

JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**TUSLAW LOCAL SCHOOL DISTRICT
STARK COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	1
Report of Independent Accountants on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control over Compliance in Accordance with OMB Circular A-133	3
Schedule of Receipts and Expenditures of Federal Awards	6
Notes to the Schedule of Receipts and Expenditures of Federal Awards	8
Schedule of Findings	9

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STATE OF OHIO
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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Tuslaw Local School District
Stark County
1723 Manchester Avenue NW
Massillon, Ohio 44647

To the Board of Education:

We have audited the general purpose financial statements of the Tuslaw Local School District, Stark County, (the District) as of and for the year ended June 30, 2000, and have issued our report thereon dated October 31, 2000. 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 the 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated October 31, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the 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. However, we noted matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the management of the District in a separate letter dated October 31, 2000.

Tuslaw Local School District
Stark County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of the audit committee, management, the Board of Education, 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

October 31, 2000



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

Tuslaw Local School District
Stark County
1723 Manchester Avenue NW
Massillon, Ohio 44647

To the Board of Education:

Compliance

We have audited the compliance of the Tuslaw Local School District, Stark County, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2000. The 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 its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the 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 the 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 the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2000.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could 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.

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.

Schedule of Receipts and Expenditures of Federal Awards

We have audited the general purpose financial statements of the District as of and for the year ended June 30, 2000, and have issued our report thereon dated October 31, 2000. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 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.

This report is intended for the information and use of the audit committee, management, the Board of Education, 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

October 31, 2000

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TUSLAW LOCAL SCHOOL DISTRICT
STARK COUNTY

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

<i>Pass Through Grantor/Federal Grantor Program Title</i>	<i>Pass Through Entity Number</i>	<i>Federal CFDA Number</i>	<i>Receipts</i>	<i>Non-Cash Receipts</i>	<i>Expenditures</i>	<i>Non-Cash Expenditures</i>
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed through the Ohio Department of Education:</i>						
<i>Child Nutrition Cluster:</i>						
Food Distribution Program	Not Applicable	10.550	\$0	\$36,725	\$0	\$36,725
National School Lunch Program	Not Applicable	10.555	78,887	0	78,887	0
<i>Total U.S. Department of Agriculture - Child Nutrition Cluster</i>			<u>78,887</u>	<u>36,725</u>	<u>78,887</u>	<u>36,725</u>
U.S. DEPARTMENT OF EDUCATION						
<i>Passed through the Ohio Department of Education:</i>						
Special Education Grants to States	049957-6B-SF-00P	84.027	81,816	0	81,816	0
Special Education Grants to States	049957-6B-SF-99P	84.027	1,851	0	1,851	0
<i>Total Special Education Grants to States</i>			<u>83,667</u>	<u>0</u>	<u>83,667</u>	<u>0</u>
Title I Grants to Local Educational Agencies	049957-C1-S1-00	84.010	234,537	0	222,003	0
Title I Grants to Local Educational Agencies	049957-C1-S1-99	84.010	0	0	39,827	0
<i>Total Title I Grants to Local Educational Agencies</i>			<u>234,537</u>	<u>0</u>	<u>261,830</u>	<u>0</u>
Innovative Education Program Strategies	049957-C2-S1-00	84.298	6,470	0	6,470	0
Innovative Education Program Strategies	049957-C2-S1-99	84.298	817	0	817	0
<i>Total Innovative Education Program Strategies</i>			<u>7,287</u>	<u>0</u>	<u>7,287</u>	<u>0</u>
Safe and Drug Free Schools and Communities State Grant	049957-DR-S100	84.186	5,718	0	5,027	0
Safe and Drug Free Schools and Communities State Grant	049957-DR-S199	84.186	0	0	1,934	0
<i>Total Safe and Drug Free Schools and Communities State Grant</i>			<u>5,718</u>	<u>0</u>	<u>6,961</u>	<u>0</u>
Class Size Reduction	049957-CR-S1-00	84.340	23,843	0	20,329	0
Goals 2000 State: Educate America Act	049957-G2-S2-99	84.276	48,000	0	30,641	0
<i>Total U.S. Department of Education</i>			<u>403,052</u>	<u>0</u>	<u>410,715</u>	<u>0</u>
Total Federal Assistance			<u>\$481,939</u>	<u>\$36,725</u>	<u>\$489,602</u>	<u>\$36,725</u>

See accompanying notes to Schedule of Federal Awards Expenditures

TUSLAW LOCAL SCHOOL DISTRICT
STARK COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

<i>Pass Through Grantor/Federal Grantor Program Title</i>	<i>Pass Through Entity Number</i>	<i>Federal CFDA Number</i>	<i>Receipts</i>	<i>Non-Cash Receipts</i>	<i>Expenditures</i>	<i>Non-Cash Expenditures</i>
U.S. DEPARTMENT OF AGRICULTURE						
U.S. DEPARTMENT OF EDUCATION						
<i>Passed through the Ohio Department of Education:</i>						
Eisenhower Math & Science	050526-C1-S1-00	84.164	18,764	0	17,280	0
Eisenhower Math & Science	050526-C1-S1-99	84.164	57,309	0	63,867	0
Eisenhower Math & Science	050526-C1-S1-98	84.164	0	0	37,185	0
<i>Total Title I - Grants to Local Educational Agencies</i>			<u>76,073</u>	<u>0</u>	<u>118,332</u>	<u>0</u>
School Improvement	049957-6B-SF-99P	84.281	151,000	0	100,084	0
Title I - Grants to Local Educational Agencies	050526-C1-S1-99	84.010	301,000	0	241,689	0
Title I - Grants to Local Educational Agencies	050526-C1-S1-98	84.010	60,758	0	82,520	0
<i>Total Title I - Grants to Local Educational Agencies</i>			<u>361,758</u>	<u>0</u>	<u>324,209</u>	<u>0</u>
Safe, Drug Free Schools and Communities Grant	050526-DR-S199	84.186	64,261	0	21,424	0
Safe, Drug Free Schools and Communities Grant	050526-DR-S198	84.186	30,365	0	57,737	0
<i>Total Safe, Drug Free Schools and Communities Grant</i>			<u>94,626</u>	<u>0</u>	<u>79,161</u>	<u>0</u>
Handicapped Preschool	050526-DR-S199	84.173	132,327	0	120,550	0
Handicapped Preschool	050526-DR-S198	84.173	0	0	8,956	0
<i>Total Handicapped Preschool</i>			<u>132,327</u>	<u>0</u>	<u>129,506</u>	<u>0</u>
Early Intervention	050526-DR-S199	84.181	57,144	0	55,359	0
Early Intervention	050526-DR-S198	84.181	36,625	0	73,136	0
<i>Total Early Intervention</i>			<u>93,769</u>	<u>0</u>	<u>128,495</u>	<u>0</u>
Goals 2000	049957-6B-SF-99P	84.276	113,040	0	102,666	0
<i>Total U.S. Department of Education</i>			<u>1,022,593</u>	<u>0</u>	<u>982,453</u>	<u>0</u>
Total Federal Assistance			<u>\$1,022,593</u>	<u>\$0</u>	<u>\$982,453</u>	<u>\$0</u>

See accompanying notes to schedule of federal awards expenditures

Tuslaw Local School District
Notes to the Schedule of Receipts and Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2000

Note A - Significant Accounting Policies

The accompanying Schedule of Receipts and Expenditures of Federal Awards (the Schedule) is a summary of the activity of the School District'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 the Schedule at the fair market value of the commodities received and consumed. 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, 2000, the School District had \$9,049 in food commodities inventory.

**TUSLAW LOCAL SCHOOL DISTRICT
STARK COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
June 30, 2000**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Title I - CFDA #84.010
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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*Tuslaw Local School District
1723 Manchester Ave., NW
Massillon, Ohio 44647*

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2000



Tuslaw Local School District

Massillon, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2000

Issued by:
Treasurer's Office

Sheryl Shaw Stewart
Treasurer

Tuslaw Local School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2000
Table of Contents

I. <i>Introductory Section</i>	Page
Title Page	i
Table of Contents	ii
Letter of Transmittal	vi
List of Principal Officials	xv
Organization Chart	xvi
II. <i>Financial Section</i>	
Report of Independent Accountants	1
General Purpose Financial Statements (Combined Statements–Overview)	
Combined Balance Sheet–All Fund Types and Account Groups	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances–All Governmental Fund Types	8
Combined Statement of Revenues, Expenditures and Changes In Fund Balances - Budget and Actual (Budget Basis)–All Governmental Fund Types	10
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance–Enterprise Funds and Non-Expendable Trust Fund	14
Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis)–Enterprise Funds and Non-Expendable Trust Fund	16
Combined Statement of Cash Flows–Enterprise Funds and Non-Expendable Trust Fund	18
Notes to the General Purpose Financial Statements	20
Combining, Individual Fund and Account Group Statements and Schedules	
Governmental Funds:	
General Fund:	
Description of Fund	40

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)	41
Special Revenue Funds:	
Description of Funds	45
Combining Balance Sheet	46
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	50
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)	
Scholarship Fund	53
Uniform School Supplies Fund	54
Public School Support	55
Athletic and Music Fund	57
Teacher Development Fund	58
Excellence in Education Fund	59
Management Information Systems Fund	60
Ohio Reads Fund	61
Miscellaneous State Grants Fund	62
Title VI-B Fund	63
Title I Fund	64
Title VI Fund	65
Drug Free Schools Fund	66
Title VI-R Fund	67
Title III Fund	68
Total--All Special Revenue Funds	69
Capital Projects Funds:	
Description of Funds	72
Combining Balance Sheet	73
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	74
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)	
Capital Improvements Fund	75
School Net Fund	76
Total--All Capital Projects Funds	77

Proprietary Funds:

Enterprise Funds:

Description of Funds	78
Combining Balance Sheet	79
Combining Statement of Revenues, Expenses and Changes in Retained Earnings	80
Schedule of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis)	
Food Service Fund	81
Adult Education Fund	82
Total--All Enterprise Funds	83
Combining Statement of Cash Flows	84

Fiduciary Fund:

Agency Funds:

Description of Funds	85
Statement of Changes in Assets and Liabilities	86

General Fixed Assets Account Group:

Description of Account Group	87
Schedule of General Fixed Assets--By Function	88
Schedule of General Fixed Assets--By Function and Type	89
Schedule of General Fixed Assets--By Source	90

III. Statistical Section

General Fund Expenditures by Function Last Ten Fiscal Years	S1
General Fund Revenues by Sources Last Ten Fiscal Years	S2
Property Tax Levies and Collections--Last Ten Calendar Years	S3
Assessed and Estimated Actual Value of Taxable Property-- Last Ten Calendar Years	S4

Property Tax Rates—Direct and Overlapping Governments Last Ten Calendar Years	S5
Computation of Legal Debt Margin	S6
Computation of Direct and Overlapping General Obligation Debt	S7
Demographic Statistics	S8
Property Value, Industrial Employment, Financial Institution Deposits—Last Ten Years	S9
Principal Taxpayers Real Estate Tax	S10
Principal Taxpayers Tangible Personal Property Tax	S11
Enrollment Statistics—Last Ten Fiscal Years	S12
Teacher Education and Experience	S13



Tuslaw Local School District

ADMINISTRATIVE OFFICES:

1723 Manchester Ave., N.W.
Massillon, Ohio 44647

Superintendent's Office
(330) 837-7813

Treasurer's Office
(330) 837-7814

*Transportation/
Food Service Office*
(330) 837-7815

Fax (330) 837-7804
(To Be Used For
All Buildings)

JUNIOR/SENIOR HIGH SCHOOL

1723 Manchester Ave., N.W.
Massillon, Ohio 44647
(330) 837-3511/7800

BEECH GROVE ELEMENTARY SCHOOL

1548 Manchester Ave., N.W.
Massillon, Ohio 44647
(330) 837-7809

MOFFITT HEIGHTS ELEMENTARY SCHOOL

12035 Moffitt St., S.W.
Massillon, Ohio 44647
(330) 837-7807

NEWMAN ELEMENTARY SCHOOL

11881 Orrville St., N.W.
Massillon, Ohio 44647
(330) 837-7811

October 31, 2000

Board of Education Members and Residents
of Tuslaw Local School District

We are pleased to submit to you Tuslaw Local School District's first Comprehensive Annual Financial Report (CAFR). This report provides full disclosure of the financial operation of the School District for the fiscal year ended June 30, 2000. This CAFR includes an opinion from Jim Petro, Auditor of State of Ohio, and conforms to generally accepted accounting principles applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. This report will provide the taxpayers of Tuslaw Local School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the major taxpayers, the Massillon Public Library, financial rating services and other interested parties.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section, which contains a Table of Contents, Letter of Transmittal, List of Principal Officials and an Organization Chart of the School District.
2. The Financial Section, which begins with the Report of Independent Accountants and includes the General Purpose Financial Statements and Notes that provide an overview of the School District's financial position and operating results, and the Combining, Individual Fund and Account Group Statements and Schedules that provide detailed information relative to the General Purpose Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends and the fiscal capacity of the Tuslaw Local School District.

The School District

History

The School District is a proud district with a rich history dating back to the early 1900's when the Tuscarawas Township Board of Education built a five-room brick building in the Myers area in 1930 and a two-room building in the Moffitt Heights area of Stark County. Both buildings were built to accommodate elementary students only. Lawrence Township built North Lawrence school in 1939 and had several other buildings that also accommodated elementary students only. High school students attended either Massillon, Dalton, Navarre or Brewster.

During the mid-1950's the Ohio legislature passed a new school law with two provisions that drastically affected both Lawrence and Tuscarawas Townships. All school districts that did not have a high school building would have to build one or lose their state funding. The new law also required that the enrollment of the new high school must be 240 students or more. Since both township enrollments were less than 240, the two townships decided to consolidate their schools and build a new high school building. The School District, created under O.R.C. 3311.26, was named Tuslaw Local School District. The School District's name was created by taking a syllable from each township's name, Tuscarawas and Lawrence. Lawrence brought two elementary school buildings into the new district, Newman and North Lawrence. Tuscarawas also brought two buildings, Moffitt Heights and Myers. The Tuslaw School District's high school was built during 1960.

Present

Today the School District serves the Lawrence and Tuscarawas township areas. Over the past forty years enrollment has increased. Tuslaw is a rural area that lies on the outskirts of the City of Massillon and also borders the Fairless Local School District, Dalton Local School District and Northwest Local School District. Tuslaw is beginning to see growth as many of the farms are being sold and replaced with residential homes.

The School District employs eighty-eight certified employees and forty-seven non-certified employees. The School District has three elementary buildings: Newman, Moffitt Heights and Newman. The junior high and high school students are housed in one building. Student Enrollment for fiscal year 2000 totaled 1,388. The School District forecasts a growth in enrollment as farmland is sold and parceled into lots to build single family homes.

Organizational Structure

It takes a team to meet today's educational challenges and to make school improvement a reality. The School District's team consists of a five member Board of Education, a Superintendent and Treasurer. The Board of Education serves as the taxing authority, contracting body and policy developer for the School District. The Board adopts the annual operating budget and approves all expenditures of School District monies. The Superintendent is the chief administrative officer of the School District, responsible for providing educational administrative/management leadership for operations of the School District. The Treasurer is the chief financial officer for the School District, responsible for maintaining records of all financial matters, issuing warrants and investing School District's funds as specified by law.

The Reporting Entity

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Tuslaw Local School District (the primary government) and its potential component units.

The Stark-Portage Area Computer Consortium and the Stark County Area Vocational School are jointly governed organizations, and the Stark County Schools' Council Insurance Purchasing Plan is a shared risk pool. In addition, the Ohio School Boards Association Workers' Compensation Group Rating Program is an insurance purchasing pool.

Major Initiatives

Shared Vision for the Future

Superintendent Al Osler and the Board of Education are moving forward to complete the priority areas identified in the School District's continuous improvement plan. The vision for the School District is to deliver quality education that meets the changing needs of all learners. The mission statement is "We are lifelong learners serving lifelong learners."

Major Initiatives for School Year 1999-2000

The School District plans to work toward the "effective" school rating, the highest category according to the Learner Performance Accountability Standards (S.B. 55), by encompassing a wide range of innovative education improvement initiatives. These initiatives are closely aligned with the four cornerstones of the BEST Schools education improvement agenda. By achieving the goals included in the continuous improvement plan, the School District will improve the quality of education for every student in the School District.

The goals set forth will take place over a three year time period and will be evidenced by performance results indicators. The goals are:

1. Students will achieve higher scores on the state proficiency test in grade 4, 6, and 9, and on the Ohio Proficiency-Based Assessment test in grades 1,2,3,4,5, and 7.
2. All certified staff will participate in professional development that correlates with the School District's continuous improvement plan, which will improve the quality of instruction.
3. The School District will increase community involvement within their schools.
4. The School District will allocate specific funding to provide technology and facilities which will lead to increased student learning.

