liabilities due to general obligation bonds issuance during the year.
- Total assets of governmental activities increased by \$20.5 million (24.0 percent) from one year prior. Cash and investments increased by \$21.2 million due to the proceeds from the \$19.9 million general obligation bonds issued during the year. Renovation and expansion projects on school facilities will steadily utilize these resources over the next several years. Total liabilities increased by \$17.9 million due to the issuance of the bonds during the year which were somewhat offset by scheduled debt service payments on existing debt obligations.
- General revenues accounted for \$55.4 million or 87.8 percent of total revenue. Program specific revenues in the form of charges for services, as well as operating grants and contributions account for \$7.7 million or 12.2 percent of total revenues of \$63.1 million. Total revenue reported for fiscal year 2014 was \$1.8 million (2.9 percent) more than the amount reported for the prior year. Additional State foundation funding received in fiscal year 2014 accounted for the majority of the increase in governmental revenues.
- Of the School District's \$59.1 million in expenses, only \$7.7 million were offset by program specific charges for services, grants or contributions. General revenues were used to cover the net expense of \$51.4 million.
- The General Fund, the School District's most significant fund, had an ending fund balance of \$11.2 million or 30.6 percent of the total ending fund balance for governmental funds. The Building Fund reported an ending fund balance of \$19.2 million at year end, or 52.3 percent of combined fund balances of the governmental funds. In total, the School District's four major funds report 99.3 percent of the ending governmental fund balance at June 30, 2014.

### Using the Basic 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 Delaware City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

# DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2014

(Unaudited)

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The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregated view of the School District's finances and a longer-term view of those statements. 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 School District's most significant funds with all other nonmajor funds presented in total in one column. While the General Fund is the general operating fund of the Delaware City School District, individual fund statements are also presented for the Debt Service, Permanent Improvement and Building Funds since they are considered major governmental funds.

## **Reporting the School District as a Whole**

### *Statement of Net Position and the Statement of Activities*

While this document contains a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2014?" The Statement of Net Position and the Statement of Activities 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 School District's net position and the change in that net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The School District does not have any business-type activities.

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

### *Fund Financial Statements*

The analysis of the School District's funds begins after the statement of activities. The School District uses many funds to account for a multitude of financial transactions. All the funds of the School District can be divided into two categories: governmental and fiduciary funds. The School District does not have any funds which are classified as proprietary. The fund financial statements focus on the School District's most significant funds, and therefore only the major funds are presented separate from the other funds. For fiscal year 2014, the School District has four major governmental funds: the General, Debt Service, Permanent Improvement, and Building Funds.

# DELAWARE CITY SCHOOL DISTRICT

Delaware County

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

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## Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual, 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 School 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 benefit of parties outside the School District. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support programs of the School District. The accounting used for fiduciary funds is much like that in the district-wide financial statements.

## **The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net position for 2014 compared to 2013:

**TABLE 1  
NET POSITION**

	<u>2014</u>	<u>2013</u>
<i>Assets:</i>		
Current and other Assets	\$ 67,922,258	\$ 47,368,178
Capital Assets	<u>37,924,757</u>	<u>38,014,637</u>
Total Assets	<u>105,847,015</u>	<u>85,382,815</u>
<i>Deferred Outflows of Resources</i>	<u>983,366</u>	<u>1,114,479</u>
<i>Liabilities:</i>		
Long-Term Liabilities	49,356,265	31,565,971
Other Liabilities	<u>6,851,762</u>	<u>6,738,245</u>
Total Liabilities	<u>56,208,027</u>	<u>38,304,216</u>
<i>Deferred Inflows of Resources</i>	<u>23,260,760</u>	<u>24,901,468</u>
<i>Net Position</i>		
Net Investment in Capital Assets	11,096,878	9,770,962
Restricted	5,593,311	4,672,508
Unrestricted	<u>10,671,405</u>	<u>8,848,140</u>
Total Net Position	<u>\$ 27,361,594</u>	<u>\$ 23,291,610</u>

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County

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

The amount by which the School District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources is called net position. As of June 30, 2014, the School District's total net position was \$27.4 million. Of that amount, approximately \$11.1 million was the net investment in capital assets. Another \$5.6 million was subject to external restrictions upon its use. The remaining \$10.7 million was unrestricted and available for future use as directed by the Board of Education and the School District's Administration. The increase in unrestricted net position resulted from an increase in state foundation funding revenues over those of the prior year as well as a decrease in the deferred inflows of resources reported for the current year. The majority of the decrease in deferred inflows of resources was due to development of property tax receivable estimate prior to the November 2014 passage of permanent improvement renewal levy.

Total assets increased by \$20.5 million at June 30, 2014 compared to one year prior as cash and investment balances increased due to the issuance of the \$19.9 million general obligation bonds during the year which will be used to fund school facilities construction and renovation projects over the next several years. Despite the issuance of \$19.9 million of new debt obligations during the year, the School District's total liabilities increased by just \$17.9 million over those reported for fiscal year 2013 as scheduled debt payments on existing obligations totaled \$2.7 million which helped offset the increase in the overall liabilities.

Table 2 shows the changes in net position for fiscal year 2014 as compared to those for fiscal year 2013.

**TABLE 2  
CHANGES IN NET POSITION**

	<u>2014</u>	<u>2013</u>
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 2,945,199	\$ 2,922,927
Operating Grants and Contributions	4,735,840	4,864,556
General Revenues:		
Property Taxes	35,138,274	34,997,242
Grants and Entitlements	18,949,100	17,700,452
Other	<u>1,362,546</u>	<u>883,961</u>
Total Revenues	<u>63,130,959</u>	<u>61,369,138</u>
<b>Program Expenses</b>		
Instruction	33,459,313	31,140,731
Support Services:		
Pupil and Instructional Staff	4,055,370	5,485,524
Board of Education, Administration, Fiscal and Business	5,156,180	4,817,652
Plant Operation and Maintenance	4,637,195	4,487,853
Pupil Transportation	3,618,131	3,164,713
Central	290,933	136,137
Operation of Non-Instructional Services	3,327,646	3,266,319
Extracurricular Activities	1,563,002	1,265,322
Unallocated Depreciation	861,035	989,183
Interest and Fiscal Charges	<u>2,092,170</u>	<u>1,158,713</u>
Total Expenses	<u>59,060,975</u>	<u>55,912,147</u>
Change in Net Position	<u>\$ 4,069,984</u>	<u>\$ 5,456,991</u>

# DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2014

(Unaudited)

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. Property taxes made up 55.7 percent of the total revenue for governmental activities for the Delaware City School District for fiscal year 2014 compared with 57.0 percent for fiscal year 2013. Property tax revenue increased slightly (\$141,000) while unrestricted grants and entitlements revenue increased by \$1.2 million as state funding provided through the foundation program increased for the year compared with the amount received in fiscal year 2013. Program revenues remained relatively unchanged from the levels reported in the prior year.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services for each function for fiscal year 2014 as compared with fiscal year 2013.

**TABLE 3**  
**TOTAL AND COST OF PROGRAM SERVICES**  
**GOVERNMENTAL ACTIVITIES (in 000's)**

	2014		2013	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 33,460	\$ 29,450	\$ 31,141	\$ 27,006
Support Services:				
Pupil and Instructional Staff	4,055	3,556	5,485	4,759
Board of Education, Administration, Fiscal and Business	5,156	5,036	4,818	4,653
Plant Operation and Maintenance	4,637	4,565	4,488	4,383
Pupil Transportation	3,618	3,330	3,165	2,998
Central	291	277	136	136
Operation of Non-Instructional Services	3,328	1,019	3,266	1,120
Extracurricular Activities	1,563	1,194	1,265	922
Unallocated Depreciation	861	861	989	989
Interest and Fiscal Charges	2,092	2,092	1,159	1,159
Total Expenses	<u>\$ 59,061</u>	<u>\$ 51,380</u>	<u>\$ 55,912</u>	<u>\$ 48,125</u>

Total expenditures of the School District increased by 5.6 percent in fiscal year 2014 compared with the previous year. The majority of the increase related to functional areas which are driven by the cost of personnel (wages and fringe benefits) due to cost of living adjustment (1¼%), step increase, and cost increases related to health benefits. In addition, the School District continued to provide significant resources towards upgrading technology across the School District, the majority of which did not meet the capitalization policy of the School District. The decrease in pupil and instructional staff support services expenses reported for the current year resulted from the reclassification of certain positions for state reporting purposes, primarily within the instructional function, beginning for this fiscal year.

As shown in Table 3 above, the net cost of service also increased by \$3.3 million compared with those reported for the prior fiscal year. In the current year, general revenues of the School District were responsible for \$51.4 million of the total program expenses compared to \$48.1 million in the prior year. Despite this increase, the increased revenue reported for the year, allowed for additional funds to be added to unrestricted net position reported at June 30, 2014 which can be used to finance program expenses in future fiscal years.

# DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2014

(Unaudited)

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Unallocated depreciation represents current period depreciation charges associated with capital assets that are utilized by several different functions, typically school buildings and related improvements throughout the District. Depreciation expense on specific assets of a functional area is included in the expense reported for those functions.

## **The School District's Funds**

Governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$62.9 million and expenditures of \$61.4 million. The net change in fund balance was most significant in the Building Fund, an increase of \$19.2 million due to the previously mentioned issuance of general obligation bonds. The General Fund reported an increase in fund balance of \$1.7 million compared with an increase of \$4.2 million in the prior year. Fiscal year 2013 was the first year the School District received a full year of collections associated with the emergency levy approved in November 2011. The ending fund balance of the General Fund was \$11.2 million at June 30, 2014, of which approximately \$10.5 million was reported as unassigned. The ending unassigned fund balance of the general fund at June 30, 2014 represents 21.4 percent of the total general fund expenditures reported for the fiscal year compared to 20.1 percent at the end of the previous fiscal year.

Of the remaining two major funds, the Debt Service Fund reported a \$509,111 increase in fund balance and the Permanent Improvement Fund also reported an increase in fund balance of \$480,129 for fiscal year 2014. The change in the Debt Service Fund is consistent with the results reported in the prior year, while the increase in the Permanent Improvement Fund resulted from the fewer capital projects being undertaken during the year due to the pending major construction and renovation projects at the School District's facilities, as well as a degree of uncertainty in the capital budget which was lessened due to the renewal of the permanent improvement levy in November 2014.

## **General Fund Budgeting Highlights**

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

For the General Fund, budget basis revenue was \$48.7 million as compared to the original budget estimates of \$46.7 million. The School District conservatively estimated the additional revenues anticipated to be collected through the State foundation funding program for fiscal year 2014. Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$47.8 million, or less than 0.4 percent less than what was anticipated in the final budgeted appropriations. The beginning budgeted expenditures were developed without fully anticipating the full costs associated with implementing several educational initiatives throughout the District.

As the budget for the General Fund is amended throughout the fiscal year for unanticipated revenues and expenditures, the final amended budget amounts approximate the actual budgetary results realized by the School District.

# DELAWARE CITY SCHOOL DISTRICT

Delaware County

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

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## Capital Assets

At the end of fiscal year 2014, the School District had \$37.9 million invested in land, buildings, furniture and equipment, vehicles, and textbooks and library books in governmental activities. Table 4 shows fiscal year 2014 balances compared to 2013, however for greater detail readers should review Note 9 to the basic financial statements.

**TABLE 4**  
**CAPITAL ASSETS AT JUNE 30**

	<u>2014</u>	<u>2013</u>
Land	\$ 2,782,266	\$ 2,782,266
Construction in Progress	826,295	-
Buildings and Improvements	57,018,961	56,768,256
Furniture & Equipment	2,839,779	2,893,117
Vehicles	3,975,022	3,867,456
Textbooks & Library Books	1,266,410	1,266,410
Less: Accumulated Depreciation	<u>(30,783,976)</u>	<u>(29,562,868)</u>
Total Net Capital Assets	<u>\$ 37,924,757</u>	<u>\$ 38,014,637</u>

Overall, net capital assets decreased \$89,880 from fiscal year 2013. This decrease in net capital assets results from the current year depreciation expense being a greater amount than current year acquisition of capital assets.

Significant capital asset acquisitions by the School District during the fiscal year included; \$826,295 in construction in progress related to architectural and engineering services associated with school facilities construction and renovation project, various improvements to the school buildings (\$250,705), purchase of busses and other vehicles (\$290,875), and various technology related purchases. Total capital asset additions for the year were valued at \$1.4 million with depreciation expense for the year reported at \$1.5 million.

Cost associated with repair and maintenance of the School District's facilities and other assets that do not extend the useful life of the capitalized item, is included within the plant operation and maintenance function.

## Debt Administration

At June 30, 2014, the School District had five general obligation bond issues outstanding with a combined outstanding principal of \$43.6 million, of which \$2.6 million is due within one year. Four of the outstanding bond issues were used to advance refund portions of previously issued bond issues to achieve savings on reduced debt service payments in the future, while the \$19.9 million of bonds issued during fiscal year 2014 will provide financing for the school construction and renovation projects to be completed over the next several years. Total principal payments made on all bond issues during fiscal year 2014 were \$2.7 million.

The School District has \$2.5 million in energy conservation notes outstanding at year-end which were used to finance various building improvements throughout the District. These notes mature in fiscal year 2027 with \$163,750 being due within one year.

# DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2014

(Unaudited)

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The other significant long-term obligation is compensated absences payable, which amounted to \$1.3 million as of June 30, 2014. This amount represents the expected severance payment for current employees, however these severance payments are not expected to require the use of current available resources.

Total long-term obligations of the School District were \$49.4 million at June 30, 2014 with approximately \$3.0 million being due within one year.

At June 30, 2014, the School District's overall legal debt margin was \$18.3 million and the total unvoted debt margin was \$3.8 million.

For more detailed disclosures regarding the School District's debt obligations the reader should refer to Note 14 to the basic financial statements.

## **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Treasurer's Office at Delaware City School District, 248 North Washington Street, Delaware, OH 43015 or call (740) 833-1100.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

STATEMENT OF NET POSITION  
JUNE 30, 2014

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 22,505,885
Investments	10,481,415
Materials and supplies inventory	144,785
Accrued interest receivable	25,941
Accounts receivable	71,171
Intergovernmental receivable	766,729
Prepaid items	150,370
Property and other local taxes receivables	33,775,962
Capital assets:	
Non-depreciable	3,608,561
Depreciable, net of accumulated depreciation	34,316,196
Total Assets	105,847,015
Deferred Outflows of Resources:	
Deferred charge on refunding	983,366
Total Deferred Outflows of Resources	983,366
Liabilities:	
Accounts payable	800,631
Accrued wages and benefits payable	4,746,002
Intergovernmental payable	946,287
Accrued interest payable	167,506
Matured compensated absences payable	191,336
Long Term Liabilities:	
Due within one year	3,024,406
Due in more than one year	46,331,859
Total Liabilities	56,208,027
Deferred Inflows of Resources:	
Property taxes not levied to finance current fiscal year operations	23,260,760
Total Deferred Inflows of Resources	23,260,760
Net Position:	
Net investment in capital assets	11,096,878
Restricted for:	
Debt service	1,851,359
Capital projects	3,049,457
State and federal grants	507,008
Student activities	177,276
Other purposes	3,160
Perpetual care:	
Expendable	851
Nonexpendable	4,200
Unrestricted	10,671,405
Total Net Position	\$ 27,361,594

See accompanying notes to the basic financial statements.



**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for services & sales	Operating grants and contributions	Total Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$ 24,021,141	\$ 1,560,282	\$ 371,865	\$ (22,088,994)
Special	8,153,629	-	1,315,963	(6,837,666)
Vocational	191,199	-	32,367	(158,832)
Student intervention services	896,541	-	585,288	(311,253)
Other	196,803	-	143,085	(53,718)
Support Services:				
Pupils	2,879,114	-	247,206	(2,631,908)
Instructional staff	1,176,256	-	252,328	(923,928)
Board of education	179,140	-	-	(179,140)
Administration	3,329,166	69,699	50,754	(3,208,713)
Fiscal	1,250,327	-	-	(1,250,327)
Business	397,547	-	-	(397,547)
Operation and maintenance of plant	4,637,195	72,002	-	(4,565,193)
Pupil transportation	3,618,131	5,226	282,457	(3,330,448)
Central	290,933	-	14,400	(276,533)
Operation of non-instructional services	3,327,646	915,838	1,392,787	(1,019,021)
Extracurricular activities	1,563,002	322,152	47,340	(1,193,510)
Interest and fiscal charges	2,092,170	-	-	(2,092,170)
Unallocated depreciation *	861,035	-	-	(861,035)
 Total Governmental Activities	 \$ 59,060,975	 \$ 2,945,199	 \$ 4,735,840	 (51,379,936)

General Revenues:

Property taxes and other local taxes:	
Levied for general purposes	29,222,750
Levied for debt service	4,087,819
Levied for capital improvements	1,827,705
Payments in Lieu of Property Taxes	27,857
Grants and entitlements not restricted to specific programs	18,949,100
Investment earnings	152,459
Miscellaneous	1,182,230
	55,449,920
 Total General Revenues	 55,449,920
 Change in net position	 4,069,984
 Net position at beginning of year	 23,291,610
 Net position at end of year	 \$ 27,361,594

\* - This amount excludes the depreciation that is included in the direct expense of the various functions.

