



**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**SINGLE AUDIT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2000**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

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## INDEPENDENT ACCOUNTANTS' REPORT

Williamsburg Local School District  
Clermont County  
549-A West Main Street  
Williamsburg, Ohio 45176

To The Board of Education:

We have audited the accompanying general-purpose financial statements of the Williamsburg Local School District, Clermont County, Ohio (the District), as of and for the fiscal 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 types 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 December 21, 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.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the District, taken as a whole. The accompanying schedule of federal awards receipts and expenditures is presented for purposes of additional analysis as required by the U.S. Office of Management & Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

**Jim Petro**  
Auditor of State

December 21, 2000

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**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 2000**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b><u>Assets and Other Debits:</u></b>				
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$116,355	\$189,388	\$232,099	\$197,066
Receivables:				
Property Taxes	2,978,947	49,308	394,667	0
Accounts	1,377	0	0	0
Intergovernmental	31,431	109	0	0
Accrued Interest	1,770	0	0	0
Interfund Receivable	8,461	0	0	0
Prepaid Items	13,166	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0	0
<b><u>Other Debits:</u></b>				
Amount Available in Debt Service for Retirement of General Obligations	0	0	0	0
Amount to be Provided from General Government Resources	0	0	0	0
 Total Assets and Other Debits	 \$3,151,507	 \$238,805	 \$626,766	 \$197,066



Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Agency			
\$38,655	\$32,666	\$0	\$0	\$806,229
0	0	0	0	3,422,922
0	0	0	0	1,377
7,131	0	0	0	38,671
0	0	0	0	1,770
0	0	0	0	8,461
120	0	0	0	13,286
5,866	0	0	0	5,866
677	0	0	0	677
139,492	0	15,439,501	0	15,578,993
0	0	0	279,212	279,212
0	0	0	4,476,515	4,476,515
<u>\$191,941</u>	<u>\$32,666</u>	<u>\$15,439,501</u>	<u>\$4,755,727</u>	<u>\$24,633,979</u>

(continued)

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 2000  
(Continued)**

*Liabilities,*

**Fund Equity and Other Credits:**

**Liabilities:**

Accounts Payable	\$46,437	\$18,092	\$0	\$0
Contracts Payable	35	0	0	0
Accrued Wages and Benefits	516,699	27,084	0	0
Compensated Absences Payable	74,381	0	0	0
Interfund Payable	0	1,276	0	0
Intergovernmental Payable	166,885	7,124	0	0
Deferred Revenue	2,684,384	43,508	347,554	0
Undistributed Monies	0	0	0	0
Due to Students	0	0	0	0
Capital Leases Payable	0	0	0	0
Energy Conservation Loan Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0

Total Liabilities	<u>3,488,821</u>	<u>97,084</u>	<u>347,554</u>	<u>0</u>
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**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	15,917	11,430	0	18,231
Reserved for Property Taxes	294,563	5,800	47,113	0
Unreserved:				
Undesignated (Deficit)	<u>(647,794)</u>	<u>124,491</u>	<u>232,099</u>	<u>178,835</u>

Total Fund Equity (Deficit) and Other Credits	<u>(337,314)</u>	<u>141,721</u>	<u>279,212</u>	<u>197,066</u>
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Total Liabilities, Fund Equity and Other Credits	<u>\$3,151,507</u>	<u>\$238,805</u>	<u>\$626,766</u>	<u>\$197,066</u>
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See accompanying notes to the general purpose financial statements

\$580	\$0	\$0	\$0	\$65,109
0	0	0	0	35
17,191	0	0	0	560,974
10,780	0	0	538,262	623,423
0	7,185	0	0	8,461
27,600	0	0	64,210	265,819
4,565	0	0	0	3,080,011
0	24,581	0	0	24,581
0	900	0	0	900
0	0	0	213,255	213,255
0	0	0	50,000	50,000
0	0	0	3,890,000	3,890,000
<u>60,716</u>	<u>32,666</u>	<u>0</u>	<u>4,755,727</u>	<u>8,782,568</u>
0	0	15,439,501	0	15,439,501
131,225	0	0	0	131,225
0	0	0	0	45,578
0	0	0	0	347,476
0	0	0	0	(112,369)
<u>131,225</u>	<u>0</u>	<u>15,439,501</u>	<u>0</u>	<u>15,851,411</u>
<u>\$191,941</u>	<u>\$32,666</u>	<u>\$15,439,501</u>	<u>\$4,755,727</u>	<u>\$24,633,979</u>

