

**CAMPBELL CITY SCHOOL DISTRICT**  
**YOUNGSTOWN REGION, MAHONING COUNTY**  
**SINGLE AUDIT**  
**JULY 1, 1998 THROUGH JUNE 30, 1999**

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY**

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## Report of Independent Accountants

Board of Education  
Campbell City School District  
Mahoning County  
280 Sixth Street  
Campbell, Ohio 44405

We have audited the accompanying general-purpose financial statements of Campbell City School District, Mahoning County, (the Government) as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Government's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

*We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 that our audit provides a reasonable basis for our opinion.*

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Campbell City School District, Mahoning County as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund type and non-expendable trust fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 14, 1999 on our consideration of the Government's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Board of Education  
Campbell City School District  
Report of Independent Accountants  
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Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Government, taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by 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 general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large loop at the beginning and a long horizontal stroke at the end.

JIM PETRO  
Auditor of State

January 14, 1999

CAMPBELL CITY SCHOOL DISTRICT  
 MAHONING COUNTY, OHIO  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES AND ACCOUNT GROUPS  
 JUNE 30, 1999

	Governmental Fund Types			Proprietary Fund Type		Fiduciary Fund Types		Account Groups			Total (Memorandum Only)
	General	Special Revenue	Capital Projects	Enterprise	Trust and Agency	General	Long-Term Obligations	General	Fixed Assets		
<b>ASSETS AND OTHER DEBITS</b>											
ASSETS:											
Equity in pooled cash and cash equivalents . . . . .	\$1,045,792	\$320,620	\$54,421	\$34,794	\$27,138						\$1,482,765
Equity in pooled cash and cash equivalents - nonexpendable trust fund . . . . .					1,922						1,922
Investments - nonexpendable trust fund . . . . .					11,539						11,539
Receivables (net of allowances of uncollectibles):											
Property taxes - current & delinquent . . . . .	3,386,352										3,386,352
Accounts . . . . .	2,313				672						2,313
Accrued interest . . . . .											672
Due from other governments . . . . .	23,703			52,346							76,049
Materials and supplies inventory . . . . .				10,930							10,930
Restricted assets:											
Equity in pooled cash and cash equivalents . . . . .	147,642										147,642
Property, plant and equipment (net of accumulated depreciation where applicable) . . . . .				27,997					\$5,079,613		5,107,610
<b>OTHER DEBITS:</b>											
Amount to be provided for retirement of general long-term obligations . . . . .									\$1,033,873		1,033,873
<b>Total assets and other debits . . . . .</b>	<b>\$4,605,802</b>	<b>\$320,620</b>	<b>\$54,421</b>	<b>\$126,067</b>	<b>\$41,271</b>				<b>\$5,079,613</b>		<b>\$11,261,667</b>

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

CAMPBELL CITY SCHOOL DISTRICT  
 MAHONING COUNTY, OHIO  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)  
 JUNE 30, 1999

	Governmental Fund Types			Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Total (Memorandum Only)		
	General	Special Revenue	Capital Projects			Enterprise	Trust and Agency		General	Long-Term Obligations
									General Fixed Assets	
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>										
<b>LIABILITIES:</b>										
Accounts payable . . . . .	\$54,936	\$37,223	\$56,491					\$148,050		
Accrued wages and benefits . . . . .	764,001	71,920		\$4,051				839,972		
Compensated absences payable . . . . .	97,986			13,409			\$496,170	607,565		
Pension obligation payable . . . . .	106,386	16,228		12,136			67,513	202,275		
Deferred revenue . . . . .	3,986,352			5,301				3,991,653		
Due to students . . . . .					\$24,040			24,040		
Asbestos abatement notes payable . . . . .							6,632	6,632		
Energy conservation notes payable . . . . .							463,558	463,558		
<b>Total liabilities . . . . .</b>	<b>4,409,073</b>	<b>125,371</b>	<b>56,491</b>	<b>34,897</b>	<b>24,040</b>		<b>1,033,873</b>	<b>5,683,745</b>		
<b>EQUITY AND OTHER CREDITS:</b>										
Investment in general fixed assets . . . . .						\$5,079,613		5,079,613		
Retained earnings: unreserved . . . . .				91,170				91,170		
Fund balances:										
Reserved for encumbrances . . . . .	179,305	68,501	726		300			248,832		
Reserved for budget stabilization . . . . .	147,642							147,642		
Reserved for principal endowment . . . . .					14,133			14,133		
Unreserved-undesignated (deficit) . . . . .	(130,218)	126,748	(2,796)		2,798			(9,468)		
<b>Total equity and other credits . . . . .</b>	<b>196,729</b>	<b>195,249</b>	<b>(2,070)</b>	<b>91,170</b>	<b>17,231</b>	<b>5,079,613</b>	<b>\$1,033,873</b>	<b>5,577,922</b>		
<b>Total liabilities, equity and other credits . . . . .</b>	<b>\$4,605,802</b>	<b>\$320,620</b>	<b>\$54,421</b>	<b>\$126,067</b>	<b>\$41,271</b>	<b>\$5,079,613</b>	<b>\$1,033,873</b>	<b>\$11,261,667</b>		

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

CAMPBELL CITY SCHOOL DISTRICT  
 MAHONING COUNTY, OHIO  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND  
 FOR THE YEAR ENDED JUNE 30, 1999

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expensible Trust	
<b>Revenues:</b>						
From local sources:						
Taxes . . . . .	\$2,099,919					\$2,099,919
Tuition . . . . .	2,277					2,277
Earnings on investments . . . . .	80,699	\$1,222				81,921
Other local revenues . . . . .	33,257	80,667			\$2,300	116,224
Intergovernmental - State . . . . .	5,995,614	364,815		\$46,892		6,407,321
Intergovernmental - Federal . . . . .		810,304				810,304
<b>Total revenue . . . . .</b>	<b>8,211,766</b>	<b>1,257,008</b>		<b>46,892</b>	<b>2,300</b>	<b>9,517,966</b>
<b>Expenditures:</b>						
Current:						
Instruction:						
Regular . . . . .	3,851,830	309,365		9,216		4,170,411
Special . . . . .	484,266	447,496				931,762
Vocational . . . . .	179,928					179,928
Other . . . . .	30,581	25,186				55,767
Support services:						
Pupil . . . . .	281,689	90,803				372,492
Instructional staff . . . . .	198,323	186,263				384,586
Board of Education . . . . .	20,781					20,781
Administration . . . . .	602,845	35,772				638,617
Fiscal . . . . .	352,161	2,855				355,016
Business . . . . .	29,476					29,476
Operations and maintenance . . . . .	925,767	5,640		6,859		938,266
Pupil transportation . . . . .	353,854	150				354,004
Central . . . . .		1,612			6,052	7,664
Community services . . . . .		14,643		131,037		145,680
Extracurricular activities . . . . .	135,423	67,666				203,089
Facilities acquisition and construction . . . . .				405,356		405,356
Intergovernmental pass-through . . . . .		78,660				78,660
Debt service:						
Principal retirement . . . . .			\$76,205			76,205
Interest and fiscal charges . . . . .	12,221		26,693			38,914
<b>Total expenditures . . . . .</b>	<b>7,459,145</b>	<b>1,266,111</b>	<b>102,898</b>	<b>552,468</b>	<b>6,052</b>	<b>9,386,674</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	752,621	(9,103)	(102,898)	(505,576)	(3,752)	131,292
Other financing sources (uses):						
Operating transfers in . . . . .			102,898			102,898
Operating transfers out . . . . .	(102,898)					(102,898)
Proceeds from sale of fixed assets . . . . .	1,710					1,710
<b>Total other financing sources (uses) . . . . .</b>	<b>(101,188)</b>		<b>102,898</b>			<b>1,710</b>
Excess of revenues and other financing sources over expenditures and other financing uses . . . . .	651,433	(9,103)	0	(505,576)	(3,752)	133,002
Fund balances (deficit), July 1 . . . . .	(454,704)	204,352	0	503,506	6,850	260,004
<b>Fund balances (deficit), June 30 . . . . .</b>	<b>\$196,729</b>	<b>\$195,249</b>	<b>\$0</b>	<b>(\$2,070)</b>	<b>\$3,098</b>	<b>\$393,006</b>