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014

	General Fund	Debt Service Fund	Permanent Improvement Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>						
Equity in pooled cash and cash equivalents	\$ 8,797,786	\$ 1,898,652	\$ 2,632,754	\$ 8,697,708	\$ 478,985	\$ 22,505,885
Investments	-	-	-	10,476,425	4,990	10,481,415
Materials and supplies inventory	115,662	-	-	-	29,123	144,785
Accrued interest receivable	9,506	-	-	16,418	17	25,941
Accounts receivable	65,024	-	-	-	6,147	71,171
Interfund receivable	6,962	-	-	-	-	6,962
Intergovernmental receivable	12,461	-	-	-	754,268	766,729
Prepaid items	150,370	-	-	-	-	150,370
Property and other local taxes receivable	28,690,567	4,191,672	893,723	-	-	33,775,962
<b>Total Assets</b>	<b>\$ 37,848,338</b>	<b>\$ 6,090,324</b>	<b>\$ 3,526,477</b>	<b>\$ 19,190,551</b>	<b>\$ 1,273,530</b>	<b>\$ 67,929,220</b>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts payable	\$ 427,805	\$ -	\$ 233,634	\$ 11,590	\$ 127,602	\$ 800,631
Accrued wages and benefits	4,396,374	-	-	-	349,628	4,746,002
Interfund payable	-	-	-	-	6,962	6,962
Intergovernmental payable	857,120	-	-	-	89,167	946,287
Matured compensated absences payable	172,966	-	-	-	18,370	191,336
<b>Total Liabilities</b>	<b>5,854,265</b>	<b>-</b>	<b>233,634</b>	<b>11,590</b>	<b>591,729</b>	<b>6,691,218</b>
<u>Deferred Inflows of Resources:</u>						
Property taxes not levied to finance current year operations	20,023,513	2,898,605	338,642	-	-	23,260,760
Unavailable revenue	746,755	103,066	44,496	15,556	429,178	1,339,051
<b>Total Deferred Inflows of Resources</b>	<b>20,770,268</b>	<b>3,001,671</b>	<b>383,138</b>	<b>15,556</b>	<b>429,178</b>	<b>24,599,811</b>
<u>Fund Balances:</u>						
Nonspendable	266,032	-	-	-	33,323	299,355
Restricted	-	3,088,653	2,909,705	19,163,405	313,835	25,475,598
Assigned	469,327	-	-	-	-	469,327
Unassigned (Deficit)	10,488,446	-	-	-	(94,535)	10,393,911
<b>Total Fund Balances</b>	<b>11,223,805</b>	<b>3,088,653</b>	<b>2,909,705</b>	<b>19,163,405</b>	<b>252,623</b>	<b>36,638,191</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 37,848,338</b>	<b>\$ 6,090,324</b>	<b>\$ 3,526,477</b>	<b>\$ 19,190,551</b>	<b>\$ 1,273,530</b>	<b>\$ 67,929,220</b>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2014

Total Governmental Fund Balances:		\$ 36,638,191
 <u>Amounts reported for governmental activities in the statement of net position are different because:</u>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		37,924,757
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as "unavailable" in the funds.		1,339,051
Long-term liabilities which are not due and payable in the current period and therefore not reported in the funds.		
Refunding bonds payable	(23,737,848)	
General obligations bonds payable	(19,910,000)	
Accrued interest payable	(167,506)	
Premium on refunding bonds	(1,915,566)	
Deferred amount on refunding	983,366	
Compensated absences	(1,288,461)	
Long-term notes payable	<u>(2,504,390)</u>	
Total		<u>(48,540,405)</u>
Net Position of Governmental Activities		<u>\$ 27,361,594</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	General Fund	Debt Service Fund	Permanent Improvement Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property and other local taxes	\$ 28,823,958	\$ 4,053,416	\$ 1,819,078	\$ -	\$ -	\$ 34,696,452
Intergovernmental	18,791,824	528,803	306,874	-	4,079,197	23,706,698
Interest	134,893	-	-	900	(246)	135,547
Tuition and fees	1,560,282	-	-	-	-	1,560,282
Rentals	72,002	-	-	-	-	72,002
Extracurricular activities	135,651	-	-	-	283,171	418,822
Gifts and donations	214,807	-	-	-	15,943	230,750
Customer sales and services	20,060	-	-	-	874,033	894,093
Payments in lieu of property taxes	27,857	-	-	-	-	27,857
Miscellaneous	826,234	39,202	42,572	-	285,815	1,193,823
<b>Total Revenues</b>	<u>50,607,568</u>	<u>4,621,421</u>	<u>2,168,524</u>	<u>900</u>	<u>5,537,913</u>	<u>62,936,326</u>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular	23,306,196	-	472,437	-	15,150	23,793,783
Special	7,226,066	-	-	-	984,655	8,210,721
Vocational	178,911	-	-	-	-	178,911
Student Intervention Services	54,423	-	-	-	841,660	896,083
Other instruction	19,994	-	-	-	132,648	152,642
<b>Support Services:</b>						
Pupils	2,652,436	-	-	-	211,500	2,863,936
Instructional staff	906,891	-	-	-	289,993	1,196,884
Board of education	179,140	-	-	-	-	179,140
Administration	3,219,399	-	30,324	-	48,670	3,298,393
Fiscal	1,163,582	58,611	28,134	-	-	1,250,327
Business	298,611	-	101,943	-	-	400,554
Operation and maintenance of plant	4,350,320	-	52,787	-	-	4,403,107
Pupil transportation	2,862,666	-	438,105	-	26,000	3,326,771
Central	228,678	-	47,624	-	14,400	290,702
Non-instructional services	1,049,840	-	-	-	2,285,294	3,335,134
Extracurricular activities	989,395	-	-	-	541,196	1,530,591
Capital outlay	-	-	517,041	837,884	37,629	1,392,554
<b>Debt Service:</b>						
Principal retirement	159,510	2,590,000	-	-	-	2,749,510
Interest and fiscal charges	68,803	1,736,153	-	-	-	1,804,956
Issuance costs	-	200,263	-	-	-	200,263
<b>Total Expenditures</b>	<u>48,914,861</u>	<u>4,585,027</u>	<u>1,688,395</u>	<u>837,884</u>	<u>5,428,795</u>	<u>61,454,962</u>
<b>Excess of Revenues Over(Under)</b>						
Expenditures	<u>1,692,707</u>	<u>36,394</u>	<u>480,129</u>	<u>(836,984)</u>	<u>109,118</u>	<u>1,481,364</u>
<b>Other Financing Sources (Uses):</b>						
General obligation bonds issued	-	-	-	19,910,000	-	19,910,000
Premium on bonds issued	-	472,717	-	90,000	-	562,717
Transfers-in	-	-	-	-	30,000	30,000
Transfers-out	(30,000)	-	-	-	-	(30,000)
<b>Total Other Financing Sources (Uses)</b>	<u>(30,000)</u>	<u>472,717</u>	<u>-</u>	<u>20,000,000</u>	<u>30,000</u>	<u>20,472,717</u>
<b>Net Change in Fund Balance</b>	1,662,707	509,111	480,129	19,163,016	139,118	21,954,081
<b>Fund Balance at Beginning of Year</b>	<u>9,561,098</u>	<u>2,579,542</u>	<u>2,429,576</u>	<u>389</u>	<u>113,505</u>	<u>14,684,110</u>
<b>Fund Balance at End of Year</b>	<u>\$ 11,223,805</u>	<u>\$ 3,088,653</u>	<u>\$ 2,909,705</u>	<u>\$ 19,163,405</u>	<u>\$ 252,623</u>	<u>\$ 36,638,191</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Net Change in Fund Balances - Total Governmental Funds		\$ 21,954,081
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The following represents the capital asset activity for the year.</p>		
Capital asset acquisition cost	1,392,554	
Current year depreciation	<u>(1,482,434)</u>	
Total		(89,880)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Taxes	441,822	
Intergovernmental	(252,508)	
Interest earnings	<u>16,912</u>	
Total		206,226
In governmental funds, the issuance of debt is considered a source of financing, but in the statement of net position, the debt obligations are reported as a liability.		(19,910,000)
In the statement of activities, premiums received associated with long-term debt issued during the year are accrued and amortized over the life of the the debt. In governmental funds these proceeds are recognized as other financing sources.		(562,717)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		2,749,510
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(79,036)
<p>Some expenses reported in the statement of activites do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Compensated absences	(190,285)	
Accreted interest on capital appreciation bonds	(63,213)	
Amortization of bond premium	186,411	
Amortization of deferred amount on refunding	<u>(131,113)</u>	
Total		<u>(198,200)</u>
Change in Net Position of Governmental Activities		<u>\$ 4,069,984</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GENERAL FUND - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final Revised		
Revenues:				
Taxes	\$ 27,825,006	\$ 27,825,006	\$ 28,315,885	\$ 490,879
Intergovernmental	17,867,573	17,867,573	18,826,488	958,915
Interest	80,000	80,000	162,832	82,832
Tuition and Fees	539,300	539,300	554,982	15,682
Rentals	85,000	85,000	69,574	(15,426)
Extracurricular Activities	40,000	40,000	34,846	(5,154)
Customer Sales and Service	2,500	2,500	5,226	2,726
Payment in Lieu of Taxes	20,000	20,000	27,857	7,857
Miscellaneous	270,000	270,000	701,139	431,139
Total Revenues	<u>46,729,379</u>	<u>46,729,379</u>	<u>48,698,829</u>	<u>1,969,450</u>
Expenditures:				
Current:				
Instruction:				
Regular	22,673,354	23,036,058	22,962,431	73,627
Special	7,134,307	7,240,731	7,225,267	15,464
Vocational	161,951	165,400	164,016	1,384
Student Intervention Services	53,738	54,550	54,423	127
Other Instruction	13,374	13,940	13,545	395
Support Services:				
Pupils	2,714,457	2,782,292	2,749,065	33,227
Instructional Staff	1,024,116	1,075,896	1,037,173	38,723
Board of Education	183,123	187,669	185,458	2,211
Administration	3,179,275	3,239,664	3,219,810	19,854
Fiscal	1,160,287	1,171,300	1,175,080	(3,780)
Business	291,081	295,823	294,792	1,031
Operation and Maintenance of Plant	4,377,653	4,423,083	4,433,467	(10,384)
Pupil Transportation	2,876,948	2,864,374	2,913,628	(49,254)
Central	227,678	255,672	230,581	25,091
Non-Instructional Services	4,837	4,837	-	4,837
Extracurricular Activities	942,518	984,461	962,344	22,117
Debt Service:				
Principal Retirement	159,510	159,510	159,510	-
Interest and Fiscal Charges	68,803	68,803	68,803	-
Total Expenditures	<u>47,247,010</u>	<u>48,024,063</u>	<u>47,849,393</u>	<u>174,670</u>
Excess of Revenues Over Expenditures	(517,631)	(1,294,684)	849,436	2,144,120
Other Financing Sources (Uses):				
Refund of Prior Year Expenditures	190,000	190,000	294,031	104,031
Transfers-Out	-	(30,000)	(30,000)	-
Total Other Financing Sources (Uses)	<u>190,000</u>	<u>160,000</u>	<u>264,031</u>	<u>104,031</u>
Net Change in Fund Balances	(327,631)	(1,134,684)	1,113,467	2,248,151
Fund Balance at Beginning of Year	5,432,041	5,432,041	5,432,041	-
Prior Year Encumbrances Appropriated	347,008	347,008	347,008	-
Fund Balance at End of Year	<u>\$ 5,451,418</u>	<u>\$ 4,644,365</u>	<u>\$ 6,892,516</u>	<u>\$ 2,248,151</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2014

	<u>Private Purpose Trust</u>	<u>Agency Funds</u>
Assets:		
Equity in pooled cash and cash equivalents	\$ 36,717	\$ 209,031
Investments	81,222	-
Accrued interest receivable	299	-
Accounts receivable	<u>-</u>	<u>110</u>
 Total Assets	 <u>118,238</u>	 <u>209,141</u>
Liabilities:		
Accounts payable	-	20,151
Due to students	<u>-</u>	<u>188,990</u>
 Total Liabilities	 <u>-</u>	 <u>\$ 209,141</u>
Net Position:		
Held in trust for scholarships	<u>\$ 118,238</u>	

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Private Purpose Trust</u>
Additions:	
Gifts and Donations	\$ 1,529
Investment Earnings	<u>107</u>
Total Additions	<u>1,636</u>
Deductions:	
Payments in accordance with trust agreements	<u>3,750</u>
Total Deductions	<u>3,750</u>
Change in Net Position	(2,114)
Net Position Beginning of Year	<u>120,352</u>
Net Position End of Year	<u>\$ 118,238</u>

See accompanying notes to the basic financial statements.

## **DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

The Delaware City School District (School District) operates under a locally-elected five member board form of government and provides educational services mandated by state and, or federal agencies. This board controls the School District's eight instructional/support facilities staffed by 191 non-certificated employees and 356 certificated employees, including 33 administrative employees, to provide services to a student enrollment of 5,556 students.

The School District was established in 1871 through the consolidation of existing land areas and school districts and is organized under Section 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

The School District serves an area of approximately 41 square miles within Delaware County, including all of the City of Delaware, Ohio and portions of surrounding townships. The School District is the second largest in Delaware County in terms of enrollment. It currently operates five elementary schools, one intermediate school, one middle school and one comprehensive high school.

#### ***Reporting Entity***

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the School District are not misleading.

The primary government consists of all funds and departments, not legally separate from the School District, which provide various services including instruction, student guidance, extracurricular activities, educational media and care and upkeep of grounds and buildings. The operation of each of these activities is directly controlled by the Board of Education.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing body and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations for which the School District approves the budget, the issuance of debt or the levying of taxes.

The School District does not have any component units.

The District is associated with two organizations, which are defined as jointly governed. These organizations include the Tri-Rivers Educational Computer Association and the Delaware Area Career Center. These organizations are presented in Note 15 to the basic financial statements.

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

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

#### ***A. Basis Of Presentation***

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

#### **Government-Wide Financial Statements**

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

The statement of net position presents the financial condition of the governmental activities of the School District at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities.

Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the School 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 School District.

#### **Fund Financial Statements**

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

#### ***B. Fund Accounting***

The School 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 School 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 School District are grouped into the categories governmental and fiduciary.

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

#### **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 General, Debt Service, Permanent Improvement, and Building Funds are the School District's major 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 is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for, and the repayment of, the School District's general obligation debt, including the three school improvement bonds previously approved by voters within the School District's boundaries.

**Permanent Improvement Fund** – The Permanent Improvement Fund is used to account for financial resources, specifically property and other local taxes generated by the District's permanent improvement levy, to be used to maintain the School District's facilities, as well as provide for major equipment and instructional material purchases.

**Building Fund** – The Building Fund is used to account for the resources, received through the issuance of general obligation bonds, which are restricted to significant construction and renovation projects to existing and new school buildings within the School District.

The other governmental funds of the School District account for grants and other resources, and capital projects of the School District whose uses are restricted to a particular purpose.

#### **Fiduciary Funds**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has various funds established to provide scholarships to its students that are classified as private-purpose trust funds. Funds used to account for the activity of the numerous student managed activities within the School District are classified as agency funds.

#### ***C. Measurement Focus***

##### **Government-wide Financial Statements**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the School District are included on the Statement of Net Position.

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

#### **Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources along with current liabilities and deferred inflows of resources 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Fiduciary funds are reported using the economic resources measurement focus, with the exception of agency funds which have no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

#### ***D. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Private purpose trust funds use the accrual basis of accounting. Differences in the accrual and modified accrual bases of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, 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. “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

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

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed to be both measurable and available: property taxes available as an advance, grants, investment earnings, tuition, and student fees.

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

#### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report a separate category for deferred outflows of resources. Deferred outflows of resources represent consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources include a deferral charge on refunding of debt, which is the difference in the carrying value of the debt being refunded and the price the School District must pay for reacquisition. This amount is deferred and amortized over the shorter of the life of the refunded debt or the debt issued for the refunding.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until then. For the School District, deferred inflows of resources include property taxes and unavailable revenues. Property taxes represent amounts for which there is a legally enforceable claim as of June 30, 2014, but which were levied to finance subsequent year operations. These amounts have been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund balance sheet. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, and interest earnings. These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

#### Expenditures/Expenses

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by the employee. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

The accrual basis of accounting utilized on the government-wide financial statements and by private purpose trust funds recognizes revenues when they are earned, and expenses are recognized at the time they are incurred.

#### ***E. Budget Data***

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

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

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

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

***F. Cash and Cash Equivalents***

To improve cash management, cash received by the School District is pooled in a central bank account. Monies for all funds are pooled in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented on the balance sheet as "Equity in Pooled Cash and Cash Equivalents".

During fiscal year 2014, investments were limited to certificates of deposit, commercial paper and STAR Ohio.

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

The School District has invested funds in the State Treasury Assets Reserves of Ohio (STAR Ohio) during fiscal year 2014. 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, 2014.

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

The School District has allocated interest according to Ohio statutes. Interest revenue credited to the General Fund during fiscal year 2014 amounted to \$134,893, which includes \$61,300 assigned from other funds. Interest was also recorded in the building, non-major and private purpose trust funds in the amounts of \$900, \$(246), and \$107, respectively.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

***G. Inventory***

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

On fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed rather than when purchased.

***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2014, are recorded as prepaid items using the consumption method and recording a current asset for the prepaid amount and reflecting the expenditure in the year in which services are consumed.

***I. Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

***J. Capital Assets and Depreciation***

General capital assets generally result from expenditures in the governmental funds. These assets are reported within the governmental activities on the government-wide statement of net position but are not reported in the fund statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements throughout the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the cost 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 except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives.

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20 to 50 years
Furniture and Equipment	8 to 20 years
Vehicles	10 years
Library and Text Books	5 to 15 years

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

**K. Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures or 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 and uses in governmental funds. Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statements.

**L. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave is accrued using the vesting method which states that the District will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. The amount is based on accumulated sick and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated sick leave for all employees after fifteen years of current service with the School District.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

**M. Accrued Liabilities and Long-Term Obligations**

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

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

**N. Net Position**

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on the use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

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

#### ***O. Fund Balance***

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

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

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the School District’s governing board. In the general fund, assigned amounts represent intended uses established by the governing board or an official delegated that authority by resolution or by State statute. State statute authorizes the Treasurer to assign fund balance via purchase orders, provided such amounts have been lawfully appropriated.