Future Projects

The School District has had several failed attempts to pass a bond issue for approximately \$11,000,000 to build a new K-6 elementary building, renovate Beech Grove Elementary into a 7-8 middle school, increase the library size as well as add a media center onto the library and upgrade all the restrooms at the high school, as well as make the building ADA compliant. The School District will place the issue on the ballot November 7, 2000. The millage will be 6.7 and is expected to generate \$13,752,000. The Board of Education has a vision to build a new K-6 elementary building and renovate existing buildings. This process will enable the school district to offer a better education to our students and achieve the goals we have set forth for our School District.

Curriculum and Instructional Focus

The School District has taken the continuous improvement goals seriously and has several strategies in place to meet those goals. The School District has implemented a stronger phonics-based reading program for K-2 students to ensure that every child is reading at grade level by the end of third grade. "Take Home Book" reading programs have been implemented so that students have reading materials to read to their parents on a regular basis. The English course offerings have been restructured so that students have a wider range of courses to choose from and have the opportunity to take extra courses. Each course contains a rigorous writing requirement.

Data surveys will be compared yearly to see if there is an upward trend in attitudes towards reading, writing, and math. Students in grades 1-12 will be surveyed to find out their attitudes towards reading, writing, and math. Graphs and charts will be created to analyze the students' attitudes and used to decide which approach will be taken to improve the students' attitudes.

The School District has also implemented summer remediation classes for those students completing grades 3, 4, and 6 whose test scores reflect failing proficiency scores. Grades 9 through 12 also have the opportunity to attend a summer proficiency remediation class if they have not passed one or more of the targeted proficiency disciplines.

The School District desires one hundred percent of all staff to participate in staff development, which correlates with the continuous improvement plan. The first grade teachers will attend workshops relating to intensive phonics. Teachers will be instructed on how to use the results obtained from a reading diagnostics assessment to improve student improvement. The staff will also be provided with staff development to integrate technology in all curriculum areas.

Economic Outlook

The School District is located in a rural area and encompasses Tuscarawas and Lawrence Townships. The School District borders the City of Massillon on its eastern side. The South, North and West boundaries of the School District are mostly rural as well. The School District does not generate a tremendous amount of money from industry. The School District is made up mostly of single family homes and agricultural lands.

Due to the access to county and city sewer and water lines, the School District has experienced property owners selling their land to local developers, and the developers have parceled off the land and intend to build single family homes. This will not only increase the School District's enrollment, but the real property valuation for the School District as well.

The School District currently generates 25 effective mills on residential and agricultural property. The total tax valuation for residential and agricultural property is \$88,491,470. The School District generates 29.25 mills from all other types of property. The tax value for public utility personal property is \$13,421,420, for general personal property \$7,328,725, and for all others \$11,176,560. The total tax value for fiscal year 2000 was \$120,418,175.

Financial Information

Internal Accounting and Budgetary Control. The School District's accounting system is organized on a "fund" basis. Each fund (and account group) is a distinct self-balancing accounting entity. Reports for general governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an Amended Certificate of Estimated Resources based on final assessed values and tax rates, which is usually within three months of the fiscal year end.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund for the general fund and fund level for all other funds. All purchase order requests must be approved by the Treasurer, necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible.

As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

The basis of accounting and the various funds and account groups utilized by the School District's budgetary accounting are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 3 of the general purpose financial statements.

General Governmental Functions. The governmental funds encompass the general, special revenue, debt service, and capital projects funds of the School District.

Revenues for the governmental fund types totaled \$8,404,374 in fiscal year 2000. General property taxes produced 42 percent of total general fund revenues. State and Federal support accounted for 52 percent of the revenues.

The amount of revenue from various sources is shown in the following tabulation:

	<i>1999</i> <i>Amount</i>	<i>2000</i> <i>Amount</i>	<i>Percent</i> <i>of</i> <i>Total</i>	<i>Change</i>	<i>Percent</i> <i>Change</i>
Revenues:					
Taxes	\$3,038,375	\$3,556,563	42.32%	\$518,188	17.05%
Intergovernmental	3,760,086	4,342,069	51.66	581,983	15.48
Interest	75,211	101,564	1.21	26,353	35.04
Tuition and Fees	52,527	89,557	1.07	37,030	70.50
Extracurricular Activities	206,230	242,721	2.89	36,491	17.69
Contributions and Donations	22,890	37,992	0.45	15,102	65.98
Rentals	506	737	0.01	231	45.65
Miscellaneous	23,430	33,171	0.39	9,741	41.57
Total Revenues	<u>\$7,179,255</u>	<u>\$8,404,374</u>	<u>100.00%</u>	<u>\$1,225,119</u>	

Taxes revenue increased due to an increased property value based on the biennial update and growth in the School District.

Intergovernmental revenue increased due to an increase in state funding.

Tuition and fees revenue increased due to the School District having more students and charging more fees.

Extracurricular activities revenue increased due to increased attendance at the School District's sporting events.

Contributions and donations increased due to increased donations from community members to help renovate the football stadium.

Miscellaneous increased due to a reimbursement from our insurance company for a fire loss.

Governmental fund expenditures for fiscal year 2000 totaled \$7,751,628. A summary, by major function, follows:

	<i>1999</i> <i>Amount</i>	<i>2000</i> <i>Amount</i>	<i>Percent</i> <i>of</i> <i>Total</i>	<i>Change</i>	<i>Percent</i> <i>Change</i>
Expenditures:					
<i>Current:</i>					
<i>Instruction:</i>					
Regular	\$2,988,196	\$3,317,448	42.80%	\$329,252	11.02%
Special	900,214	952,734	12.29	52,520	5.83
Vocational	97,608	118,849	1.53	21,241	21.76
Adult/Continuing	0	268	0.01	268	100.00
<i>Support Services:</i>					
Pupils	294,816	301,428	3.89	6,612	2.24
Instructional Staff	216,656	207,329	2.67	(9,327)	(4.30)
Board of Education	13,029	19,815	0.26	6,786	52.08
Administration	773,663	793,029	10.23	19,366	2.50
Fiscal	209,430	226,990	2.93	17,560	8.38
Operation and					
Maintenance of Plant	771,899	869,714	11.22	97,815	12.67
Pupil Transportation	558,948	533,631	6.88	(25,317)	(4.53)
Operation of Non-					
Services	12,189	14,263	0.18	2,074	17.02
Extracurricular Activities	275,169	335,430	4.33	60,261	21.90
Capital Outlay	0	6,000	0.07	6,000	100.00
<i>Debt Service:</i>					
Principal Retirement	38,888	45,363	0.59	6,475	16.65
Interest and Fiscal Charges	11,312	9,337	0.12	(1,975)	(17.46)
Total Expenditures	<u>\$7,162,017</u>	<u>\$7,751,628</u>	<u>100.00%</u>	<u>\$589,611</u>	

Regular instruction expenditures increased due to increased salaries and additional grant money used to hire an additional teacher to reduce class size.

Vocational instruction increased due to increased salaries paid to a returning teacher who was on a long-term leave.

During fiscal year 2000, the School District made three payments to the board members in comparison to two payments made during fiscal year 1999. This is attributed to the increased expenditures in the Board of Education expenditures.

During fiscal year 2000, the School District spent additional dollars on roof replacement and maintenance of existing boilers. These additional costs attributed to the increased operation and maintenance of plant expenditures.

Increased expenditures for extracurricular activities can be attributed to a successful sporting season. Since the athletic fund had more admissions revenue, it was able to purchase needed athletic materials and supplies.

General Fund Balance. The general fund concluded fiscal year 2000 with a fund balance of \$1,119,946 compared to \$580,309 in fiscal year 1999. The increase can be attributed to additional intergovernmental revenues and due to maintaining expenditures at a level that is less than revenues collected.

Financial Highlights - Proprietary Funds. Food service and adult education are classified as enterprise operations since they resemble those activities found in private industry. Management periodically desires to determine the amount of profit/loss resulting from operations that are significantly financed from user fees. In total, the enterprise funds had a net loss of (\$489) for the year ended June 30, 2000. The operating loss (before intergovernmental revenues) totaled (\$112,606); thus the reliance on outside support (primarily federal funding of the National School Lunch and Commodities Program) is apparent. Management is analyzing the food service fund operations to determine appropriate action to alleviate the deficit.

Financial Highlights - Fiduciary Fund. The School District functions as fiscal agent for students (in the case of activity group accounts); available assets are totally offset by liabilities.

General Fixed Assets

The general fixed assets of the School District are used to carry on the main education and support function of the School District and are not financial resources available for expenditure. The total general fixed assets at June 30, 2000 were \$5,477,879. Such assets are accounted for at historical cost. Depreciation is not recognized on general fixed assets.

Debt Administration

During fiscal year 2000, the School District retired \$40,364 on the energy conservation note leaving a remaining balance of \$89,492. As of June 30, 2000, the overall debt margin was \$10,229,039 and the unvoted debt margin was \$114,650. All existing debt is backed by the full faith and credit of the School District and will be retired by fiscal year 2002.

Cash Management

The Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently depositing cash which is insured by the Federal Deposit Insurance Corporation, as well as investing available cash in instruments issued by the United States Government or the State of Ohio. The program is beneficial because of access to daily balances which enables the Board to maintain minimum balance accounts and invest to the maximum extent. For the year ended June 30, 2000, the total amount of interest earned was \$106,995.

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

Risk Management

All employees of the School District are covered by a blanket bond, while certain individuals in policy-making roles are covered by separate, higher limit bond coverage.

The School District participates in the Ohio School Boards Association Worker's Compensation Group Rating Program (GRP) and pays a premium based on a rate per \$100 of salaries. The School District contracts for general liability insurance, vehicle insurance, and professional liability insurance.

Pension Plans

All School District employees are covered by the state-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's employer contributions to both systems are based on a percentage of employee's salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Note 10 to the general purpose financial statements for complete details.

Independent Audit

State statutes require the School District to be subjected to an annual examination by the Auditor of State. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent auditor Jim Petro, Auditor of State, has rendered an opinion on the School District's financial statements as of and for the year ended June 30, 2000. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financing reporting for all governments in Ohio. The School District adopted that system effective with its annual financial report for the 1981 fiscal year.

Acknowledgments

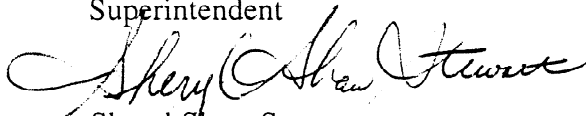
The publication of this report significantly increases the accountability of the School District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office and various administrators and employees of the School District. Assistance by the County Auditor's office staff and other outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to the State Auditor Jim Petro's office for their assistance in planning, designing and reviewing this financial report.

Respectfully,



Mr. Alan Osler
Superintendent



Sheryl Shaw Stewart
Treasurer

Tuslaw Local School District

List of Principal Officials

June 30, 2000

Board of Education

Mr. Robert Horner President
Mr. Ronnie Warner Vice-President
Mr. Todd Kandle Member
Mrs. Vicki Horvath Member
Mr. Randall Bleigh Member

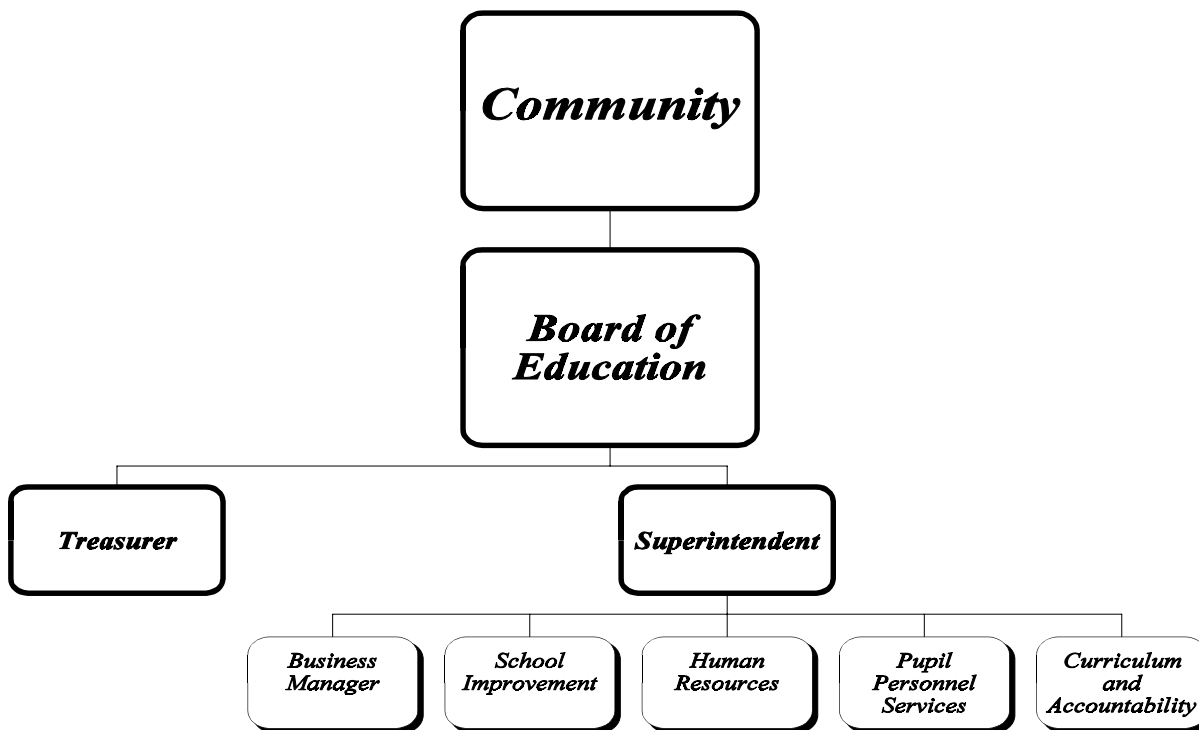
Treasurer

Mrs. Sheryl Shaw Stewart

Administration

Mr. Alan Osler Superintendent
Mr. Robert Sattler High School Principal
Mr. Edward Warstler High School Assistant Principal
Mrs. Cathy Crewse Moffitt Heights Elementary Principal
Mr. Doug Marrah Beech Grove Elementary Principal
Mr. Steve Remenaric Newman Elementary Principal
Mrs. Linda Earp Transportation/Food Service Director
Mr. Paul Ousley Building and Grounds Supervisor

TUSLAW LOCAL SCHOOL DISTRICT ORGANIZATION CHART



FINANCIAL SECTION



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Tuslaw Local School District
Stark County
1723 Manchester Avenue NW
Massillon, Ohio 44647

To the Board of Education:

We have audited the accompanying general purpose financial statements of the Tuslaw Local School District, Stark County, (the District) as of and for the year ended June 30, 2000, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the District'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 the District as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund type and nonexpendable trust fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The combining and individual fund and account group financial statements and schedules listed in the Table of Contents are presented for purposes of additional analysis and are 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.