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

CAMPBELL CITY SCHOOL DISTRICT  
 MAHONING COUNTY, OHIO  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED JUNE 30, 1999

	General			Special Revenue		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>						
From local sources:						
Taxes.....	\$1,676,520	\$1,687,698	\$11,178			
Tuition.....	2,262	2,277	15			
Earnings on investments.....	80,208	80,743	535	\$1,208	\$1,222	\$14
Other local revenues.....	16,523	16,633	110	79,737	80,667	930
Intergovernmental - State.....	5,932,356	5,971,910	39,554	367,517	371,800	4,283
Intergovernmental - Federal.....				800,969	810,303	9,334
Total revenues.....	<u>7,707,868</u>	<u>7,759,261</u>	<u>51,393</u>	<u>1,249,431</u>	<u>1,263,992</u>	<u>14,561</u>
<b>Expenditures:</b>						
Current:						
Instruction:						
Regular.....	3,674,613	3,907,410	(232,797)	526,774	346,916	179,858
Special.....	552,241	528,020	24,221	594,263	483,303	110,960
Vocational.....	180,218	179,572	646			
Other.....	53,715	42,996	10,719	31,590	28,201	3,389
Support services:						
Pupil.....	322,802	271,306	51,496	117,636	95,599	22,037
Instructional staff.....	141,858	201,289	(59,431)	232,310	279,166	(46,856)
Board of Education.....	22,500	20,513	1,987			
Administration.....	644,877	613,136	31,741	44,732	36,077	8,655
Fiscal.....	256,043	361,221	(105,178)	3,563	2,897	666
Business.....	36,800	33,131	3,669			
Operations and maintenance.....	972,770	1,009,337	(36,567)	6,974	5,654	1,320
Pupil transportation.....	391,044	365,594	25,450	195	150	45
Central.....				5,351	1,608	3,743
Community services.....				22,550	16,235	6,315
Extracurricular activities.....	123,000	135,489	(12,489)	97,788	72,062	25,726
Facilities acquisition & construction..	80,192	0	80,192			
Intergovernmental pass-through.....				100,169	98,268	1,901
Debt service:						
Principal retirement.....						
Interest and fiscal charges.....						
Total expenditures.....	<u>7,452,673</u>	<u>7,669,014</u>	<u>(216,341)</u>	<u>1,783,895</u>	<u>1,466,136</u>	<u>317,759</u>
Excess (deficiency) of revenues over (under) expenditures.....	255,195	90,247	(164,948)	(534,464)	(202,144)	332,320
Other financing sources (uses):						
Refund of prior year's expenditures.....	14,521	14,618	97			
Operating transfers in.....						
Operating transfers (out).....	(102,898)	(102,898)	0			
Proceeds from sale of fixed assets.....	1,699	1,710	11			
Proceeds from notes.....	397,351	400,000	2,649			
Total other financing sources (uses)..	<u>310,673</u>	<u>313,430</u>	<u>2,757</u>			
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	565,868	403,677	(162,191)	(534,464)	(202,144)	332,320
Fund balances, July 1.....	229,806	229,806	0	181,337	181,337	0
Prior year encumbrances appropriated...	326,310	326,310	0	235,041	235,041	0
Fund balances, June 30.....	<u>\$1,121,984</u>	<u>\$959,793</u>	<u>(\$162,191)</u>	<u>(\$118,086)</u>	<u>\$214,234</u>	<u>\$332,320</u>

(Continued)



CAMPBELL CITY SCHOOL DISTRICT  
 MAHONING COUNTY, OHIO  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED JUNE 30, 1999

	<u>Debt Service</u>			<u>Capital Projects</u>		
	Budget Revised	Actual	Variance: Favorable (Unfavorable)	Budget Revised	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>						
From local sources:						
Taxes.....	\$412,221	\$412,221	\$0			
Tuition.....						
Earnings on Investments.....						
Other local revenues.....						
Intergovernmental - State.....				\$92,506	\$92,506	\$0
Intergovernmental - Federal.....						
Total revenues.....	<u>412,221</u>	<u>412,221</u>	<u>0</u>	<u>92,506</u>	<u>92,506</u>	<u>0</u>
<b>Expenditures:</b>						
Current:						
Instruction:						
Regular.....				21,627	9,465	12,162
Special.....						
Vocational.....						
Other.....						
Support services:						
Pupil.....						
Instructional staff.....						
Board of Education.....						
Administration.....						
Fiscal.....						
Business.....						
Operations and maintenance.....				23,954	9,597	14,357
Pupil transportation.....						
Central.....						
Community services.....				270,053	131,672	138,381
Extracurricular activities.....						
Facilities acquisition & construction..				434,620	384,878	49,742
Intergovernmental pass-through.....						
Debt service:						
Principal retirement.....	476,205	476,205	0			
Interest and fiscal charges.....	39,015	38,914	101			
Total expenditures.....	<u>515,220</u>	<u>515,119</u>	<u>101</u>	<u>750,254</u>	<u>535,612</u>	<u>214,642</u>
Excess (deficiency) of revenues over (under) expenditures.....	(102,999)	(102,898)	101	(657,748)	(443,106)	214,642
Other financing sources (uses):						
Refund of prior year's expenditures.....						
Operating transfers in.....	102,898	102,898	0			
Operating transfers (out).....						
Proceeds from sale of fixed assets.....						
Proceeds from notes.....						
Total other financing sources (uses)..	<u>102,898</u>	<u>102,898</u>	<u>0</u>			
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(101)	0	101	(657,748)	(443,106)	214,642
Fund balances, July 1.....	0	0	0	442,869	442,869	0
Prior year encumbrances appropriated...	0	0	0	18,419	18,419	0
Fund balances, June 30.....	<u>(\$101)</u>	<u>\$0</u>	<u>\$101</u>	<u>(\$196,460)</u>	<u>\$18,182</u>	<u>\$214,642</u>

(Continued)

CAMPBELL CITY SCHOOL DISTRICT  
 MAHONING COUNTY, OHIO  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED JUNE 30, 1999