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

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

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

**NOTE 3 – FUND BALANCES**

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

<u>Fund Balances</u>	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Building</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable for:						
Inventory and Prepaids	\$ 266,032	\$ -	\$ -	\$ -	\$ 29,123	\$ 295,155
Library and Land Trust	-	-	-	-	4,200	4,200
Total Nonspendable	<u>266,032</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,323</u>	<u>299,355</u>
Restricted for:						
Debt Service	-	3,088,653	-	-	-	3,088,653
Capital Improvements	-	-	2,909,705	19,163,405	-	22,073,110
Library and Land Trust	-	-	-	-	851	851
District Managed Activities	-	-	-	-	177,276	177,276
Other Purpose	-	-	-	-	3,160	3,160
State Educational Grants	-	-	-	-	86,137	86,137
Federal Education Grants	-	-	-	-	46,411	46,411
Total Restricted	<u>-</u>	<u>3,088,653</u>	<u>2,909,705</u>	<u>19,163,405</u>	<u>313,835</u>	<u>25,475,598</u>
Assigned for:						
School Programs	119,933	-	-	-	-	119,933
Subsequent Expenditures	349,394	-	-	-	-	349,394
Total Assigned	<u>469,327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>469,327</u>
Unassigned (Deficit)	<u>10,488,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(94,535)</u>	<u>10,393,911</u>
Total Fund Balances	<u>\$ 11,223,805</u>	<u>\$ 3,088,653</u>	<u>\$ 2,909,705</u>	<u>\$ 19,163,405</u>	<u>\$ 252,623</u>	<u>\$ 36,638,191</u>

**NOTE 4 – ACCOUNTABILITY AND COMPLIANCE**

***A. Deficit Fund Balances***

At June 30, 2014, the following nonmajor special revenue funds reported fund deficits; Food Services (\$61,609); Miscellaneous State Grants (\$2,344); and Title I Grant (\$1,459). These deficits resulted from adjustments for accrued liabilities. Management expects the deficits in the above mentioned funds to be corrected early in the next fiscal year. The General Fund is liable for any deficit in other funds and provides operating transfers when cash is required, not when accruals occur.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations, and changes in fund balances 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 Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual – General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis for the general fund 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 fund liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. For GAAP reporting purposes, certain funds which are budgeted separately from the general fund, are reported as part of the general fund.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

<u>Net Change in Fund Balance</u>	
<u>General Fund</u>	
GAAP Basis	\$ 1,662,707
Revenue Accruals	(442,432)
Expenditure Accruals	48,979
Encumbrances	(400,159)
Other Financing Sources	182,459
Change in Fund Balance of Funds Combined with General Fund for Reporting Purposes	<u>61,913</u>
Budget Basis	<u>\$ 1,113,467</u>

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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### **NOTE 6 - DEPOSITS AND INVESTMENTS**

State statutes require the classification of monies held by the School District into three categories.

**Active Monies** – Those monies required to be kept in a “cash” or “near-cash” status for the immediate use of the district. Such monies must be maintained either as cash in the treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

**Inactive Monies** – Those monies not required for use within the current five-year period of designation of depositories. Inactive monies may be deposited or invested as certificate of deposit maturing no later than the end of the current period of designation of 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 in legal securities (see Note 2F).

#### Deposits

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

At year end, the carrying amount of the School District’s deposits was \$30,703,772 and the bank balance was \$30,916,393; \$15,063,420 of the bank balance was covered by federal depository insurance, \$15,102,973 was covered by specific collateral pledged in the School District’s name, and the remaining \$750,000 was exposed to custodial risk as it was covered by pooled collateral but not in the School District’s name.

#### Investments

Investments are reported at fair value. As of June 30, 2014, the School District’s investments consisted of an equity interest in the STAROhio investment pool and commercial paper which had a carrying value of \$1,112,073 and \$1,498,425 respectively. Standards and Poor’s has rated the STAROhio investment pool “AAAm” and the commercial paper was rated “P-1” by Moody’s. Both investments have a maturity of less than six months, with STAROhio comprising 42.6 percent of the investment portfolio and the commercial paper accounting for the remaining 57.4 percent.

The School District’s investment policy permits the purchase of any security specifically authorized by the Ohio Revised Code and includes the following:

*Custodial Credit Risk* – All investments shall be issued in the name of the School District.

*Concentration of Credit Risk* – Diversification shall ensure potential losses on individual securities do not exceed the income generated from the remainder of the initial investment.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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**NOTE 7 - 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 property located in the School 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 reevaluated 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. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value. Tangible personal property tax on business inventory, manufacturing and equipment, furniture and fixtures is no longer levied and collected.

Real property taxes are payable annually or semi-annually. The first payment is due February 10, with the remainder payable by July 10.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Delaware City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The full tax rate for all District operations for the year ended June 30, 2014 was \$78.20 per \$1,000 of assessed value. The assessed values upon which the fiscal year 2014 taxes were collected are as follows:

	<u>2014 First Half Collections</u>	<u>2013 Second Half Collections</u>
Agricultural/residential and other real estate property	\$ 670,008,010	\$ 668,802,840
Public utility personal property	<u>25,111,470</u>	<u>24,059,460</u>
Total	<u>\$ 695,119,480</u>	<u>\$ 692,862,300</u>

Property taxes receivables represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies that are measurable as of June 30, 2014. Although total property tax collections for the next year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. For the governmental fund financial statements, the receivable is therefore offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2014 was recognized as revenue.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis this amount is reported as deferred inflows of resources – unavailable revenue.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

**NOTE 8 - RECEIVABLES**

Receivables at June 30, 2014, consisted of current and delinquent property taxes, accounts (rent and student fees), and intergovernmental grants. 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 fiscal year guarantee of federal funds. A summary of the principal items of intergovernmental receivables follows:

*General Fund:*

Miscellaneous amounts due from other governments	\$ 12,461
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*Non-major Governmental Funds:*

Title VI-B Grant	254,701
Title I Grant	226,268
Title II-A	91,984
Twenty-First Century Grant	74,598
School Improvement Grant	48,875
Race to the Top	43,050
Other non-major funds	<u>14,792</u>
Non-major Governmental Funds	<u>754,268</u>
Total Intergovernmental Receivables	<u><u>\$ 766,729</u></u>

**NOTE 9 - CAPITAL ASSETS**

A summary of the School District's general capital assets for fiscal year 2014 is as follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
<i><u>Capital Assets, not being depreciated</u></i>				
Land	\$ 2,782,266	\$ -	\$ -	\$ 2,782,266
Construction in Progress	-	826,295	-	826,295
	<u>2,782,266</u>	<u>826,295</u>	<u>-</u>	<u>3,608,561</u>
<i><u>Capital Assets, being depreciated</u></i>				
Buildings and Improvements	56,768,256	250,705	-	57,018,961
Furniture and Equipment	2,893,117	24,679	(78,017)	2,839,779
Vehicles	3,867,456	290,875	(183,309)	3,975,022
Library and Textbooks	1,266,410	-	-	1,266,410
Total Depreciable Capital Assets	<u>64,795,239</u>	<u>566,259</u>	<u>(261,326)</u>	<u>65,100,172</u>
<i><u>Less: Accumulated Depreciation</u></i>				
Buildings and Improvements	(23,210,424)	(1,089,592)	-	(24,300,016)
Furniture and Equipment	(2,343,692)	(94,944)	78,017	(2,360,619)
Vehicles	(2,742,342)	(297,898)	183,309	(2,856,931)
Library and Textbooks	(1,266,410)	-	-	(1,266,410)
Total Accumulated Depreciation	<u>(29,562,868)</u>	<u>(1,482,434) *</u>	<u>261,326</u>	<u>(30,783,976)</u>
<b>Depreciable Capital Assets, Net</b>	<u>35,232,371</u>	<u>(916,175)</u>	<u>-</u>	<u>34,316,196</u>
<b>Total Capital Assets, Net</b>	<u><u>\$ 38,014,637</u></u>	<u><u>\$ (89,880)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 37,924,757</u></u>

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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**NOTE 9 - CAPITAL ASSETS (Continued)**

\* - Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 25,825
Special	609
Vocational	498
Support Services:	
Instructional support	1,742
Administration	3,036
Operation and maintenance of plant	238,779
Pupil transportation	304,649
Central	231
Operation of non-instructional services	12,290
Extracurricular activities	33,740
Unallocated depreciation	861,035
<b>Total Depreciation Expense</b>	<b>\$ 1,482,434</b>

Unallocated depreciation is depreciation of the individual school buildings throughout the District, which essentially serve all functions/programs, and therefore is not included as a direct expense of any function or program but disclosed as a separate expense.

**NOTE 10 - RISK MANAGEMENT**

The School District is exposed to various risks of loss related to torts, thefts-of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2014, the School District contracted with the Ohio School Plan for general liability insurance with a \$1 million single occurrence and a \$3 million aggregate limit. Property is protected by Hartford Insurance and holds a \$1,000 deductible per occurrence. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage for any part of the last three years.

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

***A. School Employees Retirement System***

Plan Description - The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained 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 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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### **NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending June 30, 2014, the allocation to pension and death benefits is 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$1,131,156, \$1,171,152 and \$1,035,492 respectively; 100.0 percent has been contributed for fiscal year 2014 and 2013 and 2012.

#### ***B. State Teachers Retirement System***

Plan Description - The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

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

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For the fiscal year ended June 30, 2014, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2014, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013, and 2012 were \$3,031,704, \$3,104,280, and \$3,043,008 respectively; 100.0 percent has been contributed for fiscal year 2014 and 2013 and 2012.

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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### **NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

#### ***C. Social Security System***

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

### **NOTE 12 – POSTEMPLOYMENT BENEFITS**

#### ***A. School Employee Retirement System***

Plan Description – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2014, 0.14 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2014, the minimum earnings rate was \$20,250.

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

The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$121,286, \$106,164, and \$145,089 respectively; 100.0 percent has been contributed for fiscal year 2014, 2013 and 2012.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2014, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012 were \$61,406, \$56,943, and \$55,472 respectively; 100.0 percent has been contributed for fiscal year 2014, 2013 and 2012.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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**NOTE 12 – POSTEMPLOYMENT BENEFITS (Continued)**

***B. State Teachers Retirement System***

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2014, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$216,550, \$221,734, and \$226,922 respectively; 100 percent has been contributed for fiscal year 2014, 2013 and 2012.

**NOTE 13 – OTHER EMPLOYEE BENEFITS**

***Compensated Absences***

Accumulated Unpaid Vacation

District classified employees earn vacation leave at varying rates based upon negotiated agreements and State laws. In the case of death or retirement, an employee (or his estate) is paid for his unused vacation leave.

Accumulated Unpaid Sick Leave

District employees may accumulate sick leave. Upon retirement, payment is made for one-fourth of the total unused sick leave balance up to a maximum of sixty days for certified and classified employees. As of June 30, 2014, the District's total obligation for sick leave accrual as a whole was \$1,479,797.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

**NOTE 14 - LONG-TERM OBLIGATIONS**

The activity of the School Districts long-term obligations during fiscal year 2014 was as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Due within</u> <u>One Year</u>
General Obligation Bonds:					
2004 Refunding					
Current Interest Serial 2.0-5.0%	\$ 3,375,000	\$ -	\$ 1,655,000	\$ 1,720,000	\$ 1,720,000
2005 Refunding					
Current Interest Serial 3.15-5.0%	8,730,000	-	-	8,730,000	-
Capital Appreciation 4.05%	796,065	32,567	-	828,632	-
Current Interest Term 3.7%	140,000	-	70,000	70,000	70,000
2006 Refunding					
Current Interest Serial 3.25-5.0%	2,255,000	-	750,000	1,505,000	-
Capital Appreciation 4.0%	758,570	30,646	-	789,216	805,000
Current Interest Term 4.15%	1,490,000	-	-	1,490,000	-
2013 Refunding					
Current Interest Serial 2.0-5.0%	8,720,000	-	115,000	8,605,000	-
2013 School Construction & Improvement					
Current Interest Serial 2.0-5.25%	-	19,910,000	-	19,910,000	10,000
Deferred Amounts:					
Add: Bond Premium	<u>1,539,260</u>	<u>562,717</u>	<u>186,411</u>	<u>1,915,566</u>	<u>-</u>
Total General Obligation Bonds	27,803,895	20,535,930	2,776,411	45,563,414	2,605,000
Long-Term Notes Payable	2,663,900	-	159,510	2,504,390	163,750
Compensated Absences	<u>1,098,176</u>	<u>395,027</u>	<u>204,742</u>	<u>1,288,461</u>	<u>255,656</u>
Total Long-Term Obligations	<u>\$ 31,565,971</u>	<u>\$ 20,930,957</u>	<u>\$ 3,140,663</u>	<u>\$ 49,356,265</u>	<u>\$ 3,024,406</u>

Legal Debt Margins

The School District's voted legal debt margin was \$18.3 million and a total unvoted debt margin of \$3.8 million at June 30, 2014.

General Obligation Bonds

The general obligation bond issues will be paid through the debt service fund from property taxes collected by the County Auditor. The District issued general obligation debt for the following purposes:

- \$16,444,954, issued in fiscal year 2004 and maturing in fiscal year 2021, for the partial advance refunding of general obligation bonds previously issued, \$4,830,000 of 1994 bonds and \$11,615,000 of 1995 bonds. These bonds include current interest serial bonds and capital appreciation bonds.
- \$16,294,994, issued in fiscal year 2006 (two different series) and maturing in fiscal year 2026, for the partial advance refunding of \$16,295,000 of general obligation bonds issued in 1999. These bonds include current interest serial bonds and capital appreciation bonds. The capital appreciation bonds will mature in fiscal years 2015 and 2016. The maturity amount of the bonds is \$1,685,000. For fiscal year 2014, \$63,213 was accreted for a total bond value of \$1,617,848.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

**NOTE 14 - LONG-TERM OBLIGATIONS (Continued)**

- \$8,720,000, issued in fiscal year 2013 and maturing in fiscal year 2021, for the partial advance refunding of \$8,790,000 of refunding general obligation bonds issued in 2004. These bonds are current interest serial bonds.
- \$19,910,000, issued in fiscal year 2014 and maturing in fiscal year 2050, to provide financing for the construction and improvement of certain school facilities of the School District. These bonds are current interest serial bonds.

Principal and interest requirements to retire the District's long-term general obligation bonds outstanding at June 30, 2014 are shown in the table below. The capital appreciation bonds are included at the full maturity value reported in the principal column.

Fiscal Year Ended June 30,	Principal	Interest	Total
2015	\$ 2,605,000	\$ 1,910,610	\$ 4,515,610
2016	2,595,000	1,852,150	4,447,150
2017	2,515,000	1,771,775	4,286,775
2018	2,210,000	1,672,975	3,882,975
2019	2,320,000	1,582,575	3,902,575
2020-2024	8,725,000	6,622,166	15,347,166
2025-2029	4,345,000	5,268,488	9,613,488
2030-2034	2,780,000	4,593,175	7,373,175
2035-2039	3,555,000	3,794,482	7,349,482
2040-2044	4,555,000	2,736,869	7,291,869
2045-2049	6,115,000	1,300,969	7,415,969
2050	1,395,000	40,106	1,435,106
Total	<u>\$ 43,715,000</u>	<u>\$ 33,146,340</u>	<u>\$ 76,861,340</u>

**Long-Term Notes Payable**

In December 2012, the School District issued \$2,819,270 of energy conservation notes payable to finance various building improvements throughout the District. These notes carry an interest rate of 2.6625 percent and mature in fiscal year 2027. Debt service payments will be made from the General Fund using savings in utility costs realized as a result of the projects. Principal and interest requirements to retire the long-term notes payable are shown in the table below.

Fiscal Year Ended June 30,	Principal	Interest	Total
2015	\$ 163,750	\$ 64,500	\$ 228,250
2016	168,110	60,081	228,191
2017	172,590	55,546	228,136
2018	177,180	50,890	228,070
2019	181,900	46,110	228,010
2020-2024	984,790	154,266	1,139,056
2025-2027	656,070	26,507	682,577
Total	<u>\$ 2,504,390</u>	<u>\$ 457,900</u>	<u>\$ 2,962,290</u>

## DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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### **NOTE 14 - LONG-TERM OBLIGATIONS (Continued)**

#### Outstanding Defeased Obligations

In the prior fiscal year, the School District issued \$8,720,000 of general obligation bonds to provide resources to purchase U.S. Government securities that were placed, along with the premiums received associated with the sale of the bonds, in an irrevocable trust for the purpose of generating resources for the future debt service payments of \$8,790,000 of the 2004 refunding general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability associated with these bonds has been removed from the statement of net position. As of June 30, 2014, the entire \$8,790,000 of the refunded bonds remained outstanding pending the December 1, 2014 call date.

#### Other Long-Term Obligations

Compensated absences represent the long-term portion of the accrued liability associated with sick and vacation leave. These items will be repaid from the funds from which the employees work to whom the liability is associated with or the General Fund if no such funds are available.

### **NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS**

#### *Tri-Rivers Educational Computer Association*

The School District is a participant in the Tri-Rivers Educational Computer Association (TRECA), which is a computer consortium. TRECA is an association of public schools within the boundaries of Delaware, Knox, Marion, Morrow, Muskingum, and Wyandot 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.

The governing board of TRECA consists of one representative from each county elected by a majority vote of all charter member school districts within each county, one representative from the city school districts and the superintendent from Tri-Rivers Joint Vocational School. Financial information can be obtained from Mike Carder, who serves as Director, at 100 Executive Drive, Marion, Ohio 43302. The School District paid \$277,837 to TRECA during fiscal year 2014.

#### *Delaware Area Career Center*

The Delaware Area Career Center (Career Center) is a distinct political subdivision of the State of Ohio, which provides vocational education. The Career Center operates under the direction of a Board consisting of one representative from each of the five participating school district's Board of Education. The degree of control exercised by the School District is limited to its representation on the Board. The Board possesses its own budgeting and taxing authority. Financial information can be obtained from the Treasurer's Office at 4565 Columbus Pike Road, Delaware, Ohio 43015.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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**NOTE 16 - CONTINGENCIES**

Grants

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

Litigation

The School District is not currently party to any legal proceedings.

**NOTE 17 – INTER-FUND TRANSACTIONS**

At year end, the Race to the Top Grant fund, a non-major special revenue fund, owed the General Fund \$6,962 which represented the deficit balance at year end covered by the General Fund.

During the fiscal year, the Board of Education approved transferring \$30,000 from the General Fund to District Managed Student Activities Fund, a non-major special revenue fund, to provide operating resources for the Fund for anticipated purchases.

**NOTE 18 - COMMITMENTS**

Construction Commitment

At year end the School District had a construction commitment association with the Schultz Elementary construction project totaling \$4,141,750 which will be paid out of the building fund.

Encumbrances

At year end the School District had the following amounts encumbered for future purchase obligations:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General Fund	\$ 453,837
Permanent Improvement Fund	535,036
Building Fund	7,237,677
Non-major Governmental Funds	<u>142,269</u>
	<u>\$ 8,368,819</u>

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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**NOTE 19 - SET-ASIDE CALCULATION**

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

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

	<u>Capital Improvements</u>
Set-aside Reserve Balance as of June 30, 2013	\$ -
Current Year Set-aside Requirement	895,342
Current Year Offsets	<u>(2,076,412)</u>
Total	<u>\$ (1,181,070)</u>
Balance Carried forward to FY 2015	<u>\$ -</u>
Set-aside Reserve Balance June 30, 2014	<u><u>\$ -</u></u>

Although the School District had qualifying disbursements during the year that reduced the set-aside below zero due to current year offsets, the extra amounts may not be used to reduce the set-aside requirements of future years.

