

**SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY
SINGLE AUDIT
JULY 1, 2011 - JUNE 30, 2012**





Dave Yost • Auditor of State

Board of Education
South-Western City School District
3805 Marlane Drive
Grove City, Ohio 43123

We have reviewed the *Independent Auditors' Report* of the South-Western City School District, Franklin County, prepared by Wilson, Shannon & Snow, Inc., for the audit period July 1, 2011 through June 30, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Findings for Recovery – Unsupported Expenditures – Partially Repaid Under Audit

Ohio Rev. Code 149.351(A) states, in pertinent part, that all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under Sections 149.38 to 149.42 of the Revised Code.

State ex rel. McClure v. Hagerman, 155 Ohio St. 320 (1951), provides that expenditures made by a governmental unit should serve a public purpose. Typically the determination of what constitutes a “proper public purpose” rests with the judgment of the governmental entity, unless such determination is arbitrary or unreasonable. Even if a purchase is reasonable, Ohio Attorney General Opinion 82-006 indicates that it must be memorialized by a duly enacted ordinance or resolution and may have a prospective effect only. **Auditor of State Bulletin 2003-005 Expenditure of Public Funds/Proper Public Purpose** states that the Auditor of State’s Office will only question expenditures where the legislative determination of a public purpose is manifestly arbitrary and incorrect.

Board of Education Policy #6320 provides that “The acquisition of supplies, equipment and services will be centralized in the business office, which functions under the supervision of the Business Manager, through whose office all purchasing transactions are coordinated. Moneys under the jurisdiction of the South-Western City Board of Education may not be expended except upon a warrant drawn against a specific appropriation and against a specific fund. Therefore, no contract or purchase order for the expenditure of money will be made unless there is attached to it a certificate of the Treasurer to the effect that the amount required to meet the contract or purchase order has been appropriated and is in the treasury, or is in the process of collection and that it is free from previous encumbrance.”

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Contrary to Policy #6320, three of the District’s high school athletic directors maintained outside bank accounts and made expenditures for various operating expenditures. The athletic directors did not maintain adequate documentation to support that the expenditures were for proper public purposes. The table below includes the total unsupported expenditures made from these accounts. Alternative audit procedures were applied in an attempt to verify if the unsupported expenditures were made for proper public purposes. The portion of the total unsupported expenditures the testing procedures could not verify if they were for proper public purposes is noted in the far right column in the table below.

Fiscal Years	Athletic Director	Unsupported Expenditures	Alternative Audit Procedures Could Not Verify These Expenditures Were For Proper Public Purposes
2007 to 2012	Central Crossing Athletic Director Dennis Dew	\$12,657	\$5,754
2008 to 2011	Grove City High School Athletic Director Ron Hutcheson	\$1,930	\$205
2008 to 2012	Westland High School Athletic Director Greg Burke	\$6,183	\$1,000

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, Findings for Recovery for public monies illegally expended in favor of the District’s OHSAA Agency Fund are hereby issued against:

Athletic Director	Amount
Dennis Dew	\$5,754
Ron Hutcheson	\$205
Greg Burke	\$1,000

Board of Education
South-Western City School District
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On March 20, 2013 Ron Hutcheson repaid the Southwestern City School District the \$205 identified above, to the credit of the District's OHSAA Agency Fund.

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

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

Dave Yost
Auditor of State

March 25, 2013

**SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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**SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY
SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Federal Grantor/ Pass thru Grantor/ Program Title	Pass-Through Entity Number	Federal CFDA Number	Cash Receipts	Non-Cash Receipts	Cash Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed through Ohio Department of Education:</i>						
<i>Child Nutrition Cluster:</i>						
National School Breakfast Program	N/A	10.553	\$ 1,132,542	\$ -	\$ 1,132,542	\$ -
National School Lunch Program	N/A	10.555	4,456,908	484,006	4,456,908	484,006
<i>Total Child Nutrition Cluster:</i>			<u>5,589,450</u>	<u>484,006</u>	<u>5,589,450</u>	<u>484,006</u>
Child and Adult Care Food Program	N/A	10.558	182,534	-	182,534	-
Total U.S. Department of Agriculture			<u>5,771,984</u>	<u>484,006</u>	<u>5,771,984</u>	<u>484,006</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed through Ohio Department of Education:</i>						
<i>Title I Cluster:</i>						
Title I Grants to Local Educational Agencies	N/A	84.010	6,495,488	-	6,467,890	-
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	N/A	84.389	565,658	-	380,123	-
<i>Total Title I Cluster</i>			<u>7,061,146</u>	<u>-</u>	<u>6,848,013</u>	<u>-</u>
<i>Special Education Cluster:</i>						
Special Education-Grants to States	N/A	84.027	4,021,720	-	4,021,235	-
ARRA - Special Education-Grants to States, Recovery Act	N/A	84.391	450,042	-	384,363	-
Special Education-Preschool Grants	N/A	84.173	42,280	-	42,874	-
ARRA - Special Education-Preschool Grants, Recovery Act	N/A	84.392	6,760	-	6,567	-
<i>Total Special Education Cluster</i>			<u>4,520,802</u>	<u>-</u>	<u>4,455,039</u>	<u>-</u>
<i>Education Technology State Grants Cluster:</i>						
Education Technology State Grants	N/A	84.318	-	-	541	-
ARRA - Education Technology State Grants, Recovery Act	N/A	84.386	11,746	-	6,296	-
<i>Total Education Technology State Grants Cluster</i>			<u>11,746</u>	<u>-</u>	<u>6,837</u>	<u>-</u>
Vocational Education-Basic Grants to States	N/A	84.048	373,762	-	351,826	-
Safe and Drug Free Schools and Communities-State Grants	N/A	84.186	73,133	-	73,133	-
English Language Acquisition Grants	N/A	84.365	582,776	-	574,429	-
Improving Teacher Quality State Grants	N/A	84.367	759,463	-	715,045	-
Education Jobs Fund	N/A	84.410	4,453,168	-	4,487,446	-
<i>Total Passed through Ohio Department of Education</i>			<u>17,835,996</u>	<u>-</u>	<u>17,511,768</u>	<u>-</u>
<i>Passed through the Goodman Guild Association:</i>						
Adult Education-Basic Grants to States	N/A	84.002	156,235	-	176,093	-
<i>Passed through the Ohio Board of Regents:</i>						
Adult Education-Basic Grants to States	N/A	84.002	42,591	-	49,385	-
<i>Total Adult Education-Basic Grants to States</i>			<u>198,826</u>	<u>-</u>	<u>225,478</u>	<u>-</u>
Total U. S Department of Education			<u>18,034,823</u>	<u>-</u>	<u>17,737,246</u>	<u>-</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>						
<i>Passed through Columbus Urgan League (CUL):</i>						
Head Start	N/A	93.600	2,000,954	-	2,001,548	-
<i>Passed through Ohio Department of Jobs and Family Services:</i>						
Refugee and Entrant Assistance-Discretionary Grants	R1-S1	93.576	37,748	-	31,913	-
Total U.S. Department of Health and Human Services			<u>2,038,702</u>	<u>-</u>	<u>2,033,461</u>	<u>-</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>						
<i>Passed through Franklin County Emergency Mgmt. & Homeland Security:</i>						
Homeland Security Grant Program	2008-SHSP, 2009-SHSP	97.067	27,890	-	20,000	-
Readiness and Emergency Management for Schools	Q184E100222	84.184E	147,211	-	147,215	-
Total U.S. Department of Homeland Security			<u>175,101</u>	<u>-</u>	<u>167,215</u>	<u>-</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 26,020,610</u>	<u>\$ 484,006</u>	<u>\$ 25,709,906</u>	<u>\$ 484,006</u>

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

**SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) is a summary of the activity of the District's federal award programs. 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 in the Schedule, the District assumes it expends federal monies first.

NOTE C – FOOD DONATION PROGRAM

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

The District used the services of DJ Co-ops to hold, process, and deliver its federal commodities at a nominal rate.

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**Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters
Required By Government Auditing Standards**

Board of Education
South-Western City School District
3805 Marlane Drive
Grove City, Ohio 43123

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South-Western City School District, Franklin County, Ohio (the District) as of and for the fiscal year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 14, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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 more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Wilson, Shannon & Snow, Inc.

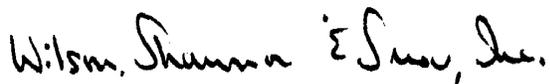
CERTIFIED PUBLIC ACCOUNTANTS
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FAX (740) 345-5635

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, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 14, 2012.

We intend this report solely for the information and use of the Finance Committee, management, the Board of Education, and federal awarding agencies and pass-through entities, and others within the District. We intend it for no one other than these specified parties.



December 14, 2012



Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control over Compliance Required By OMB Circular A-133 and the Schedule of Federal Awards Receipts and Expenditures

Board of Education
South-Western City School District
3805 Marlane Drive
Grove City, Ohio 43123

Compliance

We have audited the compliance of the South-Western City School District, Franklin County (the District) with the types of compliance 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 District's major federal programs for the fiscal year ended June 30, 2012. The *summary of auditor's results* section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to opine on the District's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to 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 that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with these requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with these requirements.

In our opinion, the South-Western City School District, Franklin County complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the fiscal year ended June 30, 2012.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS

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Internal Control over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining 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 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

However, we noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 14, 2012.

Schedule of Federal Awards Receipts and Expenditures

We have also audited and issued our unqualified opinion on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the South-Western City School District, Franklin County (the District) as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated December 14, 2012. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information 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 used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements.

South-Western City School District

Franklin County

Independent Auditors' Report on Compliance Applicable to Each Major Federal Program and on
Internal Control over Compliance Required By *OMB Circular A-133*

and the Schedule of Federal Awards Receipts and Expenditures

Page 3

Schedule of Federal Awards Receipts and Expenditures (Continued)

We also applied certain additional procedures, including comparing and reconciling this information 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the Finance Committee, management, the Board of Education, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

Wilson, Shuman & Snow, Inc.

December 14, 2012

**SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 §.505**

JUNE 30, 2012

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for each major federal program?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in its internal control for each major federal program?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Title I Cluster: Title I Grants to Local Educational Agencies\CFDA #84.010 and Title I Grants to Local Educational Agencies, Recovery Act\CFDA #84.389 Education Jobs\ CFDA 84.410 Head Start\CFDA #93.600
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$785,817 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**SOUTH-WESTERN CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
*OMB CIRCULAR A-133 §.505***

JUNE 30, 2012

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

South Western City Schools

*Comprehensive Annual Financial Report
For the Year ended June 30, 2012*

**South-Western City Schools
3805 Marlane Drive
Grove City, Ohio 43123
(614) 801-3042**

SOUTH-WESTERN CITY SCHOOL DISTRICT

Grove City, Ohio

***COMPREHENSIVE ANNUAL FINANCIAL
REPORT***

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Issued by the Treasurer's Office

Hugh W. Garside, Jr., Treasurer
Karen K. New, Assistant Treasurer

Introductory Section

South-Western City School District
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2012

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District Service Center

3805 Marlane Drive
Grove City, Ohio 43123-3304
(614) 801-3000
Fax: (614) 875-1394

December 14, 2012

CITIZENS AND BOARD OF EDUCATION OF THE SOUTH-WESTERN CITY SCHOOL DISTRICT:

The twenty-third Comprehensive Annual Financial Report (CAFR) of the South-Western City School District (the District) Treasurer's Office contains financial statements, supplemental statements, and statistical information to provide complete and full disclosure of all material aspects of the District for the 2011-12 fiscal year. This report prepared by the Treasurer's office including the unqualified opinion of our independent auditors, Wilson, Shannon & Snow, Inc. for the fiscal year ended June 30, 2012 is hereby submitted. Responsibility for the accuracy, completeness, and fairness of the report rests with the District. To the best of our knowledge and belief, this report 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 various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report was prepared in conformance with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

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 MD & A and should be read in conjunction with it. The District's MD & A can be found immediately following the report of the independent auditors.

Copies of this report will be widely distributed throughout the District. A copy will be posted on the District's website and copies will be sent to the Southwest Public Library, Moody's Investors Services, and Standard and Poor's Financial Rating Services, banks, and any other interested parties.

SCHOOL DISTRICT ORGANIZATION

The District was established in 1959 through the consolidation of existing land areas and several smaller local school districts and is organized under Sections 2 and 3, Article VI of the constitution of the State of Ohio. Under Ohio law, there is no authority for a District to have a charter or adopt local laws. The legislative power of the District is vested in the board of education, consisting of five members elected at large for staggered four year terms.

The Superintendent is the chief administrative officer of the District, responsible for both education and support operations. The Treasurer is the chief fiscal officer of the District, responsible for maintaining records of all financial matters, issuing warrants in payment of liabilities incurred by the District, and investing idle funds as specified by Ohio law.

THE REPORTING ENTITY AND SERVICES PROVIDED

The District serves an area of approximately one hundred nineteen square miles. It encompasses most of the southwest quadrant of Franklin County, including a substantial portion of the southwest quadrant of the City of Columbus and five other cities and villages and a number of townships. In addition, a very small portion of Pickaway County is included within the District boundaries.

THE REPORTING ENTITY AND SERVICES PROVIDED – (Continued)

The District maintains thirty-six instruction/support facilities staffed by 886 non-certificated employees, 1,410 certificated full-time teaching personnel and 100 administrative employees to provide services to 20,076 students.

This report includes all funds of the District. The District provides a full range of traditional and non-traditional educational programs, services and facilities. These include elementary and secondary curriculum offerings at the college preparatory and career technical levels; a broad range of co-curricular and extracurricular activities; special education programs and community recreation facilities.

The City of Grove City; Townships of Franklin, Jackson, Pleasant and Prairie; and the Southwest Public Library have not met the established criteria for inclusion in the reporting entity, and accordingly are excluded from this report.

ECONOMIC CONDITION AND OUTLOOK

The District is an independent political subdivision characterized as a “city school district” under Ohio Law, and provides educational services as mandated by state and/or federal agencies. The District is located primarily in Franklin County, Ohio southwest of, and included in parts of the City of Columbus, the State capital. Generally speaking, the Columbus area is noted for its attractive service-based economy, cultural and educational elements. The District shares these demographic components with the resultant quality of life. Unemployment in the Franklin County, as listed by the Ohio Department of Job and Family Services, was 5.8 percent for the period ending September 2012. The seasonally adjusted rate of unemployment in Ohio was 7.0 percent and the national rate was 7.8 percent for the same period.

The Columbus metropolitan area is characterized by its diverse economy and economic growth. A strong residential, commercial and industrial tax base, a very diverse labor force, and an unemployment rate below the State average have resulted in strong growth throughout the area. The District's specific economic and jurisdictional territory is comprised primarily of the City of Columbus, 38% of the District, the City of Grove City (the "City"), 34% of the District, and the townships of Jackson, Franklin, Prairie and Pleasant. The Grove City Area Community Improvement Corporation (the "Grove City CIC") was incorporated on August 8, 1979 in order to advance, encourage, and promote the industrial, economic, commercial and civic development in the City. The Grove City CIC is the agency and instrumentality of the City for industrial, commercial, distribution and research development and works to retain, expand, and attract capital investment and jobs to the City. Strategies used to implement the Grove City CIC's mission include the promotion of local, state, and federal financial assistance, tax incentives, and training/technical assistance programs. The Treasurer of the District is a member of the Grove City CIC.

Economic Development Initiatives and Incentives within the City

In the City, opportunities for residential, commercial and industrial development have been enhanced by major expansions of the City's water distribution, sanitary sewer and street systems. Another significant infrastructure improvement is the reconstructed and expanded interchange located at Interstate 71 and State Route 665. The I-71/SR 665 interchange will have the capacity to handle 41,600 vehicles a day, more than three times the current capacity. By using a single-point urban interchange design, this project will open up hundreds of acres for development serving as a gateway to Rickenbacker International Airport ("Rickenbacker") located only minutes from the City. Construction of the interchange began in November 2010 and is in the final of three phases. This interchange will significantly improve safety and congestion on I-71 and SR 665 and serve as the western gateway to I-71 from Rickenbacker, thereby becoming an important expansion area for logistics companies capitalizing on the area's access to Rickenbacker's intermodal terminal. Construction of Phase III is expected to be completed by December of 2012.

ECONOMIC CONDITION AND OUTLOOK – (Continued)

Rickenbacker is a first-class cargo airport offering high-speed logistical movement of goods and serves as the area's only U.S. Foreign Trade Zone. With improved access to major interstate highways and area airports, the new redesigned interchange is also valuable to existing companies such as FedEx and Tigerpoly Manufacturing. These infrastructure improvements are a result of a comprehensive planning process that coordinates actions of the City with area developers.

The construction of the Rickenbacker Intermodal Connector (the "Intermodal Connector"), which is within two miles of the District nearby, but not within the territory of the City or the District, is a critical part of regional economic development effort. Formerly known as the East-West Connector, the Intermodal Connector recently came closer to becoming a reality with the approval of a \$2,036,320 State of Ohio Department of Development grant for the project. Overall, \$3,536,320 in Roadwork Development Grant funding has been secured for the Intermodal Connector. The \$2,036,320 grant is the first part of the allocation for fiscal year 2012 while the remaining \$1,500,000 is for fiscal year 2013, which began on July 1, 2012. This second part of the allocation still must be approved by the State of Ohio General Assembly. The Intermodal Connector, which is expected to cost \$25 million, will connect the Norfolk-Southern Intermodal Yard with U.S. Route 23 on the very northern edge of Pickaway County. The Columbus region has shaped itself as a logistics hub for the eastern United States, and the area around Rickenbacker Global Logistics Park has become the epicenter. Warehousing growth in the past 10 years has been strong north of Rickenbacker. The completion of the connector is expected to increase activity and business growth in the I-71 Corridor of the District significantly.

The Pinnacle Club of Grove City ("Pinnacle"), a 597-acre master planned residential community, is one example of the successful projects that have grown out of the City's planning process and coordination. Pinnacle began development in the spring of 2004, and it is expected, when fully developed, to include approximately 1,600 homes with prices ranging from \$250,000 to \$1,000,000, all centered around the championship golf course designed by Lanny Watkins that opened in September 2006. The total development cost of Pinnacle is expected to be approximately \$60,000,000.

Another development currently underway which highlights the City's commitment to furthering its public-private collaborations is the revitalization of the City's Town Center (the "Town Center"). The Town Center project is expected to include new streetscapes, small parks, improved pedestrian circulation, and a new parking structure. In addition, the Town Center Project is also expected to include the development of an adjacent property known as the "Old Lumberyard Site." The current conceptual plan for the Old Lumberyard Site provides for a mixed-use urban neighborhood consisting of office space, retail and residential.

The City is also embarking on a new venture by opening its first institution of higher education. Harrison College opened a 20,000 square foot facility on 3.8 acres with visibility from I-71 in September 2009. Harrison College currently operates 13 branch campuses, but the facility in the City is their first location outside of the state of Indiana. After an extensive search of 32 different sites in Central Ohio, the 5,000-student Harrison College chose the City because of its many amenities and location. The opening of Harrison College helps the City achieve its goal in securing continuing educational opportunities for its citizens.

To accommodate industrial and commercial growth, the City has cooperated with private investors in the development of seven business and industrial parks, including: (1) Grove City Industrial Park, a 100-acre park with 1 to 20 acre tracts near the intersection of I-71 and SR 665; (2) Southpark, a 500-acre park with 1 to 120 acre tracts near the intersection of I-71 and Interstate 270; (3) Capital Park South, a 150-acre park with 1 to 30 acre tracts at I-270 and State Route 62; (4) Southpointe, a 53-acre park with six major building sites under construction or development; (5) Gateway Business Park, 114- acre park with four major building sites under construction or development at I-71 and SR 665; (6) Gateway to the City Office Park, a

ECONOMIC CONDITION AND OUTLOOK – (Continued)

35-acre park with five of its 16 platted sites currently under construction at I-71 and Stringtown Road; and (7) Gateway Business Park West, a 232-acre park that was platted in 1999. Immediate access to I-71 and I-270 has resulted in the City's development as a travel center offering over 1,200 guest rooms with gross sales exceeding \$10 million per year. A growing list of restaurants complements the variety of accommodations found in the City.

The City offers the following economic development incentive programs:

1. Community Reinvestment Area ("CRA"): The City has four CRAs, including one in the Town Center that has recently been expanded. Properties within a CRA are eligible to receive real property tax abatement for real property improvements.
2. Tax Increment Financing ("TIF"): There are five TIF Districts within the City. Payments derived from the increased assessed value of any improvement to real property are directed towards a separate fund to finance the construction of the public infrastructure defined within the legislation approving the respective TIFs.
3. Enterprise Zones ("EZ"): In early 2004, the City passed Ordinance C-123-03 designating the territory as an EZ, which provides certain tax exemptions to certain businesses located in the EZ.

Major employers in the City include the following: Wal-Mart Distribution Center; FedEx Ground Package Distribution System; GAP Direct Inc. Distribution Systems; Manheim Ohio Auto Auction; Tigerpoly Manufacturing Inc.; Tosoh Corporation Headquarters for sales, marketing, and business development for North America; and Horton Emergency Vehicles van ambulance builders. Among those largest employers, Tigerpoly Manufacturing Inc. locates its corporate headquarters within the City, including a 32 acre manufacturing site.

Economic Development Initiatives and Incentives within the District but outside the City

Economic development and land management in the Jackson and Franklin Township portion of the District is described in great detail in the 2009 Southwest Area Plan, a joint effort completed by the Southwest Area Commission ("SWAC"), the newest Columbus City Area Commission. The boundaries of SWAC run just west of 3C highway on the west, Mound Street on the north, I-71 South on the east, and I-270 on the south. This area primarily located in the District within this territory is composed of Columbus (50%), Franklin Township (40%), and Jackson Township (10%). SWAC's goal is to identify and encourage productive land use and economic development within the territory of SWAC. SWAC worked cooperatively with the City of Columbus, Franklin County, Franklin Township, Jackson Township and groups of interested residents and stakeholders to research, develop and adopt the Southwest Area Plan in March of 2009. This comprehensive 71-page plan provides detailed plans and considerations from the point of view of land use, current and recommended, by all zoning types. It further describes existing priority development sites and action-oriented recommendations.

The most significant development in the SWAC area is the Hollywood Casino Columbus (the "Casino"), which is located in Franklin Township and in the District. The Casino opened in the fall of 2012, with construction and development costs estimated at approximately \$350 million. The project area encompasses 123 acres while the Casino floor is 180,000 square feet. The project employed approximately 3,500 construction workers and is expected to employ approximately 2,000 permanent workers for operations. The Casino features a steakhouse, a 10,000 square-foot banquet hall, cocktail lounge and sports bar. The District expects to receive property-tax revenues beginning in fiscal year 2014 associated with the Casino's building and land value. Thirty-three percent of funds from the Casino's taxes and license fees are required to go to school districts throughout the State.

ECONOMIC CONDITION AND OUTLOOK – (Continued)

The Casino is supported by a Joint Planning and Zoning Overlay Agreement (the "JPZO Agreement") between Franklin Township, the City of Columbus and Franklin County to ensure better coordination on projects, set forth future infrastructure and public investment opportunities, jointly market economic development opportunities and pursue a seamless look along the West Broad Street corridor.

The JPZO Agreement includes the creation of a 50-year joint economic development district ("JEDD"), which splits the City of Columbus income tax rate as follows: (i) 70% revenues to a project fund, (ii) 15% of revenues to the City of Columbus, and (iii) 15% of revenues to Franklin Township. It also sets aside 2% of the total income tax revenue collected from the Casino's construction site for the first five years of operation to be used to encourage businesses to participate in the JEDD, to assist in the mobilization, creation and coordination of the business working group in their effort to enhance the economic viability of the corridor area, and to make improvements in the right-of-way and other projects to revitalize the West Broad Street corridor. The JPZO Agreement further compensates Franklin Township over the life of the agreement through additional income tax payments.

A recent study of the economic impact of the Casino reveals tremendous economic development and tax base growth potential. The study examines the 2.4 square miles surrounding the Casino, which is an area bounded by I-270 to the west, Sullivan Avenue to the south, Wilson Road to the east, and Norfolk Southern Railroad to the north. This area includes parts of the City of Columbus, Prairie Township, and Franklin Township. The study, which was released in January 2012, provides suggested guidelines for the redevelopment of the Westland area and the West Broad Street Corridor. More than 1,000 neighboring businesses and residents participated in this study through public meetings, interviews and online surveys.

The study identified the following areas for potential development:

1. 3,200 additional jobs from warehousing distribution companies
2. 273 additional jobs from restaurant, hotel, and auto retailer development
3. 333 additional jobs from destination retailers and small vendors
4. 250,000 additional square feet of retail space in the Westland area, including restaurants, automotive industries, electronic stores and lifestyle oriented businesses
5. Increased office space and hotel development

According to the study, the development of the Casino, improvements to West Broad Street, redevelopment of Oakbrook Manor Apartments, and development of Cooper Park Racetrack and the AP23 Sports Complex gives the area an opportunity to capitalize on attracting additional investors. Since the announcement of the Casino's development, the City of Columbus has committed \$5,000,000 to the improvement of Georgesville Road from West Broad Street to Sullivan Avenue and the Ohio Department of Transportation sponsored the redevelopment of West Broad Street west of Wilson Road.

The northwestern most portion of the District is in Prairie Township, with 73% of township territory in the District. Prairie Township has experienced recent and ongoing economic development activity. Doctor's Hospital completed a \$25 million expansion during 2010 and 2011. In addition, Doctor's Hospital is currently adding two to three additional buildings to a small medical office park across West Broad Street from its main facility.

In terms of public investment, Prairie Township is in the early stages of planning and building a community recreation center. On May 30, 2012, the Prairie Township trustees approved architectural and engineering firm Moody-Nolan and Associates to study the feasibility and potential features of a township recreation center. Moody-Nolan and township officials expect the analysis to be completed in six months. If approved, the recreation center is expected to be financed primarily by funds generated from the area's Joint Economic Development Zone. In addition, Prairie Township is planning a streetscape makeover project along West Broad in 2014/2015.

ECONOMIC CONDITION AND OUTLOOK – (Continued)

Prairie Township formed its own community improvement corporation in February 2010. By the end of 2012, the Prairie Township CIC intends to look at ways of increasing investment in area homes, as well as redevelopment of underused commercial sites.

Economic Condition and Outlook of the District

On June 30, 2011 the State biennial budget bill, Ohio House Bill 153, was signed into law. Ohio House Bill 153 reduced school district budgets throughout the State. Funding received from the State of Ohio represents roughly 52.0% of all General Fund revenues. Over the two year biennial budget period, the District will realize a decrease in state funding of roughly 7.0% during the 2011-12 fiscal year, with an additional 3.0% in the 2012-13 fiscal year.

In anticipation of these decreases in state funding, the District implemented cost containment strategies to offset the decrease in state funding. These cost containment strategies have allowed the District to maintain its promise to the community to make the property tax dollars received from the passage of the November 3, 2009, 7.4 mill operating levy last through calendar year 2013. The District's current five-year financial forecast projects a positive cash balance through fiscal year 2016-17.