<u>Total (Memorandum only)</u>			
	<u>Budget</u>		<u>Variance:</u>
	<u>Revised</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues:</b>			
From local sources:			
Taxes.....	\$2,088,741	\$2,099,919	\$11,178
Tuition.....	2,262	2,277	15
Earnings on investments.....	81,416	81,965	549
Other local revenues.....	96,260	97,300	1,040
Intergovernmental - State.....	6,392,379	6,436,216	43,837
Intergovernmental - Federal.....	800,969	810,303	9,334
Total revenues.....	<u>9,462,026</u>	<u>9,527,980</u>	<u>65,954</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular.....	4,223,014	4,263,791	(40,777)
Special.....	1,146,504	1,011,323	135,181
Vocational.....	180,218	179,572	646
Other.....	85,305	71,197	14,108
Support services:			
Pupil.....	440,438	366,905	73,533
Instructional staff.....	374,168	480,455	(106,287)
Board of Education.....	22,500	20,513	1,987
Administration.....	689,609	649,213	40,396
Fiscal.....	259,606	364,118	(104,512)
Business.....	36,800	33,131	3,669
Operations and maintenance.....	1,003,698	1,024,588	(20,890)
Pupil transportation.....	391,239	365,744	25,495
Central.....	5,351	1,608	3,743
Community services.....	292,603	147,907	144,696
Extracurricular activities.....	220,788	207,551	13,237
Facilities acquisition & construction..	514,812	384,878	129,934
Intergovernmental pass-through.....	100,169	98,268	1,901
Debt service:			
Principal retirement.....	476,205	476,205	0
Interest and fiscal charges.....	39,015	38,914	101
Total expenditures.....	<u>10,502,042</u>	<u>10,185,881</u>	<u>316,161</u>
Excess (deficiency) of revenues over (under) expenditures.....	(1,040,016)	(657,901)	382,115
<b>Other financing sources (uses):</b>			
Refund of prior year's expenditures.....	14,521	14,618	97
Operating transfers in.....	102,898	102,898	0
Operating transfers (out).....	(102,898)	(102,898)	0
Proceeds from sale of fixed assets.....	1,699	1,710	11
Proceeds from notes.....	397,351	400,000	2,649
Total other financing sources (uses)..	<u>413,571</u>	<u>416,328</u>	<u>2,757</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(626,445)	(241,573)	384,872
Fund balances, July 1.....	854,012	854,012	0
Prior year encumbrances appropriated...	579,770	579,770	0
Fund balances, June 30.....	<u>\$807,337</u>	<u>\$1,192,209</u>	<u>\$384,872</u>

The Notes to the Financial Statements are an integral part of this statement

CAMPBELL CITY SCHOOL DISTRICT  
 MAHONING COUNTY, OHIO  
 COMBINED STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN RETAINED EARNINGS/FUND BALANCE  
 PROPRIETARY FUND TYPE AND NONEXPENDABLE TRUST FUND  
 FOR THE YEAR ENDED JUNE 30, 1999

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Nonexpendable Trust	
<b>Operating revenues:</b>			
Tuition and fees . . . . .	\$2,205		\$2,205
Sales/charges for services . . . . .	74,522		74,522
Investment earnings . . . . .		\$1,142	1,142
<b>Total operating revenues . . . . .</b>	<b>76,727</b>	<b>1,142</b>	<b>77,869</b>
<b>Operating expenses:</b>			
Personal services . . . . .	185,326		185,326
Contract services . . . . .	11,759		11,759
Materials and supplies . . . . .	187,975		187,975
Depreciation . . . . .	2,650		2,650
Other operating expenses . . . . .		1,748	1,748
<b>Total operating expenses . . . . .</b>	<b>387,710</b>	<b>1,748</b>	<b>389,458</b>
<b>Operating loss . . . . .</b>	<b>(310,983)</b>	<b>(606)</b>	<b>(311,589)</b>
<b>Nonoperating revenues:</b>			
Operating grants . . . . .	319,320		319,320
Interest revenue . . . . .	1,290		1,290
Federal donated commodities . . . . .	25,745		25,745
<b>Total nonoperating revenues . . . . .</b>	<b>346,355</b>		<b>346,355</b>
<b>Net income (loss) . . . . .</b>	<b>35,372</b>	<b>(606)</b>	<b>34,766</b>
<b>Retained earnings/ fund balance at July 1 . . . . .</b>	<b>55,798</b>	<b>14,739</b>	<b>70,537</b>
<b>Retained earnings/ fund balance at June 30 . . . . .</b>	<b>\$91,170</b>	<b>\$14,133</b>	<b>\$105,303</b>

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

CAMPBELL CITY SCHOOL DISTRICT  
 MAHONING COUNTY, OHIO  
 COMBINED STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPE AND NONEXPENDABLE TRUST FUND  
 FOR THE YEAR ENDED JUNE 30, 1999

	Proprietary Fund Type	Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Nonexpendable Trust	
Cash flows from operating activities:			
Cash received from tuition and fees . . . . .	\$2,205		\$2,205
Cash received from sales/service charges . . . . .	74,522		74,522
Cash payments for personal services . . . . .	(184,317)		(184,317)
Cash payments for contract services . . . . .	(15,419)		(15,419)
Cash payments supplies and materials . . . . .	(162,563)		(162,563)
Cash payments for other expenses . . . . .		(\$1,998)	(1,998)
Net cash used in operating activities . . . . .	<u>(285,572)</u>	<u>(1,998)</u>	<u>(287,570)</u>
Cash flows from noncapital financing activities:			
Cash received from operating grants . . . . .	<u>305,078</u>		<u>305,078</u>
Net cash provided by noncapital financing activities . . . . .	<u>305,078</u>		<u>305,078</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets . . . . .	<u>(7,933)</u>		<u>(7,933)</u>
Net cash used in capital and related financing activities . . . . .	<u>(7,933)</u>		<u>(7,933)</u>
Cash flows from investing activities:			
Interest received . . . . .	1,290	488	1,778
Purchase of investments . . . . .		(104)	(104)
Net cash provided by investing activities . . . . .	<u>1,290</u>	<u>384</u>	<u>1,674</u>
Net increase (decrease) in cash and cash equivalents . . . . .	12,863	(1,614)	11,249
Cash and cash equivalents at beginning of year . . . . .	<u>21,931</u>	<u>3,536</u>	<u>25,467</u>
Cash and cash equivalents at end of year . . . . .	<u>\$34,794</u>	<u>\$1,922</u>	<u>\$36,716</u>
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss . . . . .	(\$310,983)	(\$606)	(\$311,589)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation . . . . .	2,650		2,650
Federal donated commodities . . . . .	25,745		25,745
Interest reported as operating income . . . . .		(488)	(488)
Changes in assets and liabilities:			
Decrease in supplies inventory . . . . .	209		209
Increase in accrued interest receivable . . . . .		(654)	(654)
Decrease in accounts payable . . . . .		(250)	(250)
Decrease in accrued wages and benefits . . . . .	(74)		(74)
Increase in compensated absences payable . . . . .	293		293
Decrease in pension obligation payable . . . . .	(2,870)		(2,870)
Decrease in deferred revenue . . . . .	(542)		(542)
Net cash used in operating activities . . . . .	<u>(\$285,572)</u>	<u>(\$1,998)</u>	<u>(\$287,570)</u>

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

The Campbell City School District ("District") is organized under Section 2 and 3, Article VI of the Constitution of the State of Ohio to provide educational services to the students and other community members of the District. Under such laws there is no authority for a School District to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at large for staggered four year terms by the citizens of the District.

The District serves an area of approximately four square miles in Mahoning County, including all of the City of Campbell.

The District is the 381<sup>st</sup> largest in the State of Ohio (among 612 Districts) in terms of total revenue. It currently operates one elementary school, one middle school, and one comprehensive high school. The District is staffed by 63 non-certificated and 102 certificated personnel to provide services to approximately 1,483 students and other community members.

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

The general purpose financial statements (GPFS) of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The District's significant accounting policies are described below.