We did not audit the introductory and statistical information listed in the Table of Contents and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

October 31, 2000

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Tuslaw Local School District
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBIT				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,558,063	\$173,990	\$0	\$48,942
Receivables:				
Taxes	3,570,991	0	0	0
Intergovernmental	0	89,464	0	0
Interfund	25,000	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	4,790	0	0	0
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0	0
Restricted Asset:				
Equity in Pooled Cash and Cash Equivalents	93,599	0		0
Other Debit				
Amount to be Provided from General Government Resources	0	0	0	0
<i>Total Assets and Other Debit</i>	<u>\$5,252,443</u>	<u>\$263,454</u>	<u>\$0</u>	<u>\$48,942</u>

<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
<u>Enterprise</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	
\$89,400	\$44,502	\$0	\$0	\$1,914,897
0	0	0	0	3,570,991
0	0	0	0	89,464
0	0	0	0	25,000
10,689	0	0	0	10,689
855	0	0	0	5,645
56,426	0	5,477,879	0	5,534,305
0	0	0	0	93,599
<u>0</u>	<u>0</u>	<u>0</u>	<u>782,609</u>	<u>782,609</u>
<u>\$157,370</u>	<u>\$44,502</u>	<u>\$5,477,879</u>	<u>\$782,609</u>	<u>\$12,027,199</u>

(continued)

Tuslaw Local School District
Combined Balance Sheet
All Fund Types and Account Groups (continued)
June 30, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
Liabilities				
Accounts Payable	\$16,122	\$13,745	\$0	\$3,040
Accrued Wages and Benefits	563,276	36,137	0	0
Compensated Absences Payable	6,732	0	0	0
Interfund Payable	0	25,000	0	0
Intergovernmental Payable	117,896	5,191	0	0
Deferred Revenue	3,428,471	0	0	0
Due to Students	0	0	0	0
Undistributed Monies	0	0	0	0
Capital Leases Payable	0	0	0	0
Energy Conservation Note Payable	0	0	0	0
<i>Total Liabilities</i>	4,132,497	80,073	0	3,040
Fund Equity and Other Credits				
Investment in General Fixed Assets	0	0	0	0
Retained Earnings:				
Unreserved	0	0	0	0
Fund Balance:				
Reserved for Encumbrances	267,770	16,956	0	33,720
Reserved for Inventory	4,790	0	0	0
Reserved for Budget Stabilization	93,599	0	0	0
Reserved for Principal	0	0	0	0
Reserved for Taxes	142,520	0	0	0
Unreserved, Undesignated	611,267	166,425	0	12,182
<i>Total Fund Equity and Other Credits</i>	1,119,946	183,381	0	45,902
<i>Total Liabilities, Fund Equity and Other Credits</i>	\$5,252,443	\$263,454	\$0	\$48,942

See accompanying notes to the general purpose financial statements

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$0	\$500	\$0	\$0	\$33,407
17,515	0	0	0	616,928
13,779	0	0	624,892	645,403
0	0	0	0	25,000
14,823	0	0	58,457	196,367
9,049	0	0	0	3,437,520
0	29,983	0	0	29,983
0	3,955	0	0	3,955
0	0	0	9,768	9,768
0	0	0	89,492	89,492
<u>55,166</u>	<u>34,438</u>	<u>0</u>	<u>782,609</u>	<u>5,087,823</u>
0	0	5,477,879	0	5,477,879
102,204	0	0	0	102,204
0	0	0	0	318,446
0	0	0	0	4,790
0	0	0	0	93,599
0	10,000	0	0	10,000
0	0	0	0	142,520
0	64	0	0	789,938
<u>102,204</u>	<u>10,064</u>	<u>5,477,879</u>	<u>0</u>	<u>6,939,376</u>
<u>\$157,370</u>	<u>\$44,502</u>	<u>\$5,477,879</u>	<u>\$782,609</u>	<u>\$12,027,199</u>

IUSTAW LOCAL SCHOOL DISTRICT
*Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
All Governmental Fund Types
For the Fiscal Year Ended June 30, 2000*

	Governmental	
	General	Special Revenue
Revenues		
Taxes	\$3,556,563	\$0
Intergovernmental	3,653,165	591,865
Interest	101,564	0
Tuition and Fees	88,794	763
Extracurricular Activities	930	241,791
Contributions and Donations	0	37,992
Rentals	737	0
Miscellaneous	31,041	2,130
<i>Total Revenues</i>	<u>7,432,794</u>	<u>874,541</u>
Expenditures		
Current:		
Instruction:		
Regular	3,110,564	202,646
Special	683,754	268,980
Vocational	118,849	0
Adult/Continuing	0	268
Support Services:		
Pupils	285,605	15,823
Instructional Staff	127,314	80,015
Board of Education	19,815	0
Administration	734,681	58,348
Fiscal	226,990	0
Operation and Maintenance of Plant	857,851	11,863
Pupil Transportation	533,631	0
Operation of Non-Instructional Services	14,263	0
Extracurricular Activities	168,069	167,361
Capital Outlay	6,000	0
Debt Service:		
Principal Retirement	4,999	0
Interest and Fiscal Charges	1,001	0
<i>Total Expenditures</i>	<u>6,893,386</u>	<u>805,304</u>
<i>Excess of Revenues Over Expenditures</i>	<u>539,408</u>	<u>69,237</u>
<i>Fund Balances at Beginning of Year</i>	580,309	114,144
<i>Increase in Reserve for Inventory</i>	<u>229</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u>\$1,119,946</u>	<u>\$183,381</u>

See accompanying notes to the general purpose financial statements

<u>Fund Types</u>		Totals
<u>Debt Service</u>	<u>Capital Projects</u>	<u>(Memorandum Only)</u>
\$0	\$0	\$3,556,563
48,700	48,339	4,342,069
0	0	101,564
0	0	89,557
0	0	242,721
0	0	37,992
0	0	737
0	0	33,171
<u>48,700</u>	<u>48,339</u>	<u>8,404,374</u>
0	4,238	3,317,448
0	0	952,734
0	0	118,849
0	0	268
0	0	301,428
0	0	207,329
0	0	19,815
0	0	793,029
0	0	226,990
0	0	869,714
0	0	533,631
0	0	14,263
0	0	335,430
0	0	6,000
40,364	0	45,363
8,336	0	9,337
<u>48,700</u>	<u>4,238</u>	<u>7,751,628</u>
<u>0</u>	<u>44,101</u>	<u>652,746</u>
0	1,801	696,254
<u>0</u>	<u>0</u>	<u>229</u>
<u>\$0</u>	<u>\$45,902</u>	<u>\$1,349,229</u>

Tuslaw Local School District
*Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Budget Basis)*
All Governmental Fund Types
For the Fiscal Year Ended June 30, 2000

	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
Revenues			
Taxes	\$3,049,391	\$3,550,853	\$501,462
Intergovernmental	3,404,394	3,654,884	250,490
Interest	65,000	101,564	36,564
Tuition and Fees	50,000	99,185	49,185
Extracurricular Activities	1,000	930	(70)
Contributions and Donations	500	0	(500)
Rentals	1,000	737	(263)
Miscellaneous	21,000	31,041	10,041
<i>Total Revenues</i>	<u>6,592,285</u>	<u>7,439,194</u>	<u>846,909</u>
Expenditures			
Current:			
Instruction:			
Regular	3,171,142	3,090,118	81,024
Special	716,520	672,885	43,635
Vocational	117,922	115,799	2,123
Adult/Continuing	0	0	0
Support Services:			
Pupils	300,128	283,224	16,904
Instructional Staff	148,782	128,776	20,006
Board of Education	27,742	21,020	6,722
Administration	770,934	739,403	31,531
Fiscal	255,668	249,701	5,967
Operation and Maintenance of Plant	1,105,424	1,065,927	39,497
Pupil Transportation	574,486	554,240	20,246
Operation of Non-Instructional Services	14,290	13,994	296
Extracurricular Activities	168,310	165,092	3,218
Capital Outlay	14,000	14,000	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>7,385,348</u>	<u>7,114,179</u>	<u>271,169</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(793,063)</u>	<u>325,015</u>	<u>1,118,078</u>
Other Financing Sources (Uses)			
Advances In	0	0	0
Advances Out	(25,000)	(25,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(25,000)</u>	<u>(25,000)</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(818,063)</u>	<u>300,015</u>	<u>1,118,078</u>
<i>Fund Balances at Beginning of Year</i>	1,013,367	1,013,367	0
<i>Prior Year Encumbrances Appropriated</i>	<u>54,491</u>	<u>54,491</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u><u>\$249,795</u></u>	<u><u>\$1,367,873</u></u>	<u><u>\$1,118,078</u></u>

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0
559,135	534,252	(24,883)	48,700	48,700	0
0	0	0	0	0	0
2,000	763	(1,237)	0	0	0
229,500	241,791	12,291	0	0	0
19,875	37,992	18,117	0	0	0
0	0	0	0	0	0
5,400	2,130	(3,270)	0	0	0
<u>815,910</u>	<u>816,928</u>	<u>1,018</u>	<u>48,700</u>	<u>48,700</u>	<u>0</u>
256,652	208,810	47,842	0	0	0
283,384	267,271	16,113	0	0	0
0	0	0	0	0	0
300	268	32	0	0	0
27,634	21,623	6,011	0	0	0
85,373	79,865	5,508	0	0	0
0	0	0	0	0	0
76,947	62,652	14,295	0	0	0
0	0	0	0	0	0
13,373	11,863	1,510	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
177,898	171,872	6,026	0	0	0
0	0	0	0	0	0
0	0	0	40,364	40,364	0
0	0	0	8,336	8,336	0
<u>921,561</u>	<u>824,224</u>	<u>97,337</u>	<u>48,700</u>	<u>48,700</u>	<u>0</u>
<u>(105,651)</u>	<u>(7,296)</u>	<u>98,355</u>	<u>0</u>	<u>0</u>	<u>0</u>
25,000	25,000	0	0	0	0
0	0	0	0	0	0
<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(80,651)	17,704	98,355	0	0	0
116,048	116,048	0	0	0	0
9,536	9,536	0	0	0	0
<u>\$44,933</u>	<u>\$143,288</u>	<u>\$98,355</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

(continued)

Tuslaw Local School District
*Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Budget Basis)
All Governmental Fund Types (continued)
For the Fiscal Year Ended June 30, 2000*

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$0	\$0	\$0
Intergovernmental	47,388	48,339	951
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Rentals	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>47,388</u>	<u>48,339</u>	<u>951</u>
Expenditures			
Current:			
Instruction:			
Regular	38,550	37,958	592
Special	0	0	0
Vocational	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupils	0	0	0
Instructional Staff	0	0	0
Board of Education	0	0	0
Administration	0	0	0
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>38,550</u>	<u>37,958</u>	<u>592</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>8,838</u>	<u>10,381</u>	<u>1,543</u>
Other Financing Sources (Uses)			
Advances In	0	0	0
Advances Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	8,838	10,381	1,543
<i>Fund Balances at Beginning of Year</i>	337	337	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,464</u>	<u>1,464</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u><u>\$10,639</u></u>	<u><u>\$12,182</u></u>	<u><u>\$1,543</u></u>

See accompanying notes to the general purpose financial statements

Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)
\$3,049,391	\$3,550,853	\$501,462
4,059,617	4,286,175	226,558
65,000	101,564	36,564
52,000	99,948	47,948
230,500	242,721	12,221
20,375	37,992	17,617
1,000	737	(263)
26,400	33,171	6,771
<u>7,504,283</u>	<u>8,353,161</u>	<u>848,878</u>
3,466,344	3,336,886	129,458
999,904	940,156	59,748
117,922	115,799	2,123
300	268	32
327,762	304,847	22,915
234,155	208,641	25,514
27,742	21,020	6,722
847,881	802,055	45,826
255,668	249,701	5,967
1,118,797	1,077,790	41,007
574,486	554,240	20,246
14,290	13,994	296
346,208	336,964	9,244
14,000	14,000	0
40,364	40,364	0
8,336	8,336	0
<u>8,394,159</u>	<u>8,025,061</u>	<u>369,098</u>
<u>(889,876)</u>	<u>328,100</u>	<u>1,217,976</u>
25,000	25,000	0
<u>(25,000)</u>	<u>(25,000)</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>
(889,876)	328,100	1,217,976
1,129,752	1,129,752	0
65,491	65,491	0
<u>\$305,367</u>	<u>\$1,523,343</u>	<u>\$1,217,976</u>

Iustlaw Local School District
*Combined Statement of Revenues, Expenses and
 Changes in Retained Earnings/Fund Balance
 Enterprise Funds and Non-Expendable Trust Fund
 For the Fiscal Year Ended June 30, 2000*

	Enterprise	Non-Expendable Trust	Totals (Memorandum Only)
Operating Revenues			
Sales	\$245,765	\$0	\$245,765
Tuition	720	0	720
Interest	0	559	559
<i>Total Operating Revenues</i>	<u>246,485</u>	<u>559</u>	<u>247,044</u>
Operating Expenses			
Salaries	130,874	0	130,874
Fringe Benefits	49,104	0	49,104
Purchased Services	8,166	0	8,166
Materials and Supplies	54,669	0	54,669
Cost of Sales	113,419	0	113,419
Other	0	500	500
Depreciation	2,859	0	2,859
<i>Total Operating Expenses</i>	<u>359,091</u>	<u>500</u>	<u>359,591</u>
<i>Operating Income (Loss)</i>	<u>(112,606)</u>	<u>59</u>	<u>(112,547)</u>
Non-Operating Revenues (Expenses)			
Donated Commodities	36,725	0	36,725
Intergovernmental	71,940	0	71,940
Loss on Disposal of Fixed Assets	(1,420)	0	(1,420)
Interest	4,872	0	4,872
<i>Total Non-Operating Revenues (Expenses)</i>	<u>112,117</u>	<u>0</u>	<u>112,117</u>
<i>Net Income (Loss)</i>	<u>(489)</u>	<u>59</u>	<u>(430)</u>
Retained Earnings/Fund Balance			
<i>at Beginning of Year</i>	<u>102,693</u>	<u>10,005</u>	<u>112,698</u>
<i>at End of Year</i>	<u>\$102,204</u>	<u>\$10,064</u>	<u>\$112,268</u>

See accompanying notes to the general purpose financial statements

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Tuslaw Local School District
*Combined Statement of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual (Budget Basis)
Enterprise Funds and Non-Expendable Trust Fund
For the Fiscal Year Ended June 30, 2000*

	Enterprise		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
Revenues			
Sales	\$218,830	\$245,765	\$26,935
Tuition	3,000	720	(2,280)
Operating Grants	79,500	82,820	3,320
Interest	0	4,872	4,872
<i>Total Revenues</i>	<u>301,330</u>	<u>334,177</u>	<u>32,847</u>
Expenses			
Salaries and Wages	132,554	130,794	1,760
Fringe Benefits	43,775	42,458	1,317
Purchased Services	9,350	8,345	1,005
Materials and Supplies	149,145	132,168	16,977
Other	0	0	0
Capital Outlay	9,934	8,470	1,464
<i>Total Expenses</i>	<u>344,758</u>	<u>322,235</u>	<u>22,523</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(43,428)	11,942	55,370
<i>Fund Equity at Beginning of Year</i>	74,574	74,574	0
<i>Prior Year Encumbrances Appropriated</i>	<u>2,229</u>	<u>2,229</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$33,375</u>	<u>\$88,745</u>	<u>\$55,370</u>

See accompanying notes to the general purpose financial statements

Non-Expendable Trust			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$218,830	\$245,765	\$26,935
0	0	0	\$3,000	\$720	(\$2,280)
0	0	0	79,500	82,820	3,320
500	559	59	500	5,431	4,931
500	559	59	301,830	334,736	32,906
0	0	0	132,554	130,794	1,760
0	0	0	43,775	42,458	1,317
0	0	0	9,350	8,345	1,005
0	0	0	149,145	132,168	16,977
1,000	1,000	0	1,000	1,000	0
0	0	0	9,934	8,470	1,464
1,000	1,000	0	345,758	323,235	22,523
(500)	(441)	59	(43,928)	11,501	55,429
10,005	10,005	0	84,579	84,579	0
500	500	0	2,729	2,729	0
<u>\$10,005</u>	<u>\$10,064</u>	<u>\$59</u>	<u>\$43,380</u>	<u>\$98,809</u>	<u>\$55,429</u>

LUSIAW LOCAL SCHOOL DISTRICT
Combined Statement of Cash Flows
Enterprise Funds and Non-Expendable Trust Fund
For the Fiscal Year Ended June 30, 2000

	Enterprise	Non-Expendable Trust	Totals (Memorandum Only)
INCREASE IN CASH AND CASH EQUIVALENTS			
Cash Flows from Operating Activities			
Cash Received from Customers	\$246,485	\$559	\$247,044
Cash Payments to Suppliers for Goods and Services	(140,578)	(500)	(141,078)
Cash Payments to Employees for Services	(130,247)	0	(130,247)
Cash Payments for Employee Benefits	(42,285)	0	(42,285)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(66,625)</u>	<u>59</u>	<u>(66,566)</u>
Cash Flows from Noncapital Financing Activities			
Intergovernmental Revenue	82,820	0	82,820
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>82,820</u>	<u>0</u>	<u>82,820</u>
Cash Flows from Capital Financing Activities			
Payments for Capital Acquisition	(8,470)	0	(8,470)
<i>Net Cash Used for Capital Financing Activities</i>	<u>(8,470)</u>	<u>0</u>	<u>(8,470)</u>
Cash Flows from Investing Activities			
Interest	4,872	0	4,872
<i>Net Cash Provided by Investing Activities</i>	<u>4,872</u>	<u>0</u>	<u>4,872</u>
<i>Net Increase in Cash and Cash Equivalents</i>	12,597	59	12,656
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>76,803</u>	<u>10,505</u>	<u>87,308</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$89,400</u>	<u>\$10,564</u>	<u>\$99,964</u>

(continued)

LUSIAW LOCAL SCHOOL DISTRICT
Statement of Cash Flows
Enterprise Funds and Non-Expendable Trust Fund (continued)
For the Fiscal Year Ended June 30, 2000

	<u>Enterprise</u>	<u>Non-Expendable Trust</u>	<u>Totals (Memorandum Only)</u>
<i>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for)</i>			
<i>Operating Activities</i>			
<i>Operating Income (Loss)</i>	<u>(\$112,606)</u>	<u>\$59</u>	<u>(\$112,547)</u>
 <i>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for)</i>			
<i>Operating Activities</i>			
Depreciation	2,859	0	2,859
Donated Commodities Used During Year	36,725	0	36,725
<i>Changes in Assets and Liabilities:</i>			
Decrease in Inventory Held for Resale	(150)	0	(150)
Increase in Materials and Supplies Inventory	(179)	0	(179)
Increase in Accrued Wages and Benefits	2,636	0	2,636
Decrease in Compensated Absences Payable	(2,250)	0	(2,250)
Increase in Intergovernmental Payable	6,340	0	6,340
 <i>Total Adjustments</i>	 <u>45,981</u>	 <u>0</u>	 <u>45,981</u>
 <i>Net Cash Provided by (Used for)</i>			
<i>Operating Activities</i>	<u>(\$66,625)</u>	<u>\$59</u>	<u>(\$66,566)</u>

See accompanying notes to the general purpose financial statements

***Reconciliation of Cash and Cash Equivalents
to the Combined Balance Sheet:***

Trust and Agency	\$44,502
Less: Agency	<u>(33,938)</u>
Nonexpendable Trust Fund	<u>\$10,564</u>

Note 1 - Description of the School District

Tuslaw Local School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and/or Federal guidelines.