**NOTE 20 – CHANGE IN ACCOUNTING PRINCIPLES**

During the year ended June 30, 2014, the School District implemented GASB Statement No. 66, *Technical Corrections – 2012*, and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. GASB Statement No. 66 changes the requirement to account for risk financing (self-insurance) within the general or internal service funds, changes the determination of the carrying value of purchased loans or group of loans, and modified the manner in which service fees should be reported on mortgage loans sold. GASB Statement No. 70 establishes reporting standards for nonexchange financial guarantee and to recognize a liability when qualitative factors and historical data indicate the government will more than likely be required to make a payment on the guarantee. Neither of these statements required the School District to restate any prior fiscal year balances.

In addition, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, has been issued by the GASB but is not required to be implemented by the School District until fiscal year 2015. Management has not yet determined the impact this new standard will have on the School District’s financial statements.

**DELAWARE CITY SCHOOL DISTRICT**

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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**NOTE 21 – SUBSEQUENT EVENT**

In November 2014, the School District issued \$9,995,000 of general obligation, school improvement bonds to finance construction costs associated with the expansion and renovation of existing school buildings. This issue was part of the \$50 million bond levy approved by voters in May 2013 for the expansion and renovation of existing school buildings within the District. The School District had previously issued \$20 million of the bonds and will issue the remainder of the bonds over the next couple of years as financing is needed for the construction projects.

# **Governmental Fund Types**

## **Combining and Individual Fund Financial Statements and Schedules**

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### **General Fund**

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

Since the Board of Education adopts the annual appropriations for the General Fund at the fund level and the Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund – Budget (Non-GAAP) and Actual presented in the basic financial statements reports at the functional level within the fund, a separate schedule to demonstrate budgetary compliance with the legal level of control is not necessary.

### **Special Revenue Funds**

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes other than debt service or capital projects. The School District has several special revenue funds, none of which are deemed to be major funds.

#### Food Service

To account for and report the financial transactions related to the restricted food service operation of the School District.

#### Local and Other Grants

To account for and report the proceeds of specific revenue sources, except for state and federal grants, that are legally restricted to expenditures for a specific purpose.

#### District Managed Student Activities

To account for and report local funds generated to assist student activities, which are managed by District personnel. This fund includes athletic programs and other similar types of activities.

#### Auxiliary Services

To account for and report monies which provide services and materials to pupils attending non-public schools within the School District.

#### Data Communications

To account for and report restricted monies for the purpose of accessing the Ohio Education Computer Network.

#### Miscellaneous State Grants

To account for and report restricted revenues received from state agencies which are not classified elsewhere.

#### Race to the Top Grant

To account for and report restricted federal monies for the development of assessments to measure student achievement against standards designed to ensure all students gain the knowledge and skills needed to succeed in college and the workplace.

#### Title VI(B) Grant

To account for and report restricted monies received under a federal grant to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full education opportunities to handicapped children at the elementary and secondary levels.

## **Governmental Fund Types**

### **Combining and Individual Fund Financial Statements and Schedules**

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#### **Special Revenue Funds** (continued)

##### School Improvement Grant

To account for and report federal monies restricted to provide supplemental funding to economically disadvantaged districts and some of their eligible schools for improving educational outcomes for students who are failing or at risk of failing to meet State standards.

##### Title III Grant

To account for and report federal monies restricted for elementary and secondary school programs designed to assist students to meet grade promotion and graduation standards.

##### Title I Grant

To account for and report monies received under a federal grant to assist schools in meeting the special needs of educationally deprived children.

##### Preschool Special Education Grant

To account for and report restricted federal monies received under a federal grant program to improve and expand the services for handicapped children ages three to five years.

##### Improving Teacher Quality Grant

To account for and report restricted monies received under a federal grant to help improve the quality of educational services delivered to students by district teachers.

##### Miscellaneous Federal Grants

To account for and report restricted monies received under federal grants which are not classified elsewhere.

##### Delaware Foundation

A fund used to account for and report gifts, donations and other resources provided to the School District without condition or limitations. Funds are to be used for operating or capital costs for programs designed to enhance or promote education within the District. This fund is budgeted as a special revenue fund, but is included with the General Fund for GAAP reporting as it does not have restricted or committed revenue source.

##### Public School Support

A fund used to account for and report local revenue sources (other than taxes) generated by the individual school buildings (i.e. sale of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs. This fund is budgeted as a special revenue fund, but is included with the General Fund for GAAP reporting as it does not have restricted or committed revenue source.

##### After School Childcare

A fund used to account for and report the tuition and fees, and other revenue, generated by the School District's "latch-key" program which provides childcare to students during the hours following the end of the school day. This fund is budgeted as a special revenue fund, but is included with the General Fund for GAAP reporting as it does not have restricted or committed revenue source.

## **Governmental Fund Types**

### **Combining and Individual Fund Financial Statements and Schedules**

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#### **Debt Service Fund**

Debt service funds are used to account for and report the accumulation of restricted local property taxes received and the payment of general long-term obligations, specifically the refunding general obligations bonds issued. The School District has one debt service fund which is reported as a major fund.

#### **Capital Project Funds**

Capital projects funds are used to account for and report financial resources that are restricted for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects. The School District has two capital projects funds, both of which are reported as major funds.

##### **Permanent Improvement**

To account for and report restricted resources, including a local property tax levy, to be used for the acquisition or maintenance of general capital assets.

##### **Building**

To account for and report restricted local resources, including proceeds from long-term obligations, related to school construction, additions and renovation projects.

#### **Permanent Fund**

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the School District's programs. The School District has one permanent fund, the Land Grant Fund which accounts for and reports the endowments established to support the School District's library and land lab programs. The original principal of these endowments must be maintained, however the School District may spend the interest earnings as long as those expenditures benefit the operations and maintenance of the land lab or libraries within the District.



**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

	Special Revenue Funds	Permanent Fund	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 478,941	\$ 44	\$ 478,985
Investments	-	4,990	4,990
Materials and supplies inventory	29,123	-	29,123
Accrued interest receivable	-	17	17
Accounts receivable	6,147	-	6,147
Intergovernmental receivable	754,268	-	754,268
Total Assets	\$ 1,268,479	\$ 5,051	\$ 1,273,530
<u>Liabilities, Deferred Inflows of Resources and Fund Balance:</u>			
<u>Liabilities:</u>			
Accounts payable	\$ 127,602	\$ -	\$ 127,602
Accrued wages and benefits	349,628	-	349,628
Interfund payable	6,962	-	6,962
Intergovernmental payable	89,167	-	89,167
Matured compensated absences payable	18,370	-	18,370
Total Liabilities	591,729	-	591,729
 <u>Deferred Inflows of Resources:</u>			
Unavailable revenue	429,178	-	429,178
 <u>Fund Balance:</u>			
Nonspendable	29,123	4,200	33,323
Restricted	312,984	851	313,835
Unassigned	(94,535)	-	(94,535)
Total Fund Balance	247,572	5,051	252,623
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,268,479	\$ 5,051	\$ 1,273,530

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	Food Service	Local and Other Grants	District Managed Student Activities	Auxiliary Services	Data Communications
<u>Assets:</u>					
Equity in pooled cash and cash equivalents	\$ 93,518	\$ 5,270	\$ 180,390	\$ 146,930	\$ -
Materials and supplies inventory	29,123	-	-	-	-
Accounts receivable	5,042	-	1,105	-	-
Intergovernmental receivable	-	-	-	-	-
Total Assets	<u>\$ 127,683</u>	<u>\$ 5,270</u>	<u>\$ 181,495</u>	<u>\$ 146,930</u>	<u>\$ -</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>					
Liabilities:					
Accounts payable	\$ 58,516	\$ -	\$ 4,219	\$ 21,489	\$ -
Accrued wages and benefits	98,997	1,488	-	31,476	-
Interfund payable	-	-	-	-	-
Intergovernmental payable	31,779	622	-	7,828	-
Matured compensated absences payable	-	-	-	-	-
Total Liabilities	<u>189,292</u>	<u>2,110</u>	<u>4,219</u>	<u>60,793</u>	<u>-</u>
Deferred Inflows of Resources:					
Unavailable revenue	-	-	-	-	-
Fund Balance:					
Nonspendable	29,123	-	-	-	-
Restricted	-	3,160	177,276	86,137	-
Unassigned	<u>(90,732)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>(61,609)</u>	<u>3,160</u>	<u>177,276</u>	<u>86,137</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 127,683</u>	<u>\$ 5,270</u>	<u>\$ 181,495</u>	<u>\$ 146,930</u>	<u>\$ -</u>

Miscellaneous State Grants	Race to the Top Grant	Title VI(B) Grant	School Improvement Grant	Title III Grant	Title I Grant	Preschool Special Education Grant
\$ 620	\$ -	\$ 3,294	\$ -	\$ 1,441	\$ 23,219	\$ 1,688
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,317</u>	<u>43,050</u>	<u>254,701</u>	<u>48,875</u>	<u>7,670</u>	<u>226,268</u>	<u>5,805</u>
<u>\$ 1,937</u>	<u>\$ 43,050</u>	<u>\$ 257,995</u>	<u>\$ 48,875</u>	<u>\$ 9,111</u>	<u>\$ 249,487</u>	<u>\$ 7,493</u>
\$ -	\$ 1,135	\$ 14,164	\$ -	\$ 71	\$ 423	\$ -
3,375	-	103,500	-	-	82,157	3,846
-	6,962	-	-	-	-	-
906	-	20,043	-	184	17,838	1,056
-	-	<u>18,370</u>	-	-	-	-
<u>4,281</u>	<u>8,097</u>	<u>156,077</u>	-	<u>255</u>	<u>100,418</u>	<u>4,902</u>
-	<u>15,922</u>	<u>88,071</u>	<u>48,875</u>	<u>5,758</u>	<u>150,528</u>	<u>2,546</u>
-	-	-	-	-	-	-
-	19,031	13,847	-	3,098	-	45
<u>(2,344)</u>	-	-	-	-	<u>(1,459)</u>	-
<u>(2,344)</u>	<u>19,031</u>	<u>13,847</u>	-	<u>3,098</u>	<u>(1,459)</u>	<u>45</u>
<u>\$ 1,937</u>	<u>\$ 43,050</u>	<u>\$ 257,995</u>	<u>\$ 48,875</u>	<u>\$ 9,111</u>	<u>\$ 249,487</u>	<u>\$ 7,493</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014  
(Continued)

	Improving Teacher Quality Grant	Miscellaneous Federal Grants	Total
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 9,428	\$ 13,143	\$ 478,941
Materials and supplies inventory	-	-	29,123
Accounts receivable	-	-	6,147
Intergovernmental receivable	91,984	74,598	754,268
 Total Assets	 \$ 101,412	 \$ 87,741	 \$ 1,268,479
 <u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>			
Liabilities:			
Accounts payable	\$ 4,446	\$ 23,139	127,602
Accrued wages and benefits	19,807	4,982	349,628
Interfund payable	-	-	6,962
Intergovernmental payable	4,198	4,713	89,167
Matured compensated absences payable	-	-	18,370
 Total Liabilities	 28,451	 32,834	 591,729
 Deferred Inflows of Resources:			
Unavailable revenue	70,708	46,770	429,178
 Fund Balance:			
Nonspendable	-	-	29,123
Restricted	2,253	8,137	312,984
Unassigned	-	-	(94,535)
 Total Fund Balance	 2,253	 8,137	 247,572
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 \$ 101,412	 \$ 87,741	 \$ 1,268,479

(Concluded)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Special Revenue Funds	Permanent Fund	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 4,079,197	\$ -	\$ 4,079,197
Interest	-	(246)	(246)
Extracurricular activities	283,171	-	283,171
Gifts and donations	15,943	-	15,943
Customer sales and services	874,033	-	874,033
Miscellaneous	<u>285,815</u>	<u>-</u>	<u>285,815</u>
Total Revenues	<u>5,538,159</u>	<u>(246)</u>	<u>5,537,913</u>
Expenditures:			
Current:			
Instruction:			
Regular	15,150	-	15,150
Special	984,655	-	984,655
Student intervention services	841,660	-	841,660
Other	132,648	-	132,648
Support Services:			
Pupils	211,500	-	211,500
Instructional staff	289,993	-	289,993
Administration	48,670	-	48,670
Pupil transportation	26,000	-	26,000
Central	14,400	-	14,400
Non-Instructional Services	2,285,294	-	2,285,294
Extracurricular Activities	541,196	-	541,196
Capital Outlay	<u>37,629</u>	<u>-</u>	<u>37,629</u>
Total Expenditures	<u>5,428,795</u>	<u>-</u>	<u>5,428,795</u>
Excess of Revenues Over(Under)			
Expenditures	109,364	(246)	109,118
Other Financing Sources:			
Transfers-In	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Net Change in Fund Balances	139,364	(246)	139,118
Fund Balance at Beginning of Year	<u>108,208</u>	<u>5,297</u>	<u>113,505</u>
Fund Balance at End of Year	<u>\$ 247,572</u>	<u>\$ 5,051</u>	<u>\$ 252,623</u>

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Food Service	Local and Other Grants	District Managed Student Activities	Auxiliary Services	Data Communications
Revenues:					
Intergovernmental	\$ 809,744	\$ -	\$ -	\$ 546,187	\$ 14,400
Extracurricular activities	-	-	283,171	-	-
Gifts and Donations	-	-	15,943	-	-
Customer sales and services	869,933	-	4,100	-	-
Miscellaneous	-	45,000	232,532	1,305	-
Total Revenues	<u>1,679,677</u>	<u>45,000</u>	<u>535,746</u>	<u>547,492</u>	<u>14,400</u>
Expenditures:					
Current:					
Instruction:					
Regular	-	622	2,303	11,928	-
Special	-	-	-	-	-
Student intervention services	-	-	-	-	-
Other	-	-	-	-	-
Support Services:					
Pupils	-	-	-	-	-
Instructional staff	-	-	-	-	-
Administration	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	14,400
Non-instructional services	1,744,959	39,698	-	455,731	-
Extracurricular activities	-	-	541,196	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>1,744,959</u>	<u>40,320</u>	<u>543,499</u>	<u>467,659</u>	<u>14,400</u>
Excess of Revenues Over(Under) Expenditures	(65,282)	4,680	(7,753)	79,833	-
Other Financing Sources:					
Transfers-In	-	-	30,000	-	-
Net Change in Fund Balances	(65,282)	4,680	22,247	79,833	-
Fund Balance at Beginning of Year	<u>3,673</u>	<u>(1,520)</u>	<u>155,029</u>	<u>6,304</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (61,609)</u>	<u>\$ 3,160</u>	<u>\$ 177,276</u>	<u>\$ 86,137</u>	<u>\$ -</u>

Miscellaneous State Grants	Race to the Top Grant	Title VI(B) Grant	School Improvement Grant	Title III Grant	Title I Grant	Preschool Special Education Grant
\$ 64,437	\$ 170,854	\$ 1,165,965	\$ 61,125	\$ 14,828	\$ 657,618	\$ 27,072
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
142	-	3,237	-	-	2,406	-
<u>64,579</u>	<u>170,854</u>	<u>1,169,202</u>	<u>61,125</u>	<u>14,828</u>	<u>660,024</u>	<u>27,072</u>
-	-	-	-	-	-	-
-	6,089	951,511	-	-	-	27,055
-	-	-	-	11,006	546,936	-
-	-	-	-	184	99,995	-
26,087	16,855	167,899	-	659	-	-
-	104,712	-	61,125	105	5,886	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	36,202	-	-	8,204	-
-	-	-	-	-	-	-
37,629	-	-	-	-	-	-
<u>63,716</u>	<u>127,656</u>	<u>1,155,612</u>	<u>61,125</u>	<u>11,954</u>	<u>661,021</u>	<u>27,055</u>
863	43,198	13,590	-	2,874	(997)	17
-	-	-	-	-	-	-
863	43,198	13,590	-	2,874	(997)	17
(3,207)	(24,167)	257	-	224	(462)	28
<u>\$ (2,344)</u>	<u>\$ 19,031</u>	<u>\$ 13,847</u>	<u>\$ -</u>	<u>\$ 3,098</u>	<u>\$ (1,459)</u>	<u>\$ 45</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)

	Improving Teacher Quality Grant	Miscellaneous Federal Grants	Total
Revenues:			
Intergovernmental	\$ 158,773	\$ 388,194	\$ 4,079,197
Extracurricular activities	-	-	283,171
Gifts and Donations	-	-	15,943
Customer sales and services	-	-	874,033
Miscellaneous	677	516	285,815
 Total Revenues	 159,450	 388,710	 5,538,159
Expenditures:			
Current:			
Instruction:			
Regular	297	-	15,150
Special	-	-	984,655
Student intervention services	116,104	167,614	841,660
Other	24,005	8,464	132,648
Support Services:			
Pupils	-	-	211,500
Instructional staff	18,362	99,803	289,993
Administration	-	48,670	48,670
Pupil transportation	-	26,000	26,000
Central	-	-	14,400
Non-instructional services	-	500	2,285,294
Extracurricular activities	-	-	541,196
Capital Outlay	-	-	37,629
 Total Expenditures	 158,768	 351,051	 5,428,795
Excess of Revenues Over(Under) Expenditures	682	37,659	109,364
Other Financing Sources:			
Transfers-In	-	-	30,000
 Net Change in Fund Balances	 682	 37,659	 139,364
Fund Balance at Beginning of Year	1,571	(29,522)	108,208
Fund Balance at End of Year	\$ 2,253	\$ 8,137	\$ 247,572

(Concluded)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance with Final Budget
<b>Food Service Fund</b>			
Total Revenues and Other Sources	\$ 2,165,586	\$ 1,855,996	\$ (309,590)
Total Expenditures and Other Uses	<u>2,132,948</u>	<u>1,858,932</u>	<u>274,016</u>
Net Change in Fund Balances	32,638	(2,936)	(35,574)
Fund Balance, July 1	91,217	91,217	-
Prior Year Encumbrances	<u>660</u>	<u>660</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 124,515</u>	<u>\$ 88,941</u>	<u>\$ (35,574)</u>
<b>Local and Other Grants Fund</b>			
Total Revenues and Other Sources	\$ 45,000	\$ 45,000	\$ -
Total Expenditures and Other Uses	<u>44,999</u>	<u>39,730</u>	<u>5,269</u>
Net Change in Fund Balances	1	5,270	5,269
Fund Balance, July 1	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1</u>	<u>\$ 5,270</u>	<u>\$ 5,269</u>
<b>District Managed Student Activities Fund</b>			
Total Revenues and Other Sources	\$ 455,685	\$ 570,184	\$ 114,499
Total Expenditures and Other Uses	<u>591,282</u>	<u>555,410</u>	<u>35,872</u>
Net Change in Fund Balances	(135,597)	14,774	150,371
Fund Balance, July 1	143,468	143,468	-
Prior Year Encumbrances	<u>11,504</u>	<u>11,504</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 19,375</u>	<u>\$ 169,746</u>	<u>\$ 150,371</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014  
(Continued)