**A. Reporting Entity**

The District's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity". When applying GASB Statement No. 14, management has considered all potential component units. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the Board's ability to exercise significant oversight responsibility. The most significant manifestation of this ability is financial interdependence. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing authority, the designation of management, the ability to significantly influence operations, and the accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the District and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

District is able to exercise oversight responsibilities. Based upon the application of these criteria, the District has no component units. The following organizations are described due to their relationship with the District:

*JOINTLY GOVERNED ORGANIZATIONS*

Area Cooperative Computerized Educational Service System

The Area Cooperative Computerized Educational Service System (ACCESS) is a joint venture among 22 school districts and 2 county boards of education. The joint venture was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to the administrative and instructional functions among member districts. Each of the governments of these schools supports ACCESS based upon a per pupil charge dependent upon the software package utilized. In the event of dissolution of the organization, all current members will share in net obligations or asset liquidations in a ratio proportionate to their last twelve months financial contribution.

ACCESS is governed by a Board of Directors consisting of superintendents of the members school districts. The degree of control exercised by any school district is limited to its representation on the Board. In accordance with GASB Statement No. 14, the District does not have any equity interest in ACCESS as a residual interest in the net resources of a joint venture upon dissolution is not equivalent to an equity interest. Financial information can be obtained from the treasurer for the Mahoning County Educational Service Center, who serves as fiscal agent, at 2801 Market Street, Youngstown, Ohio 44507-1693.

Mahoning County Joint Vocational School

The Mahoning County Joint Vocational School is a district political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the participating school districts' elected boards, which possesses its own budgeting and taxing authority. Each School District's control is limited to its representation on the board. During fiscal year 1999, no monies were received from the School District. To obtain financial information write to the Treasurer at the Mahoning County Joint Vocational School, 7300 North Palmyra Road, Canfield, Ohio, 44406.

*PUBLIC ENTITY RISK POOL*

Ohio School Boards Association Workers' Compensation Group Rating Plan

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (WCGRP), an insurance purchasing pool. The WCGRP was established under Section 4123.29 of the Ohio Revised Code. The GRP's business and affairs are conducted by a *three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA*. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

Mahoning County School Employees Insurance Consortium

The Mahoning County School Employees Insurance Consortium is a shared risk pool comprising thirteen Mahoning County School Districts. The consortium is governed by an assembly which consists of one representative from each participating School District (usually the superintendent or designee). The assembly elects officers for one year term to serve as the Board of Directors. The assembly exercises controls over the operations of the Consortium. All Consortium revenues are generated from charges for services and remitted to the fiscal agent Austintown Local School District. The fiscal agent will then remit the charges for services to Professional Risk Management (PRM), who acts in the capacity of a third-party administrator (TPA) for claims processing.

**B. Fund Accounting**

The District uses funds and account groups to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

*GOVERNMENTAL FUNDS*

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the District's governmental fund types:

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

Special Revenue Funds - The special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

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

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

Capital Projects Funds - The capital projects funds are used to account for financial resources to be used for the acquisition of construction of major capital facilities (other than those financed by proprietary funds).

**PROPRIETARY FUNDS**

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The following are the District's proprietary fund types:

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

**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, other governmental units and/or other funds. These include a nonexpendable trust fund, an expendable trust fund and an agency fund. The nonexpendable trust fund is accounted for in the same manner as proprietary funds. The expendable trust fund is accounted for in the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency fund is presented on a budget basis, with note disclosure, regarding items which, in other fund types, would be subject to accrual. At June 30, 1999, there were no accruals for the agency fund that, in other fund types, would be recognized in the combined balance sheet.

**ACCOUNT GROUPS**

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of general nature, the following account groups are used.

General Fixed Assets Account Group - This group of accounts is established to account for all fixed assets of the District, other than those accounted for in the proprietary or trust funds.

General Long-Term Obligations Account Group - This group of accounts is established to account for all long-term obligations of the District, other than those accounted for in the proprietary funds.



**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999

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

**C. Measurement Focus/Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and the expendable trust fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All proprietary funds and the nonexpendable trust fund are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. *Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.*

The modified accrual basis of accounting is followed for governmental funds and the expendable trust fund. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period, which for the District is sixty days after the June 30 year end. Revenues accrued at the end of the year include taxes, (to the extent they are intended to finance the current fiscal year), interest, and accounts (student fees and tuition). Current property taxes measurable as of June 30, 1999, and which are intended to finance fiscal 2000 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) are recognized as revenue. In proprietary funds, unused donated commodities are reported as deferred revenue.

The District reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. *Deferred revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the recognition of qualifying expenditures.* In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Expenditures (decreases in net financial resources) are recognized in the period in which the fund liability is incurred with the following exception: general long-term obligation principal and interest are reported only when due; and costs of accumulated unpaid vacation and sick leave are reported as expenditures in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

The proprietary funds and the nonexpendable trust fund are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The fair value of

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

donated commodities used during the year is reported in the operating statement as an expense and a like amount is reported as donated commodities revenue.

**D. Budgets**

The District is required by State statute to adopt an annual appropriated cash basis budget for all funds. The specific timetable for fiscal year 1999 is as follows:

1. Prior to January 15 of the preceding year, 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 of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the board-adopted budget is filed with the Mahoning County Budget Commission for tax rate determination.
3. 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 in the budgetary statement reflect the amounts set forth in the final Amended Certificate issued for fiscal year 1999.
4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.) 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.
5. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions must be approved by the Board of Education.

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

6. 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 departments/functions and funds completed the year within the amount of their legally authorized cash basis appropriation.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the permanent appropriation amounts plus all supplemental appropriations legally enacted during the year.
8. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund, function and/or object level.

Encumbrance accounting is utilized with District funds in the normal course of operations, for purchase orders and contract related expenditures. An encumbrance is a reserve on the available spending authority due to commitment for a future expenditure and does not represent a liability. For governmental fund types, encumbrances outstanding at year end appear as a reserve to the fund balance on a GAAP basis and as the equivalent of expenditures on a non-GAAP budgetary basis in order to demonstrate legal compliance. Note 15 provides a reconciliation of the budgetary and GAAP basis of accounting and Note 12 discloses encumbrances outstanding for the enterprise funds at fiscal year end.

**E. Cash and Investments**

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" and "Investments" on the combined balance sheet.

During 1999, investments were limited to a repurchase agreement and nonnegotiable certificates of deposit. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at 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 1999 amounted to \$80,699, which includes \$34,014 assigned from other District funds. Interest revenue credited to the Auxillary Service special revenue fund

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

during fiscal 1999 amounted to \$1,222, which includes \$300 assigned from other District funds.

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

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

**F. Inventory**

Inventories of proprietary funds consist of donated food, purchased food, food service paper and janitorial supplies and are valued at the lower of cost (first-in/first-out method) or market and expensed when used rather than when purchased.

**G. Fixed Assets and Depreciation**

1. General Fixed Assets Account Group

General fixed assets are capitalized at cost or estimated historical cost. Donated fixed assets are recorded at their fair market values as of the date donated. The District follows the policy of not capitalizing assets with a cost of less than \$500 and a useful life of less than five years. No depreciation is recognized for assets in the general fixed assets account group. The District has not included infrastructure in the general fixed assets account group.