The School District is staffed by 47 non-certificated employees and 88 certificated personnel who provide services to 1,388 students and other community members. The School District operates one junior/senior high school, three elementary buildings and one bus garage.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Tuslaw Local School District, this includes general operations, food service and related activities of the School District.

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

The School District is associated with organizations which are defined as a jointly governed organizations and public entity risk pools. These organizations include the Stark-Portage Area Computer Consortium, Stark County Joint Vocational School, the Ohio School Boards Association Workers' Compensation Group Rating Plan and the Stark County Schools Council of Governments Health Benefits Program. These organizations are presented in Notes 14 and 15 to the general purpose financial statements.

Note 2 - Summary of Significant Accounting Policies

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

A. Basis Of Presentation - Fund Accounting

The School District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School District functions or activities.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special restrictions or limitations. An account group 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.

For financial statement presentation purposes, the various funds of the School District are grouped into the following generic fund types under the broad fund categories governmental, proprietary and fiduciary.

Governmental Fund Types:

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

General Fund - The general fund is the operating fund of the School 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 School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds - Special revenue funds are established to account for the proceeds of specific revenue sources (other than major capital projects funds) that are legally restricted to expenditure 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 obligation principal, interest, and related costs.

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

Proprietary Fund Type:

The proprietary fund is used to account for the School District's ongoing activities which are similar to those found in the private sector. The following is the School District's proprietary fund type:

Enterprise Funds - The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the Board of Education 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 where the Board of Education had 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.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

Fiduciary Fund Types:

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. These include a non-expendable trust fund and agency funds. Agency funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations.

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 a general nature, the following account groups are used:

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

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations of the School District, except those accounted for in the proprietary fund.

B. Measurement Focus and Basis of Accounting

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

The proprietary fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: interest, tuition and grants.

The School District reports deferred revenues 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. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2000, and delinquent property taxes, whose availability is indeterminable and which are intended to finance fiscal year 2001 operations, have been recorded as deferred revenue.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

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

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund and non-expendable trust fund. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

C. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each function for the general fund and at the fund level for all other funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education.

Tax Budget:

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

By no later than January 20, the Board adopted budget is filed with the Stark County Budget Commission for rate determination.

Estimated Resources:

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 School 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 the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statement reflect the amounts in the final amended certificate issued during fiscal year 2000.

Appropriations:

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund, function, and

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

object level of expenditures for the general fund and at the fund level for all other funds, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, 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 at any level of control. 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. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, several 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 final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions.

Encumbrances:

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

Lapsing of Appropriations:

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

D. Cash and Cash Equivalents

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

Except for nonparticipating investment contracts, investments are reported at fair market value which is based on quoted market price. Nonparticipating investment contract such as repurchase agreements are reported at cost.

The School District invested funds in the State Treasury Asset Reserve of Ohio ("STAR Ohio") during fiscal year 2000. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2000.

Following Ohio Statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund, food service enterprise fund and

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

non-expendable trust fund during fiscal year 2000 amounted to \$101,564, \$4,872 and \$559, respectively. The general fund's interest allocation includes \$25,279 assigned from other school 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 a maturity of three months or less at the time they are purchased by the School District are considered to be cash and cash equivalents.

E. Inventory

Inventories of governmental funds are stated at cost while inventories of the proprietary fund are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets. Inventories of the proprietary fund consists of donated food, purchased food and school supplies held for resale and are expensed when used.

F. Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary fund are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five hundred dollars. The School District does not possess any infrastructure.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Improvements are capitalized. Improvements to fund fixed assets are depreciated over the remaining useful lives of the related fixed assets.

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the enterprise fund is computed using the straight-line method over an estimated useful life that ranges from five to twenty years.

G. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget reserve. The reserve is required by State statute and can be used only after receiving approval from the State. A fund balance reserve has also been established.

H. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as receivables and revenues 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 revenues in the accounting period in which they are earned and become measurable.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

The School District currently participates in several State and Federal programs, categorized as follows:

Entitlements

General Fund

- State Foundation Program
- State Property Tax Relief
- School Bus Purchase Reimbursement

Non-Reimbursable Grants

Special Revenue Funds

- Education Management Information Systems
- Professional Development Grant
- Drug Free Schools
- Title I
- Title III
- Title VI
- Title VI-B
- Title VI-R
- Ohio Reads

Capital Projects Fund

- School Net

Reimbursable Grants

Enterprise Fund

- National School Lunch Program
- Government Donated Commodities

Grants and entitlements amounted to approximately fifty-two percent of the School District's governmental fund revenue during the 2000 fiscal year.

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In the proprietary fund, the entire amount of compensated absences is reported as a fund liability.

J. Accrued Liabilities and Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current expendable available financial resources. Payments made more than two months after year-end are generally considered not to have been paid with

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

current available financial resources. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

K. Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

L. Estimates

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

M. Fund Balance Reserves

The School District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, inventory, budget stabilization, trust principal and property taxes. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

N. Memorandum Only - Totals Columns

Total columns on the general purpose financial statements are captioned "Totals(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 cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 3 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis) - Enterprise Funds and Non-Expendable Trust Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as note disclosures in the proprietary fund types (GAAP basis).
4. For the proprietary fund, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements on a fund type basis.

*Excess of Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses
All Governmental Fund Types*

	<i>General</i>	<i>Special Revenue</i>	<i>Capital Projects</i>
<i>GAAP Basis</i>	\$539,408	\$69,237	\$44,101
Net Adjustment for Revenue Accruals	6,400	(57,613)	0
Advance In	0	25,000	0
Net Adjustment for Expenditure Accruals	62,996	11,782	3,040
Advance Out	(25,000)	0	0
Adjustment for Encumbrances	(283,789)	(30,702)	(36,760)
<i>Budget Basis</i>	\$300,015	\$17,704	\$10,381

*Net Income(Loss)/Excess
of Revenues Over (Under) Expenses
Enterprise Funds and Non-Expendable Trust Fund*

	<i>Enterprise</i>	<i>Non-Expendable Trust</i>
<i>GAAP Basis</i>	(\$489)	\$59
Net Adjustment for Revenue Accruals	10,880	0
Net Adjustment for Expenditure Accruals	7,817	0
Capital Outlay	(8,470)	0
Depreciation Expense	2,859	
Adjustment for Encumbrances	(655)	(500)
<i>Budget Basis</i>	\$11,942	(\$441)

Note 4 - Deposits and Investments

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

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

Inactive deposits are public deposits that the School District's 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 or deposit accounts including passbook accounts.

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

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

1. United States treasury notes, bills, bonds, or other obligations or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities ;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily; and that the term of the agreement does 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;
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

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 School 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 upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

During fiscal year 2000, the School District's investments were limited to an overnight repurchase agreement and STAR Ohio.

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

Deposits: At fiscal year-end, the carrying amount of the School District's deposits was (\$41,578) and the bank balance was \$218,710. \$100,000 of the bank balance was covered by federal depository insurance. \$118,710 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging financial institutions trust department or agent in the School District's name and all state statutory requirements for the deposit of money had been followed, noncompliance with federal requirements would potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

Investments: The School District's investments are categorized below to give an indication of the level of custodial credit risk assumed by the School District at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The School District's investment in STAR Ohio, an investment pool operated by the Ohio State Treasurer, is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	<i>Category 3</i>	<i>Carrying Value</i>	<i>Fair Value</i>
Repurchase Agreement	\$97,534	\$97,534	\$97,534
STAR Ohio		1,952,540	1,952,540
<i>Totals</i>		\$2,050,074	\$2,050,074

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

	<i>Cash and Cash Equivalents</i>	<i>Investments</i>
<i>GASB Statement No. 9</i>	\$2,008,496	\$0
Investments which are part of the cash management pool:		
Repurchase Agreement	(97,534)	97,534
STAR Ohio	(1,952,540)	1,952,540
<i>GASB Statement No. 3</i>	(\$41,578)	\$2,050,074

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

Note 5 - Property Taxes

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

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The School District receives property taxes from Stark and Wayne Counties. The county auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2000, are available to finance fiscal year 2000 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, tangible personal property and public utility taxes which became measurable as of June 30, 2000. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2000, was \$142,520 for the general fund.

The assessed values upon which the fiscal year 2000 taxes were collected are:

	<u>1999 Second- Half Collections</u>		<u>2000 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$95,517,330	82.44%	\$99,668,030	82.77%
Public Utility Personal	13,016,500	11.23	13,421,420	11.15
Tangible Personal Property	7,328,725	6.33	7,328,725	6.08
	<u>\$115,862,555</u>	<u>100.00%</u>	<u>\$120,418,175</u>	<u>100.00%</u>
Tax Rate per \$1,000 of assessed valuation	\$53.90		\$53.90	

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

Note 6 - Receivables

Receivables at June 30, 2000, consisted of taxes and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

	<i>Amounts</i>
Special Revenue Funds:	
Title I	\$11,464
Ohio Reads	78,000
<i>Total Special Revenue Funds</i>	<i>89,464</i>
 <i>Total Intergovernmental Receivables</i>	 <i>\$89,464</i>

Note 7 - Fixed Assets

A summary of the enterprise fund's fixed assets at June 30, 2000, follows:

Furniture and Equipment	\$109,173
Less: Accumulated Depreciation	(52,747)
<i>Net Fixed Assets</i>	<i>\$56,426</i>

A summary of the changes in general fixed assets during fiscal year 2000 follows:

	<i>Balance</i> <i>July 1, 1999</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>June 30, 2000</i>
Land, Buildings, and Improvements	\$3,361,359	\$0	\$0	\$3,361,359
Vehicles	852,777	60,316	(2,500)	910,593
Furniture, Fixtures, and Equipment	1,089,749	130,986	(14,808)	1,205,927
<i>Total General Fixed Assets</i>	<i>\$5,303,885</i>	<i>\$191,302</i>	<i>(\$17,308)</i>	<i>\$5,477,879</i>

Note 8 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2000, the School District contracted with Indiana Insurance Company for property and fleet insurance, commercial crime insurance and inland marine coverage and with Nationwide Insurance Company for liability insurance. Coverages provided are as follows:

	<i>Coverage</i>	<i>Deductible</i>
Buildings and Contents	\$18,952,618	\$5,000
Inland Marine Coverage	329,567	100
Automobile Liability	1,000,000	500
Uninsured Motorists	1,000,000	0
Commercial Crime Insurance	3,000	100
General Liability:		
Per Occurrence	1,000,000	0
Aggregate	5,000,000	0

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

There has not been a significant reduction in coverage from the prior year and settled claims have not exceeded this commercial coverage in any of the past three years.

For fiscal year 2000, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 15). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' 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 pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A 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 CompManagement, Inc., provides administrative, cost control and actuarial services of the GRP.

The School District has contracted with the Stark County Schools Council's Health Benefits Program to provide employee medical/surgical and dental benefits. Rates are set through an annual calculation process. The School District pays a monthly contribution which is paid in a common fund from which claim payments are made for all participants regardless of claims flow. The board of directors has the right to return monies to an exiting school district subsequent to the settlements of all expenses and claims. The School District pays premiums of \$529.80 for family coverage and \$217.61 for single coverage per employee per month.

Note 9 - Employee Benefits

A. Compensated Absences

The criteria for determining vested vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service and hours worked. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and principals do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. There is no limit as to the amount of sick leave that may be accumulated. Upon retirement employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 62 days.

B. Life Insurance

The School District provides life insurance and accidental death and dismemberment insurance to most employees. Life insurance is provided through the Stark County Schools Council of Governments Health Benefits Program.

Note 10 - Defined Benefit Pension Plans

A. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone 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 43215-3371.

For the fiscal year ended June 30, 2000, plan members were required to contribute 9.3 percent of their annual covered salary. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. For fiscal year 1999, the portion used to fund pension obligations was 10.5 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$332,435, \$343,486, and \$323,568, respectively; 84 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$82,156 representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds.

B. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand alone financial report that includes financial statements and required supplementary information. 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 School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2000, 5.5 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 1999, 7.7 percent was used to fund pension obligations. The contribution requirements of plan members and employees are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$96,089, \$93,867, and \$91,216, respectively; 48 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$77,634 representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds and the general long-term obligations account group.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2000, three members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 11 - Postemployment Benefits

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (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 discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of health care cost in the form of a monthly premium. By Ohio Law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year ended June 30, 2000, the STRS board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$285,965, for fiscal year 2000.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2,783 million at June 30, 1999 (the latest information available). For the year ended June 30, 1999, net health care costs paid by STRS were \$249,929,000 and STRS had 95,796 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to 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.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2000, employer contributions to fund health care benefits were 8.50 percent of covered payroll, an increase from 2.20 percent for fiscal year 2000. 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 2000, the minimum pay has been established at \$12,400. For the School District, the amount to fund health care benefits, including surcharge, equaled \$85,118, during the 2000 fiscal year.

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 150 percent of annual health care expenses. Expenses for health care at June 30, 1999 (the latest information available), were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999 SERS had net assets available for payment of health care benefits of \$188.0 million. SERS has approximately 51,000 participating currently receiving health care benefits.

Note 12 - Capital Leases

The School District has entered into a capitalized lease for phone equipment during fiscal year 2000. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership of the lessee. Capital leases are reflected as debt service expenditures in the combined general purpose financial statements for the general fund.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

General fixed assets consisting of equipment has been capitalized in the general fixed assets group in the amount of \$15,956. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group. Principal payments in fiscal year 2000 totaled \$4,999 in the general fund.

<i>Fiscal Year Ending June 30,</i>	<i>General Long-Term Obligations Account Group</i>
2001	6,000
2002	4,500
<i>Total</i>	10,500
Less: Amount Representing Interest	(732)
<i>Present Value of Net Minimum Payments</i>	\$9,768

Note 13 - Long-Term Obligations

Changes in long-term obligations of the School District during fiscal year 2000 were as follows:

	<i>Balance 6/30/99</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance 6/30/00</i>
<i>Compensated Absences</i>	\$586,586	\$38,306	\$0	\$624,892
<i>Intergovernmental Payable</i>	66,198	58,457	(66,198)	58,457
<i>Capital Lease</i>	14,767	0	(4,999)	9,768
<i>Energy Conservation Note 6.95%</i>	129,856	0	(40,364)	89,492
<i>Total General Long-Term Obligations</i>	\$797,407	\$96,763	(\$111,561)	\$782,609

Compensated absences and the intergovernmental payable, which represents contractually required pension contributions paid outside the available period, will be paid from the fund from which the employee's salaries are paid.

On December 22, 1992, the School District issued \$346,855 in an energy conservation note for the purpose of providing energy conservation measures for the School District, under the authority of the Ohio Revised Code section 3313.372. The note was issued for a ten year period with final maturity during fiscal year 2002. The energy conservation note is retired from the debt service fund. The capital lease will be paid from the general fund.

The School District's overall legal debt margin was \$10,229,039 at June 30, 2000.

Principal and interest requirements to retire the long-term energy conservation note at June 30, 2000, is as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2001	\$43,218	\$5,482	\$48,700
2002	46,274	2,426	48,700
<i>Total Long-Term Note</i>	\$89,492	\$7,908	\$97,400

Note 14 - Jointly Governed Organizations

Stark-Portage Area Computer Consortium (SPARCC) is a jointly governed organization among thirty-one School Districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the governments of these schools supports SPARCC based on a per pupil charge. SPARCC is governed by a board consisting of superintendents from all participating school districts. This board has the responsibility to study, review and approve SPARCC's annual budget and ascertain that costs are divided equally among participating school districts.

The Stark County Area Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a seven member Board, consisting of one representative from each of the six participating school district's elected boards and one board member that rotates from each participating school district. The Stark County Joint Vocational School possesses its own budgeting and taxing authority. To obtain financial information write to the Stark County Joint Vocational School, 6805 Richville Drive, S.W., Massillon, Ohio 44646.

Note 15 - Public Entity Risk Pools

The Stark County Schools Council of Government (Council) is a shared risk pool which is governed by an assembly which consists of one representative from each participating school district (usually the superintendent or designee). The assembly elects officers for one year terms to serve as the Board of Directors. The assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services. The Council has a Health Benefits Program which is a shared risk pool comprised of fifteen Stark County school districts.

The School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business 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 fees to the GRP's to cover the costs of administering the program.

Note 16 - Contingencies

The School District receives financial assistance from federal and state 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 adverse effect on the overall financial position of the School District at June 30, 2000.