MAJOR INITIATIVES

Strategic Planning

The District has been working to develop long-term goals through a strategic planning process. The District has utilized a strategic performance management tool called the Balanced Scorecard to build its framework. The District's balanced scorecard is a mixture of educational and financial measures that articulates the links between both human and physical inputs, processes and desired outcomes. It focuses the importance of managing these components to achieve the organization's strategic priorities through answering the questions of: 1) Who we are; 2) What we do; 3) Where education is headed; and 4) Where we want to be in the future.

Phase I

With community input and the services of volunteer facilitators, six strategic dimensions were identified as follows:

1. Academic Achievement
2. Student Development/Extracurricular Activities
3. Innovation in Education
4. College/Vocation Preparation
5. Parent Engagement
6. Diversity of the School District

Phase II

From these six dimensions, four themes emerged as follows:

1. Access for all students to the highest quality educational opportunities
2. Instruction created to meet the individual skills of students while advancing them toward their full potential
3. Seamless and universal access to instructional, enhancement and remedial learning opportunities through the integration of technology and other forms of communication
4. Engage the community to foster a fully integrated support system that feeds the development of every child.

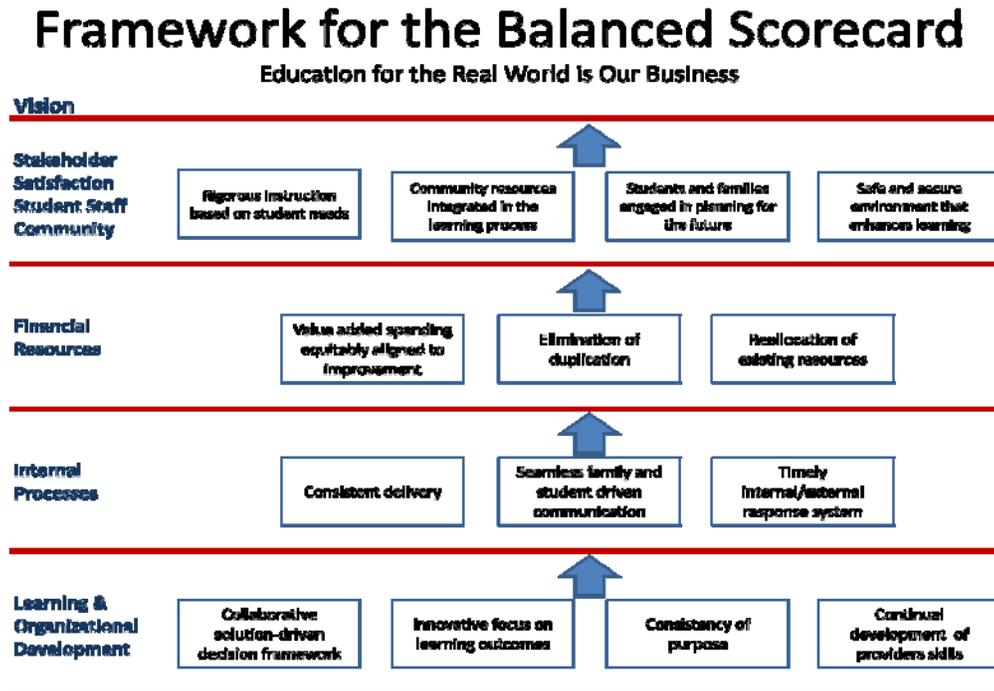
MAJOR INITIATIVES – (Continued)

Phase III

Through this process, we have been able to identify five long-term goals for the district:

1. Students can enter college without remediation
2. Parents actively receiving communications
3. Students graduate on time
4. Students exit emotionally, socially and physically prepared
5. Families are vested in planning their future

The District is currently adding metrics to measure the goals. During the 2012-13 school year, the District will develop plans to achieve these goals. Data collection and systems alignment are significant parts of this process to fully meet the needs of the District’s students. The framework of the balanced scorecard was developed as follows:



Capital Improvements

On March 6, 2012, the District passed a \$148,000,000 bond issue to secure its local share to participate in a classroom facilities assistance program with the Ohio School Facilities Commission with a total project cost of \$249,235,700. The project, co-funded by the State of Ohio, will replace thirteen of the District’s sixteen elementary buildings and one high school building. Two elementary of the remaining three elementary buildings will receive significant renovations, while the final elementary building will be subject to demolition. The thirteen replacement elementary buildings will be constructed in three phases beginning in the spring of 2013, the replacement high school will begin construction in the spring of 2014, and the two elementary renovations will be begin in the summer of 2013. The entire construction project is anticipated to be complete by the late summer of 2017.

The elementary buildings will use a prototypical design process to create three separate enrollment capacities of 400, 520 and 600, respectively. The prototypical designs will provide an equitable and repeatable design throughout the District while saving architectural design fees in the process. Additionally, the replacement buildings will provide instructional space designed for twenty-first century learning that will serve students for years to come.

FINANCIAL INFORMATION

Long-term Financial Planning – The District annually prepares a five-year financial forecast to insure long-term financial success. The five-year financial forecast is prepared in October of each year and amended, if necessary, in May. The five-year financial forecast provides actual data on each major revenue and expenditure category for the past three fiscal years and forecasts these same categories for an additional five years. The five-year financial forecast is a planning tool used to certify if funds are available for future expenditures and additionally to strategize when the District will need to return to voters for additional funds or reduce expenditures accordingly. The five-year financial forecast is published on the Ohio Department of Education website for public use.

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted by law no later than October 1 or once the County Auditor has completed the tax duplicate for the upcoming calendar year.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board of Education. The Board of Education has established the legal level of control at the fund level, however, management controls budgets at the object level within a function and fund. All requisition requests must be approved by the individual program managers and be certified by the Business Manager and the Treasurer; necessary funds are then encumbered and purchase orders are created and released to vendors.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each program manager is furnished daily reports showing the status of the budget account for which he or she is responsible.

As an additional safeguard, a blanket bond covers all employees involved with receiving and depositing funds, and a separate higher bond covers certain individuals in policy making roles. The basis of accounting and the various funds utilized by the District are fully described in the notes to the basic financial statements. Additional information on the District's budgetary accounts can also be found in the notes to the basic financial statements.

OTHER INFORMATION

Independent Audit - Provisions of State statute require an annual audit by independent accountants. Those provisions have been satisfied, and the opinion of Wilson, Shannon and Snow, Inc., is included herein.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and has been in conformance with that system for many years.

In addition to the financial audit, a single audit was performed as required by the Federal Single Audit Act Amendments of 1996 and the provisions of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". The single audit report is not included in the CAFR.

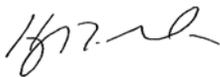
Award - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to South-Western City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This was the twenty-second consecutive year that the District has received this prestigious award. We believe our current report continues to conform to the standards required by the Certificate of Achievement Program, and we are submitting it to the GFOA for review.

Acknowledgments – Appreciation is extended to Karen New, Assistant Treasurer, and the Treasurer’s office staff for their dedication and support in publishing the Fiscal Year 2011-12 Comprehensive Annual Financial Report on a timely basis. Sincere thanks are also extended to various administrators and employees of the School District, the Franklin County Auditor’s office staff and other outside agencies whose efforts assisted us with the fair presentation of the statistical information. Additionally, appreciation is expressed to the South-Western City School District Board of Education for their support, commitment and leadership to which the preparation of this report would not be possible.

Respectfully submitted,



Hugh W. Garside Jr.
Treasurer



William H. Wise, Ph.D.
Superintendent

PRINCIPAL OFFICIALS

Board of Education

Mindy Garverick	President
Randy Reisling	Vice President
Karen Dover	Member
Cathy Johnson	Member
Jo Ellen Myers	Member

Central Office Administrative Staff

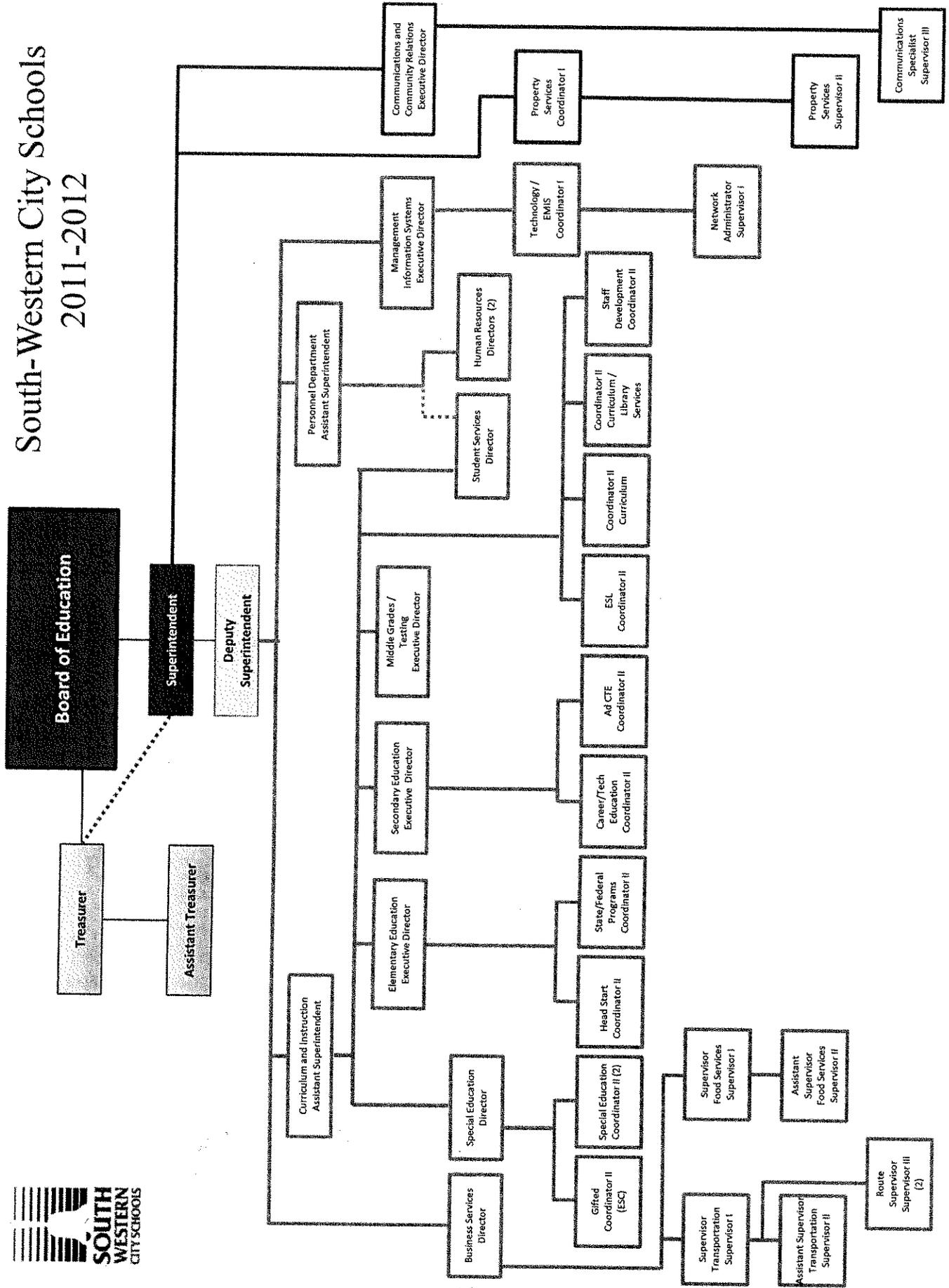
William H. Wise, Ph.D.	Superintendent
Philip E. Warner	Deputy Superintendent
Hugh W. Garside Jr.	Treasurer
Karen K. New	Assistant Treasurer
Carl R. Metzger	Assistant Superintendent - Human Resources
John R. Kellogg, Ph.D.	Assistant Superintendent - Curriculum
Bryan J. Mulvany	Executive Director Data and Information Services
Sandra C. Nekoloff	Executive Director of Communications
Erik D. Shuey, Ph.D.	Executive Director of Secondary Education
J. Patrick Callaghan	Executive Director of Elementary Education
Linda C. Kuhn	Executive Director of Middle Grades and Achievement Data
Brian D. Hamler	Director - Personnel
Robert F. Rains	Director - Personnel
Scott D. Deubner	Business Manager
Sherry P. Minton	Coordinator - Career and Technical Programs
Kristin E. Barker	Coordinator – Pupil Services

TREASURER'S DEPARTMENT STAFF

Hugh W. Garside Jr.	Treasurer
Karen K. New	Assistant Treasurer
Carolyn S. Sheridan	Payroll Supervisor
Janet B. Hager	Payroll
Debra L. Makarius	Payroll
Terese M. Litteral	Accounts Receivable
Julie A. Babbert	Accounts Payable
Deborah J. Berry	Accounts Payable
Trixie K. Belew	Accounts Payable/Capital Assets
Sarah A. Johnson	Employee Benefits
Nancie A. Bevilacqua	Accountant
Anita M. McCreary	Accountant



South-Western City Schools 2011-2012



Certificate of Achievement for Excellence in Financial Reporting

Presented to

South-Western City School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danison

President

Jeffrey R. Egan

Executive Director

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Financial Section



Board of Education
South-Western City School District
3805 Marlane Drive
Grove City, Ohio 43123

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of South-Western City School District, Franklin County, Ohio (the District), as of and for the fiscal year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

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 the South-Western City School District, Franklin County, Ohio, as of June 30, 2012, and the respective changes in financial position and where applicable, cash flows, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2012, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
Ten West Locust Street
Newark, Ohio 43055
(740) 345-6611
1-800-523-6611
FAX (740) 345-5635

South-Western City School District
Franklin County
Independent Auditors' Report

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis and the respective budgetary comparison for the General Fund* as 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise 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 provides additional analysis and is not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules is management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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 information is 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.

Wilson, Shuman & Snow, Inc.

Newark, Ohio
December 14, 2012

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

This section of the South-Western City District's (the District) annual financial report presents the discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2012. Please read it in conjunction with the District's financial statements, which immediately follow this section.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District financially as a whole. The district-wide financial statements provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements look at the District's operations in more detail than the government-wide financial statements by providing information about the District's most significant funds - the General, Debt Service, and Capital Improvements Fund with all other funds presented in one column as non-major funds. The District has an Internal Service Proprietary Fund which accounts for the District's health self insurance program. The remaining statement, the statement of fiduciary net assets, presents financial information about activities for which the District acts solely as an agent for the benefit of students and parents and also employee payroll administration.

Reporting the District as a Whole - District-wide Financial Statements

One of the most important questions asked about the District is, "As a whole, what is the District's financial condition as a result of the year's activities?" The statement of net assets and the statement of activities, which appear first in the District's financial statements, report information on the District as a whole and its activities in a way that helps you answer this question. The statements were prepared to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net assets, as reported in the Statement of Net Assets, as one way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net assets, as reported in the statement of activities, are indicators of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the District's operating results. However, the District's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the District.

The statement of net assets and the statement of activities report the governmental activities for the District, which encompass all of the District's services, including instruction, support services, food service, community services, extracurricular activities, and interest and fiscal charges. Property taxes, grants and entitlements finance most of these activities.

Reporting the District's Most Significant Funds - Fund Financial Statements

The District's fund financial statements provide detailed information about the most significant funds - not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, the District establishes many other funds to help it control and manage money for particular purposes (the Food Service and District Managed Student Activity Funds are examples) or to show that it's meeting legal responsibilities for using certain taxes, grants, and other money (like bond-funded construction funds used for voter-approved capital projects). The governmental funds of the District use the following accounting approach:

Governmental funds - All of the District's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the District and the services it provides. Governmental fund information helps you determine whether there

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

Using this Annual Report – (Continued)

are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation.

Proprietary fund – The District maintains an Internal Service Proprietary Fund to account for and accumulate costs internally among the District's various functions. The District's Internal Service Fund accounts for a health self-insurance program which provides health and dental benefits to employees. The District does not have any enterprise funds.

The District as Trustee - Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its student activity funds, and various payroll deductions. All of the District's fiduciary activities are reported in separate statements of fiduciary net assets. These activities are excluded from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The District as a Whole

Recall that the Statement of Net Assets provides the perspective of the District as a whole. Table 1 provides a summary of the District's net assets as of June 30, 2012 and as of June 30, 2011 for comparison purposes:

Table 1		
	Governmental Activities	
	(in thousands)	
	2012	2011
Assets		
Current and other assets	\$ 247,734	\$ 226,328
Capital Assets	130,388	129,351
Total Assets	378,122	355,679
Liabilities		
Current liabilities	87,873	85,504
Long-term liabilities	90,347	101,738
Total Liabilities	178,220	187,242
Net Assets		
Invested in Capital Assets - Net of related debt	59,024	50,483
Restricted	38,271	45,063
Unrestricted	102,607	72,891
Total Net Assets	\$ 199,902	\$ 168,437

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

The District as a Whole – (Continued)

The above analysis focuses on the net assets (see Table 1). The change in net assets (see Table 2) of the District's governmental activities is discussed below.

The District's net assets were \$199,902 thousand at June 30, 2012. Capital assets, net of related debt totaling \$59,024 thousand, compares the original cost, less depreciation of the District's capital assets to long-term debt used to finance the acquisition of those assets. Most of the debt will be repaid from voter-approved property taxes collected as the debt service comes due. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the District's ability to use those net assets for day-to-day operations.

The results of this year's operations for the District as a whole are reported in the statement of activities (Table 2), which shows the changes in net assets as of June 30, 2012 and as of June 30, 2011, for comparison purposes.

Table 2		
Governmental Activities (in thousands)		
	2012	2011
Revenue		
Program revenue:		
Charges for Services and Sales	\$ 4,264	\$ 4,945
Operating Grants, Contributions and Interest	33,142	36,908
General Revenue:		
Property Taxes	113,203	111,183
Payment in Lieu of Taxes	1,022	2,446
Grants and Entitlements	109,683	111,373
Interest	288	345
Other Local Revenue	<u>8,896</u>	<u>6,978</u>
Total Revenue	<u>270,498</u>	<u>274,178</u>
Functions/Program Expenses		
Instruction	139,874	137,106
Support Services	81,630	80,272
Food Services	8,388	8,396
Community Services	1,521	1,842
Extracurricular Activities	4,052	4,332
Interest and Fiscal Charges	<u>3,568</u>	<u>3,602</u>
Total Expenses	<u>239,033</u>	<u>235,550</u>
Change in Net Assets	31,465	38,628
Net Assets Beginning of Year	<u>168,437</u>	<u>129,809</u>
Net Assets End of Year	<u>\$ 199,902</u>	<u>\$ 168,437</u>

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

The District as a Whole – (Continued)

As reported in the statement of activities, the cost of all of the governmental activities this fiscal year is \$239,033 thousand. Certain activities were partially funded from those who benefited from the programs in the amount of \$4,264 thousand or by other governments and organizations that subsidized certain programs with grants and contributions in the amount of \$33,142 thousand. The remaining "public benefit" portion of the governmental activities was paid for with \$113,203 thousand in taxes, \$109,683 thousand in grants and entitlements, and with other revenues.

The District experienced an increase in net assets of \$31,465 thousand. This increase was realized primarily due to following factors; working with employee groups through the collective bargaining process to stabilize salary and benefit costs; and the retirement of \$11,203 thousand of principal on existing general obligation bonds.

As discussed above, the net cost shows the financial burden that was placed on the State and the District's taxpayers by each of these functions. Since property taxes for operations and grants and entitlements constitute the vast majority of district operating revenue sources, the Board of Education and Administration must annually evaluate the needs of the District and balance those needs with available unrestricted resources.

The District's Funds

As noted earlier, the District uses funds to help it control and manage money for particular purposes. Looking at funds helps the reader consider whether the District is being accountable for the resources taxpayers and others provide to it and may provide more insight into the District's overall financial health.

As of June 30, 2012, the governmental funds reported a combined fund balance of \$131,573 thousand, which is an increase of \$17,409 thousand from previous fiscal year. The primary reason for the increase is due to the Board and Administration's efforts to create and expand operational efficiencies during the fiscal year.

The General Fund balance increased \$21,004 thousand to \$101,093 thousand due to the stabilization of expenditures as a result of continued cost containment strategies and conservative financial planning.

The Debt Service Fund balance increased \$2,022 thousand to \$17,057 thousand. This increase is insignificant and can be attributed to fluctuating tax collections. The Debt Service Fund balance, which is sufficient to meet future obligations, is reserved to pay debt service obligations of the District.

The Capital Improvement Fund balance decreased \$5,829 thousand to \$9,241 thousand due to the expenditures including, but not limited to, lighting, boiler replacement, roofing and paving upgrades at various District facilities, eleven additional buses and technology equipment upgrades.

The Other Governmental Funds balance increased \$212 thousand to \$4,182 thousand. This increase is insignificant and can be attributed to the timing of state and federal grants.

General Fund Budgetary Highlights

Over the course of the year, the District revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was adopted prior to June 30, 2012.

Revisions were made to the original General Fund budget for fiscal year 2011-12 based on current needs. Budgeted revenues remained unchanged while budgeted expenditures and other financing uses decreased by \$638 due to minor variations which are insignificant compared to the scope of the entire budget.

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

Capital Assets and Debt Administration

Capital Assets

At June 30, 2012, the District had \$130,388 thousand invested in a broad range of capital assets, including land, improvements to land, buildings, furniture and equipment, vehicles, and buses. This amount represents a net increase (including additions, deductions, and depreciation) of \$1,037 thousand, or 0.8 percent, from last year.

<u>Description of Capital Asset</u>	<u>2012</u>	<u>2011</u>
Land	\$ 6,752	\$ 6,752
Improvements to Land	1,457	1,472
Buildings	114,747	116,070
Furniture and Equipment	1,071	1,005
Vehicles	223	300
Buses	3,706	3,521
Construction in Progress	<u>2,432</u>	<u>231</u>
Total Capital Assets	<u>\$ 130,388</u>	<u>\$ 129,351</u>

This fiscal year's additions of \$12,682 thousand included costs associated with the improvements in lighting, boiler replacement, roofing, flooring and paving projects at multiple District facilities, and equipment and technology purchases. A more detailed explanation of the District's capital assets can be located in Note 6 to the basic financial statements.

Debt

At June 30, 2012, the District had \$77,218 thousand in bonds and notes outstanding versus \$88,421 thousand in the previous fiscal year, which is a decrease of 12.7 percent. Those bonds and notes consisted of the following: (in thousands)

<u>Description of G.O. Bonds and Note</u>	<u>2012</u>	<u>2011</u>
2002 School Facilities	525	1,030
2002 Energy Conservation	1,350	1,765
2000 Vocational Construction	333	400
2003 Refunding School Facilities	5,076	7,866
2006 Refunding School Facilities	60,898	65,015
2006 Refunding Capital Appreciation Bonds	2,366	2,162
2011 Refunding School Facilities	-	3,513
2011 Qualified School Construction Bonds	<u>6,670</u>	<u>6,670</u>
Total Long -Term Bonds and Notes Payable	<u>\$ 77,218</u>	<u>\$ 88,421</u>

The District's general obligation bond rating is periodically reviewed by two independent rating firms; Moody's Investors Service and Standard and Poor's. Moody's Investors Services reaffirmed the District's Aa2 credit rating on August 2, 2012. Standard and Poor's reaffirmed the District's AA- credit rating on August 6, 2012 due to the

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

Capital Assets and Debt Administration – (Continued)

District's stable financial and academic position. The state limits the amount of general obligation debt that schools can issue to ten percent of the assessed value of all taxable property within the District's boundaries. The District's outstanding general obligation debt of \$77,218 thousand is significantly below the \$137,250 thousand statutorily imposed limit.

Other obligations include accrued vacation pay, sick leave, and capital leases. A more detailed explanation of the long-term liabilities is presented in Note 11 to Basic Financial Statements.

Current Issues Affecting Financial Conditions

The District has three bargaining units. The teaching and certificated staffs are represented by the South-Western Education Association (S.W.E.A.). The classified staff is represented by Chapter 211 of the Ohio Association of Public School Employees (O.A.P.S.E.). The administrative staff is represented by the South-Western Schools Administrators Association (S.W.A.A.).

S.W.E.A. is affiliated with the Ohio Education Association (O.E.A), and the National Education Association (N.E.A.). The Board has bargained with the S.W.E.A. since 1968. On March 21, 2011, the Board and S.W.E.A. signed a three year contract effective July 1, 2010 through June 30, 2013. The Board and S.W.E.A. agreed to freeze base salaries for the first year of the agreement and provided a 0.5% and 1.0% base salary increase in the second and third year, respectively. Additionally, the Board and S.W.E.A. agreed to initiate employee premium contributions for single health plans and all dental plans. Effective October 1, 2011, employee premium contributions for these plans are 7.5% and increases to 10.0% effective October 1, 2012. Employee premium contributions for a family health plan remain at 35.0%.

Chapter 211 of the Ohio Association of Public School employees (O.A.P.S.E.) is affiliated with A.F.S.C.M.E. On May 24, 2011, the Board and O.A.P.S.E. signed a three year contract effective July 1, 2010 through June 30, 2013. The Board and O.A.P.S.E. agreed to freeze base salaries for the first year of the agreement and provided a 0.5% and 1.0% base salary increase in the second and third year, respectively. Additionally, the Board and O.A.P.S.E. agreed to initiate employee premium contributions for single health plans and all dental plans. Effective October 1, 2011, employee premium contributions for these plans are 3.0% and increases to 10.0% effective October 1, 2012. Employee premium contributions for a family health plan remain at 35.0%.

On June 13, 2011, the Board and S.W.A.A. signed a two year contract effective July 1, 2011 through June 30, 2013. The Board and S.W.A.A. agreed to provide 0.5% and 1.0% base salary increase in the first and second year, respectively. Additionally, to increase the employee's contribution from 7.5% for single health and all dental plans to 10.0% effective January 1, 2012. Employee premium contributions for a family health plan remain at 35.0%.

On June 30, 2011 the State biennial budget bill, Ohio House Bill 153, was signed into law. Ohio House Bill 153 reduced school district budgets throughout the State. Funding received from the State of Ohio represents roughly 52.0% of all General Fund revenues. Over the two year biennial budget period, the District experienced a decrease in state funding of roughly 7.0% during the 2011-12 fiscal year, and anticipates an additional 3.0% decrease in the 2012-13 fiscal year.

To counteract these decreases in state funding, the District has effectively managed to implement cost containment strategies, maintaining the promise to the community to make the property tax dollars received from the passage of the November 3, 2009, 7.4 mill operating levy last through calendar year 2013. The District's current five-year financial forecast projects a positive cash balance through fiscal year 2016-17.