2. Proprietary Funds

Equipment reflected in these funds are stated at historical cost or estimated historical cost and updated for the cost of additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date donated. Depreciation has been provided, where appropriate, on a straight-line basis over the following estimated useful lives:

<u>Asset</u>	<u>Life (years)</u>
Furniture, fixtures and equipment	5 - 20

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

**H. Intergovernmental Revenues**

In governmental funds, entitlements and non-reimbursable grants (to the extent such grants and entitlements relate to the current fiscal year) are recorded as receivables and revenue when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenue when measurable and earned. The District currently participates in various state and federal programs categorized as follows:

Entitlements

General Fund

State Foundation Program

Non-Reimbursable Grants

Special Revenue Funds

Education Management Information Systems

Teacher Development

Adult Education Grants

Title I

Title VI

Education for Economic Security Act

Drug Free Schools

GOALS 2000

Auxiliary Services

Disadvantaged Pupil Impact Aid

Eisenhower Grants

Title VI-B

Instructional Materials Subsidy

Capital Projects Funds

SchoolNet

Technology Equity

Emergency Building Repair

Reimbursable Grants

General Fund

Driver Education Reimbursement

Proprietary Funds

National School Lunch Program

National School Breakfast Program

Special Milk Program

Child and Adult Care Food Program

Government Donated Commodities

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

Grants and entitlements amounted to approximately 76% of the District's operating revenue during the 1999 fiscal year.

**I. Compensated Absences**

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

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

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

Accumulated vacation and severance of governmental fund type employees meeting the above requirements have been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be payable within the current available period. The balance of the liability is recorded in the general long-term obligations account group. Vacation and severance for employees meeting the above requirements who are paid from proprietary funds is recorded as an expense when earned.

**J. Long-Term Obligations**

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a government fund. The remaining portion of such obligations is reported in the general long-term obligations account group.

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

Under Ohio law, a debt retirement fund must be created and used for the payment of all debt principal interest. GAAP requires the allocation of the debt liability among the general and the general long-term obligations account group, with principal and interest payments on matured general long-term debt being reported in the debt service fund. To comply with the GAAP reporting requirements, the District's debt retirement fund has been split among the appropriate funds and account group. Debt service fund resources used to pay both principal and interest have also been allocated accordingly.

Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

**K. Fund Equity**

Reserved fund balances indicate that portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, budget stabilization and principal endowment. The unreserved portions of fund equity reflected for the governmental funds are available for use within the specific purposes of those funds.

**L. Interfund Transactions**

During the course of normal operations, the District may have numerous transactions between funds. The most significant include:

1. Transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the receiving fund and are recorded as operating transfers, with the exception of agency funds, which do not show transfers of resources as operating transfers.
2. Reimbursements from one fund to another are treated as expenditures/expenses in the reimbursing fund and a reduction in expenditures/expenses in the reimbursed fund. Quasi-external transactions are accounted for as revenues, expenditures or expenses.
3. Short-term interfund loans and accrued interfund reimbursements and accrued operating transfers are reflected as "interfund loans receivable or payable". The District had no short-term interfund loans receivable or payable at June 30, 1999.
4. Long-term interfund loans that will not be repaid within the next year are termed "advances" and are shown as reservations of fund balances on the combined balance sheet for those funds that report advances to other funds as assets because they are not spendable, available resources. The District had no long-term advances receivable or payable at June 30, 1999.

See Note 5 for an analysis of interfund transactions.

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

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

**M. Restricted Assets**

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by the State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. A fund balance reserve has also been established. See Note 17 for statutory reserves.

**N. Estimates**

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

**O. Parochial Schools**

Within the District boundaries, St. Joseph's is operated through the Catholic Diocese. Current state legislation provides funding to these parochial schools. These monies are received and distributed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial schools. The receipt and fiduciary liability of these state monies are reflected in a special revenue fund for financial reporting purposes.

**P. Memorandum Only - Total Columns**

Total columns on the GPFS are captioned "Total (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with GAAP. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Deficit Fund Balances**

Fund balances at June 30, 1999 included the following individual fund deficits:

	<u>Deficit Balance</u>
<u>Special Revenue Funds</u>	
Disadvantaged Pupil Impact Aid	\$(7,831)
<u>Capital Projects Funds</u>	
Emergency Building Repair	(45,012)

These funds complied with Ohio state law, which does not permit a cash basis deficit at year end.



**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE (Continued)**

The deficit fund balance in the Disadvantaged Pupil Impact Aid special revenue fund is caused by accruing wage, benefit and retirement obligations in accordance with GAAP. This deficit will be eliminated by intergovernmental revenues and other resources not recognized at June 30.

The deficit fund balance in the Emergency Building Repair capital projects fund is caused by accruing accounts payable at June 30 in accordance with GAAP. This deficit will be eliminated by intergovernmental revenues and other resources not recognized at June 30.

**B. Current-Year Appropriations Exceeding the Amended Certificate of Estimated Resources**

The Ohio Revised Code Section 5705.41(A) provides that appropriations from each fund shall not exceed the estimated revenue available for expenditure as certified by the county budget commission. The following funds were found to have appropriations in excess of the amounts certified as available by the budget commission:

<u>Fund</u>	<u>Total Amended Certificate</u>	<u>Current Year Appropriations</u>	<u>Variance</u>
<u>Special Revenue Fund:</u>			
DPIA (447)	\$245,761	\$425,071	(\$179,310)
<u>Capital Project Funds:</u>			
School Net (450)	147,450	269,418	( 121,968)
Emergency Building Repair (497)	354,648	419,155	( 64,507)
<u>Non-Expendable Trust Fund:</u>			
Scholarship (008)	14,409	20,920	( 6,511)
<u>Expendable Trust Fund:</u>			
Scholarship (007)	8,050	13,750	( 5,700)

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS**

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Cash Equivalents" and "Investments". State statutes require the classification of monies held by the District into three categories:

Active deposits are public deposits necessary to meet current demands on the treasury. Such

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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS -(Continued)**

monies must be maintained either as cash in the District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
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**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS -(Continued)**

6. The State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt instruments rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

*The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".*

*Deposits:* At year end, the carrying amount of the District's deposits was \$(258,591) and the bank balance was \$11,499. These amounts include \$11,539 in nonnegotiable certificates of deposit. The District did not record a liability due to the "zero balance" nature of the account. The entire bank balance was covered by federal depository insurance.

Collateral is required for demand deposits and certificates of deposits in excess of all deposits not covered by federal depository insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies, obligations of the State of Ohio and its municipalities, and obligations of the other states. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required.

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS -(Continued)**

*Investments:* Investments are categorized to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or securities held by the District. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department, but not in the District's name.

	Category 3	Reported Amount	Fair Value
Repurchase agreement	\$1,902,459	\$1,902,459	\$1,902,459

The classification of cash and cash equivalents and investments on the combined balance sheet is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting".

A reconciliation between the classifications of cash and cash equivalents and investments on the combined financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$ 1,632,329	\$ 11,539
Investments in the cash management pool:		
Repurchase agreement	(1,902,459)	1,902,459
Certificates of deposit	11,539	(11,539)
GASB Statement No. 3	\$ (258,591)	\$1,902,459

**NOTE 5 - INTERFUND TRANSACTIONS**

The following is a summarized breakdown of the District's operating transfers for fiscal year 1999:

	Transfers In	Transfers Out
General Fund	\$ - - - -	\$(102,898)
Debt Service Fund	102,898	- - -
Total	\$102,898	\$(102,898)

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 6 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis. Distributions from the second half of the calendar year occur in a new fiscal year and are intended to finance the operations of that year. Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the District. Real property taxes and public utility taxes are levied after November 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by State law at 35% of appraised market value.

Public utility property taxes are assessed on tangible personal property, as well as land and improvements. Real property is assessed at 35% of market value and personal property is assessed at 100% of market value except for the personal property of rural electric companies which is assessed 50% of market and railroads which are assessed at 29%.