Note 17 - School Funding Issue

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

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

this School District. During the fiscal year ended June 30, 2000, the School District received \$3,175,020 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the Ohio General Assembly 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. The State appealed the decision made by the Court of Common Pleas to the Supreme Court. On May 11, 2000, the Ohio Supreme Court rendered an opinion on this issue. The Court concluded, “...the mandate of the Ohio Constitution has not been fulfilled.” The Court’s majority recognized efforts by the Ohio General Assembly taken in response to the Court’s March 24, 1997, decision, however, it found seven “...major areas warrant further attention, study, and development by the General Assembly...”, including the State’s reliance on local property tax funding, the state’s basic aid formula, the school foundation program, as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State’s School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

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

Note 18 - Set-Asides

The School District was required to set aside three percent for textbooks and capital improvements. The set-aside requirements for fiscal year 2000 are as follows:

	<i>Textbooks</i>	<i>Capital Acquisition</i>	<i>Budget Stabilization</i>	<i>Totals</i>
Set-Aside Cash Balance as of June 30, 1999	\$0	\$0	\$87,834	\$87,834
Current Year Set-Aside Requirement	157,162	157,162	5,765	320,089
Current Year Offsets	0	0	0	0
Qualifying Disbursements	189,701	223,291	0	412,992
Total	<u>(\$32,539)</u>	<u>(\$66,129)</u>	<u>\$93,599</u>	
Cash Balance Carried Forward to Fiscal Year 2000	<u>0</u>	<u>0</u>	<u>42,655</u>	
Amount Restricted for Budget Stabilization				<u>\$93,599</u>
Total Restricted Assets				<u>\$93,599</u>

Although the School District had offsets and qualifying disbursements during the year that reduced the textbooks and capital acquisition set-aside amounts below zero, these extra amounts will not be used to reduce the set-aside requirements of future years. Therefore negative amounts are not presented as being carried forward to the next fiscal year. The School District had extra qualifying amounts of \$36,890 at June

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2000

30, 1999 and \$5,765 at June 30, 2000 set-aside for budget stabilization that may be used to reduce the set-aside requirement in future fiscal years.

Note 19 - Segment Information for Enterprise Funds

The School District maintains two enterprise funds to account for the operations of food service and adult education. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30, 2000.

	<i>Food Service</i>	<i>Adult Education</i>	<i>Totals</i>
	<hr/>	<hr/>	<hr/>
Operating Revenues	\$245,765	\$720	\$246,485
Depreciation Expense	2,859	0	2,859
Operating Loss	(112,606)	0	(112,606)
Donated Commodities	36,725	0	36,725
Operating Grants	71,940	0	71,940
Net Loss	(489)	0	(489)
Net Working Capital	45,778	0	45,778
Total Assets	157,370	0	157,370
Total Equity	102,204	0	102,204

Combining, Individual Fund and Account Group Statements and Schedules

General Fund

The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in other funds.

Tuslaw Local School District
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$3,049,391	\$3,550,853	\$501,462
Intergovernmental	3,404,394	3,654,884	250,490
Interest	65,000	101,564	36,564
Tuition and Fees	50,000	99,185	49,185
Extracurricular Activities	1,000	930	(70)
Contributions and Donations	500	0	(500)
Rentals	1,000	737	(263)
Miscellaneous	21,000	31,041	10,041
<i>Total Revenues</i>	<u>6,592,285</u>	<u>7,439,194</u>	<u>846,909</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	2,124,545	2,093,102	31,443
Fringe Benefits	565,883	563,583	2,300
Purchased Services	99,050	98,482	568
Materials and Supplies	212,823	190,281	22,542
Capital Outlay - New	145,841	122,380	23,461
Capital Outlay - Replacement	23,000	22,290	710
Total Regular	<u>3,171,142</u>	<u>3,090,118</u>	<u>81,024</u>
Special:			
Salaries and Wages	450,410	446,174	4,236
Fringe Benefits	138,031	135,585	2,446
Purchased Services	119,879	83,864	36,015
Materials and Supplies	7,200	6,884	316
Capital Outlay - New	1,000	378	622
Total Special	<u>716,520</u>	<u>672,885</u>	<u>43,635</u>
Vocational:			
Salaries and Wages	86,500	85,810	690
Fringe Benefits	24,000	23,767	233
Purchased Services	1,322	634	688
Materials and Supplies	5,100	5,039	61
Capital Outlay - Replacement	1,000	549	451
Total Vocational	<u>117,922</u>	<u>115,799</u>	<u>2,123</u>
Total Instruction	<u>\$4,005,584</u>	<u>\$3,878,802</u>	<u>\$126,782</u> (continued)

Tuslaw Local School District
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund (continued)
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Support Services:			
Pupils:			
Salaries and Wages	\$226,724	\$214,899	\$11,825
Fringe Benefits	61,450	58,493	2,957
Purchased Services	8,554	8,029	525
Materials and Supplies	2,200	1,108	1,092
Capital Outlay - Replacement	1,000	565	435
Other	200	130	70
Total Pupils	<u>300,128</u>	<u>283,224</u>	<u>16,904</u>
Instructional Staff:			
Salaries and Wages	93,500	79,430	14,070
Fringe Benefits	32,860	29,001	3,859
Purchased Services	6,922	5,861	1,061
Materials and Supplies	14,500	13,566	934
Capital outlay - New	1,000	918	82
Total Instructional Staff	<u>148,782</u>	<u>128,776</u>	<u>20,006</u>
Board of Education:			
Salaries and Wages	7,500	7,280	220
Fringe Benefits	195	195	0
Purchased Services	17,012	10,729	6,283
Materials and Supplies	1,135	962	173
Other	1,900	1,854	46
Total Board of Education	<u>27,742</u>	<u>21,020</u>	<u>6,722</u>
Administration:			
Salaries and Wages	494,614	493,621	993
Fringe Benefits	165,225	157,079	8,146
Purchased Services	49,415	36,720	12,695
Materials and Supplies	5,864	1,350	4,514
Capital Outlay - New	1,400	532	868
Capital Outlay - Replacement	11,000	10,812	188
Other	43,416	39,289	4,127
Total Administration	<u>770,934</u>	<u>739,403</u>	<u>31,531</u>
Fiscal:			
Salaries and Wages	98,000	97,580	420
Fringe Benefits	31,500	31,265	235
Purchased Services	11,568	7,599	3,969
Materials and Supplies	3,600	2,991	609
Capital Outlay - Replacement	5,000	4,732	268
Other	106,000	105,534	466
Total Fiscal	<u>\$255,668</u>	<u>\$249,701</u>	<u>\$5,967</u>

(continued)

Tuslaw Local School District
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund (continued)
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation and Maintenance of Plant:			
Salaries and Wages	\$279,655	\$271,897	\$7,758
Fringe Benefits	99,050	84,362	14,688
Purchased Services	400,201	396,328	3,873
Materials and Supplies	104,089	103,406	683
Capital Outlay - New	9,429	5,614	3,815
Capital Outlay - Replacement	213,000	204,320	8,680
Total Operation & Maintenance of Plant	<u>1,105,424</u>	<u>1,065,927</u>	<u>39,497</u>
Pupil Transportation:			
Salaries and Wages	272,913	269,702	3,211
Fringe Benefits	107,000	100,749	6,251
Purchased Services	31,123	24,989	6,134
Materials and Supplies	80,721	80,295	426
Capital Outlay - New	7,500	7,345	155
Capital Outlay - Replacement	75,129	71,096	4,033
Other	100	64	36
Total Pupil Transportation	<u>574,486</u>	<u>554,240</u>	<u>20,246</u>
Total Support Services	<u>3,183,164</u>	<u>3,042,291</u>	<u>140,873</u>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	11,000	10,964	36
Fringe Benefits	2,290	2,207	83
Materials and Supplies	1,000	823	177
Total Operation of Non-Instructional Services	<u>14,290</u>	<u>13,994</u>	<u>296</u>
Extracurricular Activities:			
Academic Oriented Activities:			
Salaries and Wages	28,500	28,468	32
Fringe Benefits	4,400	4,313	87
Materials and Supplies	3,500	3,384	116
Capital Outlay - Replacement	12,500	12,400	100
Total Academic Oriented Activities	<u>48,900</u>	<u>48,565</u>	<u>335</u>
Sport Oriented Activities:			
Salaries and Wages	100,500	100,191	309
Fringe Benefits	17,910	15,736	2,174
Purchased Services	1,000	600	400
Total Sport Oriented Activities	<u>119,410</u>	<u>116,527</u>	<u>2,883</u>
Total Extracurricular Activities	<u>\$168,310</u>	<u>\$165,092</u>	<u>\$3,218</u> (continued)

Tuslaw Local School District

*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*

General Fund (continued)

For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Capital Outlay:			
Building Acquisition & Construction Services:			
Materials and Supplies	<u>\$8,000</u>	<u>\$8,000</u>	<u>\$0</u>
Total Building Acquisition & Construction	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Other Facilities Acquisition & Construction:			
Capital Outlay - New	<u>6,000</u>	<u>6,000</u>	<u>0</u>
Total Other Facilities Acquisition & Construction	<u>6,000</u>	<u>6,000</u>	<u>0</u>
Total Capital Outlay	<u>14,000</u>	<u>14,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>7,385,348</u>	<u>7,114,179</u>	<u>271,169</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(793,063)</u>	<u>325,015</u>	<u>1,118,078</u>
Other Financing Uses			
Advances Out	<u>(25,000)</u>	<u>(25,000)</u>	<u>0</u>
<i>Total Other Financing Uses</i>	<u>(25,000)</u>	<u>(25,000)</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures and Other Financing Uses</i>	<u>(818,063)</u>	<u>300,015</u>	<u>1,118,078</u>
<i>Fund Balance at Beginning of Year</i>	<u>1,013,367</u>	<u>1,013,367</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>54,491</u>	<u>54,491</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$249,795</u></u>	<u><u>\$1,367,873</u></u>	<u><u>\$1,118,078</u></u>

Special Revenue Funds

Scholarship Fund - This fund accounts for donations made to provide scholarships to students of the School District.

Uniform School Supplies Fund - This fund accounts for the receipts and expenditures in conjunction with certain School District programs.

Public School Support Fund - This fund accounts for School District site sales revenues and expenditures for field trips, assemblies, and other activity costs.

Athletic and Music Fund - This fund accounts for gate receipts and other revenue from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program.

Teacher Development Fund - This fund accounts for State monies used to encourage and promote staff development.

Excellence in Education Fund - This fund accounts for State monies used for pupil competency assessment and instructional development in English composition, Mathematics, and Reading as required by the minimum standards for Ohio schools.

Management Information Systems Fund - This fund accounts for State monies which support the development of hardware and software or other costs associated with the requirements of the Management Information System.

Ohio Reads Fund - This fund accounts for State monies which supports the primary literacy reading program.

Miscellaneous State Grants Fund - This fund accounts for State monies which support academic and enrichment programs for the student body.

Title VI-B Fund - This federal program assists schools in the identification of disabled children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provisions of full education opportunities to disabled children at the preschool, elementary and secondary levels.

Title I Fund - This fund accounts for federal monies used to assist the School District in meeting the special needs of educationally deprived children.

Title VI Fund - This fund accounts for federal monies which support the implementation of computer education programs, gifted and talented programs, in-service training and staff development.

Drug Free Schools Fund - This fund accounts for federal monies which support the implementation of drug abuse education and prevention programs.

Title VI-R Fund - The fund accounts for federal monies which support the hiring, recruiting and training of additional classroom teachers.

Title III Fund - This fund accounts for federal monies which support expenditures related to attaining the goals set forth in the School District's continuous improvement plan.

Tuslaw Local School District

Combining Balance Sheet

All Special Revenue Funds

June 30, 2000

	<u>Scholarship</u>	<u>Uniform School Supplies</u>	<u>Public School Support</u>	<u>Athletic and Music</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$4,805	\$1,807	\$48,064	\$49,312
Intergovernmental Receivables	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$4,805</u>	<u>\$1,807</u>	<u>\$48,064</u>	<u>\$49,312</u>
Liabilities				
Accounts Payable	\$5,950	\$0	\$0	\$82
Accrued Wages and Benefits	0	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>5,950</u>	<u>0</u>	<u>0</u>	<u>82</u>
Fund Equity				
Fund Balance:				
Reserved for Encumbrances	0	0	5,926	994
Unreserved, Undesignated	<u>(1,145)</u>	<u>1,807</u>	<u>42,138</u>	<u>48,236</u>
<i>Total Fund Equity</i>	<u>(1,145)</u>	<u>1,807</u>	<u>48,064</u>	<u>49,230</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$4,805</u>	<u>\$1,807</u>	<u>\$48,064</u>	<u>\$49,312</u>

<u>Teacher Development</u>	<u>Management Information Systems</u>	<u>Ohio Reads</u>	<u>Miscellaneous State</u>	<u>Title I</u>	<u>Drug Free Schools</u>
\$5,566	\$1,250	\$19,746	\$19,283	\$12,129	\$691
<u>0</u>	<u>0</u>	<u>78,000</u>	<u>0</u>	<u>11,464</u>	<u>0</u>
<u>\$5,566</u>	<u>\$1,250</u>	<u>\$97,746</u>	<u>\$19,283</u>	<u>\$23,593</u>	<u>\$691</u>
\$0	\$1,250	\$6,463	\$0	\$0	\$0
0	0	0	0	32,450	0
0	0	25,000	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,675</u>	<u>0</u>
<u>0</u>	<u>1,250</u>	<u>31,463</u>	<u>0</u>	<u>37,125</u>	<u>0</u>
0	0	7,314	38	0	0
<u>5,566</u>	<u>0</u>	<u>58,969</u>	<u>19,245</u>	<u>(13,532)</u>	<u>691</u>
<u>5,566</u>	<u>0</u>	<u>66,283</u>	<u>19,283</u>	<u>(13,532)</u>	<u>691</u>
<u>\$5,566</u>	<u>\$1,250</u>	<u>\$97,746</u>	<u>\$19,283</u>	<u>\$23,593</u>	<u>\$691</u>

(continued)

Tuslaw Local School District
Combining Balance Sheet
All Special Revenue Funds (continued)
June 30, 2000

	<u>Title VI-R</u>	<u>Title III</u>	<u>Totals</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$3,514	\$7,823	\$173,990
Intergovernmental Receivables	<u>0</u>	<u>0</u>	<u>89,464</u>
<i>Total Assets</i>	<u><u>\$3,514</u></u>	<u><u>\$7,823</u></u>	<u><u>\$263,454</u></u>
Liabilities			
Accounts Payable	\$0	\$0	\$13,745
Accrued Wages and Benefits	3,687	0	36,137
Interfund Payable	0	0	25,000
Intergovernmental Payable	<u>516</u>	<u>0</u>	<u>5,191</u>
<i>Total Liabilities</i>	<u>4,203</u>	<u>0</u>	<u>80,073</u>
Fund Equity			
Fund Balance:			
Reserved for Encumbrances	0	2,684	16,956
Unreserved, Undesignated	<u>(689)</u>	<u>5,139</u>	<u>166,425</u>
<i>Total Fund Equity</i>	<u>(689)</u>	<u>7,823</u>	<u>183,381</u>
<i>Total Liabilities and Fund Equity</i>	<u><u>\$3,514</u></u>	<u><u>\$7,823</u></u>	<u><u>\$263,454</u></u>

Tuslaw Local School District
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2000

	Scholarship	Uniform School Supplies	Public School Support	Athletic and Music
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Tuition and Fees	0	763	0	0
Extracurricular Activities	0	0	115,736	126,055
Contributions and Donations	6,100	0	4,667	27,225
Miscellaneous	0	0	622	1,508
<i>Total Revenues</i>	<u>6,100</u>	<u>763</u>	<u>121,025</u>	<u>154,788</u>
Expenditures				
Current:				
Instruction:				
Regular	0	2,137	23,028	0
Special	0	0	1	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	6,000	0	2,959	0
Instructional Staff	0	0	0	0
Administration	0	0	54,210	0
Operation and Maintenance of Plant	0	0	0	0
Extracurricular Activities	0	0	34,648	132,713
<i>Total Expenditures</i>	<u>6,000</u>	<u>2,137</u>	<u>114,846</u>	<u>132,713</u>
<i>Excess of Revenues Over (Under)</i> <i>Expenditures</i>	100	(1,374)	6,179	22,075
<i>Fund Balances (Deficit) at</i> <i>Beginning of Year</i>	<u>(1,245)</u>	<u>3,181</u>	<u>41,885</u>	<u>27,155</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>(\$1,145)</u>	<u>\$1,807</u>	<u>\$48,064</u>	<u>\$49,230</u> (continued)

Tuslaw Local School District
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2000