	Final Budget	Actual	Variance with Final Budget
<b>Auxiliary Services Fund</b>			
Total Revenues and Other Sources	\$ 547,492	\$ 547,492	\$ -
Total Expenditures and Other Uses	<u>592,301</u>	<u>488,812</u>	<u>103,489</u>
Net Change in Fund Balances	(44,809)	58,680	103,489
Fund Balance, July 1	38,462	38,462	-
Prior Year Encumbrances	<u>6,347</u>	<u>6,347</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 103,489</u>	<u>\$ 103,489</u>
<b>Data Communication Fund</b>			
Total Revenues and Other Sources	\$ 14,400	\$ 14,400	\$ -
Total Expenditures and Other Uses	<u>14,400</u>	<u>14,400</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance, July 1	-	-	-
Prior Year Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Miscellaneous State Grant Fund</b>			
Total Revenues and Other Sources	\$ 66,883	\$ 63,262	\$ (3,621)
Total Expenditures and Other Uses	<u>67,689</u>	<u>63,442</u>	<u>4,247</u>
Net Change in Fund Balances	(806)	(180)	626
Fund Balance, July 1	806	806	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 626</u>	<u>\$ 626</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014  
(Continued)

	Final Budget	Actual	Variance with Final Budget
<b>Race to the Top Grant Fund</b>			
Total Revenues and Other Sources	\$ 222,488	\$ 179,439	\$ (43,049)
Total Expenditures and Other Uses	240,032	205,296	34,736
Net Change in Fund Balances	(17,544)	(25,857)	(8,313)
Fund Balance, July 1	2,430	2,430	-
Prior Year Encumbrances	15,114	15,114	-
Fund Balance, June 30	\$ -	\$ (8,313)	\$ (8,313)
<b>Title VI(B) Grant Fund</b>			
Total Revenues and Other Sources	\$ 1,363,292	\$ 1,108,591	\$ (254,701)
Total Expenditures and Other Uses	1,429,520	1,211,602	217,918
Net Change in Fund Balances	(66,228)	(103,011)	(36,783)
Fund Balance, July 1	33,102	33,102	-
Prior Year Encumbrances	33,117	33,117	-
Fund Balance, June 30	\$ (9)	\$ (36,792)	\$ (36,783)
<b>School Improvement Grant Fund</b>			
Total Revenues and Other Sources	\$ 110,000	\$ 61,125	\$ (48,875)
Total Expenditures and Other Uses	110,000	61,125	48,875
Net Change in Fund Balances	-	-	-
Fund Balance, July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -

(Continued)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014  
(Continued)

	Final Budget	Actual	Variance with Final Budget
<b>Title III Grant Fund</b>			
Total Revenues and Other Sources	\$ 20,792	\$ 13,122	\$ (7,670)
Total Expenditures and Other Uses	21,034	11,923	9,111
Net Change in Fund Balances	(242)	1,199	1,441
Fund Balance, July 1	-	-	-
Prior Year Encumbrances	242	242	-
Fund Balance, June 30	\$ -	\$ 1,441	\$ 1,441
 <b>Title I Grant Fund</b>			
Total Revenues and Other Sources	\$ 890,511	\$ 664,243	\$ (226,268)
Total Expenditures and Other Uses	932,444	687,477	244,967
Net Change in Fund Balances	(41,933)	(23,234)	18,699
Fund Balance, July 1	6,455	6,455	-
Prior Year Encumbrances	35,478	35,478	-
Fund Balance, June 30	\$ -	\$ 18,699	\$ 18,699
 <b>Preschool Special Education Grant Fund</b>			
Total Revenues and Other Sources	\$ 30,096	\$ 24,291	\$ (5,805)
Total Expenditures and Other Uses	30,096	23,781	6,315
Net Change in Fund Balances	-	510	510
Fund Balance, July 1	-	-	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	\$ -	\$ 510	\$ 510

(Continued)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014  
(Continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Improving Teacher Quality Grant Fund</b>			
Total Revenues and Other Sources	\$ 247,906	\$ 155,922	\$ (91,984)
Total Expenditures and Other Uses	<u>253,319</u>	<u>162,251</u>	<u>91,068</u>
Net Change in Fund Balances	(5,413)	(6,329)	(916)
Fund Balance, July 1	936	936	-
Prior Year Encumbrances	<u>4,477</u>	<u>4,477</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ (916)</u>	<u>\$ (916)</u>
<b>Miscellaenous Federal Grants Fund</b>			
Total Revenues and Other Sources	\$ 444,068	\$ 369,470	\$ (74,598)
Total Expenditures and Other Uses	<u>453,740</u>	<u>392,096</u>	<u>61,644</u>
Net Change in Fund Balances	(9,672)	(22,626)	(12,954)
Fund Balance, July 1	293	293	-
Prior Year Encumbrances	<u>9,379</u>	<u>9,379</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ (12,954)</u>	<u>\$ (12,954)</u>
<b>Delaware Foundation Fund</b>			
Total Revenues and Other Sources	\$ 250,000	\$ 191,308	\$ (58,692)
Total Expenditures and Other Uses	<u>340,725</u>	<u>294,637</u>	<u>46,088</u>
Net Change in Fund Balances	(90,725)	(103,329)	(12,604)
Fund Balance, July 1	721,723	721,723	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 630,998</u>	<u>\$ 618,394</u>	<u>\$ (12,604)</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014  
(Continued)

	Final Budget	Actual	Variance with Final Budget
<b>Public School Support Fund</b>			
Total Revenues and Other Sources	\$ 189,511	\$ 146,662	\$ (42,849)
Total Expenditures and Other Uses	138,161	113,157	25,004
Net Change in Fund Balances	51,350	33,505	(17,845)
Fund Balance, July 1	58,547	58,547	-
Prior Year Encumbrances	18,450	18,450	-
Fund Balance, June 30	\$ 128,347	\$ 110,502	\$ (17,845)
 <b>After School Childcare Fund</b>			
Total Revenues and Other Sources	\$ 916,000	\$ 1,032,783	\$ 116,783
Total Expenditures and Other Uses	1,143,585	1,033,212	110,373
Net Change in Fund Balances	(227,585)	(429)	227,156
Fund Balance, July 1	715,570	715,570	-
Prior Year Encumbrances	14,396	14,396	-
Fund Balance, June 30	\$ 502,381	\$ 729,537	\$ 227,156

(Concluded)

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Debt Service Fund  
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance with Final Budget
<b>Debt Service Fund</b>			
Total Revenues and Other Sources	\$ 4,331,293	\$ 4,755,166	\$ 423,873
Total Expenditures and Other Uses	<u>4,600,870</u>	<u>4,598,487</u>	<u>2,383</u>
Net Change in Fund Balances	(269,577)	156,679	426,256
Fund Balance, July 1	1,741,968	1,741,968	-
Prior Year Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,472,391</u>	<u>\$ 1,898,647</u>	<u>\$ 426,256</u>

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Capital Projects Funds  
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance with Final Budget
<b>Permanent Improvement Fund</b>			
Total Revenues and Other Sources	\$ 2,304,831	\$ 2,118,983	\$ (185,848)
Total Expenditures and Other Uses	3,235,963	2,286,824	949,139
Net Change in Fund Balances	(931,132)	(167,841)	763,291
Fund Balance, July 1	1,663,069	1,663,069	-
Prior Year Encumbrances	602,492	602,492	-
Fund Balance, June 30	\$ 1,334,429	\$ 2,097,720	\$ 763,291
 <b>Building Fund</b>			
Total Revenues and Other Sources	\$ 20,000,000	\$ 20,000,038	\$ 38
Total Expenditures and Other Uses	20,000,000	8,063,971	11,936,029
Net Change in Fund Balances	-	11,936,067	11,936,067
Fund Balance, July 1	389	389	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance, June 30	\$ 389	\$ 11,936,456	\$ 11,936,067

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Permanent Fund  
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance with Final Budget
<b>Land Grant Fund</b>			
Total Revenues and Other Sources	\$ -	\$ 19	\$ 19
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balances	-	19	19
Fund Balance, July 1	5,015	5,015	-
Prior Year Encumbrances	-	-	-
Fund Balance, June 30	<u>\$ 5,015</u>	<u>\$ 5,034</u>	<u>\$ 19</u>



## **Fiduciary Fund Types**

### **Combining and Individual Fund Financial Statements and Schedules**

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#### **Private-Purpose Trust Funds**

Private-purpose trust funds are used to account for assets held by the School District, which have been restricted so that the principal and income of the fund benefit individuals, private organizations, or other governments and are not available to support the operations of the School District. The School District reports two individual private-purpose trust funds.

##### **Scholarship Trust**

To account for restricted donations, where the donations themselves may be used, to provide scholarships to selected students graduating from the School District.

##### **Memorial Scholarship Trust**

To account for the restricted donations, where the corpus of the donations may not be used, which were provided in memory of individuals to provide scholarship to selected District students.

#### **Agency Fund**

Agency funds account for monies held by the School District in a purely custodial nature for other organizations. Accordingly, all assets reported in an agency fund are offset by a liability to the party on whose behalf they are held. The only agency fund reported by the School District is the Student Managed Activities Fund which is used to account for the resources belonging to the various student groups in the District. The fund accounts for sales and other revenue generating activities by student activity programs that have students involved in the management of the program. Since this is the only agency fund at the School District, no individual fund information is presented.

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF NET POSITION  
PRIVATE-PURPOSE TRUST FUNDS  
JUNE 30, 2014

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 31,048	\$ 5,669	\$ 36,717
Investments	22,802	58,420	81,222
Accrued interest receivable	65	234	299
Total Assets	53,915	64,323	118,238
Net Position:			
Held in trust for scholarships	53,915	64,323	118,238
Total Net Position	\$ 53,915	\$ 64,323	\$ 118,238

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total
Additions:			
Gifts and dnations	\$ 1,050	\$ 479	\$ 1,529
Investment earnings	67	40	107
Total Additions	1,117	519	1,636
Deductions:			
Payments in accordance with trust agreements	3,250	500	3,750
Total Deductions	3,250	500	3,750
Change in Net Position	(2,133)	19	(2,114)
Net Position, Beginning of Year	56,048	64,304	120,352
Net Position, End of Year	\$ 53,915	\$ 64,323	\$ 118,238

**DELAWARE CITY SCHOOL DISTRICT  
DELAWARE COUNTY, OHIO**

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
<u>Student Managed Activities</u>				
Assets:				
Equity in pooled cash and cash equivalents	\$ 191,889	\$ 540,032	\$ 522,890	\$ 209,031
Accounts receivable	1,060	110	1,060	110
Total Assets	\$ 192,949	\$ 540,142	\$ 523,950	\$ 209,141
Liabilities:				
Accounts Payable	\$ 1,139	\$ 20,151	\$ 1,139	\$ 20,151
Due to Students	191,810	519,991	522,811	188,990
Total Liabilities	\$ 192,949	\$ 540,142	\$ 523,950	\$ 209,141

# Statistical Section





# STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>75</b>
These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>82</b>
These schedules contain information to help the reader assess the affordability of the District’s most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>91</b>
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.	
<b>Demographic and Economic Information</b>	<b>95</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.	
<b>Operating Information</b>	<b>97</b>
These schedules contain service 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 annual financial statements for the relevant year.



**Delaware City School District**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
(accrual basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities										
Net Investment in										
Capital Assets	\$ 11,096,878	\$ 9,770,962	\$ 9,102,298	\$ 8,255,663	\$ 7,106,503	\$ 6,591,590	\$ 3,581,105	\$ 2,746,745	\$ 1,609,623	\$ 3,812,533
Restricted	5,593,311	4,672,508	3,669,938	3,193,505	3,389,257	3,022,404	2,645,350	4,361,063	4,762,748	1,621,015
Unrestricted	10,671,405	8,848,140	5,062,383	1,572,829	3,181,418	4,769,871	8,404,123	4,921,763	7,242,148	5,356,218
Total Governmental Activities	\$ 27,361,594	\$ 23,291,610	\$ 17,834,619	\$ 13,021,997	\$ 13,677,178	\$ 14,383,865	\$ 14,630,578	\$ 12,029,571	\$ 13,614,519	\$ 10,789,766
Net Position										

**Delaware City School District**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
(accural basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Expenses:</b>										
Governmental Activities:										
Instruction										
Regular	\$ 24,021,141	\$ 24,083,445	\$ 21,730,895	\$ 22,539,999	\$ 21,794,461	\$ 20,921,349	\$ 20,402,113	\$ 19,415,375	\$ 18,591,892	\$ 17,699,150
Special	8,153,629	6,669,914	5,731,574	6,254,257	5,210,222	5,187,008	4,862,505	4,992,079	5,137,783	5,000,680
Vocational	191,199	156,843	175,938	307,590	366,978	374,707	322,964	339,690	326,259	325,679
Student Intervention Services	896,541	43,894	87,694	108,645	88,162	196,574	-	-	-	-
Other	196,803	186,635	2,300,758	2,138,369	2,010,131	1,723,802	1,580,947	738,706	851,700	728,316
Support Services										
Pupils	2,879,114	2,631,496	2,519,897	2,488,366	2,562,505	2,397,861	2,260,802	2,240,779	2,184,344	2,126,796
Instructional Staff	1,176,256	2,854,028	2,589,706	3,153,118	3,301,322	2,817,316	2,921,736	2,626,558	2,602,149	2,475,569
Board of Education	179,140	176,816	173,989	163,664	187,628	122,478	219,277	211,518	197,431	222,857
General Administrative	3,329,166	3,080,098	2,942,025	2,930,373	3,014,373	3,016,704	2,845,860	2,658,370	2,732,185	2,547,214
Fiscal Services	1,250,327	1,154,372	1,105,356	1,135,862	1,032,913	1,110,043	1,074,402	1,021,721	926,642	953,440
Business	397,547	406,366	331,725	372,744	377,507	328,306	424,312	467,331	452,123	435,044
Operation & Maintenance of Plant	4,637,195	4,487,853	4,339,248	4,547,833	4,939,323	4,576,377	4,557,649	4,565,253	4,200,914	3,764,160
Pupil Transportation	3,618,131	3,164,713	3,222,859	3,374,544	3,587,477	2,983,616	2,884,402	2,218,696	2,456,241	2,318,784
Central	290,933	136,137	264,800	152,308	156,573	159,258	135,834	157,974	182,738	187,800
Operation of Non-Instructional Services	3,327,646	3,266,319	2,002,275	1,781,285	1,842,216	2,048,717	1,619,968	1,316,479	1,510,547	1,453,886
Extra Curricular Activities	1,563,002	1,265,322	1,173,635	1,166,815	1,372,834	1,161,904	1,171,598	1,111,859	1,338,174	1,191,099
Interest and Fiscal Charges	2,082,170	1,158,713	1,293,359	1,378,204	1,473,101	1,554,734	1,695,938	1,684,221	2,398,078	2,217,833
Unallocated Depreciation	861,035	989,183	947,128	949,603	951,944	951,516	940,105	996,470	997,877	1,188,020
Total Governmental Activities	59,060,975	55,912,147	52,932,861	54,923,579	54,269,670	51,632,270	49,920,412	46,763,079	47,087,077	44,836,327
Expenses										

**Delaware City School District**  
**Changes in Net Position (continued)**  
**Last Ten Fiscal Years**  
(accural basis of accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services										
Instruction										
Regular	\$ 1,560,282	\$ 1,521,079	\$ 1,536,768	\$ 1,361,358	\$ 1,350,446	\$ 1,172,696	\$ 1,210,439	\$ 1,046,150	\$ 1,107,002	\$ 1,136,013
Support Services										
General Administrative	69,699	91,204	79,856	95,836	101,160	92,037	55,580	55,191	76,900	91,910
Operation & Maintenance of Plant	72,002	90,891	81,507	18,971	21,702	7,690	7,645	13,413	9,228	10,652
Pupil Transportation	5,226	2,683	10,449	1,595	4,178	177,173	144,916	109,125	97,495	7,717
Operation of Non-Instructional Services	915,838	919,965	1,009,024	976,268	997,008	1,020,596	906,022	887,979	873,062	835,545
Extra Curricular Activities	322,152	297,105	388,271	297,351	310,701	265,267	267,831	289,042	502,652	395,539
Operating Grants and Contributions	4,735,840	4,864,556	4,705,078	5,288,347	5,389,975	4,802,612	5,580,763	3,169,533	3,265,949	3,061,849
Capital Grants and Contributions	-	-	-	-	-	47,590	22,002	63,547	16,283	112,754
Total Governmental Activities	7,681,039	7,787,483	7,810,954	8,039,726	8,175,170	7,585,661	8,195,198	5,633,980	5,948,571	5,651,979
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (51,379,936)	\$ (48,124,664)	\$ (45,121,907)	\$ (46,883,853)	\$ (46,094,500)	\$ (44,046,609)	\$ (41,725,214)	\$ (41,129,099)	\$ (41,138,506)	\$ (39,184,348)
<b>General Revenues and Other</b>										
<b>Changes in Net Position</b>										
Governmental Activities										
Property Taxes Levied for:										
General Purposes	\$ 29,222,750	\$ 29,753,957	\$ 27,391,062	\$ 22,881,148	\$ 22,450,075	\$ 21,823,705	\$ 25,398,068	\$ 19,305,820	\$ 24,008,323	\$ 22,255,456
Debt Service	4,087,819	3,364,962	3,120,099	3,013,956	2,972,585	2,986,156	3,515,274	2,885,996	3,965,291	3,805,884
Permanent Improvement	1,827,705	1,878,323	1,822,135	1,769,698	1,746,642	1,651,058	1,896,292	1,446,022	1,989,776	1,721,032
Payments in Lieu of Property Taxes	27,857	-	-	-	-	-	-	-	-	-
Grants and Entitlements not Restricted to Specific Programs	18,949,100	17,700,452	17,179,605	18,094,408	17,780,710	16,696,853	14,927,446	15,044,832	14,016,970	13,555,231
Investment Earnings	152,459	112,157	4,576	18,970	16,871	269,720	653,606	688,694	536,984	315,303
Miscellaneous	1,182,230	771,804	724,782	450,492	420,930	322,404	376,410	325,068	329,074	420,263
Total Governmental Activities	55,449,920	53,581,655	50,242,259	46,228,672	45,387,813	43,749,896	46,767,096	39,696,432	44,846,418	42,073,169
<b>Change in Net Position</b>										
Governmental Activities	\$ 4,069,984	\$ 5,456,991	\$ 5,120,352	\$ (655,181)	\$ (706,687)	\$ (296,713)	\$ 5,041,882	\$ (1,432,667)	\$ 3,707,912	\$ 2,888,821

**Delaware City School District**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2014	2013	2012	2011
General Fund				
Nonspendable	\$ 266,032	\$ 214,383	\$ 221,327	\$ 224,542
Reserved	-	-	-	-
Unreserved	-	-	-	-
Assigned	469,327	90,959	329,579	2,703,072
Unassigned	10,488,446	9,255,756	4,853,390	-
<b>Total General Fund</b>	<b>\$ 11,223,805</b>	<b>\$ 9,561,098</b>	<b>\$ 5,404,296</b>	<b>\$ 2,927,614</b>
All Other Governmental Funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special Revenue Funds	-	-	-	-
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Permanent Fund	-	-	-	-
Nonspendable	33,323	35,408	26,052	22,025
Restricted	25,475,598	5,174,017	5,361,893	4,857,178
Unassigned	(94,535)	(86,413)	(55,070)	(10,207)
<b>Total All Other Governmental Funds</b>	<b>\$ 25,414,386</b>	<b>\$ 5,123,012</b>	<b>\$ 5,332,875</b>	<b>\$ 4,868,996</b>

\* - Restated for implementation of GASB 54 during fiscal year 2011. The District has elected to not restate prior fund balance amounts for fiscal years prior to implementation.