Tangible personal property taxes attach as a lien and are levied on January 1 of the current year. Tangible personal property assessments are 25% of true value. The assessed value upon which the 1998 taxes were collected was \$64,146,990. Agricultural/Residential and public utility/minerals real estate represented \$45,744,920 or 71.3% of this total; Commercial & Industrial real estate represented \$5,863,960 or 9.1% of this total, public utility tangible represented \$4,975,930 or 7.8% of this total and general tangible property represented \$7,562,180 or 11.8% of this total. The voted general tax rate at the fiscal year ended June 30, 1999 was \$39.50 per \$1,000.00 of assessed valuation for operations.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20.

The District receives property taxes from Mahoning County. The County Treasurer collects property taxes on behalf of the District. The County Auditor periodically remits to the District its portion of the taxes collected. These tax "advances" are based on statutory cash flow collection rates. Final "settlements" are made each February and August.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 1999. Although total property tax collections for the next fiscal year are measurable, they are not (exclusive of advances) intended to finance current year operations. The net receivable (total receivable less amount available intended to finance the current year) is therefore offset by a credit to deferred revenue. There were no tax advances available to the District at June 30, 1999.

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 1999 consisted of taxes, accounts (billings for user charged services and student fees), accrued interest and intergovernmental grants and entitlements intended to finance fiscal year 1999. Intergovernmental receivables have been recorded as "due from other governments" on the balance sheet. All receivables are considered collectible in full due

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 7 - RECEIVABLES - (Continued)**

to the ability to foreclose for the nonpayment of taxes, the stable conditions of State programs and the current year guarantee of Federal funds.

A summary of the principal items of receivables follows:

	<u>Amounts</u>
<u>General Fund</u>	
Taxes - current and delinquent	\$ 3,386,352
Accounts	2,313
Due from other governments	23,703
<u>Enterprise Funds</u>	
Due from other governments	52,346

**NOTE 8 - FIXED ASSETS**

A summary of the changes in the general fixed assets account group during the fiscal year follows:

	<u>Balance</u> <u>July 1, 1998</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>June 30, 1999</u>
Land/improvements	\$ 16,025	\$ ---	\$ ---	\$ 16,025
Buildings/improvements	3,371,122	12,524	---	3,383,646
Furniture/equipment	1,084,109	207,534	---	1,291,643
Vehicles/other	<u>313,185</u>	<u>75,114</u>	<u>---</u>	<u>388,299</u>
Total	<u>\$ 4,784,441</u>	<u>\$295,172</u>	<u>\$ ---</u>	<u>\$5,079,613</u>

There was no significant construction in progress at June 30, 1999.

A summary of the proprietary fixed assets at June 30, 1999 follows:

Furniture and equipment	\$ 166,585
Less: accumulated depreciation	<u>(138,588)</u>
Net fixed assets	<u>\$ 27,997</u>

**NOTE 9 - LONG-TERM OBLIGATIONS**

- A. The District issued energy conservation notes to provide for energy improvements to various District buildings. The primary source of repayment of this note is through energy savings as a result of the improvements.

Payments of principal and interest relating to this liability are recorded as expenditures in the debt service fund. The unmatured obligations at year end are accounted for in the general long-term obligations account group.

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 9 - LONG-TERM OBLIGATIONS (Continued)**

The following is a description of the District's notes outstanding as of June 30, 1999:

	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Outstanding July 1, 1998</u>	<u>Retired In 1999</u>	<u>Outstanding June 30, 1999</u>
U.S. E.P.A. Asbestos Abatement Promissory Note	0%	07/22/88	07/31/08	\$ 11,632	\$ (5,000)	\$ 6,632
Energy Conservation Notes	5.15%	05/23/96	11/30/04	<u>\$534,764</u>	<u>\$(71,206)</u>	<u>\$463,558</u>
<b>Total</b>				<u>\$546,396</u>	<u>\$(76,206)</u>	<u>\$470,190</u>

**B.** The following is a summary of the District's future annual debt service requirements to maturity for the asbestos abatement and energy conservation notes:

<u>Fiscal Year Ending</u>	<u>Principal on Notes</u>	<u>Interest on Notes</u>	<u>Total</u>
2000	\$ 79,935	\$22,921	\$102,856
2001	80,477	19,011	99,488
2002	82,957	14,899	97,856
2003	87,284	10,572	97,856
2004	91,837	6,019	97,856
2005	<u>47,700</u>	<u>1,228</u>	<u>48,928</u>
<b>Total</b>	<u>\$470,190</u>	<u>\$74,650</u>	<u>\$544,840</u>

**C.** During the year ended June 30, 1999, the following changes occurred in the liabilities reported in the general long-term obligations account group. Compensated absences are presented net of actual increases and decreases because of the practicality of determining these values. Compensated absences and pension obligations will be paid from the fund in which the employee was paid.

	<u>Balance July 1, 1998</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance June 30, 1999</u>
General obligation notes payable	\$ 534,764	\$ ---	\$ (71,206)	\$ 463,558
Asbestos abatement notes payable	11,632	---	(5,000)	6,632
Compensated absences	475,986	20,184	---	496,170
Pension obligation payable	<u>67,097</u>	<u>67,513</u>	<u>(67,097)</u>	<u>67,513</u>
<b>Total</b>	<u>\$ 1,089,479</u>	<u>\$87,697</u>	<u>\$(143,303)</u>	<u>\$1,033,873</u>

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 9 - LONG-TERM OBLIGATIONS (Continued)**

**D. Legal Debt Margin**

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The effects of these debt limitations at June 30, 1999 are a voted debt margin of \$5,773,229 and an unvoted debt margin of \$64,147.

**NOTE 10 - TAX ANTICIPATION PAYABLE**

A tax anticipation note was issued to provide for short-term financing of District obligations. Tax anticipation notes are a liability of the general fund, which is the fund that received the note proceeds.

The following is the District's Tax Anticipation Note activity for the fiscal year ended June 30, 1999:

<u>Interest Rates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance 6/30/98</u>	<u>Issued 1999</u>	<u>Retired 1999</u>	<u>Balance 6/30/99</u>
4.10%	7/1/98	3/31/99	\$ 0	\$400,000	\$(400,000)	\$ 0

**NOTE 11 - RISK MANAGEMENT**

**A. Property, Fleet, and Liability Insurance**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains comprehensive commercial insurance coverage for real property, building contents, vehicles, boilers, electronic data processing equipment and instruments. The comprehensive commercial insurance coverage limits are \$26,000,000 and a deductible of \$3,000. The business auto coverage limits are \$500,000 for liability and uninsured motorists.

The District has liability insurance coverage limits of \$1,000,000 per claim and \$1,000,000 annual aggregate. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

**D. Medical Benefits**

The District has joined together with other school districts in Mahoning County to form the Mahoning County Employee Insurance Consortium, a public entity shared risk pool, currently operating as a common risk management and insurance program for 13 member school



**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
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**NOTE 11 - RISK MANAGEMENT - (Continued)**

districts. The plan was organized to provide medical, prescription, dental, vision, and life benefits to its member organizations.

Rates are calculated and set through an annual update process. The District pays a monthly contribution which is placed in a common fund from which claims or payments are made for all participating districts and claims are paid for all participants regardless of claims flow. The District is responsible for paying per year, health plan claims up to \$135,000 per individual and \$15,792,567 per school-wide aggregate, prior to coverage by a stop/loss carrier.

The District pays the insurance premiums for all full time employees and 50% of the premium for part time employees who are cooks and custodial helpers.

The health, dental, and vision coverage is administered by Professional Risk Management, a third party administrator.

**C. Worker's Compensation**

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (see Note 2.A.). The GRP's business and affairs are conducted by a three member board of directors consisting of the President, the President-Elect and the Immediate Past President of the Ohio School Boards Association. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The worker's compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 12 - SEGMENT INFORMATION - ENTERPRISE FUNDS**

The District maintains two enterprise funds to account for the operations of food service and uniform school supplies. The following table reflects, in a summarized format, the more significant financial data relating to the enterprise funds of the District as of and for the year ended June 30, 1999.