South-Western City School District
Management's Discussion and Analysis
(Unaudited)

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions or need additional financial information, please feel free to contact:

Hugh W. Garside Jr.
Treasurer/Chief Fiscal Officer
Voice: (614) 801-3047
Email: hugh.garside@swcs.us

South-Western City Schools
3805 Marlane Drive
Grove City, Ohio 43123

South-Western City School District
Statement of Net Assets
June 30, 2012

	Governmental <u>Activities</u>
<u>Assets</u>	
Equity in Pooled Cash and Cash	
Equivalents	\$ 112,507,089
Receivables:	
Taxes - Current	111,804,673
Taxes - Delinquent	14,179,086
Payment in Lieu of Taxes	599,057
Accounts	13,959
Interest	55,114
Intergovernmental	6,271,009
Materials and Supplies Inventory	418,471
Unamortized Debt Issuance Costs	1,885,553
Capital Assets:	
Land	6,751,905
Construction in Progress	2,431,738
Depreciable Capital Assets, Net of Accumulated Depreciation	<u>121,204,164</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>130,387,807</u>
Total Assets	<u>\$ 378,121,818</u>
<u>Liabilities</u>	
Accounts Payable	\$ 3,416,091
Contracts Payable	2,217,695
Claims Payable	1,618,011
Accrued Wages and Benefits	19,161,734
Accrued Interest Payable	259,587
Unearned Revenue	61,199,350
Long-Term Liabilities:	
Due within One Year	14,985,704
Due in More than One Year	<u>75,361,532</u>
Total Liabilities	<u>\$ 178,219,704</u>
<u>Net Assets</u>	
Invested in Capital Assets, Net of Related Debt	59,024,319
Restricted for:	
Debt Service	18,592,714
Capital Projects	12,681,877
District Managed Student Activities	761,937
State Grants	318,419
Federal Grants	3,150,344
Food Service	1,459,167
Other Purposes	1,306,180
Unrestricted	<u>102,607,157</u>
Total Net Assets	<u>\$ 199,902,114</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2012

	Expenses	Program Revenues		Net (Expense) Revenue and
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Changes in Net Assets
				Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$ 101,677,915	\$ 161,894	\$ 487,077	\$ (101,028,944)
Special	31,207,794	-	14,672,654	(16,535,140)
Vocational	6,069,817	114,619	1,796,138	(4,159,060)
Other	917,499	17,457	250,730	(649,312)
Support Services:				
Pupil	10,258,396	-	2,217,483	(8,040,913)
Instructional Staff	15,611,841	-	5,021,849	(10,589,992)
Board of Education	35,875	-	-	(35,875)
Administration	15,677,734	958	827,719	(14,849,057)
Fiscal	3,634,551	-	201,083	(3,433,468)
Business	883,314	-	-	(883,314)
Operations and Maintenance	16,496,886	165,620	581,551	(15,749,715)
Pupil Transportation	12,371,791	414,153	22,283	(11,935,355)
Central	6,659,541	-	-	(6,659,541)
Food Service	8,388,222	2,468,329	5,915,014	(4,879)
Community Services	1,520,689	15,808	1,148,298	(356,583)
Extracurricular Activities	4,052,430	904,857	-	(3,147,573)
Interest and Fiscal Charges	3,568,207	-	-	(3,568,207)
Total Governmental Activities	\$ 239,032,502	\$ 4,263,695	\$ 33,141,879	(201,626,928)

General Revenues:

Property Taxes Levied for:	
General Purposes	95,303,398
Debt Service	13,722,961
Capital Projects	4,177,603
Payment in Lieu of Taxes	1,021,635
Grants and Entitlements not Restricted to Specific Programs	109,682,717
Interest	287,852
Other Local Revenues	8,895,860
Total General Revenues	233,092,026
Changes in Net Assets	31,465,098
Net Assets Beginning of Year	168,437,016
Net Assets End of Year	\$ 199,902,114

The notes to the basic financial statement are an integral part of this statement.

South-Western City School District
Balance Sheet
Governmental Funds
June 30, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash				
Equivalents	\$ 78,869,829	\$ 10,950,529	\$ 9,808,599	\$ 3,830,059
Receivable:				
Taxes - Current	93,610,151	13,975,987	4,218,535	-
Taxes - Delinquent	12,059,062	1,613,387	506,637	-
Payment in Lieu of Taxes	524,057	-	75,000	-
Accounts	2,104	-	-	11,855
Interest	55,114	-	-	-
Intergovernmental	481,203	-	-	5,789,806
Interfund Loan Receivable	557,702	-	-	-
Materials and Supplies Inventory	328,594	-	-	89,877
Total Assets	<u>\$ 186,487,816</u>	<u>\$ 26,539,903</u>	<u>\$ 14,608,771</u>	<u>\$ 9,721,597</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 2,927,062	\$ -	\$ 251,507	\$ 237,522
Contracts Payable	-	-	2,217,695	-
Accrued Wages and Benefits	17,231,398	-	-	1,930,336
Compensated Absences Payable	1,388,744	-	-	-
Interfund Loans Payable	-	-	-	557,702
Deferred Revenue	63,847,941	9,482,418	2,898,214	2,814,472
Total Liabilities	<u>85,395,145</u>	<u>9,482,418</u>	<u>5,367,416</u>	<u>5,540,032</u>
<u>Fund Balance:</u>				
Nonspendable	328,594	-	-	89,877
Restricted	-	17,057,485	9,241,355	3,127,827
Committed	-	-	-	1,022,557
Assigned	2,740,409	-	-	-
Unassigned	98,023,668	-	-	(58,696)
Total Fund Balances	<u>101,092,671</u>	<u>17,057,485</u>	<u>9,241,355</u>	<u>4,181,565</u>
Total Liabilities and Fund Balances	<u>\$ 186,487,816</u>	<u>\$ 26,539,903</u>	<u>\$ 14,608,771</u>	<u>\$ 9,721,597</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2012

<u>Total Governmental Funds</u>		
	Total Governmental Fund Balances	\$ 131,573,076
\$ 103,459,016	Amounts reported for governmental activities in the statement of net assets are different because:	
111,804,673		
14,179,086	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	130,387,807
599,057		
13,959		
55,114	Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	17,843,695
6,271,009		
557,702		
418,471	Unamortized premiums on bond and long-term note issuances are not recognized in the funds.	(1,934,616)
<u>\$ 237,358,087</u>		
	Unamortized bond and long-term note issuance costs are not recognized in the funds.	1,885,553
\$ 3,416,091		
2,217,695	An internal service fund is used by management to charge the cost of health and dental insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	7,430,062
19,161,734		
1,388,744		
557,702		
79,043,045		
<u>105,785,011</u>	Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds:	
418,471	Interest Payable	(259,587)
29,426,667	Compensated Absences Payable	(11,739,832)
1,022,557	General Obligation Debt	(65,819,989)
2,740,409	Energy Conservation Debt	(8,020,000)
97,964,972	Vocational Construction Loan	(333,331)
<u>131,573,076</u>	Capital Appreciation Accretion	(1,110,724)
<u>\$ 237,358,087</u>	Net Assets of Governmental Activities	<u>\$ 199,902,114</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>
Revenues:				
Local:				
Taxes	\$ 93,901,805	\$ 13,435,292	\$ 4,111,799	\$ -
Tuition	1,094,166	-	-	99,689
Interest	287,432	420	-	1,223
Other Local Revenue	2,374,894	-	-	5,171,261
Payment in Lieu of Taxes	2,556,269	-	75,000	-
Intergovernmental - State	112,009,663	1,976,750	906,882	1,536,011
Intergovernmental - Federal	601,043	378,130	-	25,255,175
Total Revenues	<u>212,825,272</u>	<u>15,790,592</u>	<u>5,093,681</u>	<u>32,063,359</u>
Expenditures:				
Current:				
Instruction:				
Regular	94,198,062	-	1,328,353	944,057
Special	22,168,393	-	-	8,907,808
Vocational	4,841,662	-	-	515,042
Other	649,255	-	-	240,428
Support Services:				
Pupil	7,907,457	-	-	2,391,042
Instructional Staff	9,414,928	-	-	6,213,232
Board of Education	35,875	-	-	-
Administration	14,115,996	-	-	1,232,775
Fiscal	3,085,940	221,825	69,070	248,523
Business	766,022	-	115,503	-
Operations and Maintenance	15,367,362	-	-	544,376
Pupil Transportation	11,454,567	-	-	22,283
Central	3,133,902	-	6,686	55,800
Food Service	-	-	-	8,383,343
Community Services	132,105	-	-	1,066,422
Extracurricular Activities	2,666,152	-	-	1,163,055
Capital Outlay	420,778	-	9,335,776	459,862
Debt Services:				
Principal Retirement	-	11,015,000	66,667	-
Interest and Fiscal Charges	-	3,458,344	-	-
Total Expenditures	<u>190,358,456</u>	<u>14,695,169</u>	<u>10,922,055</u>	<u>32,388,048</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,466,816	1,095,423	(5,828,374)	(324,689)
Other Financing Sources (Uses):				
Transfers - In	-	926,499	-	536,477
Transfers - Out	(1,462,976)	-	-	-
Total Other Financing Sources (Uses)	<u>(1,462,976)</u>	<u>926,499</u>	<u>-</u>	<u>536,477</u>
Net Change in Fund Balances	21,003,840	2,021,922	(5,828,374)	211,788
Fund Balances at Beginning of Year	80,088,831	15,035,563	15,069,729	3,969,777
Fund Balances at End of Year	<u>\$ 101,092,671</u>	<u>\$ 17,057,485</u>	<u>\$ 9,241,355</u>	<u>\$ 4,181,565</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2012

<u>Total</u>		
Governmental	Net Change in Fund Balances - Total Governmental Funds	\$ 17,409,176
<u>Funds</u>		
	Amounts reported for governmental activities in the statement of	
	activities are different because:	
\$ 111,448,896		
1,193,855	Governmental funds report capital outlays as expenditures. However,	
289,075	in the statement of activities the cost of those assets is allocated	
7,546,155	over their estimated useful lives and reported as depreciation expense.	
2,631,269		
116,429,306	This is the amount by which capital outlay, which met the capitalization	
26,234,348	criteria (7,979,814) exceeds depreciation (6,937,621) in the current period.	1,042,193
<u>265,772,904</u>		
	In the statement of activities, only the gain and loss on the disposal of capital	
	assets is reported, whereas in the governmental funds, the entire proceeds from	
	the sale increase financial resources. Thus, the change in net assets differs	
	from the change in fund balances by the cost of the assets disposed.	(5,680)
96,470,472		
31,076,201	Revenues in the statement of activities that do not provide current financial	
5,356,704	resources are not reported as revenues in the funds.	305,151
889,683		
10,298,499	Long-term debt proceeds provide current financial resource to governmental	
15,628,160	funds, but issuing debt increases long-term liabilities in the statement of net	
35,875	assets. Repayment of long-term debt principal is an expenditure in the	
15,348,771	governmental funds, but the repayment reduces long-term liabilities in the	
3,625,358	statement of net assets.	11,081,667
881,525		
15,911,738	Debt Issuance costs reported in the statement of revenues, expenditures, and changes	
11,476,850	in fund balances that are reported as expenditures are not reported as expenses	
3,196,388	in the statement of activities.	(227,367)
8,383,343		
1,198,527	Premiums on debt issuances are recognized as revenues in the governmental funds,	
3,829,207	however, they are amortized over the life of the issuance on the statement of	
10,216,416	activities.	324,451
11,081,667	Accretion on capital appreciation bonds is an expenditures in the governmental	
3,458,344	funds but is allocated as an expense over the life of the bonds.	(203,278)
<u>248,363,728</u>		
	Governmental Funds report expenditures for interest when it is due. In the statement	
	of activities, interest expense is recognized as the interest accrues, regardless of when	
	it is due. The additional interest report in the statement of activities is due to the	
17,409,176	accrued interest on bonds.	(3,669)
1,462,976	Some expenses reported in the statement of activities do not require the use of	
<u>(1,462,976)</u>	current financial resources and therefore are not reported as expenditures in	
-	governmental funds.	(169,682)
17,409,176	Internal service funds are used by management to charge the costs of	
	Certain activities, such as insurance to individual funds. The net revenue	
114,163,900	(expense) of internal services funds is reported with governmental activities.	1,912,136
<u>\$ 131,573,076</u>		
	Changes in Net Assets of Governmental Activities	<u>\$ 31,465,098</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Net Assets
Internal Service Fund
June 30, 2012

Current Assets:

Equity in Pooled Cash and Cash	
Equivalents	<u>\$ 9,048,073</u>
Total Current Assets	<u>\$ 9,048,073</u>

Current Liabilities:

Claims Payable	<u>\$ 1,618,011</u>
Total Current Liabilities	<u>1,618,011</u>

Net Assets

Unrestricted	<u>7,430,062</u>
Total Net Assets	<u>\$ 7,430,062</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Internal Service Fund
For the Fiscal Year Ended June 30, 2012

Operating Revenues:	
Charges for Services	\$ 21,151,684
Charges to Employees	<u>4,425,225</u>
Total Operating Revenues	<u>25,576,909</u>
Operating Expenses:	
Salaries and Wages	326,259
Fringe Benefits	8,101
Claims	19,966,155
Purchased Services	<u>3,364,258</u>
Total Operating Expenses	<u>23,664,773</u>
Operating Income	1,912,136
Net Assets Beginning of Year	<u>5,517,926</u>
Net Assets End of Year	<u>\$ 7,430,062</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2012

Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 21,151,684
Cash Received from Employees	4,425,225
Cash Payments for Claims	(19,883,745)
Cash Payments for Salaries and Fringe Benefits	(334,360)
Cash Payments to Suppliers for Goods and Services	<u>(3,364,258)</u>
Net Cash Provided by Operating Activities	<u>1,994,546</u>

Net Increase in Cash and Cash Equivalents	1,994,546
Cash and Cash Equivalents Beginning of Year	<u>7,053,527</u>
Cash and Cash Equivalents End of Year	<u>\$ 9,048,073</u>

Reconciliation of Operating Income to Net Cash

<u>Provided by Operating Activities:</u>	
Operating Income	\$ 1,912,136

Adjustments to Reconcile Operating Income to Net

Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Claims Payable	<u>82,410</u>
Net Cash Provided by Operating Activities	<u>\$ 1,994,546</u>

The notes to the basic financial statements are an integral part of this statement.

South-Western City School District
Statement of Fiduciary Net Assets
Agency Fund
June 30, 2012

Assets:

Equity in Pooled Cash and Cash Equivalents	\$ 3,680,287
Accounts Receivable	183,803
Total Assets	<u>\$ 3,864,090</u>

Liabilities:

Accounts Payable	\$ 32,399
Due to Other Governments	907,296
Undistributed Money	2,924,395
Total Liabilities	<u>\$ 3,864,090</u>

The notes to the basic financial statements are an integral part of this statement.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 1 - DESCRIPTION OF THE DISTRICT

The South-Western City School District (the “District”) operates under a locally elected five-member board and provides educational services as authorized by its charter or further mandated by state/or federal agencies. The Board controls the District’s thirty-six instructional/support facilities staffed by 886 non-certificated employees, 1,410 certificated full time teaching personnel and 100 administrative employees to provide approximately 20,076 students and other community members.

The District was established in 1959 through the consolidation of existing land areas and school districts and is organized under Sections 2 and 3, Article VI of the constitution of the State of Ohio. Under the law, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

The District serves an area of approximately one hundred nineteen (119) square miles. It encompasses most of the southwestern quadrant of Franklin County, including a substantial portion of the southwestern quadrant of the City of Columbus, Ohio, the state capital, and five other cities and townships. In addition, a very small portion of Pickaway County is included within the District boundaries.

The District is the sixth largest in the state of Ohio (among 612 school districts) in terms of enrollment and the second largest (behind the Columbus City School District) in Franklin County. During fiscal year 2012 the District operated 16 elementary schools, five intermediate schools, five middle schools, four comprehensive high schools and one career academy 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 District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the South-Western City School District, this includes general operations, food service, head start, student guidance, extracurricular activities and care and upkeep of grounds and buildings of the District.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the South-Western City School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) statements and Interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The District’s significant accounting policies are described below.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation

The District's basic financial statement consists of government-wide statements, including a statement of net assets 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 assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used. Internal Service Fund operating activity is eliminated to avoid doubling-up of revenues and expenses. The statements distinguish between governmental and business-type activities of the District. The District has no business-type activities.

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

Fund Financial Statements

Fund financial statements report detailed information about the District. 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, and all nonmajor funds are aggregated and presented in one column. The Internal Service fund is presented on the proprietary fund statements. Fiduciary funds are reported by fund type.

B. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

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. Below is a description of the funds presented in the financial statements:

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting (continued)

Major Governmental Funds

General Fund - The General Fund is the general operating fund of the District and is used to account for and report all financial resources except those required to be accounted for in another fund.

Debt Service Fund - The Debt Service Fund is used to account for and report the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Improvements Fund - The Capital Improvements Fund is used to account for and report financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

The other governmental funds of the District account for grants and other resources.

Proprietary Fund

The proprietary fund focuses on the determination of the changes in net assets, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the District has no enterprise funds.

Internal Service Fund – The Health Self Insurance Internal Service fund is used to account for and report dental insurance claims and health insurance claims.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other governmental units and/or other funds. This includes agency funds. Agency funds are purely custodial and thus do not involve measurement of results of operation.

Agency Funds – Agency Funds are used to account for and report student activities and internal processing of employee health insurances and retirement.

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statement is prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Assets.

Fund Financial Statements

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

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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. The fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for proprietary and agency funds. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenues 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, revenues are recognized in the accounting period when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty days after fiscal year end.

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

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

Unearned Revenue

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

Property taxes (should not include delinquent) for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations, have been recorded as unearned revenue.

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

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Health Self Insurance Fund are charges to the District and employees for insurance premiums. Operating expenses for the Internal Service Fund include payments of claims and administrative costs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expense.

Expenditures/Expenses

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

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

E. Budgetary Data

The District is required by state statute to adopt an annual appropriation cash basis budget for all funds, except agency funds. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution. The timeline is explained below.

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose for this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the board-adopted budget is filed with the Franklin County Budget Commission for tax rate determination.

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect the amounts set forth in the original and final Amended Certificate issued for fiscal year 2012, respectively.

By July 1, the Annual Appropriation Resolution is legally enacted by the Board of Education at the fund level, which is the legal level of budgetary control. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals. Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present the general fund's budgetary statement comparisons at the fund, function and object level.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budgetary Data (continued)

Any revisions that alter the total of any fund appropriations must be approved by the Board of Education.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized cash basis appropriation.

Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, increased or decreased the original appropriation amounts. All supplemental appropriations were legally enacted by the Board during fiscal year 2012.

Unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated. Cash disbursements may not legally exceed budgeted appropriations at the fund level.

F. Cash and Cash Equivalents/Investments

The District maintains a cash and investment pool used by all funds. The cash and investment pool has the same characteristics as demand deposits. Each fund's interest in the pooled bank account is presented as "Cash and Cash Equivalents" on the financial statements.

During fiscal year 2012, the District invested in a variety of instruments as allowed in the Ohio Revised Code. Except for investment contracts and money market investments that had a remaining maturity of two years or less at the time of purchase, investments are reported at fair value which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

Under existing Ohio statutes, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during fiscal year 2012 amounted to \$287,432, which includes \$83,671 assigned from other District Funds.

The District utilizes a financial institution to service bonded debt as principal and interest payments come due.

For presentation on the financial statements, investments of the cash management pool and investments with maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. During the fiscal year, all investments in the cash management pool had a maturity of twenty-four months or less.

G. Inventory

Inventories of governmental funds are stated at cost. The cost is determined on a first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental funds when used by using the consumption method.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Capital Assets and Depreciation

Capital assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000 and a useful life of at least 5 years. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets, with the exception of land, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Land Improvements	10 to 20 years
Buildings	5 to 45 years
Furniture and Equipment	5 to 20 years
Vehicles	6 years
Buses	13 years

I. Compensated Absences

Vacation and personal leave benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. An accrual for earned sick leave is made to the extent it is probable that the benefits will result in termination payments. The District records a liability for accumulated unused sick leave for all employees after fifteen years of service. A bonus payment is available to employees who retire at their first retirement eligibility date, which is based on the number of years experience they have earned. A liability is recorded for those employees that have declared their retirement date as of June 30, 2012.

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

The total liability for vacation and severance payments has been calculated using pay rates in effect at June 30, 2012, and reduced to the maximum payment allowed by labor contracts and/or statute, plus any additional salary related payments.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

J. 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, claims and judgments, compensated absences, special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Interfund Transactions

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net assets.

L. 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 governmental funds. The classifications are as follows:

Nonspendable

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

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 or enabling legislation (District resolutions).

Enabling legislation authorizes the District to assess, levy, charge, or otherwise mandates payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the District can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specific by the legislation.

Committed

The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District 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. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Governing Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. 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.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Fund Balance (continued)

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. In the general fund, assigned amounts represent intended uses established by the Board of Education.

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 District applies restricted resources first when expenditures are incurred for purposes 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.

The District does not have a formal minimum fund balance policy.

M. Net Assets

Net Assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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. Any unspent borrowings used for the acquisition, construction or improvement of those assets do not reduce net assets invested in capital assets, net of related debt. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include activities for other grants and vocational rotary programs restricted to cash disbursements for specified purposes.

The District applies restricted resources first when an expense is incurred for purposes of which both restricted and unrestricted net assets are available. The District did not have net assets restricted by enabling legislation at June 30, 2012.

N. Parochial Schools

Within the District boundaries are various parochial schools operated through the Catholic Diocese and local churches. Current state legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The fiduciary responsibility of the District for these monies is reflected in a special revenue fund (a nonmajor governmental fund) for financial reporting purposes.

O. Estimates

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

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2012.

Q. Bond Premiums, Bond Discounts and Gains on Refunding and Issuance Costs

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium and discount. Bond issuance costs are recorded as deferred charges and amortized over the term of the related debt.

Bond premiums on the capital appreciation bonds are deferred and accreted over the term of the bonds.

Any gain or loss on refunding is allocated over the life of the old debt or the new debt whichever is shorter.

On the governmental fund financial statements, governmental fund types recognize issuance costs, bond premiums, and bond discounts in the current period. The face amount of the debt issue is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt services expenditures.

NOTE 3 – CASH AND CASH EQUIVALENTS/INVESTMENTS

Deposits

At fiscal year-end, the carrying amount of the District’s deposits was \$114,583,011 and the bank balance was \$114,730,092. Of the bank balance, \$26,000,000 was covered by federal deposit insurance coverage. The remaining amounts were uninsured and uncollateralized as defined by the GASB because the collateral pledged by the financial institution or their trust department or agents is not in the District’s name. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities 6 months or less</u>
Repurchase Agreement	\$ 1,604,365	\$ 1,604,365
	\$ 1,604,365	\$ 1,604,365

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District’s investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The District’s repurchase agreement is secured by underlying securities guaranteed by the United States Government. The District’s investment policy recognizes there is credit risk with each investment and requires consideration of this risk when investing. The District has no investment policy that would further limit its investment choices other than what has been approved by state statute.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 3 – CASH AND CASH EQUIVALENTS/INVESTMENTS (continued)

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2012:

Investment Type	Fair Value	% of Total
Repurchase Agreement	\$ 1,604,365	100.00%
	\$ 1,604,365	100.00%

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits may not be returned. The District has no deposit policy for custodial credit risk beyond the requirements of state statute. According to state law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State laws does not require security for public deposits and investments to be maintained in the District’s name. During 2012, the District and public depositories complied with the provisions of these statutes.

The District has adopted a formal investment policy. There are two investment objectives: safety of principal and compliance with all federal and state laws.

Reconciliation of Cash and Investment to the Statement of Net Assets: The following is a reconciliation of cash and investments to the Statement of Net Assets as of June 30, 2012:

Investments (summarized above)	\$ 1,604,365
Carrying Amount of District's Deposits	114,583,011
Agency Fund - Cash and Cash Equivalents	(3,680,287)
Total Governmental Activities - Cash and Cash Equivalents and Investments	\$ 112,507,089

NOTE 4 – PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility property, and tangible personal property (used in business) located in the District. Real property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed values as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 4 – PROPERTY TAXES (continued)

Public utility property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien on December 31, 2010, were levied after October 1, 2011, and are collected in 2012 with real property taxes. Public utility real property is assessed at twenty-five percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Beginning in 2001, the Ohio General Assembly reduced the assessment rate for certain tangible personal property of electric and gas utilities from 88 percent to 25 percent. Starting in tax year 2005, the assessment rate for personal property owned by telephone utilities prior to 1995 was being phased down from 88 percent to 25 percent (in tax year 2007) over a three-year period. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four-year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes will be levied or collected after calendar year 2010 on local and inter-exchange telephone companies.

The District receives property taxes from Franklin County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2012, are available to finance fiscal year 2012 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes personal property and public utility taxes, and the late June personal property settlement, which are measurable as of June 30, 2012 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 and the late personal property tax settlement were levied to finance current fiscal year operations.