2010 *	2009	2008	2007	2006	2005
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,509,603	3,779,714	5,242,016	3,713,099	6,830,574	4,507,440
103,384	367,699	367,699	367,699	-	367,699
-	-	-	-	-	-
-	2,112,664	2,573,896	445,479	(162,700)	512,762
<u>\$ 3,612,987</u>	<u>\$ 6,260,077</u>	<u>\$ 8,183,611</u>	<u>\$ 4,526,277</u>	<u>\$ 6,667,874</u>	<u>\$ 5,387,901</u>
\$ 1,517,845	\$ 1,074,747	\$ 1,200,213	\$ 1,775,793	\$ 2,051,481	\$ 1,700,860
1,315,386	1,081,802	1,048,274	639,346	624,443	397,877
1,493,054	1,485,547	1,228,407	1,203,902	1,146,005	902,427
1,533,534	1,967,276	1,681,912	1,193,376	1,301,216	683,996.00
4,954	5,179	5,105	4,791	3,654	4,476
-					
-					
-					
<u>\$ 5,864,773</u>	<u>\$ 5,614,551</u>	<u>\$ 5,163,911</u>	<u>\$ 4,817,208</u>	<u>\$ 5,126,799</u>	<u>\$ 3,689,636</u>

**Delaware City School District**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2014	2013	2012	2011	2010
<b>Revenues:</b>					
Property and Other Local Taxes	\$ 34,696,452	\$ 35,491,288	\$ 31,839,905	\$ 28,155,939	\$ 26,841,849
Intergovernmental	23,706,698	22,252,327	21,591,349	23,477,846	22,840,044
Interest	135,547	112,157	4,576	18,970	16,871
Tuition and Fees	1,560,282	1,521,079	1,536,768	1,360,505	1,345,298
Rentals	72,002	90,891	81,507	18,971	21,702
Extracurricular Activities	418,822	370,972	450,404	375,297	404,044
Gifts and Donations	230,750	137,710	126,850	100,147	82,484
Customer Sales and Services	894,093	939,985	1,037,196	996,606	1,014,151
Payment in Lieu of Property Taxes	27,857	-	-	-	-
Miscellaneous	1,193,823	584,146	724,782	450,492	420,930
<b>Total Revenues</b>	<b>62,936,326</b>	<b>61,500,555</b>	<b>57,393,337</b>	<b>54,954,773</b>	<b>52,987,373</b>
<b>Expenditures</b>					
<b>Current:</b>					
<b>Instruction</b>					
Regular	23,793,783	23,644,328	21,874,431	22,440,012	21,608,728
Special	8,210,721	6,631,601	5,782,525	6,223,816	5,150,845
Vocational	178,911	156,218	216,310	310,320	353,597
Student Intervention	896,083	43,894	87,694	108,645	98,747
Other Instruction	152,642	186,635	2,300,758	2,138,369	2,010,131
<b>Support Services</b>					
Pupils	2,863,936	2,618,690	2,585,628	2,488,683	2,518,564
Instructional Staff	1,196,884	2,845,809	2,591,311	3,131,096	3,254,374
Board of Education	179,140	176,816	173,989	163,664	187,628
Administration	3,298,393	3,064,169	2,946,144	2,917,671	3,042,611
Fiscal Services	1,250,327	1,169,027	1,086,479	1,093,959	1,007,557
Business	400,554	398,364	329,307	372,441	377,307
<b>Operation &amp;</b>					
Maintenance of Plant	4,403,107	4,016,730	3,988,792	4,496,769	4,686,135
Pupil Transportation	3,326,771	2,865,062	2,929,899	3,122,007	3,148,229
Central	290,702	136,137	264,800	148,832	156,573
Non-Instructional Services	3,335,134	3,241,302	2,003,170	1,776,700	1,828,851
Extra Curricular Activities	1,530,591	1,226,922	1,144,501	1,155,990	1,332,903
<b>Capital Outlay</b>					
Debt Service	1,392,554	1,722,954	3,331,643	997,972	1,062,903
Principal Retirement	2,749,510	2,565,327	2,427,197	2,328,452	2,299,953
Interest and Fiscal Charges	1,804,956	1,122,901	1,207,468	1,220,525	1,258,605
Issuance Costs	200,263	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 61,454,962</b>	<b>\$ 57,832,886</b>	<b>\$ 57,272,046</b>	<b>\$ 56,635,923</b>	<b>\$ 55,384,241</b>
Excess (deficiency) of revenue over (under) expenditures	\$ 1,481,364	\$ 3,667,669	\$ 121,291	\$ (1,681,150)	\$ (2,396,868)
<b>Other Financing (Sources) Uses</b>					
<b>Refund of prior year expenditure/receipt (net)</b>					
Transfers In	30,000	187,658	-	-	-
Transfers (out)	(30,000)	-	-	20,000	31,411
Proceeds of Capital Lease	-	-	-	(20,000)	(31,411)
Premium on Bonds Issued	562,717	-	-	-	-
Premium and interest on Bonds Sold	-	1,011,208	-	-	-
General Obligation Bonds Issued	19,910,000	-	-	-	-
Refunding Bonds Issued	-	8,720,000	-	-	-
Notes Issued	-	-	2,819,270	-	-
Payments to Refunded Bond Escrow	-	(9,639,596)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>20,472,717</b>	<b>279,270</b>	<b>2,819,270</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ 21,954,081</b>	<b>\$ 3,946,939</b>	<b>\$ 2,940,561</b>	<b>\$ (1,681,150)</b>	<b>\$ (2,396,868)</b>
Debt Service as a Percentage of Noncapital Expenditures	7.92%	7.04%	7.23%	6.81%	7.01%

	2009	2008	2007	2006	2005
\$	26,533,798	\$ 31,426,021	\$ 24,102,202	\$ 29,851,207	\$ 27,311,678
	21,451,994	20,294,213	18,040,005	17,114,034	16,673,127
	269,720	653,706	688,646	537,020	215,548
	1,170,425	1,209,865	1,044,523	1,104,639	1,052,509
	7,690	7,645	13,413	9,228	10,652
	351,456	319,403	340,540	577,843	477,951
	153,210	116,337	128,523	129,049	136,821
	1,205,888	1,055,520	1,002,424	974,629	936,264
	-	-	-	-	-
	322,404	376,410	325,068	329,074	320,263
	<u>51,466,585</u>	<u>55,459,120</u>	<u>45,685,344</u>	<u>50,626,723</u>	<u>47,134,813</u>
	20,815,485	20,125,153	19,219,217	18,535,308	17,498,173
	5,212,199	4,855,184	5,046,687	5,156,441	4,989,871
	346,734	344,011	336,786	322,820	307,324
	196,574	-	-	-	-
	1,723,802	1,580,947	738,706	851,700	728,316
	2,391,453	2,250,454	2,257,122	2,208,937	2,115,658
	2,720,981	2,759,296	2,635,139	2,655,706	2,432,689
	122,478	219,277	211,518	197,431	222,857
	3,009,811	2,830,900	2,654,647	2,759,109	2,542,774
	1,080,920	1,045,505	994,327	1,192,696	941,307
	327,897	423,932	466,933	457,020	440,757
	4,567,460	4,189,844	4,265,046	4,142,211	3,755,250
	2,683,521	2,650,871	2,019,688	2,326,102	2,133,476
	159,258	151,691	171,923	180,133	173,644
	2,029,209	1,601,572	1,295,352	1,506,174	1,428,967
	1,137,966	1,143,867	1,106,031	1,332,233	1,184,833
	879,519	1,544,533	669,957	634,230	602,881
	2,281,683	2,677,995	2,755,000	2,303,278	2,496,511
	1,252,529	1,315,288	1,292,453	1,411,167	1,719,274
	-	-	-	-	-
\$	<u>52,939,479</u>	<u>\$ 51,710,320</u>	<u>\$ 48,136,532</u>	<u>\$ 48,172,696</u>	<u>\$ 45,714,562</u>
\$	(1,472,894)	\$ 3,748,800	\$ (2,451,188)	\$ 2,454,027	\$ 1,420,251
	-	-	-	-	-
	30,000	20,000	20,000	20,000	20,000
	(30,000)	(20,000)	(20,000)	(20,000)	(20,000)
	-	255,237	-	-	-
	-	-	-	-	-
	-	-	-	948,652	-
	-	-	-	-	-
	-	-	-	16,294,994	-
	-	-	-	-	-
	-	-	-	(16,980,537)	-
	-	255,237	-	263,109	-
\$	<u>(1,472,894)</u>	<u>\$ 4,004,037</u>	<u>\$ (2,451,188)</u>	<u>\$ 2,717,136</u>	<u>\$ 1,420,251</u>
	15.25%	8.65%	9.32%	8.48%	10.31%

**Delaware City School District  
Assessed Valuation and Estimated Actual Value of Taxable Property  
Last Ten Collection Years**

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)		Total		Tax Rate (d)
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2014	\$ 670,008,010	\$ 1,914,308,600	\$ -	\$ -	\$ 25,111,470	\$ 71,747,057	\$ 695,119,480	\$ 1,986,055,657	52.86
2013	688,802,840	1,910,865,257	-	-	24,059,460	68,741,314	692,862,300	1,979,606,571	51.43
2012	670,334,220	1,915,240,629	-	-	24,044,560	68,698,743	694,378,780	1,983,939,372	51.04
2011	703,647,190	2,010,420,543	-	-	22,653,280	64,723,657	726,300,470	2,075,144,200	40.45
2010	706,235,230	2,017,814,943	769,695	2,026,288	20,223,180	57,780,514	727,228,105	2,077,621,745	40.35
2009	692,323,210	1,978,066,314	1,607,906	25,726,496	19,405,750	55,445,000	713,336,866	2,059,237,810	40.91
2008	690,868,930	1,973,911,229	19,792,118	316,673,888	16,486,470	47,104,200	727,147,518	2,337,689,317	40.43
2007	669,123,630	1,911,781,800	34,863,329	278,906,632	19,064,740	54,470,686	723,051,699	2,245,159,118	41.24
2006	658,131,090	1,880,374,543	51,068,230	272,363,893	20,437,550	58,393,000	729,636,870	2,211,131,436	35.37
2005	572,080,200	1,634,514,857	64,200,998	256,803,992	20,805,500	59,444,286	657,086,698	1,950,763,135	39.09

Source: Office of the County Auditor, Delaware County, Ohio

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

(b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and will reach 0 in 2009. Personal property assessed for collection year 2010 is for delinquent taxes outstanding.

(c) Assumes public utilities are assessed at true value which is 35%.

(d) Tax rates are per \$1,000 of assessed value. The rate represents the weighted average of all the effective (assessed) rates applied by property type.

DELAWARE SCHOOL DISTRICT  
 REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING  
 Last Ten Years  
 Delaware Township-Delaware City School District  
 (Per \$1000 Assessed Value)

Collection Year	Delaware City School District	Delaware County	Delaware County District Library	Delaware Area Career Center	Delaware Health Dept	Tri-Twp Fire District	Township	Other	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2014	78.20	5.91	1.00	3.20	0.70	5.40	2.40	2.05	98.86	72.453970	76.293884
2013	76.73	5.05	1.00	3.20	0.70	5.40	2.40	2.05	96.53	70.101180	73.416746
2012	76.38	5.05	1.00	3.20	0.70	5.40	2.40	2.05	96.18	69.700060	72.869693
2011	66.91	5.05	1.00	3.20	0.70	5.40	2.40	2.05	86.71	58.838259	62.716264
2010	66.83	5.04	1.03	3.20	0.70	5.40	2.40	2.05	86.65	58.704494	62.820631
2009	67.42	4.25	0.04	3.20	0.70	5.40	2.40	2.05	85.46	57.455739	61.795647
2008	67.10	4.25	0.06	3.20	0.70	5.40	2.20	1.85	84.76	56.262098	61.180633
2007	67.76	4.25	0.07	3.20	0.70	5.40	2.20	1.85	85.43	56.704463	61.959232
2006	67.18	4.27	0.08	3.20	0.70	4.40	2.20	1.71	83.74	47.762591	57.720972
2005	67.96	3.90	0.09	3.20	0.70	4.40	2.20	1.71	84.16	52.200565	60.512791

Note: The Delaware City School District currently consists of six taxing Districts:

- Delaware Township
- Delaware City
- Troy Township
- Delaware Township-Delaware City
- Brown Township-Delaware City
- Troy Township-Delaware City

"Other" column includes Del-Morrow Mental Health, 9-1-1 and Preservation Parks

Source: Office of the County Auditor, Delaware County, Ohio

DELAWARE SCHOOL DISTRICT  
 REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING  
 Last Ten Years  
 City of Delaware-Delaware City School District  
 (Per \$1000 Assessed Value)

Collection Year	Delaware City School District	Delaware County	City of Delaware	Delaware County District Library	Delaware Area Career Center	Delaware Health Dept	Other	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2014	78.20	5.91	2.70	1.00	3.20	0.70	2.05	93.76	67.524934	71.316492
2013	76.73	5.05	2.70	1.00	3.20	0.70	2.05	91.43	65.176442	68.453865
2012	76.38	5.05	2.70	1.00	3.20	0.70	2.05	91.08	64.784738	67.915646
2011	66.91	5.05	2.70	1.00	3.20	0.70	2.05	81.61	54.025243	57.806992
2010	66.83	5.04	2.70	1.03	3.20	0.70	2.05	81.55	53.910091	57.912998
2009	67.42	4.25	2.70	0.04	3.20	0.70	2.05	80.36	52.670935	56.839017
2008	67.10	4.25	2.70	0.06	3.20	0.70	1.85	79.86	51.601574	56.431302
2007	67.76	4.25	2.70	0.07	3.20	0.70	1.85	80.53	52.040831	57.233446
2006	67.18	4.27	2.70	0.08	3.20	0.70	1.71	79.84	44.872261	54.584214
2005	67.96	3.90	2.70	0.09	3.20	0.70	1.71	80.26	48.803672	57.029435

Note: The Delaware City School District currently consists of six taxing Districts:  
 Delaware Township  
 Delaware City  
 Troy Township  
 Delaware Township-Delaware City  
 Brown Township-Delaware City  
 Troy Township-Delaware City  
 "Other" column includes Del-Morrow Mental Health, 9-1-1 and Preservation Parks

Source: Office of the County Auditor, Delaware County, Ohio

DELAWARE SCHOOL DISTRICT  
 REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING  
 Last Ten Years  
 Troy Township-Delaware City School District  
 (Per \$1000 Assessed Value)

Collection Year	Delaware City School District	Delaware County	Delaware County District Library	Delaware Area Career Center	Delaware Health Dept	Tri-Twp Fire District	Township	Other	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2014	78.20	5.91	1.00	3.20	0.70	5.40	2.20	2.05	98.66	72.303960	76.216492
2013	76.73	5.05	1.00	3.20	0.70	5.40	2.20	2.05	96.33	69.953248	73.335953
2012	76.38	5.05	1.00	3.20	0.70	5.40	2.20	2.05	95.98	69.553149	72.793777
2011	66.91	5.05	1.00	3.20	0.70	5.40	2.20	2.05	86.51	58.717605	62.639412
2010	66.83	5.04	1.03	3.20	0.70	5.40	2.20	2.05	86.45	58.588833	62.744435
2009	67.42	4.25	0.04	3.20	0.70	5.40	2.20	2.05	85.26	57.340875	61.712491
2008	67.10	4.25	0.06	3.20	0.70	5.40	2.20	1.85	84.76	56.351536	61.299213
2007	67.76	4.25	0.07	3.20	0.70	5.40	2.20	1.85	85.43	56.794529	62.082230
2006	67.18	4.27	0.08	3.20	0.70	4.40	2.20	1.71	83.74	47.847422	57.832662
2005	67.96	3.90	0.09	3.20	0.70	4.40	2.20	1.71	84.16	52.221190	60.524242

Note: The Delaware City School District currently consists of six taxing Districts:  
 Delaware Township  
 Delaware City  
 Troy Township  
 Delaware Township-Delaware City  
 Brown Township-Delaware City  
 Troy Township-Delaware City  
 "Other" column includes Del-Morrow Mental Health, 9-1-1 and Preservation Parks

Source: Office of the County Auditor, Delaware County, Ohio

DELAWARE SCHOOL DISTRICT  
 REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING  
 Last Ten Years  
 Delaware Township-Delaware Corp-Del City School Dist  
 (Per \$1000 Assessed Value)