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Total</u>
Operating revenue	\$ 74,522	\$ 2,205	\$ 76,727
Operating expenses before depreciation	384,450	610	385,060
Depreciation	2,650	---	2,650
Operating income (loss)	(312,578)	1,595	(310,983)
Operating grants	319,320	---	319,320
Net income	33,777	1,595	35,372
Fixed asset additions	7,933	---	7,933
Net working capital	73,434	3,281	76,715
Total assets	122,786	3,281	126,067
Total liabilities	34,897	---	34,897
Total equity	87,889	3,281	91,170
Encumbrances at 06/30/99	15,161	584	15,745

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

**A. School Employees Retirement System**

The District contributes to the School Employees Retirement System of Ohio (SERS), a *cost-sharing multiple employer public employee retirement system administered by the School Employees Retirement Board*. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute 14 percent for 1999; 9.02 percent was the portion to fund pension obligations. The contribution rates are not determined actuarially, but are established by the School Employees Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$195,882, \$169,652, and \$162,497, respectively; 55 percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$87,958, representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds and the general long-term obligations account group.

**B. State Teachers Retirement System**

The District contributes to the State Teachers Retirement System of Ohio (STRS), a *cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board*. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code.

STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the District is required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998 and 1997 were \$804,778, \$762,316, and \$674,163, respectively; 88 percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$96,628, representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds.

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 14 - POSTEMPLOYMENT BENEFITS**

The District provides comprehensive health care benefits to retired teachers and their dependents through the STRS and to retired non-certified employees and their dependents through the SERS. Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. Through June 30, 1998, the Board allocated employer contributions equal to 3.5 percent of covered payroll to the Health Care Reserve Fund. Beginning July 1, 1998, this allocation was increased to 8 percent. For the District, this amount equaled \$459,873 during fiscal 1999.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2.156 billion at June 30, 1998 (the latest information available). For the year ended June 30, 1998 (the latest information available), net health care costs paid by STRS were \$219.224 million and STRS had 91,999 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, and disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

For this fiscal year, employer contributions to fund health care benefits were 4.98 percent of covered payroll, an increase from 4.21 percent for fiscal year 1998. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 125 percent of annual health care expenses. Expenses for health care at June 30, 1998 (the latest information available), were \$111.9 million and the target level was \$139.9 million. At June 30, 1998 (the latest information available), SERS had net assets available for payment of health care benefits of \$160.3 million and SERS had approximately 50,000 participants receiving health care benefits. For the District, the amount to fund health care benefits, including surcharge, equaled \$90,268 during the 1999 fiscal year.

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance is done on a GAAP basis, the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The Combined Statement of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, encumbrances are recorded as the equivalent of an expenditure (budget basis) as opposed to a reservation of fund balance for governmental funds (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the governmental funds are as follows:

**Excess of Revenues and Other Financing  
Sources Over (Under) Expenditures and Other  
Financing Uses**

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Budget basis	\$403,677	\$(202,144)	\$ 0	\$(443,106)
Net adjustment for revenue accruals	452,505	(6,984)	(412,221)	(45,614)
Net adjustment for expenditure accruals	(23,772)	93,638	412,221	(53,096)
Net adjustment for other financing sources (uses)	(414,618)	---	---	---
Encumbrances (budget basis)	<u>233,641</u>	<u>106,387</u>	<u>---</u>	<u>36,240</u>
GAAP basis	<u>\$651,433</u>	<u>\$ (9,103)</u>	<u>\$ 0</u>	<u>\$(505,576)</u>

**CAMPBELL CITY SCHOOL DISTRICT  
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**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 16 - CONTINGENCIES**

**A. Grants**

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 1999.

**B. Litigation**

A possible conflict of interest (which is a violation of the Ohio Revised Code Section 2921.42) has been forwarded to the Ohio Ethics Commission and the Mahoning County Prosecutor's Office and still remains pending. The District is not currently a party to any legal proceedings that could have a material effect on the financial statements, including the conflict of interest case still pending.

**C. State School Funding Decision**

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to this District. During the fiscal year ended June 30, 1999, the District received school foundation support of \$5,244,088 for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. At this time, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas in Perry County has been stayed by the Ohio Supreme Court, and, as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

As of the date of these financial statements, the District is unable to determine that effect, if any, this ongoing litigation will have on its future State funding under this program and on its financial operations.

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 17 - STATUTORY RESERVES**

The District is required by State law to set-aside certain general fund revenue amounts, as defined by Statute, into various reserves. These reserves are calculated and presented on a cash basis. During the fiscal year ended June 30, 1999, the reserve activity was as follows:

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside cash balance as of June 30, 1998	\$ 0	\$ 0	\$ 80,192
Current year set-aside requirement	134,901	134,901	67,450
Current year offsets	(19,180)	0	---
Qualifying disbursements	<u>(121,099)</u>	<u>(493,580)</u>	<u>---</u>
Total	<u>\$ (5,379)</u>	<u>\$(358,679)</u>	<u>\$147,642</u>
Cash balance carried forward to FY 2000	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$147,642</u>

Although the District had offsets and qualifying disbursements during the year that reduced the set-aside amounts below zero, these extra amounts may not be used to reduce the set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year.

A schedule of the restricted assets at June 30, 1999 follows:

Amount restricted for budget stabilization	<u>\$147,642</u>
Total restricted assets	<u>\$147,642</u>

**NOTE 18 - YEAR 2000 ISSUE**

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the District's operations as early as fiscal year 1999.

The District has completed an inventory of computer systems and other equipment necessary to conducting District operations and has identified such systems as being financial reporting, payroll and employee benefits, and educational statistics reporting (through the State's Education Management and Information System (EMIS).

The District uses the State of Ohio Uniform School Accounting System software for its financial reporting, the State of Ohio Uniform School Payroll System software for its payroll and employee benefits and the State of Ohio Equipment Inventory System for its fixed assets accounting. The State is responsible for remediating these systems.

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE 18 - YEAR 2000 ISSUE (Continued)**

The Ohio Department of Education, Division of Information Management Services, State Software Development Team has address the status of the OECN State Software in regards to the compliance requirements for the Year 2000. Their assessment is as follows:

- The payroll processing software supported with the OECN State Software is compliant with the Year 2000 beginning with the September 1997 release of USPS V4.0.
- The accounting software supported with the OECN State Software will be compliant with the Year 2000, beginning with the June 1998 release of USAS V6.1.
- The equipment inventory and vehicle inventory system software supported with the OECN State Software is compliant with the Year 2000 beginning with the March 1999 release of SAS V2.0.
- The education management information system software supported with the OECN State Software will be compliant with the Year 2000 beginning with the September 1998 release of EMIS V1.7.

Mahoning County collects property taxes for distribution to the District. Mahoning County is responsible for remediating its tax collection system.

The State of Ohio distributes a substantial sum of money to the District in the form of basic state aid "school foundation" and federal and state grant payments. Further, the State processes a significant amount of financial and non-financial information about the District through EMIS. The State is responsible for remediating these systems.

To the best of management's knowledge and belief, as of January 14, 2000, the government experienced no interruption of operations and services related to the Year 2000 issue. However, because of the unprecedented nature of the Year 2000 issue, matters may yet arise, and parties with whom the District does business may also experience Year 2000 readiness issues that is as yet, unknown.