	<u>Teacher Development</u>	<u>Excellence in Education</u>	<u>Management Information Systems</u>	<u>Ohio Reads</u>
Revenues				
Intergovernmental	\$5,597	\$0	\$5,000	\$162,000
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>5,597</u>	<u>0</u>	<u>5,000</u>	<u>162,000</u>
Expenditures				
Current:				
Instruction:				
Regular	31	1,313	1,250	95,717
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	4,138	0
Operation and Maintenance of Plant	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>31</u>	<u>1,313</u>	<u>5,388</u>	<u>95,717</u>
<i>Excess of Revenues Over (Under)</i> <i>Expenditures</i>	5,566	(1,313)	(388)	66,283
<i>Fund Balances (Deficit) at</i> <i>Beginning of Year</i>	<u>0</u>	<u>1,313</u>	<u>388</u>	<u>0</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$5,566</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$66,283</u></u>

Miscellaneous State Grants	Title VI-B	Title I	Title VI	Drug Free Schools	Title VI-R
\$36,603	\$81,815	\$246,001	\$7,287	\$5,718	\$23,843
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>36,603</u>	<u>81,815</u>	<u>246,001</u>	<u>7,287</u>	<u>5,718</u>	<u>23,843</u>
14,631	0	0	0	97	24,532
0	83,666	178,026	7,287	0	0
0	0	0	0	0	0
0	0	0	0	6,864	0
496	0	79,519	0	0	0
0	0	0	0	0	0
5,315	0	6,548	0	0	0
0	0	0	0	0	0
<u>20,442</u>	<u>83,666</u>	<u>264,093</u>	<u>7,287</u>	<u>6,961</u>	<u>24,532</u>
16,161	(1,851)	(18,092)	0	(1,243)	(689)
3,122	1,851	4,560	0	1,934	0
<u>\$19,283</u>	<u>\$0</u>	<u>(\$13,532)</u>	<u>\$0</u>	<u>\$691</u>	<u>(\$689)</u>

(continued)

Tuslaw Local School District
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2000

	Title III	Totals
Revenues		
Intergovernmental	\$18,001	\$591,865
Tuition and Fees	0	763
Extracurricular Activities	0	241,791
Contributions and Donations	0	37,992
Miscellaneous	0	2,130
<i>Total Revenues</i>	18,001	874,541
Expenditures		
Current:		
Instruction:		
Regular	39,910	202,646
Special	0	268,980
Adult/Continuing	268	268
Support Services:		
Pupils	0	15,823
Instructional Staff	0	80,015
Administration	0	58,348
Operation and Maintenance of Plant	0	11,863
Extracurricular Activities	0	167,361
<i>Total Expenditures</i>	40,178	805,304
<i>Excess of Revenues Over (Under)</i> <i>Expenditures</i>	(22,177)	69,237
<i>Fund Balances (Deficit) at</i> <i>Beginning of Year</i>	30,000	114,144
<i>Fund Balances (Deficit) at End of Year</i>	\$7,823	\$183,381

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Scholarship Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Contributions and Donations	\$7,850	\$6,100	(\$1,750)
<i>Total Revenues</i>	<u>7,850</u>	<u>6,100</u>	<u>(1,750)</u>
Expenditures			
Current:			
Support Services:			
Pupils:			
Other	12,400	11,800	600
<i>Total Expenditures</i>	<u>12,400</u>	<u>11,800</u>	<u>600</u>
<i>Excess of Revenues Under Expenditures</i>	(4,550)	(5,700)	(1,150)
<i>Fund Balance at Beginning of Year</i>	(1,245)	(1,245)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,800</u>	<u>5,800</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$5</u></u>	<u><u>(\$1,145)</u></u>	<u><u>(\$1,150)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Tuition and Fees	\$2,000	\$763	(\$1,237)
<i>Total Revenues</i>	<u>2,000</u>	<u>763</u>	<u>(1,237)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	3,000	2,136	864
<i>Total Expenditures</i>	<u>3,000</u>	<u>2,136</u>	<u>864</u>
<i>Excess of Revenues Under Expenditures</i>	(1,000)	(1,373)	(373)
<i>Fund Balance at Beginning of Year</i>	<u>3,181</u>	<u>3,181</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,181</u></u>	<u><u>\$1,808</u></u>	<u><u>(\$373)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Public School Support Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Extracurricular Activities	\$123,500	\$115,736	(\$7,764)
Contributions and Donations	5,125	4,667	(458)
Miscellaneous	3,500	622	(2,878)
<i>Total Revenues</i>	<u>132,125</u>	<u>121,025</u>	<u>(11,100)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	15,000	11,403	3,597
Materials and Supplies	18,815	11,648	7,167
Capital Outlay - New	3,400	1,557	1,843
Total Instruction	<u>37,215</u>	<u>24,608</u>	<u>12,607</u>
Support Services:			
Pupils:			
Purchased Services	4,800	2,648	2,152
Capital Outlay - New	3,000	311	2,689
Total Pupils	<u>7,800</u>	<u>2,959</u>	<u>4,841</u>
Administration:			
Purchased Services	43,065	37,551	5,514
Materials and Supplies	9,500	5,872	3,628
Capital Outlay - New	13,100	10,388	2,712
Capital Outlay - Replacement	1,900	1,188	712
Other	3,135	2,266	869
Total Administration	<u>70,700</u>	<u>57,265</u>	<u>13,435</u>
Total Support Services	<u>78,500</u>	<u>60,224</u>	<u>18,276</u>
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	37,500	36,636	864
Materials and Supplies	1,700	1,004	696
Total Extracurricular Activities	<u>39,200</u>	<u>37,640</u>	<u>1,560</u>

(continued)

Tuslaw Local School District
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Public School Support Fund (continued)
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Total Expenditures	<u>\$154,915</u>	<u>\$122,472</u>	<u>\$32,443</u>
<i>Excess of Revenues Under Expenditures</i>	(22,790)	(1,447)	21,343
<i>Fund Balance at Beginning of Year</i>	43,269	43,269	0
<i>Prior Year Encumbrances Appropriated</i>	<u>315</u>	<u>315</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$20,794</u></u>	<u><u>\$42,137</u></u>	<u><u>\$21,343</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Athletic and Music Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Extracurricular Activities	\$106,000	\$126,055	\$20,055
Contributions and Donations	6,900	27,225	20,325
Miscellaneous	1,900	1,508	(392)
<i>Total Revenues</i>	<u>114,800</u>	<u>154,788</u>	<u>39,988</u>
Expenditures			
Current:			
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	2,000	1,767	233
Materials and Supplies	26,630	25,756	874
<i>Total Academic Oriented Activities</i>	<u>28,630</u>	<u>27,523</u>	<u>1,107</u>
Sport Oriented Activities:			
Salaries	2,225	2,220	5
Fringe Benefits	430	338	92
Purchased Services	38,481	37,214	1,267
Materials and Supplies	55,413	54,090	1,323
Capital Outlay - New	5,500	5,047	453
Capital Outlay - Replacement	700	550	150
Other	7,320	7,251	69
<i>Total Sport Oriented Activities</i>	<u>110,069</u>	<u>106,710</u>	<u>3,359</u>
<i>Total Expenditures</i>	<u>138,699</u>	<u>134,233</u>	<u>4,466</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(23,899)	20,555	44,454
<i>Fund Balance at Beginning of Year</i>	25,747	25,747	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,933</u>	<u>1,933</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,782</u></u>	<u><u>\$48,236</u></u>	<u><u>\$44,454</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Teacher Development Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$5,500	\$5,597	\$97
<i>Total Revenues</i>	<u>5,500</u>	<u>5,597</u>	<u>97</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	5,500	31	5,469
<i>Total Expenditures</i>	<u>5,500</u>	<u>31</u>	<u>5,469</u>
<i>Excess of Revenues Over Expenditures</i>	0	5,566	5,566
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$5,566</u></u>	<u><u>\$5,566</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Excellence in Education Fund
For the Fiscal Year Ended June 30, 2000*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<i>Total Revenues</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	<u>1,313</u>	<u>1,313</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,313</u>	<u>1,313</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(1,313)	(1,313)	0
<i>Fund Balance at Beginning of Year</i>	264	264	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,049</u>	<u>1,049</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Management Information Systems Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$5,000	\$5,000	\$0
<i>Total Revenues</i>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Expenditures			
Current:			
Support Services:			
Administration:			
Salaries and Wages	3,750	3,750	0
Capital Outlay - Replacement	1,638	1,638	0
<i>Total Expenditures</i>	<u>5,388</u>	<u>5,388</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(388)	(388)	0
<i>Fund Balance at Beginning of Year</i>	<u>388</u>	<u>388</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Ohio Reads Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$83,000	\$84,000	\$1,000
<i>Total Revenues</i>	<u>83,000</u>	<u>84,000</u>	<u>1,000</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	11,500	10,163	1,337
Fringe Benefits	1,500	1,455	45
Purchased Services	4,000	3,000	1,000
Materials and Supplies	91,000	88,413	2,587
<i>Total Expenditures</i>	<u>108,000</u>	<u>103,031</u>	<u>4,969</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(25,000)</u>	<u>(19,031)</u>	<u>5,969</u>
Other Financing Sources			
Advances In	25,000	25,000	0
<i>Total Other Financing Sources</i>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	0	5,969	5,969
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$5,969</u></u>	<u><u>\$5,969</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$36,615	\$36,603	(\$12)
<i>Total Revenues</i>	<u>36,615</u>	<u>36,603</u>	<u>(12)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	3,300	2,551	749
Fringe Benefits	0	0	0
Purchased Services	2,500	2,156	344
Materials and Supplies	6,200	5,290	910
Capital Outlay - New	5,000	4,672	328
Total Instruction	<u>17,000</u>	<u>14,669</u>	<u>2,331</u>
Support Services:			
Instructional Staff:			
Materials and Supplies	496	496	0
Total Instructional Staff	<u>496</u>	<u>496</u>	<u>0</u>
Operation and Maintenance of Plant:			
Purchased Services	5,315	5,315	0
Total Operation and Maintenance of Plant	<u>5,315</u>	<u>5,315</u>	<u>0</u>
Total Support Services	<u>5,811</u>	<u>5,811</u>	<u>0</u>
<i>Total Expenditures</i>	<u>22,811</u>	<u>20,480</u>	<u>2,331</u>
<i>Excess of Revenues Over Expenditures</i>	13,804	16,123	2,319
<i>Fund Balance at Beginning of Year</i>	2,942	2,942	0
<i>Prior Year Encumbrances Appropriated</i>	181	181	0
<i>Fund Balance at End of Year</i>	<u><u>\$16,927</u></u>	<u><u>\$19,246</u></u>	<u><u>\$2,319</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title VI-B Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$83,667	\$83,667	\$0
<i>Total Revenues</i>	<u>83,667</u>	<u>83,667</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Special:			
Purchased Services	83,667	83,667	0
<i>Total Expenditures</i>	<u>83,667</u>	<u>83,667</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Tuslaw Local School District
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Title I Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$246,001	\$234,537	(\$11,464)
<i>Total Revenues</i>	<u>246,001</u>	<u>234,537</u>	<u>(11,464)</u>
Expenditures			
Current:			
Instruction:			
Special:			
Salaries and Wages	144,803	133,765	11,038
Fringe Benefits	46,627	41,947	4,680
Purchased Services	800	502	298
Materials and Supplies	200	103	97
Total Instruction	<u>192,430</u>	<u>176,317</u>	<u>16,113</u>
Support Services:			
Instructional Staff:			
Salaries and Wages	53,549	53,071	478
Fringe Benefits	25,328	25,268	60
Purchased Services	1,000	32	968
Materials and Supplies	3,000	999	2,001
Capital Outlay - New	2,000	0	2,000
Total Instructional Staff	<u>84,877</u>	<u>79,370</u>	<u>5,507</u>
Operation and Maintenance of Plant:			
Purchased Services	8,058	6,548	1,510
Total Operation and Maintenance of Plant	<u>8,058</u>	<u>6,548</u>	<u>1,510</u>
Total Support Services	<u>92,935</u>	<u>85,918</u>	<u>7,017</u>
<i>Total Expenditures</i>	<u>285,365</u>	<u>262,235</u>	<u>23,130</u>
<i>Excess of Revenues Under Expenditures</i>	(39,364)	(27,698)	11,666
<i>Fund Balance at Beginning of Year</i>	39,569	39,569	0
<i>Prior Year Encumbrances Appropriated</i>	<u>258</u>	<u>258</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$463</u>	<u>\$12,129</u>	<u>\$11,666</u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title VI Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$7,287	\$7,287	\$0
<i>Total Revenues</i>	<u>7,287</u>	<u>7,287</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Special:			
Salaries and Wages	7,287	7,287	0
<i>Total Expenditures</i>	<u>7,287</u>	<u>7,287</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Drug Free Schools Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$6,500	\$5,718	(\$782)
<i>Total Revenues</i>	6,500	5,718	(782)
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	218	97	121
Total Instruction	218	97	121
Support Services:			
Pupils:			
Purchased Services	7,434	6,864	570
Total Support Services	7,434	6,864	570
<i>Total Expenditures</i>	7,652	6,961	691
<i>Excess of Revenues Under Expenditures</i>	(1,152)	(1,243)	(91)
<i>Fund Balance at Beginning of Year</i>	1,934	1,934	0
<i>Fund Balance at End of Year</i>	\$782	\$691	(\$91)

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Title VI-R Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$25,565	\$23,843	(\$1,722)
<i>Total Revenues</i>	<u>25,565</u>	<u>23,843</u>	<u>(1,722)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	23,299	18,066	5,233
Fringe Benefits	2,266	2,263	3
<i>Total Expenditures</i>	<u>25,565</u>	<u>20,329</u>	<u>5,236</u>
<i>Excess of Revenues Over Expenditures</i>	0	3,514	3,514
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$3,514</u></u>	<u><u>\$3,514</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title III Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$60,000	\$48,000	(\$12,000)
<i>Total Revenues</i>	<u>60,000</u>	<u>48,000</u>	<u>(12,000)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	20,500	11,363	9,137
Fringe Benefits	2,160	1,489	671
Purchased Services	12,900	12,669	231
Materials and Supplies	20,000	13,869	6,131
Capital Outlay - New	3,280	3,204	76
Total Regular Instruction	<u>58,840</u>	<u>42,594</u>	<u>16,246</u>
Adult/Continuing:			
Purchased Services	300	268	32
Total Adult/Continuing	<u>300</u>	<u>268</u>	<u>32</u>
Total Instruction	<u>59,140</u>	<u>42,862</u>	<u>16,278</u>
Support Services:			
Administration:			
Salaries and Wages	700	0	700
Fringe Benefits	160	0	160
Total Support Services	<u>860</u>	<u>0</u>	<u>860</u>
<i>Total Expenditures</i>	<u>60,000</u>	<u>42,862</u>	<u>17,138</u>
<i>Excess of Revenues Over Expenditures</i>	0	5,138	5,138
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$5,138</u></u>	<u><u>\$5,138</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$559,135	\$534,252	(\$24,883)
Tuition and Fees	2,000	763	(1,237)
Extracurricular Activities	229,500	241,791	12,291
Gifts and Donations	19,875	37,992	18,117
Miscellaneous	5,400	2,130	(3,270)
<i>Total Revenues</i>	<u>815,910</u>	<u>816,928</u>	<u>1,018</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	58,599	42,144	16,455
Fringe Benefits	5,926	5,206	720
Purchased Services	39,900	29,260	10,640
Materials and Supplies	140,547	122,767	17,780
Capital Outlay - New	11,680	9,433	2,247
Total Regular Instruction	<u>256,652</u>	<u>208,810</u>	<u>47,842</u>
Special:			
Salaries and Wages	152,090	141,052	11,038
Fringe Benefits	46,627	41,947	4,680
Purchased Services	84,467	84,168	299
Materials and Supplies	200	104	96
Capital Outlay - New	0	0	0
Total Special Instruction	<u>283,384</u>	<u>267,271</u>	<u>16,113</u>
Adult/Continuing:			
Purchased Services	300	268	32
Total Adult/Continuing	<u>300</u>	<u>268</u>	<u>32</u>
Total Instruction	<u>540,336</u>	<u>476,349</u>	<u>63,987</u>

(continued)

Tuslaw Local School District
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
All Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Support Services:			
Pupils:			
Salaries and Wages	\$12,234	\$9,512	\$2,722
Fringe Benefits	12,400	11,800	600
Capital Outlay - New	3,000	311	2,689
Total Pupils	<u>27,634</u>	<u>21,623</u>	<u>6,011</u>
Instructional Staff:			
Salaries and Wages	53,549	53,071	478
Fringe Benefits	25,328	25,267	61
Purchased Services	1,000	32	968
Materials and Supplies	3,496	1,495	2,001
Capital Outlay - New	2,000	0	2,000
Total Instructional Staff	<u>85,373</u>	<u>79,865</u>	<u>5,508</u>
Administration:			
Salaries and Wages	4,450	3,750	700
Fringe Benefits	160	0	160
Purchased Services	43,065	37,551	5,514
Materials and Supplies	9,500	5,872	3,628
Capital Outlay - New	3,134	2,266	868
Capital Outlay - Replacement	13,100	10,387	2,713
Other	3,538	2,826	712
Total Administration	<u>76,947</u>	<u>62,652</u>	<u>14,295</u>
Operation and Maintenance of Plant:			
Purchased Services	13,373	11,863	1,510
Total Operation and Maintenance of Plant	<u>13,373</u>	<u>11,863</u>	<u>1,510</u>
Total Support Services	<u>203,327</u>	<u>176,003</u>	<u>27,324</u>
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	39,500	38,402	1,098
Materials and Supplies	28,330	26,760	1,570
Total Academic Oriented Activities	<u>67,830</u>	<u>65,162</u>	<u>2,668</u>

(continued)

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
All Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Sport Oriented Activities:			
Salaries	\$2,225	\$2,220	\$5
Fringe Benefits	430	338	92
Purchased Services	38,481	37,214	1,267
Materials and Supplies	55,413	54,090	1,323
Capital Outlay - New	5,500	5,047	453
Capital Outlay - Replacement	699	550	149
Other	7,320	7,251	69
Total Sport Oriented Activities	110,068	106,710	3,358
Total Extracurricular Activities	177,898	171,872	6,026
<i>Total Expenditures</i>	<i>921,561</i>	<i>824,224</i>	<i>97,337</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(105,651)</i>	<i>(7,296)</i>	<i>98,355</i>
Other Financing Sources			
Advances In	25,000	25,000	0
Total Other Financing Sources	25,000	25,000	0
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	<i>(80,651)</i>	<i>17,704</i>	<i>98,355</i>
<i>Fund Balances at Beginning of Year</i>	<i>116,048</i>	<i>116,048</i>	<i>0</i>
<i>Prior Year Encumbrances Appropriated</i>	<i>9,536</i>	<i>9,536</i>	<i>0</i>
Fund Balances at End of Year	\$44,933	\$143,288	\$98,355

Capital Projects Funds

Capital Improvements Fund - This fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by enterprise funds).