On a full accrual basis, collectible delinquent property taxes and the amount available as an advance have been recorded as a receivable and revenue while the rest of the receivable is deferred. On a modified accrual basis, only the amount available as an advance is recognized as revenue.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes, which become measurable as of June 30, 2012. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue of the portion not intended to finance current year operations. The amount available as an advance at June 30 was \$42,569,409 in the General Fund, \$6,106,956 in the Debt Service Fund and \$1,901,958 in the Capital Improvements Fund, which is recognized as revenue. The assessed values upon which the fiscal year 2012 taxes were collected are:

	<u>2011 Second Half Collection</u>		<u>2012 First Half Collection</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 2,506,723,390	96.80%	\$ 2,290,295,740	96.11%
Public Utility Real and Personal	82,904,850	3.20%	92,684,960	3.89%
Tangible Personal Property	<u>13,600</u>	<u>.00%</u>	<u>-</u>	<u>.00%</u>
Total Assessed Value	<u>\$ 2,589,641,840</u>	<u>100%</u>	<u>\$ 2,382,980,700</u>	<u>100%</u>
Tax rate per \$1,000 of Assessed Valuation	\$ 72.55		\$ 73.55	

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 5 – RECEIVABLES

Receivables at June 30, 2012 consisted of taxes, payment in lieu of taxes, accounts (rent and student fees), interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, agreements with local governments and businesses, the stable condition of State programs and the current year guarantee of federal funds. A summary of receivables reported on the statement of net assets follows:

Governmental Activities:	
Property Taxes – Current	\$ 111,804,673
Property Taxes – Delinquent	14,179,086
Payment in Lieu of Taxes	599,057
Accounts	13,959
Interest	55,114
Intergovernmental	<u>6,271,009</u>
Total	<u>\$ 132,922,898</u>

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

Governmental funds report deferred revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent Property Taxes/Property Taxes	\$ 14,179,087	\$ 61,199,350
Revenue received prior to meeting all eligibility requirements	<u>3,664,608</u>	<u>-</u>
	<u>\$ 17,843,695</u>	<u>\$ 61,199,350</u>

South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 6 – CAPITAL ASSETS

A summary of capital asset activity during the fiscal year follows:

	Balance <u>6/30/2011</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/2012</u>
Governmental Activities				
Non-Depreciable:				
Land	\$ 6,751,905	\$ -	\$ -	\$ 6,751,905
Construction in Progress	231,004	6,903,432	(4,702,698)	2,431,738
Total Non-Depreciable	<u>6,982,909</u>	<u>6,903,432</u>	<u>(4,702,698)</u>	<u>9,183,643</u>
Depreciable:				
Improvements to Land	6,216,688	84,654	(140,828)	6,160,514
Buildings	205,817,237	4,549,975	(1,425,794)	208,941,418
Furniture and Equipment	7,229,499	254,646	(74,818)	7,409,327
Vehicles	1,600,827	-	(8,346)	1,592,481
Buses	11,181,380	889,805	(61,725)	12,009,460
Total Depreciable	<u>232,045,631</u>	<u>5,779,080</u>	<u>(1,711,511)</u>	<u>236,113,200</u>
Accumulated Depreciation:				
Improvements to Land	(4,743,988)	(100,067)	140,828	(4,703,227)
Buildings	(89,747,700)	(5,873,076)	1,425,794	(94,194,982)
Furniture and Equipment	(6,224,726)	(188,004)	74,818	(6,337,912)
Vehicles	(1,300,677)	(71,210)	2,666	(1,369,221)
Buses	(7,660,155)	(705,264)	61,725	(8,303,694)
Total Accumulated Depreciation	<u>(109,677,246)</u>	<u>(6,937,621)</u>	<u>1,705,831</u>	<u>(114,909,036)</u>
Net Depreciable Capital Assets	<u>122,368,385</u>	<u>(1,158,541)</u>	<u>(5,680)</u>	<u>121,204,164</u>
Net Governmental Activities Capital Assets	<u>\$ 129,351,294</u>	<u>\$ 5,744,891</u>	<u>\$ (4,708,378)</u>	<u>\$ 130,387,807</u>

Depreciation Expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 4,209,735
Special	46,084
Vocational	533,121
Support Services:	
Instructional Staff	1,854
Administration	231,087
Operations and Maintenance	83,354
Transportation	752,016
Central	764,412
Food Service	20,085
Community Services	140,358
Extracurricular	155,515
Total Depreciation Expense	<u>\$ 6,937,621</u>

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 7 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

Plan Description - The South-Western City School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing, multiple employer defined benefit pension plan. SERS provides retirement benefits 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 writing to the School Employees Retirement System, 300 East Broad Street, Columbus, Ohio 43215-3476.

Funding Policy - Plan members are required to contribution 10 percent of their annual covered salary and the South-Western City School District is required to contribute an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2012, 12.65 percent and 0.05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS's Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for members and employer contributions. The District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2012, 2011, and 2010, were \$3,663,149, \$3,383,481, and \$3,678,953, respectively, 100 percent has been contributed for each fiscal year.

B. State Teachers Retirement System

Plan Description - The South-Western City School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement system. 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 East Broad Street, Columbus, Ohio 43215-3771 or calling (614)-227-4090, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of services, or an allowance based on the member's lifetime contributions and earned interest matched by STRS Ohio funds times 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 members with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of the active members who die before retirement may qualify for survivor benefits. Members of 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 members' designated beneficiary is entitled to receive the members' account balance.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 7 - DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy - For the fiscal year ended June 30, 2012, plan members were required to contribution 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions to pension obligations to the DB, DC and Combined Plans for the fiscal years ended June 30, 2012, 2011, and 2010, were \$13,000,170, \$12,969,742, and \$12,905,892, respectively, 100 percent has been contributed for each fiscal year.

NOTE 8 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description – The South-Western City School District participates in two cost-sharing multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) 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. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Section 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 (lastest information available) was \$96.40 for most participants, but could be as high as \$369.10 per month depending on their income. SERS' reimbursement to retirees was \$45.50. Benefits 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. It is also posted on the SERS' Ohio website, www.ohsers.org, under "Employers/Audit Resources".

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2012, 0.55 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statues provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2012, the actuarially determined amount was \$35,800.

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 District's contributions for health care, including the surcharge for the fiscal years ended June 30, 2012, 2011, and 2010, \$585,131, \$836,165, and \$558,910, respectively, with 100 percent contributed for each fiscal year.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 8 - POSTEMPLOYMENT BENEFITS (continued)

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For fiscal year 2012 the actuarially required allocation was .75 percent. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010 were \$216,328, \$217,735, and \$218,780, respectively; with 100 percent contributed for each fiscal year.

B. State Teachers Retirement System

Plan Description – The 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 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 2012, 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, 2012, 2011, and 2010, were \$1,000,013, \$997,672, and \$992,760, respectively; with 100 percent contributed for each fiscal year.

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to property loss, torts, errors and omissions, workers' compensation as well as medical benefits provided to employees. The District has purchased commercial insurance for property loss, torts, errors and omissions, workers' compensation, health, life and vision insurance claims. The District is self-insured for health and dental claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

As of January 1, 2008, the District switched to self-insurance program for health and dental programs administered by Aetna and Delta Dental, respectively. Payments are made to Aetna and Delta Dental for the actual amounts of claims processed, monthly stop-loss premiums, and administrative charges. Operating revenues of the internal service fund consist of charges to other funds for an amount expected to be needed to cover claims and to provide for future catastrophe losses, policy, stop-loss premiums, and other operating expenses. The portion of the charge relating to the cost needed to cover claims is calculated annually based on historical and trend information.

The claims liability is \$1,618,011 reported in the internal service fund at June 30, 2012 is based on actual claims paid and estimates provide by the third party administrators and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB statement No. 30. "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs related to incurred by not reported claims, be accrued at the estimated ultimate cost of settling the claims. The District anticipates paying these claims within one year. Changes in claims activity for the past fiscal years are as follows:

	Balance at July 1	Current Year Claims	Claim Payments	Balance at June 30
Fiscal Year 2011	\$ 1,844,280	\$ 20,115,433	\$ 20,424,112	\$ 1,535,601
Fiscal Year 2012	1,535,601	19,966,155	19,883,745	1,618,011

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 10 - COMPENSATED ABSENCES

The criteria for determining vested vacation, personal and sick leave are derived from negotiated agreements and State laws. Twelve month classified employees and administrators earn ten to twenty days of vacation per year, depending upon length of service. Teachers do not earn vacation time. Accumulated, unused vacation time is paid upon termination of employment. All employees considered full-time earn three days of personal leave each year. Each employee is allowed to carry a maximum balance of five days. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave is paid at the rate of one-third the employees accumulated but unused sick leave balance up to various maximums depending upon the union contract. A bonus payment is available for employees who retire at their first eligibility date. This amount is calculated based on the actual individuals who have applied for retirement.

The entire compensated absence liability is reported on the entity-wide financial statements. For governmental fund financial statements, the amount of accumulated sick leave and bonus pay for those employees who have certified their retirement has been recorded as a current liability to extent the amounts are considered due.

NOTE 11- LONG-TERM DEBT

The District issues bonds, notes and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the District. Long-term obligations also include notes and compensated absences.

The District issued \$6,670,000 of Qualified School Construction Bonds (QSCBs) on May 3, 2011. The proceeds will be used to fund energy conservation improvements to District buildings and were issued under House Bill 164 Energy Conservation Bond legislation. The QSCBs were authorized by the federal government through the American Recovery and Reinvestment Act of 2009 (ARRA). The term bonds mature December 1, 2025 and are subject to a mandatory sinking fund requirements of \$444,667 each year for 15 years. The balance in the bond sinking fund is \$420,645 at June 30, 2012. The difference will be adjusted in December 2012 in compliance with the bond issue requirements.

The following is a description of the District's Bonds and Long-Term Note outstanding at June 30, 2012:

<u>Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Retired/Accreted in 2012</u>	<u>Bonds Outstanding 6/30/2012</u>
2002 School Facilities	3.86%	12/1/2012	\$ 4,690,000	\$ (505,000)	\$ 525,000
2002 Energy Conservation	3.86%	12/1/2014	4,775,000	(415,000)	1,350,000
2000 Vocational Construction	0%	12/31/2016	1,000,000	(66,667)	333,331
2003 Refunding School Facilities	4.24%	12/1/2013	28,896,786	(2,789,678)	5,076,243
2006 Refunding School Facilities	4.02%	12/1/2027	77,988,782	(4,116,440)	60,898,373
2006 Refunding Capital Appreciation Bonds	4.02%	12/1/2016	1,254,989	203,278	2,365,713
2011 Refunding School Facilities	2.13%	12/1/2011	3,490,000	(3,513,333)	-
2011 Qualified School Construction Bonds	5.60%	12/1/2025	6,670,000	-	6,670,000
Total Long-Term Bonds and Notes Payable			<u>\$ 128,765,557</u>	<u>\$ (11,202,840)</u>	<u>\$ 77,218,660</u>

Amortization of premium on the 2003 Refunding School Facilities Bond for fiscal year 2012 was \$184,678. The balance of unamortized premium on the bonds is \$246,243 and is included in the total bonds outstanding at June 30, 2012.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 11- LONG-TERM DEBT (continued)

Amortization of premium on the 2006 Refunding School Facilities Bonds for fiscal year 2012 was \$116,440. The balance of unamortized premium on the bonds is \$1,688,373 and is included in the total bonds outstanding at June 30, 2012.

Amortization of premium on the 2011 Refunding Bonds for fiscal year 2012 was \$23,333. This bond was retired in fiscal year 2012.

Annual debt service requirements to maturity for the General Obligation Bonds, Energy Conservation Bonds and Long-Term Notes are as follows:

Year Ending June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 12,256,667	\$ 2,964,028	\$ 15,220,695
2014	5,626,666	2,583,248	8,209,914
2015	3,666,667	2,387,842	6,054,509
2016	3,326,666	2,249,583	5,576,249
2017	1,321,654	4,314,394	5,636,048
2018-2022	18,390,000	9,085,014	27,475,014
2023-2027	29,585,000	3,871,190	33,456,190
Total	<u>\$ 74,173,320</u>	<u>\$ 27,455,299</u>	<u>\$ 101,628,619</u>

The above amortization schedule (principal payments) does not include the \$1,934,616 in unamortized premium on the 2003 and 2006 bond issues. The accretion of \$1,110,724 on the 2006 Refunding School Facilities Capital Appreciation Bonds is also not accounted for in this schedule.

The District's voted legal debt margin was \$137,249,603 with an unvoted debt margin of \$2,382,981 at June 30, 2012.

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid.

South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 11- LONG-TERM DEBT (continued)

A summary of Long-Term obligation activity during the fiscal year is summarized below:

Issue	Balance at June 30, 2011	Additions	Deductions	Balance at June 30, 2012	Due within 1 year
General Obligation Bonds					
School Facilities 2002					
Serial Bonds 3.00% - 4.20%	\$ 1,030,000	\$ -	\$ 505,000	\$ 525,000	\$ 525,000
Refunding Bond 2003					
Serial Bonds 2.00% - 5.00%	7,435,000	-	2,605,000	4,830,000	2,735,000
Serial Bonds Premium	430,921	-	184,678	246,243	-
Refunding Bonds 2006					
Serial Bonds 4.00% - 4.75%	48,855,000	-	4,000,000	44,855,000	8,500,000
Term Bonds 4.25%	14,355,000	-	-	14,355,000	-
Serial/Term Bonds Premium	1,804,813	-	116,440	1,688,373	-
Capital Appreciation Bonds					
Refunding 2006 4.02%	1,254,989	-	-	1,254,989	-
Capital Appreciation Accretion	907,446	203,278	-	1,110,724	-
Refunding School Facilities 2011					
Serial Bonds 2.125%	3,490,000	-	3,490,000	-	-
Serial Bonds Premium	23,333	-	23,333	-	-
Total General Obligation Bonds	79,586,502	203,278	10,924,451	68,865,329	11,760,000
Energy Conservation Bonds					
Energy Conservation 2002 3.00% - 4.45%	1,765,000	-	415,000	1,350,000	430,000
Qualified School Construction Bonds 2011					
Serial Bonds 5.60%	6,670,000	-	-	6,670,000	-
Total Energy Conservation Bonds	8,435,000	-	415,000	8,020,000	430,000
Long-Term Notes Payable					
Technical Equipment Loan 2000 0%	399,998	-	66,667	333,331	66,667
Total Long-term Notes Payable	399,998	-	66,667	333,331	66,667
Compensated Absences	13,316,193	1,628,602	1,816,219	13,128,576	2,729,037
Total	\$ 101,737,693	\$ 1,831,880	\$ 13,222,337	\$ 90,347,236	\$ 14,985,704

Compensated absences of \$2,729,037 include \$1,340,293 for vacation and personal leave, which is estimated to be used in the next fiscal year. Compensated absences are liquidated by the General and nonmajor special revenue funds.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 12 - INTERFUND TRANSACTIONS

Interfund Balances at June 30, 2012 consist of the following individual fund receivable and payables:

<u>Interfund Receivable/Payable</u>	<u>Receivable</u>	<u>Payable</u>
Major Funds		
General Fund	\$ 557,702	\$ -
Non-Major Funds		
District Managed Student Activities	-	20,582
State Grants		12,489
JOBS Grant		34,279
Federal Grants	-	490,352
Total	<u>\$ 557,702</u>	<u>\$ 557,702</u>

The primary purpose of the interfund balances is to cover anticipated negative cash balances in specific funds where revenues were not received or to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements; no internal balances at June 30, 2012 are reported on the statement of net assets.

Interfund transfers for the fiscal year ended June 30, 2012 consisted of the following, as reported on the fund statements:

	Amount
Transfers from general fund to debt service major fund:	\$ 926,499
Transfers from general fund to nonmajor governmental funds:	536,477

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 13 – FUND BALANCE

Fund balances are nonspendable, restricted, committed or assigned for the following purposes:

	<u>General</u>	<u>Debt Service</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balance:					
Nonspendable					
Inventory	\$ 328,594	\$ -	\$ -	\$ 89,877	\$ 418,471
Total Nonspendable	328,594	-	-	89,877	418,471
Restricted for:					
Debt Service	-	17,057,485	-	-	17,057,485
Capital Projects	-	-	9,241,355	-	9,241,355
Regular Instruction	-	-	-	618,458	618,458
Special Education	-	-	-	299,643	299,643
Vocational Education	-	-	-	9,227	9,227
Adult Basic Education	-	-	-	56,942	56,942
Targeted Academic Assistance	-	-	-	12,330	12,330
Extracurricular Activities	-	-	-	749,344	749,344
Food Service	-	-	-	1,381,883	1,381,883
Total Restricted	-	17,057,485	9,241,355	3,127,827	29,426,667
Committed					
Public School Support	-	-	-	1,022,557	1,022,557
Total Committed	-	-	-	1,022,557	1,022,557
Assigned:					
Unpaid Obligations	2,506,254	-	-	-	2,506,254
Regular Instruction	136,490	-	-	-	136,490
Vocational Education	6,245	-	-	-	6,245
Other Instruction	91,420	-	-	-	91,420
Total Assigned	2,740,409	-	-	-	2,740,409
Unassigned	98,023,668	-	-	(58,696)	97,964,972
Total Fund Balance	\$ 101,092,671	\$ 17,057,485	\$ 9,241,355	\$ 4,181,565	\$ 131,573,076

NOTE 14 – CONTINGENCIES

A. Grants

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits should 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 District at June 30, 2012.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 14 – CONTINGENCIES (continued)

B. Litigation

There are currently several matters in litigation with the District as defendant. Based upon the facts and circumstances, as they currently exist, management believes that the remaining cases will have no material effect on the financial statements of the District.

NOTE 15 - SIGNIFICANT CONTRACTUAL OBLIGATIONS

The District had significant contractual obligation as of June 30, 2012 which are listed below:

<u>Contractor</u>	<u>Project</u>	<u>Amount</u>
SPH Design	Designs for OSFC Projects	\$ 2,500,387
Electric Service Professionals, Inc	Lighting Upgrades - HB 264 Projects	235,770
Muetzel Plumbing & Heating, Inc	Chiller Replacement - Grove City High School Westland High School	1,004,437
Kirk Williams Mechanical	Chiller Replacement - Central Crossing High School	187,089
Jess Howard Electric Co.	Outdoor Lighting - Central Crossing High School	466,204

NOTE 16 - SCHOOL FUNDING

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. Declared unconstitutional was the State’s “school foundation program”, which provides monetary support to the District’s general fund.

On May 11, 2000, the Supreme Court held the mandate of the Ohio Constitution that the State provide a “thorough and efficient system of common schools throughout the State” had not yet been fulfilled. The Supreme Court identified seven major areas that warranted further attention and development by the General Assembly.

After several attempts by the State to remedy the defects in the system, the Court issued its latest opinion on September 6, 2001. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.
- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Court relinquished jurisdiction over the case based on anticipated compliance with its order.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 16 - SCHOOL FUNDING (continued)

The State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001. In November 2001, the Court granted the request for reconsideration, but also ordered the parties to participate in a settlement conference with a court appointed mediator. On March 21, 2002, the mediator issued his final report indicating that the conference was unable to produce a settlement.

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional and vacated its decision of September 6, 2001. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..."

On March 4, 2003, the Plaintiffs filed a motion with the Common Pleas Court of Perry County requesting that such Court schedule and conduct a conference to address the State's compliance with the orders of such Court and the Supreme Court. On May 16, 2003, the Ohio Supreme Court granted a Writ of Prohibition as filed by the State and ordered the Common Pleas Court of Perry County to dismiss the motion for a compliance conference. The Ohio Supreme Court further stated again its ruling made on December 11, 2002.

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

NOTE 17 - SUBSTITUTE HOUSE BILL 412

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

Effective April 10, 2011, through Amended Substitute Senate Bill 345, the requirement for school districts to establish and appropriate money for budget stabilization was deleted from law. A school district may still establish reserve balance accounts consistent with Section 5705.12, Revised Code, if it so chooses; however, the requirement is no longer mandatory. In addition, any money on hand in a school district's budget reserve set-aside as of April 10, 2011, may at the discretion of the board be returned to the District's general fund or may be left in the account and used by the board to offset any budget deficit the district may experience in future years. The bill placed special conditions on any Bureau of Workers' Compensation monies remaining in the budget reserve. In prior years, the Board of Education authorized the expenditures of the budget reserve amount pursuant to State Statute, and as a result no budget reserve exists at June 30, 2011.

The District had qualifying disbursements and offsets during the fiscal year that further reduced the textbook and capital acquisition set-aside amounts below zero. Effective July 1, 2011, House Bill 30, the "Unfunded Mandates Relief Act", eliminates the requirement that school districts annually set aside an amount per pupil into a textbook and instructional materials fund.

The District had qualifying disbursements that reduced the capital improvements set-aside amount below zero. This excess may not be carried forward to offset future year set-side requirements.

*South-Western City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 17 - SUBSTITUTE HOUSE BILL 412 (continued)

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

	Capital <u>Acquisition</u>
Set aside Cash Balance as of June 30, 2011	\$ -
Current Year Set-aside Requirement	3,434,041
Qualifying Offset – Capital Improvements Fund	(3,618,531)
Qualifying Disbursements	<u>(1,000,099)</u>
Total	<u>\$ (1,184,589)</u>

NOTE 18 – JOINTLY GOVERNED ORGANIZATION

Metropolitan Educational Council (MEC)

The District is a participant in the MEC. MEC is an association of public school districts within the boundaries of Franklin, Delaware, Union, Pickaway, Madison and Fairfield 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 MEC consists of one representative from each of the member school districts. Financial information can be obtained from Sue Ward, who serves as fiscal officer, at 2100 Citygate, Columbus, Ohio 43219.

NOTE 19 - OTHER COMMITMENTS

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

	Fiscal Year - End Encumbrances
General Fund	\$ 2,506,254
Capital Improvement Fund	3,890,272
Other Governmental Funds	<u>187,730</u>
Total	<u>\$ 6,584,256</u>

NOTE 20 – SIGNIFICANT SUBSEQUENT EVENTS

In August 2012 the District issued \$148,000,000 in General Obligation Bonds. The proceeds will be used to pay for the Districts share of the Ohio School Facilities Commission Building Project. The project includes the replacement of 13 elementary schools and Franklin Heights High School as well as renovations at two elementary schools.

REQUIRED SUPPLEMENTAL INFORMATION

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Local:				
Taxes	\$ 92,425,000	\$ 92,425,000	\$ 93,010,680	\$ 585,680
Tuition	743,000	743,000	1,090,199	347,199
Interest	300,000	300,000	284,488	(15,512)
Other Local Revenue	3,327,000	3,327,182	4,832,711	1,505,529
Intergovernmental - State	108,004,000	108,004,000	112,009,663	4,005,663
Intergovernmental - Federal	572,000	572,000	548,437	(23,563)
Total Revenues	<u>205,371,000</u>	<u>205,371,182</u>	<u>211,776,178</u>	<u>6,404,996</u>
Expenditures:				
Current:				
Instruction:				
Regular				
Salaries and Wages	59,994,140	59,687,120	59,479,944	207,176
Fringe Benefits	18,753,000	18,122,687	18,067,476	55,211
Purchased Services	16,898,239	15,973,647	15,961,326	12,321
Supplies and Materials	753,715	793,923	719,145	74,778
Miscellaneous	4,125	2,816	1,521	1,295
Total Regular	<u>96,403,219</u>	<u>94,580,193</u>	<u>94,229,412</u>	<u>350,781</u>
Special				
Salaries and Wages	14,674,160	13,365,462	13,288,288	77,174
Fringe Benefits	4,070,790	4,451,679	4,233,238	218,441
Purchased Services	3,500,868	4,485,473	4,476,219	9,254
Supplies and Materials	95,159	92,381	84,989	7,392
Miscellaneous	300	-	-	-
Total Special	<u>22,341,277</u>	<u>22,394,995</u>	<u>22,082,734</u>	<u>312,261</u>
Vocational				
Salaries and Wages	3,160,490	3,081,660	3,062,455	19,205
Fringe Benefits	1,028,190	1,015,848	937,873	77,975
Purchased Services	369,724	369,092	358,151	10,941
Supplies and Materials	1,232,016	766,083	723,855	42,228
Miscellaneous	3,694	-	-	-
Total Vocational	<u>5,794,114</u>	<u>5,232,683</u>	<u>5,082,334</u>	<u>150,349</u>
Other				
Salaries and Wages	379,730	498,934	487,646	11,288
Fringe Benefits	138,720	172,590	163,505	9,085
Purchased Services	220	220	178	42
Supplies and Materials	17,930	17,951	13,272	4,679
Total Other	<u>536,600</u>	<u>689,695</u>	<u>664,601</u>	<u>25,094</u>
Total Instruction	<u>125,075,210</u>	<u>122,897,566</u>	<u>122,059,081</u>	<u>838,485</u>
Support Services:				
Pupil				
Salaries and Wages	5,854,720	5,775,849	5,722,048	53,801
Fringe Benefits	1,796,870	1,765,128	1,651,022	114,106
Purchased Services	414,171	561,077	557,615	3,462
Supplies and Materials	36,361	35,823	33,036	2,787
Miscellaneous	400	-	-	-
Total Pupil	<u>8,102,522</u>	<u>8,137,877</u>	<u>7,963,721</u>	<u>174,156</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Instructional Staff				
Salaries and Wages	\$ 5,826,740	\$ 6,267,230	\$ 6,008,195	\$ 259,035
Fringe Benefits	2,805,090	2,868,518	2,663,536	204,982
Purchased Services	302,678	404,829	359,078	45,751
Supplies and Materials	354,896	306,316	289,849	16,467
Miscellaneous	7,000	7,000	4,078	2,922
Total Instructional Staff	<u>9,296,404</u>	<u>9,853,893</u>	<u>9,324,736</u>	<u>529,157</u>
Board of Education				
Salaries and Wages	15,000	15,000	13,040	1,960
Fringe Benefits	2,650	2,650	2,305	345
Purchased Services	6,500	6,500	2,995	3,505
Supplies and Materials	500	500	-	500
Miscellaneous	28,000	17,535	17,535	-
Total Board of Education	<u>52,650</u>	<u>42,185</u>	<u>35,875</u>	<u>6,310</u>
Administration				
Salaries and Wages	8,984,520	8,874,017	8,616,717	257,300
Fringe Benefits	3,764,960	3,729,044	3,524,225	204,819
Purchased Services	919,571	799,117	761,510	37,607
Supplies and Materials	85,402	87,696	77,403	10,293
Miscellaneous	1,218,410	1,216,736	1,210,403	6,333
Total Administration	<u>14,972,863</u>	<u>14,706,610</u>	<u>14,190,258</u>	<u>516,352</u>
Fiscal				
Salaries and Wages	735,850	738,201	736,526	1,675
Fringe Benefits	414,682	450,953	407,762	43,191
Purchased Services	223,795	249,808	236,456	13,352
Supplies and Materials	8,810	7,201	7,170	31
Miscellaneous	1,921,816	1,728,778	1,726,585	2,193
Total Fiscal	<u>3,304,953</u>	<u>3,174,941</u>	<u>3,114,499</u>	<u>60,442</u>
Business				
Salaries and Wages	155,940	156,480	155,024	1,456
Fringe Benefits	61,780	69,080	59,063	10,017
Purchased Services	527,876	458,159	450,142	8,017
Supplies and Materials	83,493	70,353	69,176	1,177
Miscellaneous	72,640	72,640	69,064	3,576
Total Business	<u>901,729</u>	<u>826,712</u>	<u>802,469</u>	<u>24,243</u>
Operations and Maintenance				
Salaries and Wages	6,691,500	6,645,683	6,514,769	130,914
Fringe Benefits	2,762,370	2,705,084	2,640,719	64,365
Purchased Services	5,719,177	5,484,053	5,364,387	119,666
Supplies and Materials	1,375,962	1,440,659	1,432,731	7,928
Miscellaneous	4,000	4,000	1,063	2,937
Total Operations and Maintenance	<u>16,553,009</u>	<u>16,279,479</u>	<u>15,953,669</u>	<u>325,810</u>
Pupil Transportation				
Salaries and Wages	6,089,250	6,198,901	6,188,067	10,834
Fringe Benefits	2,943,460	2,930,084	2,879,985	50,099
Purchased Services	871,520	809,650	792,416	17,234
Supplies and Materials	1,688,273	1,855,195	1,836,654	18,541
Total Pupil Transportation	<u>11,592,503</u>	<u>11,793,830</u>	<u>11,697,122</u>	<u>96,708</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Central				
Salaries and Wages	\$ 1,448,760	\$ 1,442,677	\$ 1,428,328	\$ 14,349
Fringe Benefits	615,290	687,391	629,903	57,488
Purchased Services	1,319,835	1,375,047	1,334,218	40,829
Supplies and Materials	54,386	38,669	24,010	14,659
Miscellaneous	7,751	8,351	5,241	3,110
Total Central	<u>3,446,022</u>	<u>3,552,135</u>	<u>3,421,700</u>	<u>130,435</u>
Total Support Services	<u>68,222,655</u>	<u>68,367,662</u>	<u>66,504,049</u>	<u>1,863,613</u>
Food Service				
Purchased Services	25,000	-	-	-
Total Food Service	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Community Services				
Salaries and Wages	92,230	102,689	102,634	55
Fringe Benefits	17,910	20,761	18,523	2,238
Purchased Services	500	-	-	-
Supplies and Materials	2,523	3,023	1,766	1,257
Total Community Services	<u>113,163</u>	<u>126,473</u>	<u>122,923</u>	<u>3,550</u>
Extracurricular Activities				
Salaries and Wages	2,102,750	2,235,458	1,920,030	315,428
Fringe Benefits	432,780	475,480	377,512	97,968
Purchased Services	84,489	376,413	375,203	1,210
Supplies and Materials	200	188	188	-
Total Extracurricular Activities	<u>2,620,219</u>	<u>3,087,539</u>	<u>2,672,933</u>	<u>414,606</u>
Capital Outlay	572,711	667,045	642,257	24,788
Total Expenditures	<u>196,603,958</u>	<u>195,146,285</u>	<u>192,001,243</u>	<u>3,145,042</u>
Excess of Revenues Over Expenditures	8,767,042	10,224,897	19,774,935	9,550,038
Other Financing Sources (Uses):				
Transfers - In	76,000	76,000	80,654	4,654
Transfers - Out	(1,825,000)	(1,827,658)	(1,827,658)	-
Advances - In	1,774,020	1,774,011	1,774,011	-
Advances - Out	(500,000)	(1,317,150)	(1,317,150)	-
Sale of Capital Assets	5,000	5,000	-	(5,000)
Total Other Financing Sources (Uses)	<u>(469,980)</u>	<u>(1,289,797)</u>	<u>(1,290,143)</u>	<u>(346)</u>
Net Change in Fund Balances	8,297,062	8,935,100	18,484,792	9,549,692
Fund Balance at Beginning of Year	53,856,184	53,856,184	53,856,184	-
Prior Year Encumbrances Appropriated	2,870,923	2,870,923	2,870,923	-
Fund Balance at End of Year	<u>\$ 65,024,169</u>	<u>\$ 65,662,207</u>	<u>\$ 75,211,899</u>	<u>\$ 9,549,692</u>