Collection Year	Delaware City School District	Delaware County	City of Delaware	Delaware County District Library	Delaware Area Career Center	Delaware Health Dept	Township	Other	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2014	78.20	5.91	1.35	1.00	3.20	0.70	2.15	2.05	94.56	68.274944	71.993884
2013	76.73	5.05	1.35	1.00	3.20	0.70	2.15	2.05	92.23	65.924374	69.134658
2012	76.38	5.05	1.35	1.00	3.20	0.70	2.15	2.05	91.88	65.531649	68.591562
2011	66.91	5.05	1.35	1.00	3.20	0.70	2.15	2.05	82.41	54.745897	58.483844
2010	66.83	5.04	1.35	1.03	3.20	0.70	2.15	2.05	82.35	54.625752	58.589194
2009	67.42	4.25	1.35	0.04	3.20	0.70	2.15	2.05	81.16	53.385799	57.522173
2008	67.10	4.25	1.35	0.06	3.20	0.70	1.95	1.85	80.46	52.112136	56.912722
2007	67.76	4.25	1.35	0.07	3.20	0.70	1.95	1.85	81.13	52.550765	57.710448
2006	67.18	4.27	1.35	0.08	3.20	0.70	1.95	1.71	80.44	45.387430	55.072524
2005	67.96	3.90	1.35	0.09	3.20	0.70	1.95	6.11	85.26	53.300565	61.612791

Note: The Delaware City School District currently consists of six taxing Districts:

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- Delaware City
- Troy Township
- Delaware Township-Delaware City
- Brown Township-Delaware City
- Troy Township-Delaware City

"Other" column includes Del-Morrow Mental Health, 9-1-1 and Preservation Parks

Source: Office of the County Auditor, Delaware County, Ohio

DELAWARE SCHOOL DISTRICT  
 REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING  
 Last Nine Years  
 Brown Township-Delaware Corp-Del City School Dist  
 (Per \$1000 Assessed Value)

Collection Year	Delaware City School District	Delaware County	City of Delaware	Delaware County District Library	Delaware Area Career Center	Delaware Health Dept	Township	Other	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2014	78.20	5.91	1.35	1.00	3.20	0.70	3.85	2.05	96.26	69.361856	73.630829
2013	76.73	5.05	1.35	1.00	3.20	0.70	3.85	2.05	93.93	67.015807	70.768202
2012	76.38	5.05	1.35	1.00	3.20	0.70	3.85	2.05	93.58	66.621620	70.229633
2011	66.91	5.05	1.35	1.00	3.20	0.70	3.85	2.05	84.11	55.916303	60.044849
2010	66.83	5.04	1.35	1.03	3.20	0.70	3.85	2.05	84.05	55.806921	60.13707
2009	67.42	4.25	1.35	0.04	3.20	0.70	3.85	2.05	82.86	54.559265	59.150289
2008	67.10	4.25	1.35	0.06	3.20	0.70	3.85	1.85	82.36	53.575486	58.664327
2007	67.76	4.25	1.35	0.07	3.20	0.70	3.85	1.85	83.03	54.013791	59.159243
2006	67.18	4.27	1.35	0.08	3.20	0.70	3.85	1.71	82.34	46.845511	56.162734

This tax district was first used in tax year 2005, collection year 2006  
 Note: The Delaware City School District currently consists of six taxing Districts:  
 Delaware Township  
 Delaware City  
 Troy Township  
 Delaware Township-Delaware City  
 Brown Township-Delaware City  
 Troy Township-Delaware City  
 "Other" column includes Del-Morrow Mental Health, 9-1-1 and Preservation Parks

Source: Office of the County Auditor, Delaware County, Ohio

DELAWARE SCHOOL DISTRICT  
 REAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING  
 Last Nine Years  
 Troy Township-Delaware Corp-Del City School Dist  
 (Per \$1000 Assessed Value)

Collection Year	Delaware City School District	Delaware County	City of Delaware	Delaware County District Library	Delaware Area Career Center	Delaware Health Dept	Township	Other	Total Rate	Residential/Agriculture Effective Rate	Commercial/Industrial Effective Rate
2014	78.20	5.91	1.35	1.00	3.20	0.70	1.35	2.05	93.76	67.524934	71.316492
2013	76.73	5.05	1.35	1.00	3.20	0.70	1.35	2.05	91.43	65.176442	68.453865
2012	76.38	5.05	1.35	1.00	3.20	0.70	1.35	2.05	91.08	64.784738	67.915646
2011	66.91	5.05	1.35	1.00	3.20	0.70	1.35	2.05	81.61	54.025243	57.806992
2010	66.83	5.04	1.35	1.03	3.20	0.70	1.35	2.05	81.55	53.910091	57.912998
2009	67.42	4.25	1.35	0.04	3.20	0.70	1.35	2.05	80.36	52.670935	56.839017
2008	67.10	4.25	1.35	0.06	3.20	0.70	1.35	1.85	79.86	61.501574	56.431302
2007	67.76	4.25	1.35	0.07	3.20	0.70	1.35	1.85	80.53	52.040831	57.233446
2006	67.18	4.27	1.35	0.08	3.20	0.70	1.35	1.71	79.84	44.872261	54.584214

This tax district was first used in tax year 2005, collection year 2006  
 Note: The Delaware City School District currently consists of six taxing Districts:  
 Delaware Township  
 Delaware City  
 Troy Township  
 Delaware Township-Delaware City  
 Brown Township-Delaware City  
 Troy Township-Delaware City  
 "Other" column includes Del-Morrow Mental Health, 9-1-1 and Preservation Parks

Source: Office of the County Auditor, Delaware County, Ohio

**Delaware City School District  
Principal Taxpayers  
June 30, 2014 and June 30, 2005**

June 30, 2014		
	Total Assessed Valuation	% of Total Assessed Valuation
<b>Public Utilities</b>		
1 . Ohio Power Company	\$19,407,870	2.79%
2 . Columbia Gas of Ohio	3,560,620	0.51%
<b>Real Estate</b>		
1 . Troy Farms Holdings LLC	7,191,340	1.03%
2 . The Crown Group Limited	4,757,050	0.68%
3 . Willow Brook Christian Communities Inc.	4,492,430	0.65%
4 . USPG Portfolio Two LLC	4,005,000	0.58%
5 . Bowtown Apartments Inc.	3,958,290	0.57%
6 . S A R B G Delaware Ltd	3,773,700	0.54%
7 . Long Real Estate Inc.	3,225,480	0.46%
8 . Western Auto Supply Company	2,187,510	0.31%
9 . Byers Realty LLC	2,129,510	0.31%
10 . Garrison Pittsburgh LLC	2,030,000	0.29%
<b>Tangible Personal Property *</b>	25,111,470	3.61%
ALL OTHERS	<u>609,289,210</u>	<u>87.65%</u>
TOTAL ASSESSED VALUATION	<u><u>\$695,119,480</u></u>	<u><u>100.00%</u></u>
June 30, 2005		
	Total Assessed Valuation	% of Total Assessed Valuation
<b>Public Utilities</b>		
1 . Columbus Southern Power Company	\$10,351,940	1.58%
2 . Verizon North Inc.	5,347,310	0.81%
3 . Columbia Gas of Ohio	1,591,370	0.24%
4 . Norfolk Southern	1,081,780	0.16%
<b>Real Estate</b>		
1 . USPG Portfolio Two LLC	4,664,720	0.71%
2 . S A R B G Delaware Ltd	4,594,780	0.70%
3 . Bowtown Apartments, Inc.	4,585,000	0.70%
4 . Olentangy Building & Development Ltd	2,794,410	0.43%
5 . Western Auto Supply Company	2,434,080	0.37%
6 . Nippert Company	2,430,210	0.37%
7 . Willow Brook Christian Communities Inc.	2,319,040	0.35%
8 . Liebert North America Inc	2,260,720	0.34%
<b>Tangible Personal Property**</b>	-	0.00%
ALL OTHERS	<u>612,631,338</u>	<u>93.23%</u>
TOTAL ASSESSED VALUATION	<u><u>\$657,086,698</u></u>	<u><u>100.00%</u></u>

Source: Office of the County Auditor, Delaware County, Ohio

Assessed Values are for the valuation year of 2013 and 2004 respectively

\* House Bill 66 initiated the phase out of Tangible Personal Property Tax (TPP) in FY 2006, completed in FY 2009. Personal property values are for reference only due to the phase out of personal property tax.

\*\* Tangible Personal Property Taxpayers were not available for 2005.

**DELAWARE CITY SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Years**

<b>Collection Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Total Tax Collections to Tax Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Percent of Delinquent Taxes to Tax Levy</b>
2014	\$ 37,933,774	\$ 37,423,452	98.65	\$ 1,015,516	\$ 38,438,968	101.33	\$ 1,529,565	4.03
2013	36,659,443	35,349,835	96.43	1,133,087	36,482,922	99.52	760,721	2.08
2012	36,500,780	34,746,751	95.19	930,110	35,676,861	97.74	926,639	2.54
2011	30,525,403	29,313,120	96.03	1,274,355	30,587,475	100.20	1,508,954	4.94
2010	30,503,394	28,708,056	94.11	835,846	29,543,902	96.85	1,363,026	4.47
2009	30,310,888	29,350,480	96.83	1,343,737	30,694,216	101.26	1,176,211	3.88
2008	31,563,964	30,004,262	95.06	1,294,830	31,299,092	99.16	1,030,372	3.26
2007	32,080,970	29,894,876	93.19	923,584	30,818,459	96.06	904,788	2.82
2006	29,028,346	27,831,789	95.88	825,427	28,657,215	98.72	634,190	2.18
2005	29,036,124	28,345,995	97.62	677,592	29,023,588	99.96	n/a	n/a

Note: The information above is for real estate, public utilities and tangible personal property collections and levies. Delinquent tax collection are reported by year collected rather than by levy year. The current system at the County does not permit to track and report delinquent tax receipts by levy year. The District will work with the County to ensure required information is available, however, any change will require significant time to implement.

n/a - The information was not available at the time of this document's preparation.

Source: Office of the County Auditor, Delaware County, Ohio

**Delaware City School District  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Governmental Activities						
Year	(a) Gross Bonded Debt	(b) Capital Leases	Total Primary Government	(c) Percentage of Personal Income	(c) Per Capita	(c) Per Enrollment
2014	\$ 46,152,238	\$ -	\$ 46,152,238	4.99%	\$ 1,285	\$ 8,307
2013	28,928,535	-	28,928,535	3.13%	805	5,292
2012	31,463,738	14,957	31,478,695	3.45%	888	5,981
2011	30,874,705	72,154	30,946,859	3.44%	884	5,949
2010	32,959,273	125,606	33,084,879	4.58%	945	6,555
2009	34,963,371	175,559	35,138,930	4.98%	1,028	7,204
2008	36,916,566	222,242	37,138,808	5.38%	1,111	7,678
2007	38,711,438	440,000	39,151,438	5.84%	1,205	8,355
2006	40,610,608	870,000	41,480,608	6.28%	1,296	8,858
2005	40,494,217	1,288,278	41,782,495	6.53%	1,348	9,056

Sources :

- (a) General Obligation debt outstanding end of fiscal year. School District Records
- (b) See notes to the financial statements regarding the School District's capital leases payable
- (c) See Schedule "Demographic and Economic Statistics, Last Ten Years" for personal income, population and enrollment information

**Delaware City School District  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years**

Year	(a) Assessed Value	(b) Gross Bonded Debt	(c) Less Debt Service	Net Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d) Net Bonded Debt Per Capita	(d) Net Bonded Debt Per Enrollment
2014	\$ 695,119,840	\$ 46,152,238	\$ 1,851,359	\$ 44,300,879	6.37%	\$ 1,233	\$ 7,974
2013	692,862,300	28,928,535	1,450,094	27,478,441	3.97%	765	5,027
2012	694,378,780	31,463,738	2,026,061	29,437,677	4.24%	830	5,593
2011	726,300,470	30,874,705	1,978,209	28,896,496	3.98%	825	5,555
2010	727,228,105	32,959,273	1,905,783	31,053,490	4.27%	887	6,153
2009	713,336,866	34,963,371	1,953,294	33,010,077	4.63%	966	6,767
2008	727,147,518	36,916,566	1,917,137	34,999,429	4.81%	1,047	7,236
2007	723,051,699	38,711,438	1,739,268	36,972,170	5.11%	1,138	7,890
2006	729,636,870	40,610,608	2,335,038	38,275,570	5.25%	1,196	8,173
2005	657,086,698	40,494,217	1,683,208	38,811,009	5.91%	1,252	8,412

Sources :

- (a) Office of the County Auditor, Delaware County, Ohio
- (b) General Obligation debt outstanding end of fiscal year. School District Records
- (c) Net position restricted for debt service
- (d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for population and enrollment information

**Delaware City School District  
 Computation of Direct and Overlapping General Obligation Bonded Debt  
 as of June 30, 2014**

Governmental Unit	<u>Gross Debt Outstanding</u>	<u>Percent Applicable to School Dist.</u>	<u>Amount Applicable to Delaware City School District</u>
Delaware City School District	\$ 46,152,238	100.00%	\$46,152,238
Delaware County	<u>20,760,950</u>	11.13%	<u>2,310,694</u>
Total Direct	46,152,238		46,152,238
Total Overlapping	<u>20,760,950</u>		<u>2,310,694</u>
Total Direct and Overlapping	<u><u>\$ 66,913,188</u></u>		<u><u>\$48,462,932</u></u>

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

Overlapping governments with no outstanding debt are not reflected.

Source: Ohio Municipal Advisory Council

**Delaware City School District  
Legal Debt Margin Information  
Last Ten Years**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Assessed Valuation	695,119,480	692,862,300	694,378,780	726,300,470	727,228,105	713,336,866	727,147,518	723,051,699	729,636,870	657,086,698
Voted Debt Limit - 9% of Assessed Valuation	62,560,753	62,357,607	62,494,090	65,367,042	65,450,529	64,200,318	65,443,277	65,074,653	65,667,318	59,137,803
Net Indebtedness (a)	44,300,879	27,478,441	29,437,677	28,896,496	31,053,490	33,010,077	34,999,429	36,972,170	38,275,570	38,811,009
Less Exempted Debt (b)	-	-	-	-	-	-	-	-	-	-
Net Voted Indebtedness	44,300,879	27,478,441	29,437,677	28,896,496	31,053,490	33,010,077	34,999,429	36,972,170	38,275,570	38,811,009
Legal Debt Margin	18,259,874	34,879,166	33,056,413	36,470,546	34,397,039	31,190,241	30,443,848	28,102,483	27,391,748	20,326,794
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	71%	44%	47%	44%	47%	51%	53%	57%	58%	66%
Unvoted Debt Limit - 1% of Assessed Valuation (General Limitation)	6,951,195	6,928,623	6,943,788	7,263,005	7,272,281	7,133,369	7,271,475	7,230,517	7,296,369	6,570,867
Unvoted Net Indebtedness	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	6,951,195	6,928,623	6,943,788	7,263,005	7,272,281	7,133,369	7,271,475	7,230,517	7,296,369	6,570,867
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Unvoted Debt Limit - 9/10 of 1% of Assessed Valuation (energy conservation limit)	6,256,075	6,235,761	6,249,409	6,536,704	6,545,053	6,420,032	6,544,328	6,507,465	6,566,732	5,913,780
Unvoted Net Indebtedness	2,504,390	2,663,900	2,819,270	-	-	-	-	-	-	-
Legal Debt Margin	3,751,685	3,571,861	3,430,139	6,536,704	6,545,053	6,420,032	6,544,328	6,507,465	6,566,732	5,913,780
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	40%	43%	45%	0%	0%	0%	0%	0%	0%	0%

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt exclusive of certain exemptions and exceptions.

(a) - See schedule of Ratios of Net General Bonded Debt Outstanding.  
(b) - Exempt debt of District would be for tax anticipation notes issued under 133.04(B)(1). The District has not issued any TANs.

Source: Office of the County Auditor, Delaware County, Ohio & Bond Council

**Delaware City School District  
Demographic and Economic Statistics  
Last Ten Years**

Year	(a) Estimated Population	(b) Per Capita Income	Personal Income	(c) Unemployment Rate *	(b) % of Population 25 Years and Older with Bachelor's Degree or Higher	(d) Enrollment Membership
2014	35,925	\$ 25,743	\$ 924,817,275	4.10%	31.90%	5,556
2013	35,925	25,728	924,278,400	5.00%	32.10%	5,466
2012	35,450	25,728	912,057,600	5.00%	32.10%	5,263
2011	35,011	25,728	900,763,008	6.10%	32.10%	5,202
2010	35,000	20,633	722,155,000	7.10%	18.30%	5,047
2009	34,168	20,633	704,988,344	6.90%	18.30%	4,878
2008	33,440	20,633	689,967,520	4.60%	18.30%	4,837
2007	32,500	20,633	670,572,500	4.00%	18.30%	4,686
2006	32,000	20,633	660,256,000	3.80%	18.30%	4,683
2005	31,000	20,633	639,623,000	4.20%	18.30%	4,614

Sources :

(a) Population for the District is estimated based on estimates from Census data & the City of Delaware  
2014 Information not available at time of publication, 2013 number used

(b) US Census Bureau: For 2010 and before, 2000 Census Demographic Profiles for the City of Delaware  
For 2011 and after, 2010 US Census Bureau Fact Finder

(c) June Data of Ohio Department of Jobs and Family Services

\* Specific employment figures for the Delaware City School District area are not available.  
Unemployment figures presented are for Delaware County.

(d) Educational Management Information System

**Delaware City School District  
Principal Employers  
Current Year and Nine Years Ago\***

2014		
Employer	Employees	Type of Business
Ohio Health (Grady Memorial Hospital)	1,500	Healthcare
Delaware County	1,082	Government
Delaware City School District	646	Education
Ohio Wesleyan University	565	Education
Advance Auto Parts Distributor	404	Distributor
PPG Industries Ohio, Inc.	359	Manufacturer
Jegs High Performance	350	Distributor
City of Delaware	296	Government
Associated Hygenic Products	261	Manufacturer
Emerson Electric Power	<u>250</u>	Manufacturer
	<u><u>5,713</u></u>	

2006		
Employer	Employees	Type of Business
Delaware County	810	Government
Grady Memorial Hospital	657	Healthcare
PPG Industries	563	Manufacturing
Delaware City Schools	551	Education
Ohio Wesleyan University	495	Education
Wal-Mart Store #2725	465	Retail
Advance Auto Parts	<u>304</u>	Automotive Parts
	<u><u>3,845</u></u>	

Note: Percentage of total employment is not available, as total employment figures for the District were not available.

Note: \* information for 2005 was not available, so 2006 data was used.