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**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
<b><u>Revenues:</u></b>					
Property Taxes	\$2,944,980	\$53,300	\$384,704	\$0	\$3,382,984
Intergovernmental	3,068,700	480,326	33,587	11,500	3,594,113
Interest	72,077	0	0	6,335	78,412
Tuition and Fees	56,627	0	0	0	56,627
Rent	130,831	0	0	0	130,831
Extracurricular Activities	2,957	31,354	0	0	34,311
Gifts and Donations	11,255	2,310	0	0	13,565
Miscellaneous	62,617	109	0	0	62,726
<b>Total Revenues</b>	<b>6,350,044</b>	<b>567,399</b>	<b>418,291</b>	<b>17,835</b>	<b>7,353,569</b>
<b><u>Expenditures:</u></b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	3,052,975	120,681	0	0	3,173,656
Special	458,677	132,183	0	0	590,860
Vocational	67,600	1,517	0	0	69,117
<b>Support Services:</b>					
Pupils	230,352	9,868	0	0	240,220
Instructional Staff	221,806	72,582	0	2,450	296,838
Board of Education	15,876	0	0	0	15,876
Administration	616,675	12,537	0	0	629,212
Fiscal	271,531	2,418	6,305	0	280,254
Operation and Maintenance of Plant	752,763	83,294	0	0	836,057
Pupil Transportation	536,620	230	0	0	536,850
Central	5,858	0	0	0	5,858
Non-Instructional Services	9,531	1,075	0	0	10,606
Extracurricular Activities	146,204	51,324	0	0	197,528
Capital Outlay	27,335	514	0	24,475	52,324
<b>Debt Service:</b>					
Principal Retirement	77,780	0	130,000	0	207,780
Interest and Fiscal Charges	14,435	0	223,863	0	238,298
<b>Total Expenditures</b>	<b>6,506,018</b>	<b>488,223</b>	<b>360,168</b>	<b>26,925</b>	<b>7,381,334</b>
Excess of Revenues Over (Under) Expenditures	(155,974)	79,176	58,123	(9,090)	(27,765)
<b><u>Other Financing Sources (Uses):</u></b>					
Proceeds from Sale of Fixed Assets	14,703	0	0	0	14,703
Operating Transfers In	0	16,322	18,306	50,000	84,628
Operating Transfers Out	(106,230)	0	0	0	(106,230)
<b>Total Other Financing Sources (Uses)</b>	<b>(91,527)</b>	<b>16,322</b>	<b>18,306</b>	<b>50,000</b>	<b>(6,899)</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(247,501)	95,498	76,429	40,910	(34,664)
Fund Balances (Deficit) at Beginning of Year	(89,813)	46,223	202,783	156,156	315,349
Fund Balances (Deficit) at End of Year	<u>(\$337,314)</u>	<u>\$141,721</u>	<u>\$279,212</u>	<u>\$197,066</u>	<u>\$280,685</u>