*South-Western City School District, Ohio
Required Supplemental Information
For the Fiscal Year Ended June 30, 2012*

BUDGETARY BASIS OF ACCOUNTING

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
4. Advances are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

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

	<u>General</u>
GAAP Basis	\$ 21,003,840
Adjustments:	
Revenue Accruals	(1,049,094)
Expenditure Accruals	(5,261,949)
Encumbrances	3,619,162
Transfers	(284,028)
Advances	456,861
Budget Basis	<u>\$ 18,484,792</u>

OTHER SUPPLEMENTAL INFORMATION

DEBT SERVICE FUND

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

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Taxes	\$ 12,525,000	\$ 13,045,580	\$ 520,580
Interest	-	420	420
Intergovernmental - State	1,891,000	1,976,750	85,750
Intergovernmental - Federal	-	378,130	378,130
Total Revenues	<u>14,416,000</u>	<u>15,400,880</u>	<u>984,880</u>
Expenditures:			
Current:			
Support Services:			
Fiscal			
Miscellaneous	<u>223,000</u>	<u>221,825</u>	<u>1,175</u>
Total Fiscal	<u>223,000</u>	<u>221,825</u>	<u>1,175</u>
Total Support Services	<u>223,000</u>	<u>221,825</u>	<u>1,175</u>
Debt Service:			
Principal Retirement	11,459,667	11,015,000	444,667
Interest and Fiscal Charges	<u>3,458,344</u>	<u>3,458,344</u>	<u>-</u>
Total Expenditures	<u>15,141,011</u>	<u>14,695,169</u>	<u>445,842</u>
Excess of Revenues Over (Under) Expenditures	(725,011)	705,711	1,430,722
Other Financing Sources:			
Transfers - In	<u>1,012,000</u>	<u>926,499</u>	<u>(85,501)</u>
Total Other Financing Sources	<u>1,012,000</u>	<u>926,499</u>	<u>(85,501)</u>
Net Change in Fund Balances	286,989	1,632,210	1,345,221
Fund Balance at Beginning of Year	<u>9,318,319</u>	<u>9,318,319</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 9,605,308</u>	<u>\$ 10,950,529</u>	<u>\$ 1,345,221</u>

CAPITAL IMPROVEMENTS FUND

The Capital Improvements fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Capital Improvements Fund
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Taxes	\$ 4,072,000	\$ 4,073,352	\$ 1,352
Other Local Revenue	75,000	75,000	-
Intergovernmental - State	<u>1,032,000</u>	<u>906,882</u>	<u>(125,118)</u>
Total Revenues	<u><u>5,179,000</u></u>	<u><u>5,055,234</u></u>	<u><u>(123,766)</u></u>
Expenditures:			
Current:			
Instruction:			
Regular			
Supplies and Materials	<u>1,378,551</u>	<u>1,349,743</u>	<u>28,808</u>
Total Regular	<u><u>1,378,551</u></u>	<u><u>1,349,743</u></u>	<u><u>28,808</u></u>
Vocational			
Purchased Services	<u>66,667</u>	<u>66,667</u>	<u>-</u>
Total Vocational	<u><u>66,667</u></u>	<u><u>66,667</u></u>	<u><u>-</u></u>
Total Instruction	<u><u>1,445,218</u></u>	<u><u>1,416,410</u></u>	<u><u>28,808</u></u>
Support Services:			
Fiscal			
Miscellaneous	<u>70,000</u>	<u>69,070</u>	<u>930</u>
Total Fiscal	<u><u>70,000</u></u>	<u><u>69,070</u></u>	<u><u>930</u></u>
Business			
Purchased Services	<u>140,144</u>	<u>121,707</u>	<u>18,437</u>
Total Business	<u><u>140,144</u></u>	<u><u>121,707</u></u>	<u><u>18,437</u></u>
Central			
Supplies and Materials	<u>12,932</u>	<u>12,386</u>	<u>546</u>
Total Central	<u><u>12,932</u></u>	<u><u>12,386</u></u>	<u><u>546</u></u>
Total Support Services	<u><u>223,076</u></u>	<u><u>203,163</u></u>	<u><u>19,913</u></u>
Capital Outlay	<u>14,158,225</u>	<u>13,206,001</u>	<u>952,224</u>
Total Expenditures	<u><u>15,826,519</u></u>	<u><u>14,825,574</u></u>	<u><u>1,000,945</u></u>
Net Change in Fund Balances	(10,647,519)	(9,770,340)	877,179
Fund Balance at Beginning of Year	11,846,261	11,846,261	-
Prior Year Encumbrances Appropriated	<u>1,687,252</u>	<u>1,687,252</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 2,885,994</u></u>	<u><u>\$ 3,763,173</u></u>	<u><u>\$ 877,179</u></u>

NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for revenue sources (other than capital projects or debt service) that are legally or third party restricted to expenditures for specified purposes. The following are descriptions of each Special Revenue Fund:

Public School Support

To account for specific local revenue sources, other than taxes or expendable trusts, (i.e. profits from vending machines, sale of pictures, etc.), that are restricted to expenditures of specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases. These funds have been established at each school and at certain administrative centers for the purposes described above.

Other Grants

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

District Managed Student Activities

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

All State Grants

To account for all state grant programs which include Auxiliary Services, Early Childhood Education, and Alternative Education.

Jobs Grant

To account for federal funds used to assist states in providing an appropriate public education for all children.

Federal Grants

To account for federal grant programs which include: Adult Basic Education, Title I, Title I-School Improvement, Title II-A, Title II-D, Title III, Title IV, Title V, IDEA B, IDEA, Perkins, Head Start, Refugee Children, and Various ARRA programs.

Food Service

To account for the financial transactions related to the food service operations of the District.

South-Western City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	<u>Public School Support</u>	<u>Other Grants</u>	<u>District Managed Student Activities</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,086,407	\$ 289,512	\$ 779,414
Receivable:			
Accounts	11,855	-	-
Intergovernmental	-	-	-
Materials and Supplies Inventory	-	-	12,593
Total Assets	<u>\$ 1,098,262</u>	<u>\$ 289,512</u>	<u>\$ 792,007</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities:</u>			
Accounts Payable	\$ 75,705	\$ 5,579	\$ 9,488
Accrued Wages and Benefits	-	310	-
Interfund Loans Payable	-	-	20,582
Deferred Revenue	-	-	-
Total Liabilities	<u>75,705</u>	<u>5,889</u>	<u>30,070</u>
<u>Fund Balance:</u>			
Nonspendable	-	-	12,593
Restricted	-	283,623	749,344
Committed	1,022,557	-	-
Unassigned (Deficit)	-	-	-
Total Fund Balances	<u>1,022,557</u>	<u>283,623</u>	<u>761,937</u>
Total Liabilities and Fund Balances	<u>\$ 1,098,262</u>	<u>\$ 289,512</u>	<u>\$ 792,007</u>

<u>All State Grants</u>	<u>JOBS Grant</u>	<u>Federal Grants</u>	<u>Food Service</u>	<u>Total Nonmajor Funds</u>
\$ 390,988	\$ 1	\$ 200,308	\$ 1,083,429	\$ 3,830,059
-	-	-	-	11,855
29,500	60,982	5,035,227	664,097	5,789,806
-	-	-	77,284	89,877
<u>\$ 420,488</u>	<u>\$ 60,983</u>	<u>\$ 5,235,535</u>	<u>\$ 1,824,810</u>	<u>\$ 9,721,597</u>
\$ 18,827	\$ -	\$ 125,343	\$ 2,580	\$ 237,522
70,753	23,308	1,472,902	363,063	1,930,336
12,489	34,279	490,352	-	557,702
-	-	2,814,472	-	2,814,472
<u>102,069</u>	<u>57,587</u>	<u>4,903,069</u>	<u>365,643</u>	<u>5,540,032</u>
-	-	-	77,284	89,877
318,419	3,396	391,162	1,381,883	3,127,827
-	-	-	-	1,022,557
-	-	(58,696)	-	(58,696)
<u>318,419</u>	<u>3,396</u>	<u>332,466</u>	<u>1,459,167</u>	<u>4,181,565</u>
<u>\$ 420,488</u>	<u>\$ 60,983</u>	<u>\$ 5,235,535</u>	<u>\$ 1,824,810</u>	<u>\$ 9,721,597</u>

South-Western City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<u>Public School Support</u>	<u>Other Grants</u>	<u>District Managed Student Activities</u>
Revenues:			
Local:			
Tuition	\$ 91,540	\$ 8,149	\$ -
Interest	-	-	-
Other Local Revenue	968,036	36,162	1,112,340
Intergovernmental - State	14,475	-	-
Intergovernmental - Federal	-	-	-
Total Revenues	<u>1,074,051</u>	<u>44,311</u>	<u>1,112,340</u>
Current:			
Instruction:			
Regular	644,676	120,588	1,305
Special	22,717	3,886	-
Vocational	32,701	1,120	-
Other	14,278	30,780	-
Support Services:			
Pupil	13,751	46,908	-
Instructional Staff	49,752	80,284	31,499
Administration	298,889	-	813
Fiscal	-	-	-
Operations and Maintenance	-	-	-
Pupil Transportation	-	-	-
Central	-	-	-
Food Service	-	-	-
Community Services	2,221	1,308	-
Extracurricular Activities	89,551	6,515	1,066,989
Capital Outlay	113,300	40,503	47,645
Total Expenditures	<u>1,281,836</u>	<u>331,892</u>	<u>1,148,251</u>
Excess of Revenues Over (Under) Expenditures	(207,785)	(287,581)	(35,911)
Other Financing Sources:			
Transfers - In	192,077	325,000	19,400
Total Other Financing Sources	<u>192,077</u>	<u>325,000</u>	<u>19,400</u>
Net Change in Fund Balance	(15,708)	37,419	(16,511)
Fund Balances at Beginning of Year	1,038,265	246,204	778,448
Fund Balances at End of Year	<u>\$ 1,022,557</u>	<u>\$ 283,623</u>	<u>\$ 761,937</u>

<u>All State Grants</u>	<u>JOBS Grant</u>	<u>Federal Grants</u>	<u>Food Service</u>	<u>Total Nonmajor Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 99,689
-	-	-	1,223	1,223
-	-	-	3,054,723	5,171,261
1,392,831	-	-	128,705	1,536,011
<u>-</u>	<u>4,514,150</u>	<u>14,955,939</u>	<u>5,785,086</u>	<u>25,255,175</u>
<u>1,392,831</u>	<u>4,514,150</u>	<u>14,955,939</u>	<u>8,969,737</u>	<u>32,063,359</u>
177,488	-	-	-	944,057
100,196	3,127,258	5,653,751	-	8,907,808
-	-	481,221	-	515,042
299	-	195,071	-	240,428
4,228	516,553	1,809,602	-	2,391,042
9,201	866,943	5,175,553	-	6,213,232
12,215	-	919,900	958	1,232,775
39,860	-	208,663	-	248,523
23,328	-	355,428	165,620	544,376
-	-	22,283	-	22,283
55,800	-	-	-	55,800
-	-	-	8,383,343	8,383,343
823,053	-	239,840	-	1,066,422
-	-	-	-	1,163,055
<u>63,822</u>	<u>-</u>	<u>146,218</u>	<u>48,374</u>	<u>459,862</u>
<u>1,309,490</u>	<u>4,510,754</u>	<u>15,207,530</u>	<u>8,598,295</u>	<u>32,388,048</u>
83,341	3,396	(251,591)	371,442	(324,689)
-	-	-	-	536,477
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>536,477</u>
83,341	3,396	(251,591)	371,442	211,788
235,078	-	584,057	1,087,725	3,969,777
<u>\$ 318,419</u>	<u>\$ 3,396</u>	<u>\$ 332,466</u>	<u>\$ 1,459,167</u>	<u>\$ 4,181,565</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Tuition	\$ 83,000	\$ 91,540	\$ 8,540
Other Local Revenue	928,000	1,009,694	81,694
Intergovernmental - State	<u>13,000</u>	<u>16,275</u>	<u>3,275</u>
Total Revenues	<u>1,024,000</u>	<u>1,117,509</u>	<u>93,509</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Salaries and Wages	17,641	12,347	5,294
Fringe Benefits	3,436	2,077	1,359
Purchased Services	66,742	35,275	31,467
Supplies and Materials	829,773	635,875	193,898
Miscellaneous	<u>155</u>	<u>154</u>	<u>1</u>
Total Regular	<u>917,747</u>	<u>685,728</u>	<u>232,019</u>
Special			
Purchased Services	2,335	453	1,882
Supplies and Materials	<u>90,968</u>	<u>25,288</u>	<u>65,680</u>
Total Special	<u>93,303</u>	<u>25,741</u>	<u>67,562</u>
Vocational			
Salaries and Wages	1,190	1,015	175
Fringe Benefits	187	177	10
Purchased Services	4,779	1,945	2,834
Supplies and Materials	<u>24,627</u>	<u>21,422</u>	<u>3,205</u>
Total Vocational	<u>30,783</u>	<u>24,559</u>	<u>6,224</u>
Other			
Salaries and Wages	10,681	8,392	2,289
Fringe Benefits	1,837	1,386	451
Supplies and Materials	<u>5,959</u>	<u>4,500</u>	<u>1,459</u>
Total Other	<u>18,477</u>	<u>14,278</u>	<u>4,199</u>
Total Instruction	<u>1,060,310</u>	<u>750,306</u>	<u>310,004</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Support Services:			
Pupil			
Salaries and Wages	\$ 196	\$ 196	\$ -
Fringe Benefits	33	33	-
Purchased Services	2,138	1,568	570
Supplies and Materials	59,977	21,237	38,740
Miscellaneous	3,000	2,000	1,000
Total Pupil	<u>65,344</u>	<u>25,034</u>	<u>40,310</u>
Instructional Staff			
Salaries and Wages	33,726	24,521	9,205
Fringe Benefits	6,717	4,771	1,946
Purchased Services	42,147	11,476	30,671
Supplies and Materials	30,145	19,860	10,285
Total Instructional Staff	<u>112,735</u>	<u>60,628</u>	<u>52,107</u>
Administration			
Salaries and Wages	4,757	2,542	2,215
Fringe Benefits	928	430	498
Purchased Services	84,196	33,913	50,283
Supplies and Materials	368,818	273,008	95,810
Miscellaneous	3,808	1,219	2,589
Total Administration	<u>462,507</u>	<u>311,112</u>	<u>151,395</u>
Total Support Services	<u>640,586</u>	<u>396,774</u>	<u>243,812</u>
Community Services			
Salaries and Wages	1,400	800	600
Fringe Benefits	131	131	-
Supplies and Materials	289	274	15
Miscellaneous	1,500	1,250	250
Total Community Services	<u>3,320</u>	<u>2,455</u>	<u>865</u>
Extracurricular Activities			
Salaries and Wages	14,367	14,064	303
Fringe Benefits	2,479	2,418	61
Purchased Services	27,824	10,139	17,685
Supplies and Materials	45,582	28,771	16,811
Miscellaneous	6,773	1,222	5,551
Total Extracurricular Activities	<u>97,025</u>	<u>56,614</u>	<u>40,411</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	Final Budget	Actual	Variance
Miscellaneous	\$ 42,682	\$ 42,682	\$ -
Capital Outlay	210,399	138,273	72,126
Total Expenditures	<u>2,054,322</u>	<u>1,387,104</u>	<u>667,218</u>
Excess of Revenues Over (Under) Expenditures	(1,030,322)	(269,595)	760,727
Other Financing Sources:			
Transfers - In	176,000	192,077	16,077
Total Other Financing Sources	<u>176,000</u>	<u>192,077</u>	<u>16,077</u>
Net Change in Fund Balance	(854,322)	(77,518)	776,804
Fund Balance at Beginning of Year	980,684	980,684	-
Prior Year Encumbrances Appropriated	92,639	92,639	-
Fund Balance at End of Year	<u>\$ 219,001</u>	<u>\$ 995,805</u>	<u>\$ 776,804</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Other Grant Funds
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Tuition	\$ 444	\$ 8,149	\$ 7,705
Other Local Revenue	41,962	36,162	(5,800)
Total Revenues	<u>42,406</u>	<u>44,311</u>	<u>1,905</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Salaries and Wages	22,696	18,820	3,876
Fringe Benefits	4,298	3,113	1,185
Purchased Services	28,115	16,309	11,806
Supplies and Materials	172,504	91,878	80,626
Total Regular	<u>227,613</u>	<u>130,120</u>	<u>97,493</u>
Special			
Salaries and Wages	445	445	-
Fringe Benefits	89	81	8
Supplies and Materials	18,401	3,360	15,041
Total Special	<u>18,935</u>	<u>3,886</u>	<u>15,049</u>
Vocational			
Supplies and Materials	5,852	1,120	4,732
Total Vocational	<u>5,852</u>	<u>1,120</u>	<u>4,732</u>
Other			
Salaries and Wages	44,792	26,344	18,448
Fringe Benefits	8,569	4,430	4,139
Total Other	<u>53,361</u>	<u>30,774</u>	<u>22,587</u>
Total Instruction	<u>305,761</u>	<u>165,900</u>	<u>139,861</u>
Support Services:			
Pupil			
Salaries and Wages	49,940	35,177	14,763
Fringe Benefits	8,366	5,812	2,554
Supplies and Materials	12,252	7,647	4,605
Total Pupil	<u>70,558</u>	<u>48,636</u>	<u>21,922</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Instructional Staff			
Salaries and Wages	\$ 83,904	\$ 55,752	\$ 28,152
Fringe Benefits	14,286	9,136	5,150
Purchased Services	26,239	10,628	15,611
Supplies and Materials	7,315	6,195	1,120
Total Instructional Staff	<u>131,744</u>	<u>81,711</u>	<u>50,033</u>
Total Support Services	<u>202,302</u>	<u>130,347</u>	<u>71,955</u>
Community Services			
Salaries and Wages	50	50	-
Fringe Benefits	8	8	-
Miscellaneous	1,250	1,250	-
Total Community Services	<u>1,308</u>	<u>1,308</u>	<u>-</u>
Extracurricular Activities			
Salaries and Wages	7,800	5,592	2,208
Fringe Benefits	1,297	923	374
Total Extracurricular Activities	<u>9,097</u>	<u>6,515</u>	<u>2,582</u>
Capital Outlay	70,918	53,745	17,173
Total Expenditures	<u>589,386</u>	<u>357,815</u>	<u>231,571</u>
Excess of Revenues Over (Under) Expenditures	(546,980)	(313,504)	233,476
Other Financing Sources (Uses):			
Transfer - In	325,000	325,000	-
Advances - Out	-	(6,500)	(6,500)
Total Other Financing Sources (Uses)	<u>325,000</u>	<u>318,500</u>	<u>(6,500)</u>
Net Change in Fund Balance	(221,980)	4,996	226,976
Fund Balance at Beginning of Year	246,133	246,133	-
Prior Year Encumbrances Appropriated	20,963	20,963	-
Fund Balance at End of Year	<u>\$ 45,116</u>	<u>\$ 272,092</u>	<u>\$ 226,976</u>

South-Western City School District
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget (Non-GAAP) and Actual
 District Managed Student Activities Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Other Local Revenue	\$ 1,232,100	\$ 1,107,562	\$ (124,538)
Total Revenues	<u>1,232,100</u>	<u>1,107,562</u>	<u>(124,538)</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Purchased Services	1,973	1,000	973
Supplies and Materials	360	305	55
Total Regular	<u>2,333</u>	<u>1,305</u>	<u>1,028</u>
Total Instruction	<u>2,333</u>	<u>1,305</u>	<u>1,028</u>
Support Services:			
Instructional Staff			
Purchased Services	2,000	937	1,063
Supplies and Materials	33,684	31,064	2,620
Total Instructional Staff	<u>35,684</u>	<u>32,001</u>	<u>3,683</u>
Administration			
Purchased Services	2,484	1,599	885
Total Administration	<u>2,484</u>	<u>1,599</u>	<u>885</u>
Total Support Services	<u>38,168</u>	<u>33,600</u>	<u>4,568</u>
Extracurricular Activities			
Salaries and Wages	44,336	37,402	6,934
Fringe Benefits	9,009	6,416	2,593
Purchased Services	433,345	359,346	73,999
Supplies and Materials	987,506	708,919	278,587
Miscellaneous	5,330	1,285	4,045
Total Extracurricular Activities	<u>1,479,526</u>	<u>1,113,368</u>	<u>366,158</u>
Capital Outlay	136,208	48,516	87,692
Total Expenditures	<u>1,656,235</u>	<u>1,196,789</u>	<u>459,446</u>

(continued)

South-Western City School District
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget (Non-GAAP) and Actual
 District Managed Student Activities Fund
 For the Fiscal Year Ended June 30, 2012
 (continued)

	Final <u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Excess of Revenues Over (Under) Expenditures	\$ (424,135)	\$ (89,227)	\$ 334,908
Other Financing Sources (Uses):			
Transfers - In	20,000	19,400	(600)
Advances - In	-	20,582	20,582
Advances - Out	<u>(1,917)</u>	<u>(1,917)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>18,083</u>	<u>38,065</u>	<u>19,982</u>
Net Change in Fund Balances	(406,052)	(51,162)	354,890
Fund Balance at Beginning of Year	724,185	724,185	-
Prior Year Encumbrances Appropriated	<u>62,482</u>	<u>62,482</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 380,615</u></u>	<u><u>\$ 735,505</u></u>	<u><u>\$ 354,890</u></u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
All State Grant Funds
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Intergovernmental - State	\$ 1,594,934	\$ 1,565,434	\$ (29,500)
Total Revenues	<u>1,594,934</u>	<u>1,565,434</u>	<u>(29,500)</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Purchased Services	179,977	179,977	-
Supplies and Materials	4,799	4,799	-
Total Regular	<u>184,776</u>	<u>184,776</u>	<u>-</u>
Special			
Salaries and Wages	77,000	67,141	9,859
Fringe Benefits	33,969	29,727	4,242
Purchased Services	153	100	53
Supplies and Materials	1,587	1,387	200
Total Special	<u>112,709</u>	<u>98,355</u>	<u>14,354</u>
Other			
Supplies and Materials	300	299	1
Total Other	<u>300</u>	<u>299</u>	<u>1</u>
Total Instruction	<u>297,785</u>	<u>283,430</u>	<u>14,355</u>
Support Services:			
Pupil			
Salaries and Wages	3,312	2,836	476
Fringe Benefits	548	469	79
Purchased Services	350	310	40
Supplies and Materials	605	591	14
Total Pupil	<u>4,815</u>	<u>4,206</u>	<u>609</u>
Instructional Staff			
Salaries and Wages	6,500	6,500	-
Fringe Benefits	1,075	1,075	-
Purchased Services	1,629	1,626	3
Total Instructional Staff	<u>9,204</u>	<u>9,201</u>	<u>3</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
All State Grant Funds
For the Fiscal Year Ended June 30, 2012
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Administration			
Salaries and Wages	\$ 8,845	\$ 8,111	\$ 734
Fringe Benefits	3,607	3,130	477
Purchased Services	479	462	17
Supplies and Materials	423	423	-
Total Administration	<u>13,354</u>	<u>12,126</u>	<u>1,228</u>
Fiscal			
Miscellaneous	<u>73,712</u>	<u>39,860</u>	<u>33,852</u>
Total Fiscal	<u>73,712</u>	<u>39,860</u>	<u>33,852</u>
Operations and Maintenance			
Salaries and Wages	16,436	16,146	290
Fringe Benefits	7,637	7,107	530
Purchased Services	65	65	-
Total Operations and Maintenance	<u>24,138</u>	<u>23,318</u>	<u>820</u>
Central			
Purchased Services	<u>55,800</u>	<u>55,800</u>	<u>-</u>
Total Central	<u>55,800</u>	<u>55,800</u>	<u>-</u>
Total Support Services	<u>181,023</u>	<u>144,511</u>	<u>36,512</u>
Community Services			
Salaries and Wages	372,351	311,981	60,370
Fringe Benefits	86,012	71,287	14,725
Purchased Services	84,960	72,354	12,606
Supplies and Materials	612,066	401,462	210,604
Total Community Services	<u>1,155,389</u>	<u>857,084</u>	<u>298,305</u>
Miscellaneous	185,303	185,303	-
Capital Outlay	178,565	137,592	40,973
Total Expenditures	<u>1,998,065</u>	<u>1,607,920</u>	<u>390,145</u>
Excess of Revenues Over (Under) Expenditures	(403,131)	(42,486)	360,645 (continued)