**CAMPBELL CITY SCHOOL DISTRICT - MAHONING COUNTY  
SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
JUNE 30, 1999**

<b>Federal Grantor/ Pass Through Grantor Program Title</b>	<b>Pass Through Entry Number</b>	<b>Federal CFDA Number</b>	<b>Receipts</b>	<b>Non-Cash Receipts</b>	<b>Disbursements</b>	<b>Non-Cash Disbursements</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program		10.550		\$25,365		\$25,745
School Breakfast Program	05-PU 98	10.553	\$18,074		\$18,074	
	05-PU 99		51,440		51,440	
<i>Subtotal - Breakfast Lunch Program</i>			<u>69,514</u>		<u>69,514</u>	
National School Lunch Program	03-PU 98	10.555	6,682		6,682	
	03-PU 99		20,800		20,800	
	04-PU 98		44,754		44,754	
	04-PU 99		142,451		142,451	
<i>Subtotal - School Lunch Program</i>			<u>214,687</u>		<u>214,687</u>	
Special Milk Program for Children	02-PU-98	10.556	114		114	
<b>Total U.S. Department of Agriculture - Nutrition Cluster</b>			<u>284,315</u>	<u>25,365</u>	<u>284,315</u>	<u>25,745</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
Adult Education- State Grant Program	AB-S1-98	84.002	(8,917)			
	AB-S1-98C		8,917		8,917	
	AB-S1-99		21,720		12,803	
<i>Subtotal - Adult Education - State Grant Program</i>			<u>21,720</u>		<u>21,720</u>	
Title 1 Grants to Local Educational Agencies	C1-S1 98C	84.010	80,816		80,816	
	C1-S1 98		(80,816)		72,001	
	C1-S1 99		476,464		343,757	
<i>Subtotal - Title 1 Grants to Local Educational Ag.</i>			<u>476,464</u>		<u>496,574</u>	
Special Education - Grants to States	6B-SF-98P	84.027	(386)		37,403	
			84,840		49,661	
<i>Subtotal - Special Education - Grants to States</i>			<u>84,454</u>		<u>87,064</u>	
Safe and Drug Free Schools Grant	DR-S1-97	84.186			1,896	
	DR-S1-98		1,905		5,736	
	DR-S1-99		19,885		9,827	
<i>Subtotal - Safe and Drug Free Schools Grant</i>			<u>21,770</u>		<u>17,459</u>	
Goals 2000 Grant	G2-S1-97	84.276	(1,322)			
	G2-S1-97C		1,322		1,322	
	G2-S1-98		36,900		29,631	
<i>Subtotal - Goals 2000 Grant</i>			<u>36,900</u>		<u>30,953</u>	
Innovative Educational Program Strategies	C2-S1-97C	84.298	(11)			
	C2-S1 98		(3,358)		7,140	
	C2-S1 98C		3,358		2,727	
	C2-S1-99		9,318		4,490	
<i>Subtotal - Innovative Educational Programs Strategies</i>			<u>9,307</u>		<u>14,357</u>	
Technical Literacy Challenge Fund Grants	TF-S1-98P	84.318	62,500		20,454	
	TF-S1-99P		99,343		227,388	
<i>Subtotal - Technical Literacy Challenge Fund Grants</i>			<u>161,843</u>		<u>247,842</u>	
<b>TOTAL U.S. Department of Education</b>			<u>812,458</u>		<u>915,969</u>	
<b>Total Federal Assistance</b>			<u>\$1,096,773</u>	<u>\$25,365</u>	<u>\$1,200,284</u>	<u>\$25,745</u>

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

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY  
FISCAL YEAR ENDED JUNE 30, 1999**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the government's federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B - FOOD DISTRIBUTION**

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in schedule at the fair market value of the commodities received and disbursed. Cash receipts from the U.S. Department of Agriculture are commingled with State Grants. It is assumed federal monies are expended first. At June 30, 1999, the District had no significant food commodities in inventory.



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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

Board of Education  
Campbell City School District  
Mahoning County  
280 Sixth Street  
Campbell, Ohio 44405

We have audited the financial statements of Campbell City School District as of and for the year ended June 30, 1999, and have issued our report thereon dated January 14, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether Campbell City School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on 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 such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 1999-11150-001.

We also noted certain immaterial instances of noncompliance that we have reported to management of Campbell City School District in a separate letter dated January 14, 1999.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Campbell City School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Board of Education  
Campbell City School District  
Report on Compliance and on Internal Control  
Required by *Government Auditing Standards*  
Page -2-

However, we noted other matters involving the internal control over financial reporting that did not require inclusion in this report, that we have reported to management of Campbell City School District in a separate letter dated January 14, 1999.

This report is intended for the information of the Board of Education, management and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is written in a cursive style with a large, sweeping initial "J".

JIM PETRO  
Auditor of State

January 14, 1999



STATE OF OHIO  
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education  
Campbell City School District  
Mahoning County  
280 Sixth Street  
Campbell, Ohio 44405

**Compliance**

We have audited the compliance of Campbell City School District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1999. Campbell City School District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Campbell City School District's management. Our responsibility is to express an opinion on Campbell City School District's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about Campbell City School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Campbell City School District's compliance with those requirements.

In our opinion, Campbell City School District complied, in all material respects, with the requirements referred to above that are applicable to major federal programs for the year ended June 30, 1999.

**Internal Control Over Compliance**

The management of Campbell City School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to the federal programs. In planning and performing our audit, we considered Campbell City School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Board of Education  
Campbell City School District  
Report on Compliance With Requirements Applicable To  
Each Major Federal Program and Internal Control Over  
Compliance in Accordance With OMB Circular A-133  
Page -2-

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Education, management and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



JIM PETRO  
Auditor of State

January 14, 1999

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505<sup>1</sup>**

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY  
JUNE 30, 1999**

**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 reportable control weakness conditions 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)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	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):	Nutrition Cluster: CFDA # 10.550 - Food Distribution CFDA # 10.553 - School Breakfast Program CFDA # 10.555 - National School Lunch Program CFDA # 10.556 - Special Milk Program
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505<sup>2</sup>**

**CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY  
JUNE 30, 1999**

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

<b>Finding Number</b>	<b>1999-11150-001</b>
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Ohio Revised Code Sections 5705.41(A) prohibits a political subdivision or taxing unit from making a fund appropriation in excess of the estimated revenue available for expenditure from that fund. The following funds were found to have appropriations in excess of the amounts certified as available by the budget commission:

<u>Fund</u>	<u>Total Amended Certificate</u>	<u>Current Year Appropriations</u>	<u>Variance</u>
<u>Special Revenue:</u>			
DPIA (447)	\$245,781	\$425,071	(\$179,310)
<u>Capital Projects:</u>			
School Net (450)	147,450	269,418	( 121,968)
Emergency Building Repair (497)	354,648	419,155	( 64,507)
<u>Non-Expendable Trust:</u>			
Scholarship (008)	14,409	20,920	( 6,511)
<u>Expendable Trust:</u>			
Scholarship (007)	8,050	13,750	( 5,700)

For the above mentioned funds, the District could not have obtained an amended certificate in an amount greater than year appropriations.

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

**1. Title of Finding**

<b>Finding Number</b>	<b>None</b>
<b>CFDA Title and Number</b>	
<b>Federal Award Number / Year</b>	
<b>Federal Agency</b>	
<b>Pass-Through Agency</b>	





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CAMPBELL CITY SCHOOL DISTRICT  
MAHONING COUNTY

CLERK'S CERTIFICATION

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

By: Susan Babbitt

Date: FEB 03 2000