School Net Fund - This fund accounts for State grant monies used to purchase computer hardware and software.

Tuslaw Local School District

Combining Balance Sheet

All Capital Projects Funds

June 30, 2000

	<u>Capital Improvements</u>	<u>School Net</u>	<u>Totals</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	<u>\$250</u>	<u>\$48,692</u>	<u>\$48,942</u>
<i>Total Assets</i>	<u><u>\$250</u></u>	<u><u>\$48,692</u></u>	<u><u>\$48,942</u></u>
Liabilities			
Accounts Payable	<u>\$0</u>	<u>\$3,040</u>	<u>\$3,040</u>
<i>Total Liabilities</i>	<u>0</u>	<u>3,040</u>	<u>3,040</u>
Fund Equity			
<i>Fund Balance:</i>			
Reserved for Encumbrances	\$0	\$33,720	\$33,720
Unreserved, Undesignated	<u>250</u>	<u>11,932</u>	<u>12,182</u>
<i>Total Fund Equity</i>	<u>250</u>	<u>45,652</u>	<u>45,902</u>
<i>Total Liabilities and Fund Equity</i>	<u><u>\$250</u></u>	<u><u>\$48,692</u></u>	<u><u>\$48,942</u></u>

Tuslaw Local School District
*Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Capital Projects Funds
For the Fiscal Year Ended June 30, 2000*

	Capital Improvements	School Net	Totals
Revenues			
Intergovernmental	\$0	\$48,339	\$48,339
<i>Total Revenues</i>	0	48,339	48,339
Expenditures			
Current:			
Instruction:			
Regular	0	4,238	4,238
<i>Total Expenditures</i>	0	4,238	4,238
<i>Excess of Revenues Over Expenditures</i>	0	44,101	44,101
<i>Fund Balances at Beginning of Year</i>	250	1,551	1,801
<i>Fund Balances at End of Year</i>	\$250	\$45,652	\$45,902

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Capital Improvements Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<i>Total Revenues</i>	\$0	\$0	\$0
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	250	250	0
<i>Fund Balance at End of Year</i>	\$250	\$250	\$0

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
School Net Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$47,388	\$48,339	\$951
<i>Total Revenues</i>	<u>47,388</u>	<u>48,339</u>	<u>951</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	76	0	76
Capital Outlay - New	38,474	37,958	516
<i>Total Expenditures</i>	<u>38,550</u>	<u>37,958</u>	<u>592</u>
<i>Excess of Revenues Over Expenditures</i>	8,838	10,381	1,543
<i>Fund Balance at Beginning of Year</i>	87	87	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,464</u>	<u>1,464</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$10,389</u></u>	<u><u>\$11,932</u></u>	<u><u>\$1,543</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
All Capital Projects Funds
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$47,388	\$48,339	\$951
<i>Total Revenues</i>	<u>47,388</u>	<u>48,339</u>	<u>951</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	76	0	76
Capital Outlay - New	38,474	37,958	516
<i>Total Expenditures</i>	<u>38,550</u>	<u>37,958</u>	<u>592</u>
<i>Excess of Revenues Over Expenditures</i>	8,838	10,381	1,543
<i>Fund Balances at Beginning of Year</i>	337	337	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,464</u>	<u>1,464</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u><u>\$10,639</u></u>	<u><u>\$12,182</u></u>	<u><u>\$1,543</u></u>

Enterprise Funds

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Adult Education Fund - This fund accounts for the financial transactions related to adult education.

Tuslaw Local School District

Combining Balance Sheet

All Enterprise Funds

June 30, 2000

	Food Service	Adult Education	Totals
Assets			
Equity in Pooled Cash and Cash Equivalents	\$89,400	\$0	\$89,400
Inventory Held for Resale	10,689	0	10,689
Materials and Supplies Inventory	855	0	855
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	<u>56,426</u>	<u>0</u>	<u>56,426</u>
 <i>Total Assets</i>	 <u><u>\$157,370</u></u>	 <u><u>\$0</u></u>	 <u><u>\$157,370</u></u>
Liabilities			
Accrued Wages and Benefits	\$17,515	\$0	\$17,515
Compensated Absences Payable	13,779	0	13,779
Intergovernmental Payable	14,823	0	14,823
Deferred Revenue	<u>9,049</u>	<u>0</u>	<u>9,049</u>
 <i>Total Liabilities</i>	 <u><u>55,166</u></u>	 <u><u>0</u></u>	 <u><u>55,166</u></u>
Fund Equity			
<i>Retained Earnings:</i>			
Unreserved	<u>102,204</u>	<u>0</u>	<u>102,204</u>
 <i>Total Fund Equity</i>	 <u><u>102,204</u></u>	 <u><u>0</u></u>	 <u><u>102,204</u></u>
 <i>Total Liabilities and Fund Equity</i>	 <u><u>\$157,370</u></u>	 <u><u>\$0</u></u>	 <u><u>\$157,370</u></u>

Tuslaw Local School District
*Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Enterprise Funds
For the Fiscal Year Ended June 30, 2000*

	Food Service	Adult Education	Totals
Operating Revenues			
Sales	\$245,765	\$0	\$245,765
Tuition	0	720	720
<i>Total Operating Revenues</i>	<u>245,765</u>	<u>720</u>	<u>246,485</u>
Operating Expenses			
Salaries	130,327	547	130,874
Fringe Benefits	48,931	173	49,104
Purchased Services	8,166	0	8,166
Materials and Supplies	54,669	0	54,669
Cost of Sales	113,419	0	113,419
Depreciation	2,859	0	2,859
<i>Total Operating Expenses</i>	<u>358,371</u>	<u>720</u>	<u>359,091</u>
<i>Operating Loss</i>	(112,606)	0	(112,606)
Non-Operating Revenues (Expenses)			
Donated Commodities	36,725	0	36,725
Interest	4,872	0	4,872
Operating Grants	71,940	0	71,940
Loss on the Sale of Fixed Assets	(1,420)	0	(1,420)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>112,117</u>	<u>0</u>	<u>112,117</u>
<i>Net Loss</i>	(489)	0	(489)
<i>Retained Earnings at Beginning of Year</i>	<u>102,693</u>	<u>0</u>	<u>102,693</u>
<i>Retained Earnings at End of Year</i>	<u><u>\$102,204</u></u>	<u><u>\$0</u></u>	<u><u>\$102,204</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenses and Changes in
Fund Equity - Budget and Actual (Budget Basis)*
Food Service Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Sales	\$218,830	\$245,765	\$26,935
Operating Grants	79,500	82,820	3,320
Interest	0	4,872	4,872
<i>Total Revenues</i>	<u>298,330</u>	<u>333,457</u>	<u>35,127</u>
Expenditures			
Salaries and Wages:			
Food Service Operations	130,554	130,247	307
Fringe Benefits:			
Food Service Operations	42,775	42,285	490
Purchased Services:			
Food Service Operations	9,350	8,345	1,005
Materials and Supplies:			
Food Service Operations	149,145	132,168	16,977
Capital Outlay:			
Food Service Operations	9,934	8,470	1,464
<i>Total Expenses</i>	<u>341,758</u>	<u>321,515</u>	<u>20,243</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(43,428)	11,942	55,370
<i>Fund Equity at Beginning of Year</i>	74,574	74,574	0
<i>Prior Year Encumbrances Appropriated</i>	<u>2,229</u>	<u>2,229</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$33,375</u></u>	<u><u>\$88,745</u></u>	<u><u>\$55,370</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenses and Changes in
Fund Equity - Budget and Actual (Budget Basis)
Adult Education Fund
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Tuition	\$3,000	\$720	(\$2,280)
<i>Total Revenues</i>	<u>3,000</u>	<u>720</u>	<u>(2,280)</u>
Expenditures			
Salaries and Wages:			
Adult/Continuing Instruction	2,000	547	1,453
Fringe Benefits:			
Adult/Continuing Instruction	<u>1,000</u>	<u>173</u>	<u>827</u>
<i>Total Expenses</i>	<u>3,000</u>	<u>720</u>	<u>2,280</u>
<i>Excess of Revenues Over Expenses</i>	0	0	0
<i>Fund Equity at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenses and Changes in
Fund Equity - Budget and Actual (Budget Basis)*
All Enterprise Funds
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Sales	\$218,830	\$245,765	\$26,935
Tuition	3,000	720	(2,280)
Operating Grants	79,500	82,820	3,320
Interest	0	4,872	4,872
<i>Total Revenues</i>	<u>301,330</u>	<u>334,177</u>	<u>32,847</u>
Expenses			
Salaries and Wages:			
Food Service Operations	130,554	130,247	307
Adult/Continuing Instruction	2,000	547	1,453
Total Salaries and Wages	<u>132,554</u>	<u>130,794</u>	<u>1,760</u>
Fringe Benefits:			
Food Service Operations	42,775	42,285	490
Adult/Continuing Instruction	1,000	173	827
Total Fringe Benefits	<u>43,775</u>	<u>42,458</u>	<u>1,317</u>
Purchased Services:			
Food Service Operations	9,350	8,345	1,005
Materials and Supplies:			
Food Service Operations	149,145	132,168	16,977
Capital Outlay:			
Food Service Operations	9,934	8,470	1,464
<i>Total Expenses</i>	<u>344,758</u>	<u>322,235</u>	<u>22,523</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(43,428)	11,942	55,370
<i>Fund Equity at Beginning of Year</i>	74,574	74,574	0
<i>Prior Year Encumbrances Appropriated</i>	<u>2,229</u>	<u>2,229</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$33,375</u></u>	<u><u>\$88,745</u></u>	<u><u>\$55,370</u></u>

Combining Statement of Cash Flows
All Enterprise Funds
For the Fiscal Year Ended June 30, 2000

	Food Service	Adult Education	Totals
<i>INCREASE IN CASH AND CASH EQUIVALENTS</i>			
Cash Flows from Operating Activities			
Cash Received from Customers	\$245,765	\$720	\$246,485
Cash Payments to Suppliers for Goods and Services	(139,858)	(720)	(140,578)
Cash Payments to Employees for Services	(130,247)	0	(130,247)
Cash Payments for Employee Benefits	(42,285)	0	(42,285)
<i>Net Cash Used for Operating Activities</i>	(66,625)	0	(66,625)
Cash Flows from Noncapital Financing Activities			
Intergovernmental Revenue	82,820	0	82,820
<i>Net Cash Provided by Noncapital Financing Activities</i>	82,820	0	82,820
Cash Flows from Capital Financing Activities			
Payments for Capital Acquisition	(8,470)	0	(8,470)
<i>Net Cash Used for Capital Financing Activities</i>	(8,470)	0	(8,470)
Cash Flows from Investing Activities			
Interest	4,872	0	4,872
<i>Net Cash Provided by Investing Activities</i>	4,872	0	4,872
<i>Net Increase Cash and Cash Equivalents</i>	12,597	0	12,597
<i>Cash and Cash Equivalents at Beginning of Year</i>	76,803	0	76,803
<i>Cash and Cash Equivalents at End of Year</i>	\$89,400	\$0	\$89,400
Reconciliation of Operating Loss to Net Cash Used for Operating Activities			
<i>Operating Loss</i>	(\$112,606)	\$0	(\$112,606)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities			
Depreciation	2,859	0	2,859
Donated Commodities Used During Year	36,725	0	36,725
<i>Changes in Assets and Liabilities:</i>			
Decrease in Inventory Held for Resale	(150)	0	(150)
Increase in Materials and Supplies Inventory	(179)	0	(179)
Increase in Accrued Wages and Benefits	2,636	0	2,636
Decrease in Compensated Absences Payable	(2,250)	0	(2,250)
Increase in Intergovernmental Payable	6,340	0	6,340
<i>Total Adjustments</i>	45,981	0	45,981
<i>Net Cash Used for Operating Activities</i>	(\$66,625)	\$0	(\$66,625)

Agency Funds

Student Activities Fund - This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

Stadium Renovation Fund - This funds reflects resources generated by citizens to be spent on the renovation of the stadium. Control of the receipts and expenditures is under the control of the citizens organization.

Tuslaw Local School District
Statement of Changes in Assets and Liabilities
All Agency Funds
For the Fiscal Year Ended June 30, 2000

	Beginning Balance <u>June 30, 1999</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2000</u>
Student Activities				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$34,333</u>	<u>\$0</u>	<u>\$4,351</u>	<u>\$29,982</u>
<i>Total Assets</i>	<u><u>\$34,333</u></u>	<u><u>\$0</u></u>	<u><u>\$4,351</u></u>	<u><u>\$29,982</u></u>
Liabilities				
Due to Students	<u>\$34,333</u>	<u>\$0</u>	<u>\$4,351</u>	<u>\$29,982</u>
<i>Total Liabilities</i>	<u><u>\$34,333</u></u>	<u><u>\$0</u></u>	<u><u>\$4,351</u></u>	<u><u>\$29,982</u></u>
Stadium Renovation				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$62,874</u>	<u>\$0</u>	<u>\$58,918</u>	<u>\$3,956</u>
<i>Total Assets</i>	<u><u>\$62,874</u></u>	<u><u>\$0</u></u>	<u><u>\$58,918</u></u>	<u><u>\$3,956</u></u>
Liabilities				
Undistributed Monies	<u>\$62,874</u>	<u>\$0</u>	<u>\$58,918</u>	<u>\$3,956</u>
<i>Total Liabilities</i>	<u><u>\$62,874</u></u>	<u><u>\$0</u></u>	<u><u>\$58,918</u></u>	<u><u>\$3,956</u></u>
Total - All Agency				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$97,207</u>	<u>\$0</u>	<u>\$63,269</u>	<u>\$33,938</u>
<i>Total Assets</i>	<u><u>\$97,207</u></u>	<u><u>\$0</u></u>	<u><u>\$63,269</u></u>	<u><u>\$33,938</u></u>
Liabilities				
Due to Students	<u>\$34,333</u>	<u>\$0</u>	<u>\$4,351</u>	<u>\$29,982</u>
Undistributed Monies	<u>62,874</u>	<u>0</u>	<u>58,918</u>	<u>3,956</u>
<i>Total Liabilities</i>	<u><u>\$97,207</u></u>	<u><u>\$0</u></u>	<u><u>\$63,269</u></u>	<u><u>\$33,938</u></u>

General Fixed Assets Account Group

The general fixed assets account group is used to account for all land, building, and improvements, vehicles and furniture, fixtures, and equipment not used in the operations of the proprietary funds.