South-Western City School District
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget (Non-GAAP) and Actual
 All State Grant Funds
 For the Fiscal Year Ended June 30, 2012
 (continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Other Financing Sources:			
Advances - In	\$ -	\$ 12,489	\$ 12,489
Total Other Financing Sources	<u>-</u>	<u>12,489</u>	<u>12,489</u>
Net Change in Fund Balances	(403,131)	(29,997)	373,134
Fund Balance at Beginning of Year	264,522	264,522	-
Prior Year Encumbrances Appropriated	<u>138,609</u>	<u>138,609</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 373,134</u>	<u>\$ 373,134</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
JOBS Grant Fund
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Intergovernmental - Federal	\$ 4,514,150	\$ 4,453,168	\$ (60,982)
Total Revenues	<u>4,514,150</u>	<u>4,453,168</u>	<u>(60,982)</u>
Expenditures:			
Current:			
Instruction:			
Special			
Salaries and Wages	2,323,280	2,323,280	-
Fringe Benefits	803,978	803,978	-
Total Special	<u>3,127,258</u>	<u>3,127,258</u>	<u>-</u>
Total Instruction	<u>3,127,258</u>	<u>3,127,258</u>	<u>-</u>
Support Services:			
Pupil			
Salaries and Wages	411,394	411,394	-
Fringe Benefits	105,159	105,159	-
Total Pupil	<u>516,553</u>	<u>516,553</u>	<u>-</u>
Instructional Staff			
Salaries and Wages	572,729	552,729	20,000
Fringe Benefits	297,610	290,906	6,704
Total Instructional Staff	<u>870,339</u>	<u>843,635</u>	<u>26,704</u>
Total Support Services	<u>1,386,892</u>	<u>1,360,188</u>	<u>26,704</u>
Total Expenditures	<u>4,514,150</u>	<u>4,487,446</u>	<u>26,704</u>
Excess of Revenues Over (Under) Expenditures	-	(34,278)	(34,278)
Other Financing Sources:			
Advances - In	-	34,279	34,279
Total Other Financing Sources	<u>-</u>	<u>34,279</u>	<u>34,279</u>
Net Change in Fund Balances	-	1	1
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Federal Grants Fund
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Intergovernmental - Federal	\$ 20,886,763	\$ 15,795,456	\$ (5,091,307)
Total Revenues	<u>20,886,763</u>	<u>15,795,456</u>	<u>(5,091,307)</u>
Expenditures:			
Current:			
Instruction:			
Special			
Salaries and Wages	5,050,626	4,199,735	850,891
Fringe Benefits	1,810,203	1,466,667	343,536
Purchased Services	40,959	30,011	10,948
Supplies and Materials	202,381	193,781	8,600
Total Special	<u>7,104,169</u>	<u>5,890,194</u>	<u>1,213,975</u>
Vocational			
Salaries and Wages	281,542	239,710	41,832
Fringe Benefits	79,595	67,356	12,239
Purchased Services	80,795	80,795	-
Supplies and Materials	67,455	67,293	162
Total Vocational	<u>509,387</u>	<u>455,154</u>	<u>54,233</u>
Other			
Salaries and Wages	181,858	134,268	47,590
Fringe Benefits	31,442	23,616	7,826
Purchased Services	3,600	3,600	-
Supplies and Materials	41,883	40,852	1,031
Total Other	<u>258,783</u>	<u>202,336</u>	<u>56,447</u>
Total Instruction	<u>7,872,339</u>	<u>6,547,684</u>	<u>1,324,655</u>
Support Services:			
Pupil			
Salaries and Wages	657,032	533,287	123,745
Fringe Benefits	250,896	202,937	47,959
Purchased Services	1,368,129	1,080,181	287,948
Supplies and Materials	11,436	10,208	1,228
Total Pupil	<u>2,287,493</u>	<u>1,826,613</u>	<u>460,880</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Federal Grants Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Instructional Staff			
Salaries and Wages	\$ 5,431,285	\$ 3,597,017	\$ 1,834,268
Fringe Benefits	1,746,040	1,285,941	460,099
Purchased Services	321,829	290,382	31,447
Supplies and Materials	152,841	138,102	14,739
Miscellaneous	3,388	3,138	250
Total Instructional Staff	<u>7,655,383</u>	<u>5,314,580</u>	<u>2,340,803</u>
Administration			
Salaries and Wages	746,881	657,962	88,919
Fringe Benefits	277,615	247,703	29,912
Purchased Services	11,875	7,812	4,063
Supplies and Materials	4,219	3,210	1,009
Miscellaneous	3,265	3,265	-
Total Administration	<u>1,043,855</u>	<u>919,952</u>	<u>123,903</u>
Fiscal			
Miscellaneous	381,462	208,663	172,799
Total Fiscal	<u>381,462</u>	<u>208,663</u>	<u>172,799</u>
Operations and Maintenance			
Salaries and Wages	208,486	156,954	51,532
Fringe Benefits	80,914	65,175	15,739
Purchased Services	131,325	119,824	11,501
Supplies and Materials	23,589	23,472	117
Total Operations and Maintenance	<u>444,314</u>	<u>365,425</u>	<u>78,889</u>
Pupil Transportation			
Purchased Services	43,183	42,183	1,000
Total Pupil Transportation	<u>43,183</u>	<u>42,183</u>	<u>1,000</u>
Total Support Services	<u>11,855,690</u>	<u>8,677,416</u>	<u>3,178,274</u>
Community Services			
Salaries and Wages	152,449	130,514	21,935
Fringe Benefits	33,308	28,840	4,468
Purchased Services	91,548	40,737	50,811
Supplies and Materials	77,379	59,159	18,220
Total Community Services	<u>354,684</u>	<u>259,250</u>	<u>95,434</u>

(continued)

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Federal Grants Funds
For the Fiscal Year Ended June 30, 2012
(continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Capital Outlay	\$ 168,408	\$ 165,806	\$ 2,602
Total Expenditures	<u>20,251,121</u>	<u>15,650,156</u>	<u>4,600,965</u>
Excess of Revenues Over (Under) Expenditures	635,642	145,300	(490,342)
Other Financing Sources (Uses):			
Advances - In	-	490,352	490,352
Advances - Out	<u>-</u>	<u>(1,041,840)</u>	<u>(1,041,840)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(551,488)</u>	<u>(551,488)</u>
Net Change in Fund Balances	635,642	(406,188)	(1,041,830)
Fund Balance at Beginning of Year	3,720	3,720	-
Prior Year Encumbrances Appropriated	<u>402,473</u>	<u>402,473</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,041,835</u>	<u>\$ 5</u>	<u>\$ (1,041,830)</u>

South-Western City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local:			
Interest	\$ 1,000	\$ 1,223	\$ 223
Other Local Revenue	2,723,000	2,572,782	(150,218)
Intergovernmental - State	127,000	128,705	1,705
Intergovernmental - Federal	<u>5,277,000</u>	<u>5,771,984</u>	<u>494,984</u>
Total Revenues	<u>8,128,000</u>	<u>8,474,694</u>	<u>346,694</u>
Expenditures:			
Current:			
Support Services:			
Administration			
Purchased Services	<u>1,536</u>	<u>1,373</u>	<u>163</u>
Total Administration	<u>1,536</u>	<u>1,373</u>	<u>163</u>
Operations and Maintenance			
Purchased Services	<u>181,765</u>	<u>165,620</u>	<u>16,145</u>
Total Operations and Maintenance	<u>181,765</u>	<u>165,620</u>	<u>16,145</u>
Total Support Services	<u>183,301</u>	<u>166,993</u>	<u>16,308</u>
Community Services			
Salaries and Wages	3,134,234	3,119,598	14,636
Fringe Benefits	1,461,533	1,404,288	57,245
Purchased Services	227,974	190,585	37,389
Supplies and Materials	3,139,697	3,138,748	949
Miscellaneous	<u>700</u>	<u>279</u>	<u>421</u>
Total Community Services	<u>7,964,138</u>	<u>7,853,498</u>	<u>110,640</u>
Capital Outlay	<u>57,000</u>	<u>48,374</u>	<u>8,626</u>
Total Expenditures	<u>8,204,439</u>	<u>8,068,865</u>	<u>135,574</u>
Net Change in Fund Balances	(76,439)	405,829	482,268
Fund Balance at Beginning of Year	611,367	611,367	-
Prior Year Encumbrances Appropriated	<u>37,960</u>	<u>37,960</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 572,888</u>	<u>\$ 1,055,156</u>	<u>\$ 482,268</u>

INTERNAL SERVICE FUND

To account for the financing of services provided by one department or agency to another department or agency of the district on a cost-reimbursement basis. A description of the District's internal service fund follows:

Health Self Insurance

To account for monies received from other funds as payment for providing health and dental insurance. This fund reimburses for service provided to employees, for reimbursements to employees who have paid providers, to third party administrators for claims payment or administration, for stop-loss coverage, or any other reinsurance or other similar purposes.

South-Western City School District
Schedule of Revenues, Expenses and
Changes in Fund Net Assets - Budget (Non-GAAP) and Actual
Health Self Insurance Fund
For the Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	Variance
Revenues:			
Charges for Services	\$ 21,171,200	\$ 21,151,684	\$ (19,516)
Charges for Employees	4,428,800	4,425,225	(3,575)
Total Revenues	<u>25,600,000</u>	<u>25,576,909</u>	<u>(23,091)</u>
Expenses:			
Salaries and Wages	326,259	326,259	-
Fringe Benefits	8,101	8,101	-
Purchased Services	24,103,641	23,970,544	133,097
Total Expenses	<u>24,438,001</u>	<u>24,304,904</u>	<u>133,097</u>
Changes in Net Assets	1,161,999	1,272,005	110,006
Net Assets at Beginning of Year	6,851,602	6,851,602	-
Prior Year Encumbrances Appropriated	565,800	565,800	-
Net Assets at End of Year	<u>\$ 8,579,401</u>	<u>\$ 8,689,407</u>	<u>\$ 110,006</u>

FIDUCIARY FUND TYPES

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. This includes Agency Funds. The following are descriptions of each Agency Fund.

AGENCY FUNDS

Student Activity

To account for those student activity programs, which have student participation in the activity and have students involved in the management of the programs.

District Agency

To account for payments from all other funds for their contributions to the two retirement systems and the medical, vision, life insurance program and workers' compensation. This agency fund disburses payments to the appropriate vendors when payments are due.

South-Western City School District
 Combining Balance Sheet
 All Agency Funds
 June 30, 2012

	<u>Student Activity</u>	<u>District Agency</u>	<u>Total</u>
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 298,144	\$ 3,382,143	\$ 3,680,287
Accounts Receivable	4,402	179,401	183,803
Total Assets	<u>\$ 302,546</u>	<u>\$ 3,561,544</u>	<u>\$ 3,864,090</u>
 <u>Liabilities:</u>			
Accounts Payable	\$ 22,217	\$ 10,182	\$ 32,399
Due to Other Governments	-	907,296	907,296
Undistributed Money	280,329	2,644,066	2,924,395
Total Liabilities	<u>\$ 302,546</u>	<u>\$ 3,561,544</u>	<u>\$ 3,864,090</u>

South-Western City School District
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Fiscal Year Ended June 30, 2012

	Beginning Balance <u>June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2012</u>
<u>Student Activity:</u>				
Assets:				
Equity in Pooled Cash and Cash				
Equivalents	\$ 274,432	\$ 390,856	\$ 367,144	\$ 298,144
Receivable:				
Accounts	-	4,402	-	4,402
Total Assets	<u>\$ 274,432</u>	<u>\$ 395,258</u>	<u>\$ 367,144</u>	<u>\$ 302,546</u>
Liabilities:				
Accounts Payable	\$ 22,408	\$ 22,217	\$ 22,408	\$ 22,217
Undistributed Money	252,024	373,041	344,736	280,329
Total Liabilities	<u>\$ 274,432</u>	<u>\$ 395,258</u>	<u>\$ 367,144</u>	<u>\$ 302,546</u>
<u>District Agency</u>				
Assets:				
Equity in Pooled Cash and Cash				
Equivalents	\$ 2,770,956	\$ 17,270,430	\$ 16,659,243	\$ 3,382,143
Receivable:				
Accounts	177,594	179,401	177,594	179,401
Total Assets	<u>\$ 2,948,550</u>	<u>\$ 17,449,831</u>	<u>\$ 16,836,837</u>	<u>\$ 3,561,544</u>
Liabilities:				
Accounts Payable	\$ 11,770	\$ 10,182	\$ 11,770	\$ 10,182
Due to Other Governments	897,519	907,296	897,519	907,296
Undistributed Money	2,039,261	16,532,353	15,927,548	2,644,066
Total Liabilities	<u>\$ 2,948,550</u>	<u>\$ 17,449,831</u>	<u>\$ 16,836,837</u>	<u>\$ 3,561,544</u>
<u>All Agency Funds</u>				
Assets:				
Equity in Pooled Cash and Cash				
Equivalents	\$ 3,045,388	\$ 17,661,286	\$ 17,026,387	\$ 3,680,287
Receivable:				
Accounts	177,594	183,803	177,594	183,803
Total Assets	<u>\$ 3,222,982</u>	<u>\$ 17,845,089</u>	<u>\$ 17,203,981</u>	<u>\$ 3,864,090</u>
Liabilities:				
Accounts Payable	\$ 34,178	\$ 32,399	\$ 34,178	\$ 32,399
Due to Other Governments	897,519	907,296	897,519	907,296
Undistributed Money	2,291,285	16,905,394	16,272,284	2,924,395
Total Liabilities	<u>\$ 3,222,982</u>	<u>\$ 17,845,089</u>	<u>\$ 17,203,981</u>	<u>\$ 3,864,090</u>

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Statistical Section

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STATISTICAL SECTION

This part of the South-Western 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.

<u>Contents</u>	<u>Page</u>
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	100
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	110
<u>Debt Capacity</u> 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.	118
<u>Operating Information</u> 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.	124
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	135

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 for the year ended June 30, 2002; schedules presenting government-wide information include information beginning in that year.

South-Western City School District
 Changes in Invested in Capital Assets, Net of Related Debt
 Last Ten Fiscal Years
 (accrual basis of accounting)

	<u>Fiscal 2012</u>	<u>Fiscal 2011</u>	<u>Fiscal 2010</u>	<u>Fiscal 2009</u>
Governmental Activities				
Invested in Capital Assets,				
Net of Unrelated Debt	\$ 59,024,319	\$ 50,483,110	\$ 44,612,781	\$ 40,527,577
Restricted	38,270,638	45,063,166	28,128,813	23,493,846
Unrestricted	<u>102,607,157</u>	<u>72,890,740</u>	<u>57,067,078</u>	<u>32,825,649</u>
Total Governmental Activities Net Assets	<u>\$ 199,902,114</u>	<u>\$ 168,437,016</u>	<u>\$ 129,808,672</u>	<u>\$ 96,847,072</u>

Source: School District Comprehensive Annual Financial Report

<u>Fiscal</u> <u>2008</u>	<u>Fiscal</u> <u>2007</u>	<u>Fiscal</u> <u>2006</u>	<u>Fiscal</u> <u>2005</u>	<u>Fiscal</u> <u>2004</u>	<u>Fiscal</u> <u>2003</u>
\$ 34,413,508	\$ 27,802,364	\$ 29,644,575	\$ 33,551,196	\$ 32,771,331	\$ 31,575,953
22,761,533	17,692,309	12,886,527	9,068,727	9,670,710	7,609,961
22,787,305	23,853,095	(8,326,148)	1,229,883	17,774,437	20,582,500
<u>\$ 79,962,346</u>	<u>\$ 69,347,768</u>	<u>\$ 34,204,954</u>	<u>\$ 43,849,806</u>	<u>\$ 60,216,478</u>	<u>\$ 59,768,414</u>

South-Western City School District
 Changes in Net Assets
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009
Governmental Activities:				
Instruction:				
Regular	\$ 101,677,915	\$ 98,991,909	\$ 99,541,915	\$ 99,472,506
Special	31,207,794	30,607,426	28,566,712	26,318,268
Vocational	6,069,817	6,508,952	6,387,286	6,386,202
Other	917,499	997,663	971,222	2,835,918
Support Services:				
Pupil	10,258,396	10,440,174	10,157,786	9,255,581
Instructional Staff	15,611,841	16,956,180	17,532,453	14,963,463
Board of Education	35,875	36,274	43,974	53,816
Administration	15,677,734	16,031,146	15,717,538	15,407,715
Fiscal	3,634,551	3,505,319	3,498,071	3,460,086
Business	883,314	862,888	861,465	961,685
Operations and Maintenance	16,496,886	16,023,962	17,219,782	16,666,018
Pupil Transportation	12,371,791	11,832,057	11,466,296	11,894,384
Central	6,659,541	4,584,027	6,094,728	8,723,626
Food Service	8,388,222	8,395,557	8,340,945	8,609,997
Community Services	1,520,689	1,842,104	1,498,385	1,803,117
Extracurricular Activities	4,052,430	4,331,911	2,376,629	3,878,853
Interest and Fiscal Charges	3,568,207	3,601,621	4,032,517	4,692,127
Total Governmental Activities Expenses	<u>\$ 239,032,502</u>	<u>\$ 235,549,170</u>	<u>\$ 234,307,704</u>	<u>\$ 235,383,362</u>

Source: School District Comprehensive Annual Financial Report

(1) Restated to reflect change in accounting principal. Capitalization criteria changed from \$1,000 to \$5,000. Information is not available to restate previous years

		(Restated) (1)			
Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003
\$ 92,884,468	\$ 91,155,349	\$ 96,226,789	\$ 89,164,246	\$ 82,081,703	\$ 74,732,291
24,665,611	25,337,011	23,014,050	22,254,484	20,041,211	17,426,432
6,229,106	6,283,046	7,170,672	6,544,444	6,665,313	5,621,047
2,521,547	1,054,636	1,058,537	393,079	394,006	400,389
8,423,846	8,011,862	8,057,563	8,184,349	7,326,436	7,336,804
14,006,287	13,972,865	19,252,242	18,230,029	16,854,642	15,114,537
59,840	51,971	268,724	364,457	401,151	479,880
15,895,145	15,618,324	15,667,633	14,662,677	13,688,663	13,370,445
3,326,319	3,626,102	3,321,790	2,684,904	3,030,493	2,605,574
920,806	666,937	1,203,141	1,020,572	1,122,396	983,121
15,983,374	14,711,400	16,144,129	15,922,071	15,802,554	14,399,188
11,398,807	10,908,037	12,957,996	11,993,324	10,786,583	9,493,708
4,002,153	3,517,936	4,364,987	4,386,542	4,837,026	4,850,405
8,084,601	7,769,587	8,143,737	7,860,418	7,311,356	6,911,601
1,316,649	1,926,744	1,445,270	1,649,082	1,399,643	1,602,684
3,897,530	3,996,761	3,826,852	3,661,136	3,648,003	3,534,018
5,468,524	5,486,093	7,271,315	7,907,100	8,309,541	9,208,077
<u>\$ 219,084,613</u>	<u>\$ 214,094,661</u>	<u>\$ 229,395,427</u>	<u>\$ 216,882,914</u>	<u>\$ 203,700,720</u>	<u>\$ 188,070,201</u>

South-Western City School District
Changes in Net Assets (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009
Program Revenue:				
Governmental Activities:				
Charges for Services and Sales				
Instruction:				
Regular	\$ 161,894	\$ 165,561	\$ 137,446	\$ 165,213
Special	-	-	-	-
Vocational	114,619	116,529	91,031	185,043
Other	17,457	17,486	23,880	24,165
Support Services:				
Instructional Staff	-	-	-	-
Administration	958	1,037	-	140
Operations and Maintenance	165,620	163,785	-	-
Pupil Transportation	414,153	435,277	252,500	432,111
Food Service	2,468,329	2,914,191	3,070,970	3,242,294
Community Services	15,808	15,317	12,245	16,668
Extracurricular Activities	904,857	1,115,825	606,324	756,351
Operating Grants, Contributions and Interest	33,141,879	36,908,180	35,369,286	33,841,376
Total Governmental Activities Program Revenues	<u>\$ 37,405,574</u>	<u>\$ 41,853,188</u>	<u>\$ 39,563,682</u>	<u>\$ 38,663,361</u>
Net (Expenses)/Revenue				
Governmental Activities	<u>\$ (201,626,928)</u>	<u>\$ (193,695,982)</u>	<u>\$ (194,744,022)</u>	<u>\$ (196,720,001)</u>
General Revenues and Other Changes in Net Assets				
General Revenues:				
Property Taxes Levied for:				
General Purposes	95,303,398	95,084,630	92,055,343	85,257,556
Debt Service	13,722,961	12,143,490	13,130,296	12,884,620
Capital Improvement	4,177,603	3,954,430	4,207,501	4,343,741
Payments in Lieu of Taxes	1,021,635	2,446,398	1,360,937	-
Grants and Entitlements not Restricted to Specific Programs	109,682,717	111,373,088	109,993,005	101,900,997
Interest	287,852	344,720	335,983	974,009
Gain (Loss) on Sale of Capital Assets	-	-	-	-
Other Local Revenues	8,895,860	6,977,570	6,622,557	8,243,804
Total Governmental Activities	<u>233,092,026</u>	<u>232,324,326</u>	<u>227,705,622</u>	<u>213,604,727</u>
Changes in Net Assets	<u>\$ 31,465,098</u>	<u>\$ 38,628,344</u>	<u>\$ 32,961,600</u>	<u>\$ 16,884,726</u>

Source: School District Comprehensive Annual Financial Report

(1) Restated to reflect change in accounting principal. Capitalization criteria changed from \$1,000 to \$5,000.
Information is not available to restate previous years

		(Restated) (1)			
Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003
\$ 134,405	\$ 111,180	\$ 102,094	\$ 296,625	\$ 99,520	\$ 90,991
-	-	-	-	218	-
149,010	133,119	119,795	105,895	117,860	104,890
-	-	-	-	-	-
-	467	200	-	-	1,645
-	-	-	-	-	-
-	-	-	-	-	-
365,920	326,268	151,725	111,106	110,668	86,725
3,256,780	3,425,763	3,868,230	3,489,028	3,696,360	3,660,907
13,573	10,484	8,163	5,806	11,093	12,908
738,167	743,352	719,363	646,568	602,334	516,805
30,260,222	28,441,279	26,766,874	23,919,727	21,174,742	19,187,788
<u>\$ 34,918,077</u>	<u>\$ 33,191,912</u>	<u>\$ 31,736,444</u>	<u>\$ 28,574,755</u>	<u>\$ 25,812,795</u>	<u>\$ 23,662,659</u>
<u>\$ (184,166,536)</u>	<u>\$ (180,902,749)</u>	<u>\$ (197,658,983)</u>	<u>\$ (188,308,159)</u>	<u>\$ (177,887,925)</u>	<u>\$ (164,407,542)</u>
80,492,369	100,123,160	79,877,444	69,546,730	77,869,586	63,347,264
14,888,794	19,774,851	12,848,845	12,649,989	16,216,513	12,656,333
168,056	-	1,787,078	-	-	-
-	-	-	-	-	-
91,935,545	91,398,564	85,381,816	85,291,437	79,733,241	71,897,461
2,011,085	3,135,902	1,787,222	683,103	557,566	1,325,709
-	-	-	-	-	(249,682)
5,285,265	3,819,982	4,124,726	3,770,228	3,959,083	3,806,825
<u>194,781,114</u>	<u>218,252,459</u>	<u>185,807,131</u>	<u>171,941,487</u>	<u>178,335,989</u>	<u>152,783,910</u>
<u>\$ 10,614,578</u>	<u>\$ 37,349,710</u>	<u>\$ (11,851,852)</u>	<u>\$ (16,366,672)</u>	<u>\$ 448,064</u>	<u>\$ (11,623,632)</u>

South-Western City School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008
General Fund					
Nonspendable	\$ 328,594	\$ 321,417	\$ -	\$ -	\$ -
Assigned	2,740,409	1,849,870	-	-	-
Unassigned	98,023,668	77,917,544	-	-	-
Reserved	-	-	43,789,311	34,702,439	31,646,062
Unreserved	-	-	11,527,828	(1,474,986)	(7,646,791)
Total General Fund	<u>\$ 101,092,671</u>	<u>\$ 80,088,831</u>	<u>\$ 55,317,139</u>	<u>\$ 33,227,453</u>	<u>\$ 23,999,271</u>
All Other Governmental Funds					
Nonspendable	\$ 89,877	\$ 181,384	\$ -	\$ -	\$ -
Restricted	29,426,667	32,856,497	-	-	-
Committed	1,022,557	1,038,265	-	-	-
Unassigned (Deficit)	(58,696)	(1,077)	-	-	-
Reserved	-	-	18,140,962	16,169,375	16,783,696
Unreserved, reported in:					
Special Revenue Funds	-	-	2,913,891	2,849,640	3,315,826
Capital Projects Fund	-	-	3,947,443	853,201	1,458,916
Total All Other Governmental Funds	<u>\$ 30,480,405</u>	<u>\$ 34,075,069</u>	<u>\$ 25,002,296</u>	<u>\$ 19,872,216</u>	<u>\$ 21,558,438</u>

Source: School District Comprehensive Annual Financial Report

Note: The School District Implemented GASB 54 in 2011

Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
34,795,213	23,115,605	18,652,243	18,110,925	10,959,764
(12,754,310)	(26,952,311)	(17,786,525)	(1,819,297)	11,258,623
<u>\$ 22,040,903</u>	<u>\$ (3,836,706)</u>	<u>\$ 865,718</u>	<u>\$ 16,291,628</u>	<u>\$ 22,218,387</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
16,762,052	10,589,657	8,883,326	9,095,092	7,610,736
2,895,628	2,293,939	2,045,128	2,982,529	3,132,737
6,146,880	10,189,703	5,255	(322,833)	186,114
<u>\$ 25,804,560</u>	<u>\$ 23,073,299</u>	<u>\$ 10,933,709</u>	<u>\$ 11,754,788</u>	<u>\$ 10,929,587</u>

South-Western City School District
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified Accrual Basis of accounting)

	Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009
Revenues:				
Local:				
Taxes	\$ 111,448,896	\$ 110,043,274	\$ 108,946,272	\$ 99,222,737
Tuition	1,193,855	860,270	974,692	834,944
Interest	289,075	344,720	336,732	974,009
Other Local Revenue	7,546,155	7,312,531	6,080,996	10,037,234
Payments in Lieu of Taxes	2,631,269	1,821,006	1,678,739	-
Intergovernmental - State	116,429,306	114,911,159	114,173,138	116,393,859
Intergovernmental - Federal	26,234,348	33,103,360	30,732,525	18,961,145
Total Revenues	\$ 265,772,904	\$ 268,396,320	\$ 262,923,094	\$ 246,423,928
Expenditures:				
Current:				
Instruction:				
Regular	96,470,472	94,405,014	95,546,496	95,068,111
Special	31,076,201	30,555,128	28,489,938	26,150,024
Vocational	5,356,704	5,516,509	5,562,747	5,595,820
Other	889,683	982,579	955,483	2,785,526
Support Services:				
Pupil	10,298,499	10,525,586	10,108,635	9,211,089
Instructional Staff	15,628,160	16,577,081	17,492,815	14,997,314
Board of Education	35,875	36,274	43,974	53,816
Administration	15,348,771	15,833,157	15,632,272	15,143,308
Fiscal	3,625,358	3,497,286	3,385,646	3,458,286
Business	881,525	861,320	860,177	955,910
Operations and Maintenance	15,911,738	15,625,581	16,239,398	16,391,490
Pupil Transportation	11,476,850	10,780,268	10,690,064	10,511,656
Central	3,196,388	3,085,766	3,048,648	3,376,369
Food Service	8,383,343	8,356,991	8,161,209	8,572,735
Community Services	1,198,527	1,250,783	1,247,088	1,514,605
Extracurricular Activities	3,829,207	4,077,017	2,362,556	3,732,287
Capital Outlay	10,216,416	5,321,337	2,195,183	3,935,133
Pass Through Grants	-	-	-	-
Debt Services:				
Principal Retirement	11,081,667	13,876,667	9,811,667	12,976,667
Interest and Fiscal Charges	3,458,344	3,679,030	3,971,678	4,509,630
Issuance Costs for Bonds and Notes	-	-	-	-
Total Expenditures	248,363,728	244,843,374	235,805,674	238,939,776
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,409,176	23,552,946	27,117,420	7,484,152
Other Financing Sources (Uses):				
Transfers - In	1,462,976	1,003,065	1,069,376	1,022,766
Transfers - Out	(1,462,976)	(1,003,065)	(1,069,376)	(1,022,766)
Issuance of Refunding Bonds	-	3,490,000	-	-
Issuance of Qualifying School Construction Bonds	-	6,670,000	-	-
Issuance of Tax Anticipation Notes	-	-	-	-
Premium on the Sale of Refunding Bonds	-	32,666	-	-
Premium on the Sale of Tax Anticipation Notes	-	-	-	-
Principal Payment to Refunding Bonds Escrow Agent	-	-	-	-
Inception of Capital Lease	-	-	-	-
Sale of Capital Assets	-	98,853	12,346	57,808
Total Other Financing Sources (Uses)	-	10,291,519	12,346	57,808
Net Change in Fund Balances	\$ 17,409,176	\$ 33,844,465	\$ 27,129,766	\$ 7,541,960
Debt Service as a Percentage of Noncapital Expenditures	6.05%	7.24%	5.88%	7.39%

Source: School District Comprehensive Annual Financial Report

Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003
\$ 94,345,111	\$ 117,228,444	\$ 97,704,539	\$ 82,535,286	\$ 90,760,617	\$ 77,155,165
450,502	475,386	375,050	368,660	654,619	447,352
2,011,085	3,135,902	2,131,626	677,084	552,865	1,235,857
7,627,835	8,422,523	8,880,015	8,629,817	8,563,461	8,069,568
-	-	-	-	-	-
104,587,960	102,073,298	95,177,226	93,309,641	86,857,635	79,435,912
17,351,176	17,269,242	16,911,352	15,360,857	14,052,036	11,760,295
<u>\$ 226,373,669</u>	<u>\$ 248,604,795</u>	<u>\$ 221,179,808</u>	<u>\$ 200,881,345</u>	<u>\$ 201,441,233</u>	<u>\$ 178,104,149</u>
89,832,529	85,663,533	88,155,340	83,740,124	76,676,200	70,347,045
24,670,704	25,026,764	22,841,563	22,031,826	19,686,644	17,278,494
5,331,116	5,137,585	5,822,910	5,354,160	5,482,555	5,056,922
2,511,183	1,058,821	1,051,457	392,127	393,589	400,116
8,382,856	8,199,528	8,105,144	8,159,650	7,407,498	7,298,688
13,875,612	14,269,451	19,131,625	18,004,035	16,616,241	14,651,432
59,840	51,971	268,724	364,457	401,151	479,880
15,720,663	15,192,285	15,092,352	14,049,517	13,129,600	13,079,993
3,324,289	3,624,585	3,309,531	2,674,852	3,025,920	2,585,782
875,530	657,063	1,272,174	990,089	1,088,251	974,415
15,784,267	14,367,705	15,867,057	15,505,621	15,397,113	14,081,200
9,906,398	10,006,531	11,439,383	10,473,546	9,392,675	8,436,396
3,210,341	2,569,236	3,135,113	3,291,104	3,722,217	3,788,910
8,005,503	7,490,713	7,658,325	7,318,639	6,787,151	6,468,178
974,602	1,523,184	1,073,496	1,303,382	1,033,799	1,280,030
3,726,269	3,624,996	3,562,468	3,424,234	3,388,247	3,288,580
4,647,056	3,541,384	3,995,595	4,201,895	6,891,967	18,802,710
-	325,000	325,000	325,000	325,000	325,000
12,401,628	11,926,667	6,160,009	7,358,661	7,547,704	6,199,702
5,465,493	5,742,967	7,735,902	8,189,624	8,367,908	8,871,883
-	2,324,738	137,015	183,191	831,005	-
<u>228,705,879</u>	<u>222,324,707</u>	<u>226,140,183</u>	<u>217,335,734</u>	<u>207,592,435</u>	<u>203,695,356</u>
(2,332,210)	26,280,088	(4,960,375)	(16,454,389)	(6,151,202)	(25,591,207)
866,306	828,359	1,160,563	809,380	1,026,395	954,278
(866,306)	(828,359)	(1,160,563)	(809,380)	(1,026,395)	(954,278)
-	76,914,989	-	2,499,961	27,050,000	-
-	-	-	-	-	-
-	-	12,000,000	-	-	-
-	2,328,792	-	183,230	1,846,786	-
-	-	341,741	-	-	-
-	(76,914,999)	-	(2,500,000)	(27,860,001)	-
-	-	-	-	-	408,687
44,456	-	55,800	24,209	12,859	-
<u>44,456</u>	<u>2,328,782</u>	<u>12,397,541</u>	<u>207,400</u>	<u>1,049,644</u>	<u>408,687</u>
<u>\$ (2,287,754)</u>	<u>\$ 28,608,870</u>	<u>\$ 7,437,166</u>	<u>\$ (16,246,989)</u>	<u>\$ (5,101,558)</u>	<u>\$ (25,182,520)</u>
7.91%	9.02%	6.30%	7.60%	8.48%	8.12%

South-Western City School District
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection Years

Collection Year	Real Property (1)		Tangible Personal Property (2)		Public Utility (3)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2012	\$ 2,290,295,740	\$ 6,543,702,114	\$ -	\$ -	\$ 92,684,960	\$264,814,171
2011	2,506,723,390	7,162,066,829	13,600	-	82,904,850	236,871,000
2010	2,498,607,010	7,138,877,171	2,276,634	-	75,388,180	215,394,800
2009	2,486,984,970	7,105,671,343	4,619,246	73,907,936	71,470,170	204,200,486
2008	2,430,613,730	6,944,610,657	89,991,185	1,439,858,960	67,032,840	191,522,400
2007	2,404,642,590	6,870,407,400	169,030,582	1,352,244,656	73,945,840	211,273,829
2006	2,356,536,630	6,732,961,800	211,762,887	1,129,402,064	85,570,630	244,487,514
2005	2,058,332,580	5,880,950,229	294,803,262	1,179,213,048	87,436,400	249,818,286
2004	1,995,790,380	5,702,258,229	285,817,957	1,143,271,828	85,692,690	244,836,257
2003	1,944,520,110	5,555,771,743	327,412,336	1,309,649,344	80,654,260	230,440,743

Source: Franklin County Auditor

- (1) 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.
- (2) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation 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 is 0% in 2009.
- (3) Assumes public utilities are assessed at true value, which is 35% of estimated actual value.
- (4) 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.

Total		
Assessed Value	Estimated Actual Value	Tax Rate (4)
\$ 2,382,980,700	\$ 6,808,516,285	43.31
2,589,641,840	7,398,937,829	43.10
2,576,271,824	7,354,271,971	42.98
2,563,074,386	7,383,779,765	35.43
2,587,637,755	8,575,992,017	33.73
2,647,619,012	8,433,925,885	37.01
2,653,870,147	8,106,851,378	37.79
2,440,572,242	7,309,981,562	32.87
2,367,301,027	7,090,366,314	34.16
2,352,586,706	7,095,861,830	34.73

South-Western City School District
Property Tax Levies and Collections
Last Ten Fiscal Years

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2010/2011 (1)	\$ 125,930,322	\$ 12,918,261	\$ 138,848,583	\$ 114,860,051	91.21%
2009/2010 (1)	123,678,758	11,178,512	134,857,270	113,950,085	92.13%
2008/2009 (1)	103,732,433	11,099,246	114,831,679	93,169,566	89.82%
2007/2008 (1)	105,669,991	9,207,010	114,877,001	95,876,685	90.73%
2006/2007 (1)	108,335,893	9,820,143	118,156,036	102,369,887	94.49%
2005/2006 (1)	111,827,574	7,460,906	119,288,480	105,497,851	94.34%
2004/2005 (1)	87,226,531	7,222,650	94,449,181	82,722,065	94.84%
2003/2004 (1)	88,953,867	9,929,033	98,882,900	84,340,638	94.81%
2002/2003 (1)	86,458,902	7,337,196	93,796,098	81,512,004	94.28%
2001/2002 (1)	85,132,756	8,745,197	93,877,953	82,014,581	96.34%

Source: Franklin County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

Information for 2011/2012 Tax Year/Collection Year was not available from the Franklin County Auditor

(1) Does not include November Personal Property reimbursement from the State of Ohio.

<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection As a Percent of Total Levy</u>	<u>Delinquent Taxes Receivable</u>	<u>Tax Year/ Collection Year</u>
\$ 3,646,269	\$ 118,506,320	85.35%	\$ 14,179,086	2010/2011
4,045,044	117,995,129	87.50%	12,424,020	2009/2010
4,646,962	97,816,528	85.18%	11,284,744	2008/2009
4,127,145	100,003,830	87.05%	10,837,876	2007/2008
4,876,462	107,246,349	90.77%	9,618,966	2006/2007
6,114,565	111,612,416	93.57%	6,949,399	2005/2006
3,819,146	86,541,211	91.63%	10,140,571	2004/2005
6,254,525	90,595,163	91.62%	10,479,138	2003/2004
5,145,762	86,657,766	92.39%	7,153,656	2002/2003
4,380,375	86,394,956	92.03%	8,305,224	2001/2002

South-Western City School District
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
(Per \$1,000 of Assessed Valuation)

Tax Year/ Collection Year	CITIES			SCHOOL DISTRICT				LIBRARY
	Franklin County	City of Columbus	City of Grove City	South-Western City School District				Southwest Public Library
				General Fund	Voted Bond Fund	Permanent Improvement	Unvoted General Fund	
2011/2012	18.07 (17.19) (17.76)	3.14 (3.14) (3.14)	3.50 (3.50) (3.50)	61.20 (34.11) (46.42)	6.50 (6.50) (6.50)	2.00 (1.96) (1.96)	3.85 (3.85) (3.85)	1.00 (1.00) (1.00)
2010/2011	18.07	3.14	3.50	61.20	5.50	2.00	3.85	1.00
2009/2010	18.07	3.14	3.50	61.20	5.40	2.00	3.85	-
2008/2009	18.02	3.14	3.50	53.80	5.35	2.00	3.85	-
2007/2008	18.49	3.14	3.50	53.80	4.80	2.00	3.85	-
2006/2007	18.44	3.14	3.70	53.80	4.90	2.00	3.85	-
2005/2006	18.44	3.14	4.20	53.80	5.02	2.00	3.85	-
2004/2005	18.44	3.14	4.20	46.10	5.28	0.00	3.85	-
2003/2004	17.64	3.14	4.20	46.10	6.48	0.00	3.85	-
2002/2003	17.64	3.14	4.30	46.10	6.44	0.00	3.90	-

Source: Franklin County Auditor - Data is presented on a collection year basis because that is the manner in which the information is maintained by the County Auditor

Figures in parenthesis reflect "effective" millage for residential/agricultural (upper) and commercial/industrial (lower) for the current collection year only.

All other figures reflect voted millage.

VILLAGES			TOWNSHIPS				
<u>Village of Harrisburg</u>	<u>Village of New Rome</u>	<u>Village of Urbancrest</u>	<u>Franklin Township</u>	<u>Jackson Township</u>	<u>Pleasant Township</u>	<u>Harrisburg- Pleasant Township</u>	<u>Prairie Township</u>
1.00	0.00	0.60	25.20	20.20	21.20	20.80	18.20
(1.00)	0.00	(0.60)	(20.39)	(9.24)	(12.96)	(12.56)	(17.14)
(1.00)	0.00	(0.60)	(25.20)	(8.69)	(12.86)	(12.46)	(17.07)
1.00	0.00	0.60	25.20	20.20	21.20	20.80	18.20
1.00	0.00	0.60	25.20	20.20	21.20	20.80	18.20
1.00	0.00	0.60	25.20	20.20	18.70	18.30	18.20
1.00	0.00	0.60	21.31	20.20	18.70	18.30	18.20
1.00	0.00	0.60	21.31	20.20	18.70	18.30	18.20
1.00	0.00	0.60	18.05	20.20	18.70	18.30	18.20
1.00	0.00	0.60	18.05	20.20	18.70	18.30	14.50
1.00	0.00	0.60	13.05	20.20	18.70	18.30	14.20
1.00	1.20	0.60	13.05	20.20	16.20	15.80	14.20

South-Western City School District
Principal Taxpayers
December 31, 2011 and December 31, 2002

	<u>December 31, 2011</u>	
	<u>Total</u> <u>Assessed</u> <u>Valuation</u>	<u>% of Total</u> <u>Assessed</u> <u>Valuation</u>
<u>Public Utilities</u>		
Columbus Southern Power Company	\$ 83,152,850	3.49%
Columbia Gas of Ohio Inc.	7,646,100	0.32%
<u>Real Estate</u>		
Wal Mart Stores Inc	\$ 10,964,350	0.46%
Big Lots Stores Inc.	9,861,370	0.41%
Industrial Southpark	9,409,000	0.39%
Security Capital	8,935,430	0.37%
Distribution Funding III	8,444,600	0.35%
PCCP IRG Columbus LLC	7,700,010	0.32%
Ohio Health Corp.	6,753,950	0.28%
Showgates LLC	6,739,830	0.28%
Santa Fe Bayfront Venture	5,922,010	0.25%
Beulah Park Gaming	5,454,300	0.23%
All Others	<u>2,211,996,900</u>	<u>92.82%</u>
Total Assessed Valuation	<u><u>\$ 2,382,980,700</u></u>	<u><u>100.00%</u></u>

Source: Franklin County Auditor's Office. This is the latest information available.

Note: The personal property values reported above are Tax Year 2009/Calendar Year 2009 as reported by the taxpayers. These figures are for reference purposes only due to the phase out of the personal property tax.

	<u>December 31, 2002</u>	
	<u>Total</u>	<u>% of Total</u>
	<u>Assessed</u>	<u>Assessed</u>
	<u>Valuation</u>	<u>Valuation</u>
<u>Public Utilities</u>		
Columbus Southern Power Company	\$ 47,300,610	2.01%
Ohio Bell Telephone Co.	14,908,380	0.63%
Columbia Gas of Ohio Inc.	4,655,800	0.20%
		0.00%
<u>Real Estate</u>		
Distribution Fulfillment Services Inc.	\$ 12,914,340	0.55%
Dispatch Printing Co.	10,696,000	0.45%
Port West Associates LP	9,782,500	0.42%
Distribution Funding III	8,928,400	0.38%
Consolidated Stores International Corp	8,908,200	0.38%
Nationwide - Columbus Real	8,194,030	0.35%
Security Capital Ind Trust	7,003,510	0.30%
Realty Associates Fund V	5,336,100	0.23%
Darby Dan Farm LP	4,814,670	0.20%
Delphi Automotive Systems	4,578,810	0.19%
<u>Tangible Personal Property</u>		
Wal Mart Stores	\$ 17,820,740	0.76%
Kal Kan Foods Inc.	17,701,530	0.75%
Merck Medco RX Services of Ohio	15,860,301	0.67%
Sears Roebuck & Company	15,714,330	0.67%
Big Lots Stores Inc.	15,209,430	0.65%
Delphi Automotive Systems LLC	10,687,800	0.45%
IBM Credit Corporation	10,610,260	0.45%
Dispatch Printing Company	9,307,980	0.40%
Holt Company of Ohio	7,948,100	0.34%
Sally Beauty Company Inc.	7,005,390	0.30%
All Others	<u>2,076,699,495</u>	<u>88.27%</u>
Total Assessed Valuation	<u>\$ 2,352,586,706</u>	<u>100.00%</u>

South-Western City School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year	(1) (2) Net General Obligation Bonds	(1) Tax Anticipation Notes	(1) Energy Conservation Bonds	(1) Technical Equipment Loan	Total Primary Government	(3) Percentage of Personal Income	(4) Per Capita	(5) Per ADM
2012	\$ 51,807,844	\$ -	\$ 8,020,000	\$ 333,331	\$ 60,161,175	not available	\$ 451.20	\$ 2,996.67
2011	64,550,939	-	8,435,000	399,998	73,385,937	not available	551.29	3,688.85
2010	81,078,725	-	2,165,000	466,665	83,710,390	3.29%	629.88	4,198.11
2009	91,285,024	-	2,550,000	533,332	94,368,356	3.79%	710.71	4,547.65
2008	98,914,174	7,505,000	2,920,000	599,999	109,939,173	4.30%	828.50	5,238.94
2007	107,751,432	14,838,913	3,275,000	666,666	126,532,011	4.94%	957.21	6,027.34
2006	115,915,597	21,617,827	3,620,000	733,333	141,886,757	5.86%	1,094.13	6,769.41
2005	122,749,793	-	3,955,000	800,000	127,504,793	5.24%	993.66	6,111.53
2004	129,221,128	-	4,285,000	866,666	134,372,794	5.73%	1,063.95	6,543.28
2003	135,673,720	-	4,905,000	933,333	141,512,053	6.28%	1,127.42	6,987.90

Sources:

(1) Per District records

(2) Includes General Obligation Bonds Payable less Debt Service Funds available

(3) Personal Income provided by Ohio Department of Taxation

(4) Population estimates provided by Ohio Municipal Advisory Council and Mid Ohio Regional Planning Commission

(5) ADM per District records

South-Western City School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Collection Years

Year	(1) Assessed Value	(2) Gross Bonded Debt	(2) Less Debt Service Funds	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	(3) Net Bonded Debt Per Capita	(4) Net Bonded Debt Per ADM
2012	\$ 2,382,980,700	\$ 76,885,329	\$ 17,057,485	\$ 59,827,844	2.51%	\$ 448.70	\$ 2,980.07
2011	2,589,641,840	88,021,502	15,035,563	72,985,939	2.82%	548.29	3,668.74
2010	2,576,271,824	91,750,321	8,506,596	83,243,725	3.23%	626.37	4,174.71
2009	2,563,074,386	101,601,609	7,766,585	93,835,024	3.66%	706.69	4,521.95
2008	2,587,637,755	110,399,693	8,565,519	101,834,174	3.94%	767.42	4,852.71
2007	2,647,619,012	118,875,828	7,849,396	111,026,432	4.19%	839.91	5,288.74
2006	2,653,870,147	124,819,972	5,284,375	119,535,597	4.50%	921.77	5,703.03
2005	2,440,572,242	130,973,677	4,268,884	126,704,793	5.19%	987.43	6,073.18
2004	2,367,301,027	138,112,279	4,606,151	133,506,128	5.64%	1,057.09	6,501.08
2003	2,352,586,706	144,480,176	3,901,456	140,578,720	5.98%	1,119.99	6,941.82

Sources:

(1) Franklin County Auditor

(2) Per District records - Includes Energy Conservation Bonds

(3) Population estimates provided by Ohio Municipal Advisory Council and Mid Ohio Regional Planning Commission

(4) ADM per District records

South-Western City School District
 Computation of Direct and Overlapping Governmental Activities Debt
 June 30, 2012

Governmental Unit	Gross Debt Outstanding	Percent Applicable to School District	Amount Applicable to School District
Direct:			
South-Western City School District	\$ 76,885,329	100.00%	\$ 76,885,329
Indirect:			
Franklin County	\$ 261,625,000	9.06%	\$ 23,703,225
City of Columbus	<u>1,174,613,169</u>	38.07%	<u>447,175,233</u>
Total Overlapping Debt	<u>\$ 1,436,238,169</u>		<u>\$ 470,878,458</u>
Total Direct and Overlapping Debt	<u><u>\$ 1,513,123,498</u></u>		<u><u>\$ 547,763,787</u></u>

Note: Percent were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivisions.
 The valuations used were for the 2011 collection year

Source: Franklin County Auditor

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South-Western City School District
 Computation of Legal Debt Margin
 Last Ten Fiscal Years

Assessed Valuation	\$ 2,382,980,700
Bonded Debt Limit - 9% of Assessed Value	\$ 214,468,263
Amount of Debt Applicable to 9% Debt Limit:	<u>77,218,660</u>
9% Voted Debt Margin	<u>\$ 137,249,603</u>
Bonded Debt Limit - .10% of Assessed Value	\$ 2,382,981
Amount of Debt Applicable to .10% Debt Limit	<u>-</u>
.10% Unvoted Debt Margin	<u>\$ 2,382,981</u>

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Debt Limit	\$ 214,468,263	\$ 233,067,766	\$ 231,864,464	\$ 230,676,695
Total Net Debt Applicable to Limit	<u>77,218,660</u>	<u>88,421,500</u>	<u>92,216,986</u>	<u>102,134,941</u>
Legal Debt Margin	<u>\$ 137,249,603</u>	<u>\$ 144,646,266</u>	<u>\$ 139,647,478</u>	<u>\$ 128,541,754</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	36.00%	37.94%	39.77%	44.28%

Source: Franklin County Auditor and School District financial records

Note: Voted debt margins are determined without reference of applicable monies
 in the District's Bond Retirement Fund.

2008	2007	2006	2005	2004	2003
<u>\$ 232,887,398</u>	<u>\$ 238,285,711</u>	<u>\$ 238,848,313</u>	<u>\$ 219,651,502</u>	<u>\$ 213,057,092</u>	<u>\$ 211,732,804</u>
<u>110,999,692</u>	<u>119,542,494</u>	<u>125,553,305</u>	<u>126,483,677</u>	<u>133,042,279</u>	<u>138,550,175</u>
<u>\$ 121,887,706</u>	<u>\$ 118,743,217</u>	<u>\$ 113,295,008</u>	<u>\$ 93,167,825</u>	<u>\$ 80,014,813</u>	<u>\$ 73,182,629</u>
47.66%	50.17%	52.57%	57.58%	62.44%	65.44%

South-Western City School District
 Staffing Statistics - Full Time Equivalents (FTE) by Type and Function
 Last Eight Fiscal Years

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008 (1)</u>	<u>2007</u>	<u>2006</u>	<u>2005 (2)</u>
Teaching Staff								
Regular Education	915.18	909.78	926.33	934.04	936.68	956.42	1,034.20	1,041.50
Special Education	284.30	283.25	270.75	254.75	253.19	239.25	238.83	230.00
Vocational Education	55.50	56.50	59.00	59.50	60.00	62.00	81.20	72.00
Tutors	56.40	56.40	65.75	56.00	70.23	73.10	64.00	59.41
Administrators								
Buildings/Departments	99.50	99.50	100.00	105.00	105.00	104.00	119.00	120.00
Other Positions								
Psychologists	12.30	11.30	12.80	12.80	12.80	12.50	12.50	12.50
Nurses	8.95	8.95	8.90	9.40	9.40	9.40	9.40	9.40
Speech	19.60	19.20	19.70	18.80	18.80	18.00	18.00	18.00
OT/PT	11.10	11.70	10.40	10.30	8.20	7.90	5.80	4.20
Adapted Physical Education Therapist	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Sign Interpreter	3.00	3.00	3.00	4.00	3.00	2.00	1.00	2.00
Social Worker	0.50	0.50	0.50	0.50	0.50	-	0.80	2.80
Counselors	25.00	25.00	25.00	24.50	24.00	24.00	29.00	29.00
Library Media Specialists	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Other Professionals	11.00	14.00	13.00	12.50	12.50	10.20	10.20	10.20
Support Staff								
Technology	10.00	10.00	11.00	13.00	13.00	13.00	13.00	13.00
Aides	279.08	286.28	288.16	290.50	275.75	285.99	329.63	334.53
Accounting	9.00	9.00	8.00	8.00	8.00	8.00	9.00	9.00
Clerical	109.00	108.00	108.00	115.00	117.00	115.00	126.00	127.50
Custodial	102.00	103.00	116.00	116.50	116.50	122.76	141.50	140.00
Printer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance	29.00	29.00	30.00	31.00	31.00	31.00	31.00	33.00
Mechanics	8.00	8.00	8.00	8.00	9.00	9.00	10.00	10.00
Bus Drivers	153.00	148.00	152.00	160.00	154.00	156.00	181.00	176.00
Food Service Transporters	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Cooks	128.18	128.17	134.76	132.74	128.00	134.99	138.81	136.64
Hall Monitors	41.10	39.16	38.56	43.00	39.00	42.22	45.50	45.00
Recreation Center	14.00	14.00	13.50	14.00	16.00	14.50	15.00	15.00
Athletic Trainer	0.50	0.50	0.50	1.00	1.00	1.00	1.00	1.00
Total	<u>2,396.19</u>	<u>2,393.19</u>	<u>2,434.61</u>	<u>2,445.83</u>	<u>2,433.55</u>	<u>2,463.23</u>	<u>2,676.37</u>	<u>2,662.68</u>

Function

Instructional								
Regular and Special	1,310.73	1,304.93	1,320.08	1,322.54	1,314.30	1,334.25	1,410.76	
Support Services								
Pupil	119.91	117.50	116.76	124.47	120.00	115.61	124.05	
Instructional Staff	259.21	270.93	270.31	253.35	258.00	257.99	343.93	
Administration	153.92	153.40	154.35	161.15	162.00	162.75	156.50	
Fiscal	13.00	13.00	12.00	12.00	12.00	12.00	12.00	
Business	2.00	2.00	2.00	3.00	3.00	3.00	4.00	
Operation and Maintenance	157.69	158.19	171.64	177.08	179.00	179.00	202.75	
Pupil Transportation	202.50	195.50	201.00	208.00	201.00	206.00	225.00	
Central	20.00	20.00	21.00	21.50	23.00	27.00	26.00	
Food Service	134.93	134.92	142.26	138.74	134.00	139.98	145.23	
Community Services	17.80	17.82	18.21	19.75	22.50	20.90	21.40	
Extracurricular Activities	4.50	5.00	5.00	4.25	4.75	4.75	4.75	
Total	<u>2,396.19</u>	<u>2,393.19</u>	<u>2,434.61</u>	<u>2,445.83</u>	<u>2,433.55</u>	<u>2,463.23</u>	<u>2,676.37</u>	

Source: School District Records

(1) The District converted to State Software, different reports were available. Data may not be comparable.