Source: Office of the County Auditor, Delaware County, Ohio

**Delaware City School District  
Staffing Statistics - Full Time Equivalents (FTE) by Type and Function  
Last Ten Fiscal Years**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Professional Staff:</b>										
Teaching Staff:										
Regular Education Teaching	240.07	229.00	225.35	233.71	229.42	230.57	219.00	215.55	219.12	216.71
Special Education Teaching*	60.00	57.13	57.34	56.71	56.83	52.50	53.97	54.72	55.69	57.00
Vocational Education Teaching	3.00	2.57	2.57	2.57	2.57	3.57	3.50	3.50	3.50	3.50
Tutors/Small Group Instruction		-	0.19	0.19	-	-	-	-	-	7.00
Administrators										
District/Building	27.00	20.00	21.00	22.00	21.00	21.00	21.00	21.00	21.00	22.00
Auxiliary Positions										
Psychologists	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Counseling	11.00	10.00	11.00	11.00	10.00	10.00	10.00	10.00	10.00	10.00
Nurses	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Speech and Language Therapist	5.00	5.00	4.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Adapted Phys Ed/Occupational Therapist										
Physical Therapist										
Social Work	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Librarian/Media	2.00	2.00	2.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Remedial Specialist	8.00	10.00	10.00	12.00	10.00	5.00	10.00	9.00	9.00	3.00
Planning, Curriculum										
Other Professional	11.22	8.00	9.00	11.00	11.00	11.00	11.00	11.00	11.00	15.00
Support Staff										
Clerical	29.00	30.00	30.00	30.00	30.00	30.00	29.00	30.00	30.00	31.00
Instructional Paraprofessional	39.00	37.00	31.00	38.00	34.00	32.00	30.00	29.00	-	-
Teaching Aides	1.00	1.00	1.00	3.00	1.00	1.00	1.00	2.00	31.50	30.50
Library Aide	9.00	8.00	8.00	9.00	10.00	12.00	11.00	11.00	11.00	11.00
Other Technical/Service		-	-	-	-	-	-	-	2.00	4.00
Accounting, Bookkeeping	4.00	4.00	4.00	4.00	4.00	4.00	3.00	4.00	4.00	4.00
Food Service	39.00	40.00	37.00	37.00	37.00	36.00	27.00	28.00	28.00	25.00
Dispatching	2.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	1.00
Vehicle Operator (non-bus)	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Custodial	29.00	31.00	30.00	31.00	30.00	30.00	30.00	30.00	30.00	30.00
Maintenance	5.00	3.00	3.00	4.00	4.00	4.00	4.00	5.00	5.00	4.00
Electrician	1.00	2.00	2.00	2.00	2.00	1.00	-	1.00	1.00	1.00
Bus Drivers	44.00	42.00	37.00	36.00	37.00	34.00	33.00	32.00	33.00	33.00
Mechanics	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Total	<u>580.29</u>	<u>554.70</u>	<u>538.45</u>	<u>560.18</u>	<u>549.82</u>	<u>538.64</u>	<u>517.47</u>	<u>517.77</u>	<u>525.81</u>	<u>528.71</u>

<b>Function</b>	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Governmental Activities</b>										
Instruction										
Regular and Special	311.07	298.70	295.45	305.18	298.82	291.64	286.47	282.77	287.31	287.21
Support Services										
Pupils	35.22	31.00	32.00	33.00	34.00	34.00	34.00	34.00	34.00	39.00
Instructional Staff	51.00	48.00	42.00	51.00	47.00	47.00	44.00	44.00	44.50	43.50
School Administration	43.00	37.00	38.00	39.00	38.00	38.00	37.00	38.00	38.00	40.00
Fiscal	5.00	5.00	5.00	5.00	5.00	5.00	4.00	5.00	5.00	5.00
Business	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance	37.00	39.00	38.00	40.00	39.00	38.00	37.00	39.00	39.00	38.00
Transportation	51.00	48.00	43.00	42.00	43.00	41.00	40.00	39.00	40.00	39.00
Central	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	5.00	7.00
Community Service	40.00	41.00	38.00	38.00	38.00	37.00	28.00	29.00	29.00	26.00
Extra Curricular Activities	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Governmental Activities	<u>580.29</u>	<u>554.70</u>	<u>538.45</u>	<u>560.18</u>	<u>549.82</u>	<u>538.64</u>	<u>517.47</u>	<u>517.77</u>	<u>525.81</u>	<u>528.71</u>
Total Primary Government	<u>580.29</u>	<u>554.70</u>	<u>538.45</u>	<u>560.18</u>	<u>549.82</u>	<u>538.64</u>	<u>517.47</u>	<u>517.77</u>	<u>525.81</u>	<u>528.71</u>

\* Includes Preschool and Gifted

Source - School District EMIS (Education Management Information System) Records

**Delaware City School District  
Operating Indicators by Function  
Last Ten Fiscal Years**

Function	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Governmental Activities</b>										
Instruction										
Regular and Special										
Support Services - Pupil										
Enrollment (Students)	5,556	5,466	5,263	5,202	5,047	4,878	4,837	4,686	4,683	4,614
Graduation Rate*	93.2%	90.4%	90.4%	90.2%	92.6%	91.5%	92.6%	94.8%	88.2%	90.7%
% of Students with Disabilities	N/A	14.5%	14.1%	14.8%	14.2%	14.5%	14.8%	15.0%	15.4%	15.2%
% of Limited English Proficient Students	N/A	1.1%	1.0%	1.4%	1.7%	1.4%	1.1%	1.1%	1.4%	1.2%
Support Services										
Instructional Staff										
Information Technology Services										
Work Orders Completed	2,885	2,596	2,278	2,636	2,446	2,153	N/A	N/A	N/A	N/A
School Administration										
Student Attendance Rate	95.7%	95.0%	94.8%	95.1%	94.6%	94.5%	94.4%	94.8%	94.6%	94.7%
Fiscal										
Purchase Orders Processed	4,023	4,290	4,100	4,492	4,559	4,501	4,567	4,473	5,495	6,429
Nonpayroll Checks Issued	5,665	5,703	5,312	4,862	4,937	5,048	4,989	4,736	5,378	5,837
Maintenance										
District Square Footage Maintained by Custodians and Maintenance Staff	736,968	736,968	736,968	736,968	736,968	736,968	736,968	736,968	736,968	736,968
District Acreage Maintained by Grounds Staff	161.43	161.43	161.43	161.43	161.43	161.43	161.43	161.43	161.43	161.43
Transportation										
Avg. Public and Parochial Students Transported Daily (includes special education)	3,104	2,933	3,120	3,097	2,773	2,592	2,939	3,064	2,889	2,719
Avg. Daily Bus Fleet Mileage	2,504	2,450	2,474	2,508	2,442	2,399	2,255	2,277	2,548	2,452
Number of Buses in District Fleet	49	48	48	47	45	43	41	41	41	40
Community Services										
Number of Students Enrolled in District School-Aged Childcare Program	514	830	512	481	435	350	N/A	225	225	225
Food Service Operations										
Meals Served to Students	475,455	503,834	535,678	498,114	478,490	440,392	414,041	395,032	386,074	354,244
Lunch	93,969	98,740	107,528	98,333	85,717	64,522	46,331	39,061	36,585	27,735
Breakfast										

Note -Indicators were not available for the following functions: Business, Central, Extra Curricular

\* - Beginning with FY2011, graduation rate is presented as a four-year rate.

N/A - Information not available at time of publication

Source - School District Records and Ohio Department of Education Report Card Data



**Delaware City School District  
Capital Assets by Function/Program  
Last Ten Fiscal Years**

	2014	2013	2012	2011
<b>Governmental Activities</b>				
Regular Instruction				
Land	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887
Land Improvements	2,399,191	2,399,191	2,399,191	2,399,191
Buildings and Improvements	50,044,500	50,044,500	47,272,379	47,272,380
Furniture Fixtures and Equip.	1,392,240	1,470,257	1,454,621	1,460,511
Books	341,357	341,357	341,357	341,356
Special Instruction				
Furniture Fixtures and Equip.	5,995	5,995	5,995	-
Vocational Instruction				
Furniture Fixtures and Equip.	28,509	28,509	28,509	28,509
Instructional Staff Support				
Furniture Fixtures and Equip.	138,084	138,084	138,084	138,084
Books	925,054	925,054	925,054	925,054
General and School Administration				
Land Improvements	20,962	20,962	20,962	20,962
Buildings and Improvements	31,552	31,552	31,552	31,552
Furniture Fixtures and Equip.	97,945	97,945	87,774	87,774
Operations and Maintenance				
Land	116,379	116,379	116,379	116,379
Land Improvements	39,567	39,567	91	91
Buildings and Improvements	2,084,280	1,966,413	1,674,758	1,317,624
Furniture Fixtures and Equip.	877,470	737,744	697,268	670,994
Buses, autos and trucks	102,417	102,417	102,417	102,417
Pupil Transportation				
Land	225,000	225,000	225,000	225,000
Land Improvements	69,706	69,706	69,706	69,706
Buildings and Improvements	817,000	817,000	817,000	817,000
Furniture Fixtures and Equip.	7,695	7,695	7,695	7,695
Buses, autos and trucks	3,872,605	3,765,039	3,797,547	3,458,666
Community Relations				
Furniture Fixtures and Equip.	6,934	-	-	-
Food Service Operations				
Furniture Fixtures and Equip.	389,367	389,367	375,159	375,159
Extracurricular Activities				
Land Improvements	259,853	259,853	259,853	259,853
Buildings and Improvements	1,119,512	1,119,512	1,119,512	1,067,610
Furniture Fixtures and Equip.	28,378	17,520	17,520	17,520
Total Governmental Activities				
Capital Assets	<u>\$ 67,882,438</u>	<u>\$ 67,577,505</u>	<u>\$ 64,426,270</u>	<u>\$ 63,651,974</u>

\* Indicates a year that was later restated.

Note: Amounts do not include construction in progress amounts.

Source: School District capital asset records

	2010	2009	2008	2007*	2006*	2005
\$	2,440,887	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887
	2,399,191	2,399,191	2,399,191	2,399,191	2,399,191	2,399,191
	47,274,614	47,317,690	47,268,715	47,268,715	47,019,712	47,729,804
	1,540,099	1,541,148	1,520,583	681,186	2,841,857	2,847,450
	341,356	341,356	341,356	341,356	698,782	698,782
	-	-	-	-	-	-
	28,509	28,509	28,509	-	-	-
	138,084	138,084	138,084	138,084	190,073	190,073
	925,054	925,054	925,054	925,054	1,847,445	1,847,445
	20,962	20,962	20,962	20,962	20,962	20,962
	31,552	31,552	31,552	31,552	31,552	31,552
	87,774	102,245	102,245	102,245	253,372	253,372
	116,379	116,379	116,379	33,726	33,726	33,726
	-	-	-	-	-	-
	566,638	255,618	60,203	60,203	60,203	146,358
	664,031	608,793	562,497	562,497	748,837	485,440
	102,416	88,616	51,865	51,865	51,865	183,677
	225,000	225,000	225,000	225,000	225,000	225,000
	69,706	69,706	69,706	69,706	69,706	-
	817,000	817,000	817,000	817,000	817,000	817,000
	7,695	7,695	7,695	7,695	7,695	57,601
	3,138,037	3,249,151	3,072,516	2,806,302	2,798,638	2,431,704
	-	-	-	-	-	-
	375,853	381,072	404,559	490,810	490,810	509,918
	259,853	259,853	259,853	259,853	259,853	363,009
	1,067,610	887,610	887,610	887,610	887,610	149,333
	17,520	17,520	-	-	-	-
\$	<u>62,655,820</u>	<u>\$ 62,270,691</u>	<u>\$ 61,752,021</u>	<u>\$ 60,621,499</u>	<u>\$ 64,194,776</u>	<u>\$ 63,862,284</u>

**Delaware City School District  
School Building Information  
Last Ten Fiscal Years**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Ervin Carlisle Elementary (1955, 1979)										
Square Feet	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269
Capacity (Students)	491	491	491	491	491	491	491	491	491	491
Enrollment	549	549	540	524	531	520	480	470	446	430
James Conger Elementary (1966, 1995)										
Square Feet	52,780	52,780	52,780	52,780	52,780	52,780	52,780	52,780	52,780	52,780
Capacity (Students)	524	524	524	524	524	524	524	524	524	524
Enrollment	399	399	423	431	417	389	388	395	384	352
John C. Dempsey Middle School (2000)										
Square Feet	132,144	132,144	132,144	132,144	132,144	132,144	132,144	132,144	132,144	132,144
Capacity (Students)	816	816	816	816	816	816	816	816	816	816
Enrollment	824	824	753	720	724	685	668	679	717	672
Rutherford B. Hayes High School (1962, 1996)										
Square Feet	233,380	233,380	233,380	233,380	233,380	233,380	233,380	233,380	233,380	233,380
Capacity (Students)	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366
Enrollment	1,444	1,444	1,397	1,423	1,359	1,363	1,418	1,334	1,331	1,319
Robert F. Schultz Elementary (1994)										
Square Feet	55,609	55,609	55,609	55,609	55,609	55,609	55,609	55,609	55,609	55,609
Capacity (Students)	532	532	532	532	532	532	532	532	532	532
Enrollment	539	539	528	516	509	471	461	445	437	444
David Smith Elementary (1950, 1982)										
Square Feet	34,628	34,628	34,628	34,628	34,628	34,628	34,628	34,628	34,628	34,628
Capacity (Students)	425	425	425	425	425	425	425	425	425	425
Enrollment	411	411	403	384	399	417	403	361	365	392
Frank B. Willis Intermediate School (1883, 1933)										
Square Feet	118,353	118,353	118,353	118,353	118,353	118,353	118,353	118,353	118,353	118,353
Capacity (Students)	729	729	729	729	729	729	729	729	729	729
Enrollment	877	877	841	815	753	698	707	694	663	693
Laura Woodward Elementary (1950, 1975, 1980)										
Square Feet	39,565	39,565	39,565	39,565	39,565	39,565	39,565	39,565	39,565	39,565
Capacity (Students)	500	500	500	500	500	500	500	500	500	500
Enrollment	423	423	378	389	355	335	312	308	340	312
Administration Building (1869)										
Square Feet	7,840	7,840	7,840	7,840	7,840	7,840	7,840	7,840	7,840	7,840
District Technology Center (1955)										
Square Feet	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400	12,400
Transportation (1997)										
Square Feet	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000

**Source :** School District Records

**Note:** Year of original construction and major renovation/addition(s) in parentheses  
Capacity is the "program" capacity and can increase/decrease as a result of changes in federal, state, or local standards.

**Delaware City School District  
Educational and Operating Statistics  
Last Ten School Years**

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
<b>ACT Scores (Averages)</b>										
Delaware	21.8	22.4	22.9	22.5	21.8	22.4	22.5	21	21.2	21.5
Ohio	22	21.8	21.8	21.8	21.8	21.7	21.7	21.6	21.5	21.4
National	21	20.9	21.1	21.1	21	21.1	21.1	21.2	21.1	20.9
<b>SAT Scores (Averages)</b>										
Delaware										
Verbal/Critical Reading	552	536	573	545	535	531	560	518	523	522
Mathematics	556	529	569	544	531	534	562	527	529	521
Writing	521	507	537	527	495	525	531	490	504	n/a
Ohio										
Verbal/Critical Reading	555	548	543	539	538	537	534	536	535	539
Mathematics	562	556	552	545	548	546	544	542	544	543
Writing	535	531	525	522	522	523	521	522	521	n/a
National										
Verbal/Critical Reading	497	496	496	497	501	501	502	502	503	508
Mathematics	513	514	514	514	516	515	515	515	518	520
Writing	487	488	488	489	492	493	494	494	497	n/a
<b>National Merit Scholars</b>										
Finalist	0	0	0	1	0	2	1	1	0	0
Semi-Finalist	4	3	0	1	0	3	3	0	1	0
Commended Scholars	2	0	4	0	2	1	2	3	4	2
<b>State Testing Indicators</b>										
Total Number of Indicators	24	24	26	26	26	30	30	30	25	23
Delaware Met	23	23	26	26	24	27	26	25	21	14
State Average Met	N/A	20	21	18	18	19	18	19	17	11
Performance Index Score *	101.4	100.0	100.3	100.3	97.8	98.2	96.3	97.1	96.6	92.8
<b>ODE Per Pupil Costs</b>										
Delaware	N/A	\$ 9,142	\$ 9,681	\$ 10,008	\$ 9,821	\$ 10,235	\$ 9,463	\$ 9,536	\$ 9,390	\$ 9,186
State Avg.	N/A	\$ 10,446	\$ 10,597	\$ 10,697	\$ 10,565	\$ 10,253	\$ 9,990	\$ 9,623	\$ 9,343	\$ 9,047
<b>Average Teacher Salary</b>										
Delaware	N/A	\$ 57,700	\$ 56,543	\$ 57,373	\$ 56,865	\$ 55,473	\$ 52,500	\$ 51,401	\$ 50,956	\$ -
State Avg.	N/A	\$ 57,966	\$ 58,120	\$ 57,904	\$ 56,995	\$ 55,583	\$ 54,210	\$ 52,596	\$ 51,346	\$ 49,438
<b>Teacher Years' Experience</b>										
% Teachers 0-4 Years Experience	N/A	21.3%	26.1%	23.8%	25.0%	21.6%	17.7%	12.8%	30.9%	(a)
% Teachers 4-10 Years Experience	N/A	21.0%	15.7%	20.1%	16.6%	19.2%	23.1%	27.8%	18.0%	(a)
% Teachers 10+ Years Experience	N/A	57.6%	58.2%	56.1%	58.5%	59.2%	59.2%	59.4%	51.1%	(a)
<b>Percentage of Teachers with a Master's Degree or Higher</b>										
	71.1%	72.8%	71.9%	58.4%	60.0%	63.7%	66.6%	61.1%	59.1%	54.1%
<b>ODE Teacher/Pupil Ratio</b>										
Delaware	N/A	(a)	(a)	(a)	(a)	(a)	19.73	20.07	18.56	(a)
State Avg.	N/A	(a)	(a)	(a)	(a)	(a)	18.47	19.48	18.49	18.5
<b>Percentage of Students on Free/Reduced Lunch</b>										
	36.2%	38.2%	37.0%	35.5%	33.9%	31.6%	27.9%	27.4%	26.6%	23.5%

n/a - Test did not exist at this time.

N/A - Information not available at the time of this document's preparation

(a) - Information is not available.

\* - The Performance Index Score reflects the achievement of every tested student.

The score is a weighted average of all tested subjects in grades 3-8 and 10.

The most weight is given to advanced students (1.2) and the weights decrease for each performance level. This creates a scale of 0 to 120 points, with 100 being the goal.

Source : School District Student Records and Ohio Department of Education







Delaware City School District  
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# Dave Yost • Auditor of State

**DELAWARE CITY SCHOOL DISTRICT**

**DELAWARE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY 3, 2015**