Tuslaw Local School District
Schedule of Changes in General Fixed Assets
By Function
For the Fiscal Year Ended June 30, 2000

Function	General Fixed Assets June 30, 1999	Additions	Deletions	General Fixed Assets June 30, 2000
<i>Instruction:</i>				
Regular	\$653,452	\$106,978	\$3,798	\$756,632
Special	39,151	0	0	39,151
Vocational	34,080	0	0	34,080
<i>Support Services:</i>				
Pupils	27,065	0	0	27,065
Instructional Staff	62,540	0	0	62,540
Board of Education	0	0	0	0
Administration	132,487	12,245	6,733	137,999
Fiscal	10,953	1,859	800	12,012
Operation and Maintenance of Plant	3,394,809	14,006	0	3,408,815
Pupil Transportation	856,939	52,816	2,500	907,255
<i>Operation of Non-Instructional Services</i>	10,577	0	0	10,577
<i>Extracurricular Activities</i>	66,080	3,398	2,972	66,506
<i>Capital Outlay</i>	15,752	0	505	15,247
<i>Total General Fixed Assets</i>	<u>\$5,303,885</u>	<u>\$191,302</u>	<u>\$17,308</u>	<u>\$5,477,879</u>

Tuslaw Local School District

Schedule of General Fixed Assets

By Function and Type

June 30, 2000

<u>Function</u>	<u>Total</u>	<u>Land, Buildings, and Improvements</u>	<u>Vehicles</u>	<u>Furniture, Fixtures, and Equipment</u>
<i>Instruction:</i>				
Regular	\$756,632	\$35,567	\$0	\$721,065
Special	39,151	10,764	0	28,387
Vocational	34,080	0	0	34,080
<i>Support Services:</i>				
Pupils	27,065	6,160	0	20,905
Instructional Staff	62,540	0	0	62,540
Board of Education	0	0	0	0
Administration	137,999	0	0	137,999
Fiscal	12,012	0	0	12,012
Operation and Maintenance of Plant	3,408,815	3,308,868	13,500	86,447
Pupil Transportation	907,255	0	897,093	10,162
<i>Operation of Non-Instructional Services</i>				
	10,577	0	0	10,577
<i>Extracurricular Activities</i>				
	66,506	0	0	66,506
<i>Capital Outlay</i>				
	<u>15,247</u>	<u>0</u>	<u>0</u>	<u>15,247</u>
<i>Total General Fixed Assets</i>	<u>\$5,477,879</u>	<u>\$3,361,359</u>	<u>\$910,593</u>	<u>\$1,205,927</u>

Tuslaw Local School District

Schedule of General Fixed Assets

By Source

June 30, 2000

General Fixed Assets

Land, Buildings, and Improvements	\$3,361,359
Vehicles	910,593
Furniture, Fixtures, and Equipment	<u>1,205,927</u>
<i>Total General Fixed Assets</i>	<u><u>\$5,477,879</u></u>

Investment in General Fixed Assets From:

General Fund	\$5,085,036
Special Revenue Funds	143,609
Capital Projects Funds	<u>249,234</u>
<i>Total Investment in General Fixed Assets</i>	<u><u>\$5,477,879</u></u>

STATISTICAL SECTION

Tuslaw Local School District
General Fund

*Expenditures by Function
Last Ten Fiscal Years*

	2000(1)	1999(1)	1998(1)	1997(1)	1996(1)	1995(1)	1994	1993	1992	1991
Current:										
Instruction:										
Regular	\$3,110,564	\$2,803,409	\$2,845,636	\$2,856,078	\$2,787,868	\$2,691,874	\$2,365,631	\$2,266,037	\$2,473,899	\$2,273,929
Special	683,754	652,792	575,143	481,709	530,326	510,628	448,742	429,850	469,280	431,347
Vocational	118,849	97,608	113,988	103,022	89,705	99,154	87,137	83,468	91,125	83,759
Support Services:										
Pupils	285,605	271,583	251,676	241,692	233,558	283,514	249,153	238,664	260,556	239,495
Instructional Staff	127,314	121,487	114,555	113,680	115,856	108,609	95,446	91,428	99,814	91,746
Board of Education	19,815	13,029	9,497	22,034	16,114	19,943	17,526	16,788	18,328	16,847
Administration	734,681	727,993	679,707	717,603	656,197	650,182	571,383	547,327	597,534	549,234
Fiscal	226,990	208,330	193,507	199,317	182,114	172,081	151,226	144,859	158,147	145,363
Operation and										
Maintenance of Plant	857,851	765,300	732,436	709,271	627,412	815,209	716,409	686,248	749,197	688,638
Pupil Transportation	533,631	558,948	493,774	544,519	424,534	447,289	393,080	376,531	411,070	377,842
Non-Instructional Services	14,263	12,189	14,381	12,491	10,903	27,260	23,956	22,947	25,053	23,028
Extracurricular Activities	168,069	141,864	133,694	123,132	118,273	112,187	98,591	94,440	103,103	94,769
Capital Outlay	6,000	0	0	0	0	0	0	0	0	0
Debt Service	6,000	1,500	0	0	0	0	0	0	0	0
Total	\$6,893,386	\$6,376,032	\$6,157,994	\$6,124,548	\$5,792,860	\$5,937,930	\$5,218,280	\$4,998,587	\$5,457,106	\$5,015,997

Source: School District's Financial Records

(1) 1995 through 2000 Reported on GAAP Basis; All others on Cash Basis.

Tuslaw Local School District
General Fund
Revenues by Sources
Last Ten Fiscal Years

	2000(1)	1999(1)	1998(1)	1997(1)	1996(1)	1995(1)	1994	1993	1992	1991
Taxes	\$3,556,563	\$3,038,375	\$3,199,846	\$2,990,339	\$3,077,617	\$2,991,387	\$2,640,601	\$2,305,958	\$2,273,075	\$2,122,440
Intergovernmental	3,653,165	3,303,382	3,225,055	2,815,997	2,814,495	2,720,375	2,775,871	2,567,676	2,601,158	2,628,054
Interest	101,564	75,211	67,179	62,105	63,425	49,657	25,316	29,744	30,280	46,362
Tuition and Fees	88,794	51,771	68,239	26,249	26,449	59,898	0	0	0	0
Extracurricular Activities	930	812	0	0	0	0	0	0	0	0
Rentals	737	506	596	0	0	0	0	0	0	0
Miscellaneous	31,041	17,599	66,513	25,745	53,595	18,511	79,401	29,148	578,560	75,462
Total	\$7,432,794	\$6,487,656	\$6,627,428	\$5,920,435	\$6,035,581	\$5,839,828	\$5,521,189	\$4,932,526	\$5,483,073	\$4,872,318

Source: School District's Financial Records

(1) 1995 through 2000 Reported on GAAP Basis, All others on Cash Basis.

Tuslaw Local School District
Property Tax Levies and Collections
Last Ten Calendar Years

Year	Total Tax Levy	Current Collections	Percent of Current Taxes Collected	Delinquent Collections	Total Collections	Percent of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes(2)	Percent of Outstanding Delinquent Taxes to Total Tax Levy
1999	\$4,080,286	\$3,465,948	84.94%	\$77,204	\$3,543,152	86.84%	\$537,134	13.16%
1998	3,656,568	3,156,216	86.32%	110,062	3,266,278	89.33%	390,290	10.67%
1997	3,768,821	3,239,961	85.97%	123,893	3,363,854	89.25%	404,967	10.75%
1996	3,551,221	3,133,363	88.23%	97,908	3,231,271	90.99%	319,950	9.01%
1995	3,462,406	3,114,028	89.94%	84,320	3,198,348	92.37%	264,058	7.63%
1994	3,322,170	3,046,793	91.71%	74,377	3,121,170	93.95%	201,000	6.05%
1993	2,655,236	2,406,041	90.61%	58,942	2,464,983	92.83%	190,253	7.17%
1992	2,625,958	2,383,231	90.76%	66,657	2,449,888	93.30%	176,070	6.70%
1991	2,570,021	2,336,733	90.92%	52,706	2,389,439	92.97%	180,582	7.03%
1990	2,467,209	2,136,771	86.61%	94,988	2,231,759	90.46%	235,450	9.54%

Source: Stark County Auditor- Data is presented on a calendar year basis which is the manner the information is maintained.

(1) Represents collection year. 2000 information cannot be presented because all collections have not been made by June 30.

(2) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

Tuslaw Local School District

Assessed and Estimated Actual Value of Taxable Property

Last Ten Calendar Years

Year	Real Property		Public Utility Property		Tangible Personal Property		Total		
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	
2000	\$94,627,970	\$270,365,629	\$12,700,000	\$14,431,818	\$7,322,375	\$29,289,500	\$114,650,345	\$314,086,947	37 %
1999	91,357,260	261,020,743	12,713,600	14,447,273	3,691,897	14,767,588	107,762,757	290,235,604	37
1998	75,489,910	215,685,457	12,579,490	14,294,875	7,097,492	28,389,968	95,166,892	258,370,300	37
1997	73,025,870	208,645,343	13,239,980	15,045,432	5,321,331	21,285,324	91,587,181	244,976,099	37
1996	70,957,800	202,736,571	15,110,570	17,171,102	5,339,021	21,356,084	91,407,391	241,263,758	38
1995	59,321,030	169,488,657	14,166,490	16,098,284	4,923,447	19,693,788	78,410,967	205,280,729	38
1994	57,556,820	164,448,057	13,079,120	14,862,636	5,344,255	21,377,020	75,980,195	200,687,714	38
1993	57,136,890	163,248,257	12,727,260	14,462,795	5,442,339	20,932,073	75,306,489	198,643,126	38
1992	51,691,070	147,688,771	12,871,760	14,627,000	4,956,329	18,356,774	69,519,159	180,672,546	38
1991	50,330,670	143,801,914	10,668,550	12,123,352	4,013,753	14,334,832	65,012,973	170,260,099	38

Source: Stark County Auditor- Data is presented on a calendar year basis which is the manner the information is maintained.

(1) Assessed estimated true value is calculated by dividing the assessed value by the assessment percentage.

The percentages used in the calculation are as follows:

Real Property - 35 percent

Public Utility Tangible - 88 percent, prior to 1991, 100 percent

Tangible Personal Property - 25 percent of actual value for 1995 through 2000

Tuslaw Local School District

*Property Tax Rates - Direct and Overlapping Governments
(per \$1,000 Assessed Valuation)
Last Ten Calendar Years*

<u>Year</u>	<u>Tuslaw School Levy</u>	<u>Stark County Levy</u>	<u>Lawrence Township Levy</u>	<u>Tuscarawas Township Levy</u>	<u>Massillon City Levy</u>	<u>JVS Levy</u>	<u>MRDD Levy</u>
2000	\$53.90	\$10.10	\$12.80	\$4.70	\$3.20	\$3.30	\$0.75
1999	53.90	10.10	13.30	4.70	3.20	3.30	0.75
1998	53.90	10.10	13.30	4.70	3.20	3.50	0.75
1997	53.90	9.80	13.30	4.70	3.20	3.50	0.75
1996	53.90	10.30	13.30	4.70	3.20	2.00	0.75
1995	53.90	8.40	13.30	5.45	3.20	2.00	0.30
1994	53.90	9.40	13.30	4.45	3.20	3.20	0.30
1993	46.40	9.40	13.30	4.45	3.20	3.20	0.30
1992	46.40	9.40	13.30	4.45	3.20	3.20	0.30
1991	46.40	9.40	13.30	4.45	3.20	3.20	0.30

Source: Stark County Auditor- Data is presented on a calendar year basis which is the manner the information is maintained

Tuslaw Local School District

Computation of Legal Debt Margin

June 30, 2000

Assessed Valuation (2000)		<u><u>\$114,650,345</u></u>
Overall Debt Limit - 9% of Assessed Valuation (1)		\$10,318,531
Amount of Debt Applicable to Debt Limit:		
Energy Conservation Note	<u>89,492</u>	
Net Bonded Debt		<u>89,492</u>
<i>Overall Debt Margin</i>		<u><u>\$10,229,039</u></u>
Unvoted Debt Limit - .10% of Assessed Value (1)		\$114,650
Amount of Debt Applicable		<u>0</u>
<i>Unvoted Debt Margin</i>		<u><u>\$114,650</u></u>

Source: Stark County Auditor and School District's Financial Records

(1) Ohio Bond Law sets an overall limit of 9% for all debt and 1/10 of 1% for unvoted debt.

Tuslaw Local School District

Computation of Direct and Overlapping General Obligation Debt

December 31, 1999

<u>Jurisdiction</u>	<u>General Obligation Debt Outstanding (1)</u>	<u>Percentage Applicable to School District (2)</u>	<u>Amount Applicable to School District</u>
Tuslaw Local School District	\$0	0.00%	\$0
Stark County	19,871,000	2.16%	429,214
Massillon City	12,740,000	7.95%	<u>1,012,830</u>
Total			<u><u>\$1,442,044</u></u>

(1) Represents general obligation bonds payable from property taxes.

(2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 1999 collection year.

Tuslaw Local School District
Demographic Statistics
Last Ten Years

<u>Year</u>	<u>Stark County Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
2000	373,174	1388	4.30 %
1999	373,174	1373	4.10
1998	373,112	1381	4.80
1997	373,719	1389	5.30
1996	374,406	1384	5.00
1995	374,024	1350	6.10
1994	373,705	1295	7.00
1993	373,484	1228	7.90
1992	371,461	1252	7.10
1991	369,595	1292	6.40

(1) U.S. Bureau of the Census and Ohio Department of Development,
Office of Strategic Research

(2) School District's Financial Records

(3) Ohio Bureau of Employment Services

Tuslaw Local School District

*Property Value, Industrial Employment, Financial Institution Deposits
Last Ten Years*

<u>Year</u>	<u>Property Value (Real Estate Only)(3)</u>	<u>Industrial Employment (1)</u>	<u>Financial Institution Deposits (000's) Banks (2)</u>
2000	\$3,371,481,480	167,591	\$916,844
1999	3,293,801,960	167,591	843,638
1998	2,770,921,870	167,591	1,623,273
1997	2,700,196,530	167,591	1,570,223
1996	2,638,654,350	164,874	1,589,558
1995	2,396,278,330	162,572	848,654
1994	2,325,264,660	158,417	803,704
1993	2,282,530,370	155,681	797,601
1992	2,017,964,640	154,480	738,397
1991	1,959,622,140	154,195	1,483,350

Source: Ohio Bureau of Employment Services
Federal Reserve Bank

(1) Represents Stark County

(2) Represents deposits made to all banks headquartered in Stark County

(3) Represents market value

Tuslaw Local School District

Principal Taxpayers

Real Estate Tax

December 31, 1999

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Grief Bros. Corp. of Ohio, Inc.	\$806,400	0.85 %
Elms Massillon Inc.	664,600	0.70
John O Clay Exploration Inc.	445,990	0.47
Leo M & Wilma J. Frank Trustees	429,610	0.45
Crown Cork and Seal Company USA Inc.	405,060	0.43
Robert Shearer	359,810	0.38
Donald G. and Nancy L. Hendricks	357,360	0.38
Forty Corners Village LLC	348,180	0.37
Stonehenge Apartments of Stark County LTD	347,130	0.37
Mark C & Cynthia A. Fritz	<u>332,150</u>	<u>0.35</u>
Total	<u>\$4,496,290</u>	<u>4.75 %</u>
Total Assessed Value	<u>\$94,627,970</u>	

Source: Stark County Auditor

(1) Assessed values are for the 1999 collection year.

Tuslaw Local School District

Principal Taxpayers

Tangible Personal Property Tax

December 31, 1999

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Grief Bros. Corp. of Ohio, Inc.	\$3,398,400	46.41 %
Crown Cork and SEAL Company USA Inc.	798,600	10.91
Oster Sand and Gravel Inc.	303,340	4.14
Dixon Ticonderoga Company	208,070	2.84
Massillon Cable TV Inc.	200,805	2.74
Continental Emsco Company	161,280	2.20
DSD Builders Supply Co.	160,501	2.19
Nelson Tree Service Inc.	147,410	2.01
Hendricks Vacuum Forming Inc.	128,510	1.76
B F Plastics Inc.	<u>121,430</u>	<u>1.66</u>
Total	<u>\$5,628,346</u>	<u>76.87 %</u>
Total Assessed Value	<u>\$7,322,375</u>	

Source: Stark County Auditor

(1) Assessed values are for the 1999 collection year.

Tuslaw Local School District
Enrollment Statistics
Last Ten Fiscal Years

<u>Year</u>	<u>General Fund Expenditures (1)</u>	<u>Average Daily Membership</u>	<u>Per Pupil Cost</u>
2000	\$6,893,386	1,388	\$4,966
1999	6,376,032	1,373	4,644
1998	6,157,994	1,381	4,459
1997	6,124,548	1,389	4,409
1996	5,792,860	1,384	4,186
1995	5,937,930	1,350	4,398
1994	5,218,280	1,295	4,030
1993	4,998,587	1,228	4,071
1992	5,457,106	1,252	4,359
1991	5,015,997	1,292	3,882

Source: School District's Financial Records

(1) 1995 through 1999 on Accrual Basis.
All other Years based on Cash Basis

Tuslaw Local School District

Teacher Education and Experience

June 30, 2000

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	59	67 %
Master's Degree	29	33
Total	<u>88</u>	<u>100 %</u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Teachers</u>
0 - 5	27	31 %
6 - 10	18	20
11 and over	43	49
	<u>88</u>	<u>100 %</u>

Sources: School District's Personnel Records

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STATE OF OHIO
OFFICE OF THE AUDITOR

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TUSLAW LOCAL SCHOOL DISTRICT

STARK COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 12, 2000**