(2) Staffing statistics are not readily reportable in this format for historical years.

Note: Staffing statistics by function were not available prior to 2006.

South-Western City School District
 Operating Expenditures Necessary to Educate - All Funds
 a District Student for Graduation in June, 2012
 (Actual Dollars Expended by Year)

	Grade	South-Western	State Average	Franklin County
	Level	City School	for All	Franklin County
		District	School Districts	Average
1999-00	K	\$ 6,890	\$ 7,057	\$ 7,636
2000-01	1	7,326	7,161	8,181
2001-02	2	7,533	7,679	8,779
2002-03	3	8,243	7,904	9,082
2003-04	4	8,515	8,287	9,384
2004-05	5	9,140	8,404	9,714
2005-06	6	10,170	8,727	10,275
2006-07	7	8,876	9,283	10,655
2007-08	8	9,336	9,388	11,079
2008-09	9	9,627	10,184	11,428
2009-10	10	9,893	10,512	11,908
2010-11	11	10,397	10,571	12,018
2011-12 (1)	12	<u>not available</u>	<u>not available</u>	<u>not available</u>
Total		<u>\$ 105,946</u>	<u>\$ 105,157</u>	<u>\$ 120,138</u>

Source: District Financial Records
 Costs per Pupil-State of Ohio Department of Education (All Funds)

(1) Ohio Department of Education delayed the release of information.

South-Western City School District
 Operating Indicators by Function
 Last Eight Fiscal Years

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Function-Governmental Activities					
Instruction and Support Services - Pupils					
Graduates	1,305	1,263	1,287	1,212	1,280
% of Students with IEP	15.3%	14.5%	14.3%	14.4%	13.1%
% of Limited English Proficient Students	12.4%	10.9%	14.1%	12.4%	11.5%
Student Attendance	94.4%	94.3%	94.2%	93.9%	94.3%
Fiscal					
Purchase Orders Processed	16,748	17,653	16,015	17,186	16,458
Nonpayroll Checks Issued	13,152	13,319	13,353	15,970	14,751
Operations and Maintenance					
Work Orders Completed	7,151	14,955	8,701	7,858	7,789
District Square Footage Maintained by Staff	2.8 million				
District Acreage Maintained by Staff	610	610	610	610	610
Pupil Transportation					
Average Number of Students Transported Each Day	12,636	12,314	12,134	13,823	13,737
Average Daily Miles driven Each Day	13,033	12,602	12,886	12,958	12,355
Food Service					
Meals Served to Students:					
Breakfast	704,846	622,072	576,270	583,161	582,650
Lunch	2,235,348	2,175,309	2,181,936	2,263,668	2,231,198
Number of Free and Reduced Students	10,996	10,605	10,427	10,126	9,498
Extracurricular Activities					
High School Varsity Teams *	65	64	37	65	65

Note: Indicators by Function were not available prior to 2005. Indicators were not available for the following functions: Instructional Staff, Board of Education, Administration, Central, Community Services

* District Sports offered for Winter and Spring season only in Fiscal Year 2010

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

<u>2007</u>	<u>2006</u>	<u>2005</u>
1,252	1,153	1,113
14.0%	12.5%	11.9%
9.5%	6.6%	6.0%
94.3%	94.1%	94.0%
14,663	15,110	15,049
15,804	17,829	19,250
7,879	7,821	n/a
2.8 million	2.8 million	2.8 million
610	610	610
12,926	17,337	17,748
12,243	15,702	14,526
533,690	491,958	445,111
2,195,163	2,180,701	2,139,569
9,184	10,087	9,103
65	65	65

South-Western City School District
 Capital Assets by Function/Program
 Last Eight Fiscal Years

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental Activities								
Instruction								
Land	\$ 4,794,159	\$ 4,794,159	\$ 4,794,159	\$ 4,794,159	\$ 4,794,159	\$ 4,794,159	\$ 4,842,386	\$ 4,796,435
Buildings	141,582,072	138,501,697	138,702,141	138,935,001	138,399,696	137,556,467	137,839,860	137,589,568
Improvements to Land	1,044,772	973,718	890,517	734,182	572,555	401,099	361,506	357,126
Furniture and Equipment	653,992	639,032	431,640	418,678	2,243,336	2,236,911	7,050,728	6,780,004
Vehicle	-	-	-	-	-	-	1,287	1,287
Special								
Land	-	-	-	-	-	-	7,417	7,417
Buildings	942,086	1,006,835	1,006,835	1,006,835	1,006,835	1,006,835	1,012,170	1,012,170
Improvements to Land	43,595	43,595	43,595	43,595	43,595	43,595	45,775	45,775
Furniture and Equipment	334,673	334,673	202,223	202,223	216,123	202,632	725,751	718,700
Vehicle	40,796	40,796	-	-	-	-	-	-
Vocational								
Land	994,583	994,583	994,583	994,583	994,583	994,583	994,583	994,583
Buildings	18,178,118	18,178,118	18,178,118	18,178,118	18,178,118	18,178,118	18,182,809	18,182,809
Improvements to Land	20,555	20,555	40,880	40,880	40,880	40,880	40,880	40,880
Furniture and Equipment	1,023,836	1,036,056	1,040,220	955,188	1,218,476	1,253,848	2,986,434	3,211,734
Vehicle	17,151	17,151	17,151	-	-	-	-	-
Other								
Furniture and Equipment	-	-	-	-	-	-	3,090	1,791
Support Services:								
Pupil								
Furniture and Equipment	7,410	7,410	7,410	13,215	13,215	13,215	52,250	64,061
Instructional Staff								
Furniture and Equipment	501,410	507,010	500,121	500,121	604,421	604,421	1,360,235	1,303,720
Administration								
Land	570,242	570,242	570,242	570,242	570,242	570,242	570,242	570,242
Buildings	5,180,148	5,147,081	5,147,081	5,147,081	5,147,081	5,147,081	5,152,951	5,152,951
Improvements to Land	491,320	491,320	491,320	491,320	491,320	491,320	491,320	491,320
Furniture and Equipment	654,217	612,743	609,851	603,856	725,345	703,513	2,205,930	2,151,479
Fiscal								
Furniture and Equipment	10,592	10,592	10,592	10,592	10,592	10,592	27,456	28,413
Business								
Furniture and Equipment	-	-	-	-	-	-	3,846	3,846
Operations and Maintenance								
Land	20,375	20,375	20,375	20,375	20,375	20,375	20,376	20,376
Buildings	96,598	96,598	96,598	96,598	96,598	96,598	108,584	108,584
Improvements to Land	13,759	13,759	13,759	13,759	13,759	13,759	20,508	20,508
Furniture and Equipment	885,257	844,261	841,709	803,073	904,913	884,183	1,300,089	1,327,302
Vehicle	1,210,896	1,219,242	1,352,865	1,265,116	1,236,471	1,146,201	1,007,864	1,037,907
Transportation								
Land	172,546	172,546	172,546	172,546	172,546	172,546	172,546	172,546
Buildings	1,135,561	1,135,561	1,135,561	1,135,561	1,135,561	1,135,561	1,129,142	1,129,142
Improvements to Land	661,648	661,648	661,648	639,097	474,185	474,185	477,504	477,504
Furniture and Equipment	120,013	97,677	97,677	97,677	107,990	107,990	197,793	234,850
Vehicle	150,967	150,967	120,721	120,721	120,721	120,721	120,721	120,721
Buses	12,009,460	11,181,380	11,686,091	11,806,858	11,569,581	10,568,323	12,211,575	11,616,342
Central								
Land	-	-	-	-	-	-	6,635	6,635
Buildings	31,315,742	31,245,335	31,144,487	31,090,861	31,090,861	31,034,110	30,426,316	30,386,518
Improvements to Land	3,228,911	3,292,065	3,430,085	3,504,947	3,504,946	3,504,946	3,596,310	3,596,310
Furniture and Equipment	620,561	554,812	496,264	442,531	385,726	375,069	1,190,357	1,553,675
Vehicle	68,173	68,173	68,173	68,173	68,172	68,172	68,173	68,173
Food Service								
Buildings	22,213	22,213	22,213	22,213	22,213	22,213	22,213	22,213
Improvements to Land	8,200	8,200	8,200	-	-	-	1,800	1,800
Furniture and Equipment	1,993,247	1,993,247	1,998,359	1,952,329	1,923,556	1,921,354	3,404,810	3,372,736
Vehicle	104,498	104,498	99,315	71,025	71,025	71,025	182,712	182,712
Community Services								
Land	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Buildings	7,368,561	7,368,561	7,368,561	7,368,561	7,342,908	7,342,908	7,345,236	7,142,280
Improvements to Land	235,066	235,066	235,066	243,266	243,266	243,266	256,979	271,670
Furniture and Equipment	272,933	272,933	272,933	272,933	340,649	328,173	443,474	460,408
Extracurricular Activities								
Buildings	3,120,319	3,115,239	3,108,519	3,108,519	3,108,519	3,108,519	3,120,490	3,120,490
Improvements to Land	412,688	476,762	465,764	465,764	429,927	429,927	453,502	453,502
Furniture and Equipment	331,186	319,052	275,562	275,516	275,516	275,516	587,061	598,242
Vehicle	-	-	-	-	-	-	2,075	11,537
Total	<u>\$ 242,865,105</u>	<u>\$ 238,797,536</u>	<u>\$ 239,071,730</u>	<u>\$ 238,897,888</u>	<u>\$ 240,130,556</u>	<u>\$ 237,915,151</u>	<u>\$ 252,033,751</u>	<u>\$ 251,220,994</u>

Source: District Capital Asset Records
 Information for Years prior to Fiscal Year 2004 are not readily available.
 Capitalization criteria changed from \$1,000 to \$5,000 July 1, 2007. Information to provide comparable Date in 2006 and 2005 is unavailable
 Capital Asset software changed July 1, 2008. Group assets no longer tracked in this database.

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South-Western City School District
Facility Inventory

		<u>Original Construction</u>	<u>Addition (s) Date (s)</u>	<u>Building Area (Sq. Ft.)</u>	<u>Acreage</u>	<u>Student Capacity</u>
<u>Elementary Schools</u>						
Alton Hall	Basic	1960	1961, 1964, 1996	36,958	9.09	500
	Portable	1977		1,718		
	Portable	1989		1,596		
	Portable	1995		1,596		
Buckeye Woods	Basic	1995		68,000	19.11	725
Darbydale	Basic	1958		31,143	7.12	249
	Portable (1)	1977		1,704		
Darby Woods	Basic	1995		68,000	8.80	725
East Franklin	Basic	1956	1963, 1997	36,638	6.28	450
Finland	Basic	1964	1995	36,636	8.60	475
Harmon	Basic	1950	1997	43,362	11.29	500
	Portable (1)	1953		3,336		
Harrisburg	Basic	1939	1951	16,390	2.90	175
	Portable (1)	1967		793		
Highland Park	Basic	1969	1997	42,002	14.59	525
Monterey	Basic	1956	1995	36,636	10.11	475
	Portables (2)	1990		3,192		
North Franklin	Basic	1920	1938	38,387	2.00	425
Prairie Lincoln	Basic	1956	1961, 1962	43,058	19.41	525
	Portable (1)	1995		1,596		
Prairie Norton	Basic	1950		39,721	10.90	575
	Portable (1)	1967		793		
	Portable (1)	1995		1,596		
Richard Avenue	Basic	1957		44,718	10.44	525
J. C. Sommer	Basic	1956	1959	36,964	8.70	561
	Portable (2)	1967		1,586		
Stiles	Basic	1963	1995	36,636	10.77	475
	Portable (2)	1988		3,192		
West Franklin	Basic	1955	1997	47,813	9.70	575
<u>Intermediate Schools</u>						
Franklin Woods	Basic	2000		87,981	21.45	800
Galloway Ridge	Basic	2000		87,981	6.51	800
Holt Crossing	Basic	2000		87,981	20.70	800
Park Street	Basic	2000		87,981	12.71	800
Hayes	Basic	1966	1981,1982,1986, 2003	58,677	10.85	520
	Modular	1991		4,150		

		<u>Original Construction</u>	<u>Addition (s) Date (s)</u>	<u>Building Area (Sq. Ft.)</u>	<u>Acreage</u>	<u>Student Capacity</u>
<u>Middle Schools</u>						
Brookpark	Basic	1953	1997	82,422	14.93	725
	Portable (2)	1964		1,668		
Finland	Basic	1964	1975, 1995	91,098	17.30	786
	Portable (1)	1989		1,596		
	Portable (1)	1991		1,596		
Jackson	Basic	2001		99,597	28.14	800
Norton	Basic	1953	1995	87,204	15.00	680
	Portable (1)	1964		1,668		
	Portable (1)	1990		1,596		
Pleasant View	Basic	1958	1963	138,702	39.88	924
<u>High Schools</u>						
Central Crossing	Basic	2002		260,716	63.81	1,880
Franklin Heights	Basic	1955	1956, 1957, 1963 1974, 1975, 1976 1986, 1997	152,983	37.02	1,172
Grove City	Basic	1970	1971, 1976, 1983 1985, 2000	198,348	52.30	1,843
Westland	Basic	1970	1971, 1976, 1982 1985, 2000	197,154	51.79	1,861
<u>Additional Schools</u>						
Kingston	Basic	1949		13,180	2.00	70
Preschool Center	Basic	1950	2004	10,000	0.75	60
South-Western Career Academy	Basic	2002		130,156	22.10	750
<u>Recreation Centers</u>						
Falcons Nest		1986		37,507		
Grove City		1986		37,507		
Cougar Community		1986		37,507		
<u>Miscellaneous</u>						
District Service Center	Basic	1981	1989, 1995, 2002	70,000	3.30	<u>Occupancy</u> 350
Darbydale Distribution		1930-1940		4,170	1.63	5
Transportation		1986		16,594	13.00	109
2 Houses - offices		1960 est		5,000	1.00	8
Norton Road Head Start		1975		4,300	0.70	46
Stiles Family Center		1994		4,510	1.20	206
Tech Services - Garage		1960 est		2,000	0.50	3
Bostic Center - Head Start	Basic	1973	2003	13,105	1.61	115

South-Western City School District
 Educational Statistics
 Last Ten Fiscal Years

Percentage of Students Passing:	Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008
<u>3rd Grade</u>					
Reading	74.3%	75.2%	70.1%	70.5%	69.7%
Mathematics	78.2%	79.8%	70.5%	75.2%	74.9%
<u>4th Grade</u>					
Citizenship	N/A	N/A	N/A	N/A	N/A
Reading	79.3%	80.9%	74.7%	75.2%	76.4%
Mathematics	79.9%	78.3%	73.3%	77.1%	72.1%
Writing	N/A	N/A	N/A	79.8%	82.0%
Science	N/A	N/A	N/A	N/A	N/A
<u>5th Grade</u>					
Reading	73.1%	71.1%	69.1%	67.2%	68.4%
Mathematics	67.4%	66.2%	68.1%	60.4%	59.2%
Science	65.3%	65.5%	63.6%	66.8%	58.3%
Social Studies	N/A	N/A	N/A	54.1%	57.2%
<u>6th Grade</u>					
Citizenship	N/A	N/A	N/A	N/A	N/A
Reading	85.4%	85.1%	85.1%	78.5%	78.1%
Mathematics	83.0%	82.2%	79.6%	77.0%	77.7%
Writing	N/A	N/A	N/A	N/A	N/A
Science	N/A	N/A	N/A	N/A	N/A
<u>7th Grade</u>					
Reading	78.2%	75.4%	75.6%	72.7%	73.1%
Mathematics	75.5%	75.1%	68.3%	71.2%	67.4%
Writing	N/A	N/A	N/A	76.5%	80.6%
<u>8th Grade</u>					
Reading	82.6%	83.0%	76.9%	66.6%	75.9%
Mathematics	77.7%	73.8%	66.1%	70.1%	70.5%
Science	71.8%	67.1%	62.8%	59.5%	59.2%
Social Studies	N/A	N/A	N/A	49.1%	51.2%
<u>9th Grade</u>					
Citizenship	N/A	N/A	N/A	N/A	N/A
Reading	N/A	N/A	N/A	N/A	N/A
Mathematics	N/A	N/A	N/A	N/A	N/A
Writing	N/A	N/A	N/A	N/A	N/A
Science	N/A	N/A	N/A	N/A	N/A
<u>10th Grade</u>					
Reading	83.9%	84.4%	81.8%	80.8%	83.6%
Mathematics	81.5%	81.3%	81.0%	80.6%	80.3%
Writing	86.0%	86.8%	82.8%	89.5%	83.8%
Science	76.7%	68.5%	69.5%	72.5%	69.9%
Social Studies	82.3%	76.3%	78.7%	78.9%	76.2%
<u>Student Attendance Rate</u>	94.4%	94.3%	94.2%	93.9%	94.3%

Source: State of Ohio School District Report Card.

Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003
72.4%	68.0%	70.2%	73.0%	N/A
81.1%	71.7%	63.4%	N/A	N/A
N/A	N/A	59.2%	46.3%	51.3%
75.9%	73.3%	70.8%	65.2%	65.2%
70.1%	76.1%	65.3%	58.5%	53.3%
79.7%	84.4%	77.9%	69.2%	75.9%
N/A	N/A	50.0%	50.3%	48.0%
78.9%	72.5%	72.1%	N/A	N/A
59.5%	64.1%	N/A	N/A	N/A
62.4%	N/A	N/A	N/A	N/A
51.4%	N/A	N/A	N/A	N/A
N/A	N/A	76.3%	69.7%	66.7%
75.1%	82.1%	67.4%	61.9%	59.7%
77.0%	68.6%	57.2%	62.2%	46.6%
N/A	N/A	84.9%	89.4%	85.8%
N/A	N/A	65.8%	56.5%	60.3%
73.6%	78.6%	N/A	N/A	N/A
66.2%	60.4%	59.2%	N/A	N/A
73.5%	N/A	N/A	N/A	N/A
77.1%	77.1%	74.8%	N/A	N/A
70.6%	68.7%	63.3%	N/A	N/A
59.7%	N/A	N/A	N/A	N/A
49.1%	N/A	N/A	N/A	N/A
N/A	N/A	N/A	94.2%	80.7%
N/A	N/A	N/A	96.6%	87.2%
N/A	N/A	N/A	87.2%	70.1%
N/A	N/A	N/A	96.8%	88.5%
N/A	N/A	N/A	89.8%	74.2%
85.0%	89.0%	91.1%	N/A	N/A
80.8%	84.7%	79.6%	N/A	N/A
89.5%	88.3%	82.9%	N/A	N/A
68.9%	69.1%	71.8%	N/A	N/A
73.4%	77.8%	77.5%	N/A	N/A
94.3%	94.1%	94.0%	94.4%	94.1%

South-Western City School District
Attendance Data
Last Ten Fiscal Years

School Year End	Number Of Graduates	Elementary Schools Enrollment	(1)	Middle Schools Enrollment	High Schools Enrollment	Total Enrollment
			Intermediate Schools Enrollment			
2012	1,305	7,396	3,172	3,202	6,306	20,076
2011	1,263	7,328	3,113	3,224	6,229	19,894
2010	1,287	7,431	3,212	3,212	6,085	19,940
2009	1,212	7,728	3,292	3,220	6,511	20,751
2008	1,280	7,977	3,229	3,240	6,539	20,985
2007	1,252	7,955	3,157	3,370	6,511	20,993
2006	1,153	8,065	3,197	3,322	6,376	20,960
2005	1,113	8,035	3,308	3,339	6,181	20,863
2004	1,087	8,044	3,299	3,329	5,864	20,536
2003	1,090	7,895	3,231	3,403	5,722	20,251

Source: Education Management Information System

(1) The intermediate buildings, which house the District's 5th and 6th grade students, were opened in January 2001. 5th and 6th grade students were removed from the elementary schools and middle schools, respectively.

South-Western City School District
Demographics
Last Ten Fiscal Years

<u>Year</u>	(1) <u>Estimated Population</u>	(2) <u>Average Daily Membership</u>	(3) <u>Average Federal Adjusted Gross Income</u>	(3) <u>Total Federal Adjusted Gross Income</u>	(4) <u>Unemployment Rate</u>
2012	133,335	20,076	not available	not available	5.80%
2011	133,116	19,894	not available	not available	7.60%
2010	132,899	19,940	\$ 44,239	\$ 2,546,177,056	8.30%
2009	132,781	20,751	43,933	2,492,962,534	8.20%
2008	132,696	20,985	44,344	2,555,402,593	6.10%
2007	132,189	20,993	43,914	2,563,777,406	5.00%
2006	129,680	20,960	42,904	2,421,867,177	5.40%
2005	128,318	20,863	41,309	2,432,012,063	5.70%
2004	126,296	20,536	39,987	2,343,506,651	5.80%
2003	125,518	20,251	39,414	2,254,819,336	5.50%

Sources:

- (1) Ohio Municipal Advisory Council and Mid Ohio Regional Planning Commission
2011 Population information is based on 2010 Census Data
- (2) Per District records - October Count
- (3) Ohio Department of Taxation
- (4) September or October Data of Ohio Bureau of Employment Services or Ohio Department
of Jobs and Family Services. Specific employment figures for the School District are not
available. Unemployment percentages presented are for Franklin County.

South-Western City School District
Principal Employers - City of Grove City
Calendar Year 2011 and 2006

<u>Employer</u>	<u>2011</u>			<u>Employer</u>	<u>2006</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>		<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
South-Western City School District	1,812	1	8.89%	South-Western City School District	1,800	1	9.61%
Wal-Mart Associates, Inc	1,225	2	6.01%	Wal-Mart Associates, Inc	1,050	2	5.60%
FedEx Ground Package Systems, Inc.	1,000	3	4.91%	FedEx Ground Package Systems, Inc.	850	3	4.54%
The Gap, Inc.	544	4	2.67%	The Gap, Inc.	600	4	3.20%
Manheim Remarketing, Inc.	400	5	1.96%	Manheim Remarketing, Inc.	480	5	2.56%
Wal-Mart Super Center	325	6	1.59%	Wal-Mart Super Center	450	7	2.40%
Nationwide Mutual Insurance Co.	301	7	1.48%	Nationwide Mutual Insurance Co.	450	6	2.40%
Tosoh SMD, Inc.	289	8	1.42%	Tosoh SMD, Inc.	325	10	1.73%
Tigerpoly Manufacturing, Inc.	279	9	1.37%	Tigerpoly Manufacturing, Inc.	446	8	2.38%
Halcore Group, Inc.	260	10	1.28%	Halcore Group, Inc.	380	9	2.03%
Total Employees from Top Ten Employers	<u>6,435</u>		<u>31.58%</u>	Total Employees from Top Ten Employers	<u>6,831</u>		<u>36.46%</u>
All Other Employers	<u>13,951</u>		<u>68.42%</u>	All Other Employers	<u>11,907</u>		<u>63.54%</u>
Total Employees	<u><u>20,386</u></u>		<u><u>100.00%</u></u>	Total Employees	<u><u>18,738</u></u>		<u><u>100.00%</u></u>

Source: City of Grove City Comprehensive Annual Financial Report

Information 10 year prior is not available

South-Western City School District is located in the southwest quadrant of Franklin County which encompasses the City of Grove City, portions of the City of Columbus and multiple townships.

South-Western City School District
 Principal Employers - Greater Columbus Area
 Calendar Year 2011

<u>Employer</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Ohio State University	26,778	1	2.84%
State of Ohio	26,728	2	2.84%
JP Morgan Chase & Co.	18,000	3	1.91%
Ohio Health	13,217	4	1.40%
Nationwide Mutual Insurance Co.	11,668	5	1.24%
Columbus City Schools	9,766	6a	1.04%
Kroger Co.	9,766	6b	1.04%
City of Columbus	8,592	8	0.91%
Nationwide Children's Hospital	7,904	9	0.84%
McDonald's Corp.	7,622	10	0.81%
Mount Carmel Health System	7,620	11	0.81%
Limited Brands, Inc.	7,300	12	0.78%
Honda of America Mfg., Inc.	7,000	13	0.74%
Franklin County	6,851	14	0.73%
Huntington Bancshares, Inc.	5,024	15	0.53%
Giant Eagle Inc.	4,600	16	0.49%
Cardinal Health Inc.	4,222	17	0.45%
Abercrombie & Fitch Co.	3,662	18	0.39%
DLA Land and Maritime	3,600	19	0.38%
American Electric Power Company, Inc.	3,511	20	0.37%
Target Corp.	2,744	21	0.29%
Columbus State Community College	2,740	22	0.29%
Battelle	2,629	23	0.28%
South-Western City Schools	2,474	24	0.26%
Alliance Data Systems Corp.	2,154	25	0.23%

Source: City of Columbus Comprehensive Annual Financial Report

South-Western City School District is located in the southwest quadrant of Franklin County which encompasses the City of Grove City, portions of the City of Columbus and multiple townships.

South-Western City School District
 Principal Employers - Greater Columbus Area
 Calendar Year 2002

<u>Employer</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
State of Ohio	27,707	1	N/A
Ohio State University/University Hospital (1)	22,430	2	N/A
Federal Government/United States Postal Services (2) (3)	13,700	4	N/A
Nationwide	10,444	3	N/A
Bank One NA	8,991	5	N/A
City of Columbus	8,805	6	N/A
Columbus City Schools	8,784	7	N/A
OhioHealth	8,158	8	N/A
Limited Brands	7,200	9	N/A
Franklin County	6,830	10	N/A
Honda of America Mfg., Inc.	6,550	11	N/A
Kroger Co.	5,952	12	N/A
Wendy's International, Inc	4,900	13	N/A
Mount Carmel Hospitals	4,877	14	N/A
American Electric Power	3,794	15	N/A
Catholic Diocese of Columbus	3,600	16	N/A
Huntington Bancshares, Inc.	3,478	17	N/A
Wal-Mart Stores, Inc.	3,400	18	N/A
Bob Evans Farms Inc.	3,017	19	N/A
Value City Department Stores	2,810	20	N/A
SBC Ameritech Ohio	2,675	21	N/A
Meijer, Inc.	2,650	22	N/A
Discover Financial Services	2,600	23	N/A
Chase Home Finance	2,457	24	N/A
Ross Products	2,429	25	N/A

- (1) Ohio State University employees include: 17,189 University FTEs and 5,241 University Hospital FTEs
- (2) Federal Government employees includes: 5,306 Federal Government and US Postal Services FTEs; 2,446 Defense Supply Center FTEs and 2,231 Defense & Accounting Service Center FTEs
- (3) Greater Columbus Federal government employment total was 13,700 as of October 2002 (most recent data available at time of survey)

Source: City of Columbus Comprehensive Annual Financial Report

Percentage of Total Employment data for 2002 not available.

South-Western City School District is located in the southwest quadrant of Franklin County which encompasses the City of Grove City, portions of the City of Columbus and multiple townships.



Dave Yost • Auditor of State

SOUTH-WESTERN CITY SCHOOL DISTRICT

FRANKLIN 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
MARCH 28, 2013**