See accompanying notes to the general purpose financial statements

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**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			Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b><u>Revenues:</u></b>						
Property Taxes	\$2,733,173	\$2,961,409	\$228,236	\$47,763	\$47,500	(\$263)
Intergovernmental	3,220,567	3,070,229	(150,338)	415,813	480,326	64,513
Interest	66,579	70,307	3,728	0	0	0
Tuition and Fees	47,784	56,000	8,216	0	0	0
Rent	130,605	131,431	826	0	0	0
Extracurricular Activities	2,534	2,957	423	43,359	31,354	(12,005)
Gifts and Donations	9,864	11,255	1,391	1,830	2,310	480
Miscellaneous	125,228	66,048	(59,180)	0	0	0
<b>Total Revenues</b>	<b>6,336,334</b>	<b>6,369,636</b>	<b>33,302</b>	<b>508,765</b>	<b>561,490</b>	<b>52,725</b>
<b><u>Expenditures:</u></b>						
Current:						
Instruction:						
Regular	3,241,670	3,142,556	99,114	91,075	116,894	(25,819)
Special	395,918	504,423	(108,505)	140,244	148,706	(8,462)
Vocational	72,033	67,699	4,334	0	1,755	(1,755)
Support Services:						
Pupils	170,972	235,702	(64,730)	4,180	9,868	(5,688)
Instructional Staff	182,056	201,362	(19,306)	78,963	65,426	13,537
Board of Education	23,491	15,975	7,516	0	0	0
Administration	660,201	632,070	28,131	17,643	13,810	3,833
Fiscal	268,528	272,855	(4,327)	2,828	2,418	410
Operation and Maintenance of Plant	764,718	791,217	(26,499)	81,444	83,294	(1,850)
Pupil Transportation	448,579	532,274	(83,695)	199	230	(31)
Central	22,414	6,911	15,503	0	0	0
Non-Instructional Services	12,517	11,083	1,434	2,075	1,075	1,000
Extracurricular Activities	134,687	147,833	(13,146)	55,129	54,995	134
Capital Outlay	41,746	37,135	4,611	600	0	600
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>6,439,530</b>	<b>6,599,095</b>	<b>(159,565)</b>	<b>474,380</b>	<b>498,471</b>	<b>(24,091)</b>
Excess of Revenues Over (Under) Expenditures	(103,196)	(229,459)	(126,263)	34,385	63,019	28,634
<b><u>Other Financing Sources (Uses):</u></b>						
Proceeds from Sale of Fixed Assets	14,703	14,703	0	0	0	0
Refund of Prior Year Expenditures	5,042	8,272	3,230	0	0	0
Refund of Prior Year Receipts	0	122	122	0	0	0
Advances In	46,100	900	(45,200)	0	1,276	1,276
Advances Out	(25,000)	(8,461)	16,539	0	0	0
Operating Transfers In	5,255	0	(5,255)	4,797	16,322	11,525
Operating Transfers Out	(69,981)	(106,230)	(36,249)	0	0	0
Other Financing Sources	771	0	(771)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(23,110)</b>	<b>(90,694)</b>	<b>(67,584)</b>	<b>4,797</b>	<b>17,598</b>	<b>12,801</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(126,306)	(320,153)	(193,847)	39,182	80,617	41,435
Fund Balances at Beginning of Year	262,738	262,738	0	53,562	53,562	0
Prior Year Encumbrances Appropriated	77,598	77,598	0	30,580	30,580	0
<b>Fund Balances at End of Year</b>	<b>\$214,030</b>	<b>\$20,183</b>	<b>(\$193,847)</b>	<b>\$123,324</b>	<b>\$164,759</b>	<b>\$41,435</b>

See accompanying notes to the general purpose financial statements

Debt Service Fund			Capital Projects Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$379,474	\$379,998	\$524	\$0	\$0	\$0	\$3,160,410	\$3,388,907	\$228,497
32,070	33,587	1,517	11,500	11,500	0	3,679,950	3,595,642	(84,308)
0	0	0	5,375	6,335	960	71,954	76,642	4,688
0	0	0	0	0	0	47,784	56,000	8,216
0	0	0	0	0	0	130,605	131,431	826
0	0	0	0	0	0	45,893	34,311	(11,582)
0	0	0	0	0	0	11,694	13,565	1,871
0	0	0	0	0	0	125,228	66,048	(59,180)
<u>411,544</u>	<u>413,585</u>	<u>2,041</u>	<u>16,875</u>	<u>17,835</u>	<u>960</u>	<u>7,273,518</u>	<u>7,362,546</u>	<u>89,028</u>
0	0	0	11,500	11,500	0	3,344,245	3,270,950	73,295
0	0	0	0	0	0	536,162	653,129	(116,967)
0	0	0	0	0	0	72,033	69,454	2,579
0	0	0	0	0	0	175,152	245,570	(70,418)
0	0	0	4,720	4,230	490	265,739	271,018	(5,279)
0	0	0	0	0	0	23,491	15,975	7,516
0	0	0	0	0	0	677,844	645,880	31,964
6,095	6,305	(210)	0	0	0	277,451	281,578	(4,127)
0	0	0	0	0	0	846,162	874,511	(28,349)
0	0	0	0	0	0	448,778	532,504	(83,726)
0	0	0	0	0	0	22,414	6,911	15,503
0	0	0	0	0	0	14,592	12,158	2,434
0	0	0	0	0	0	189,816	202,828	(13,012)
0	0	0	78,617	43,874	34,743	120,963	81,009	39,954
125,000	130,000	(5,000)	0	0	0	125,000	130,000	(5,000)
229,059	223,863	5,196	0	0	0	229,059	223,863	5,196
<u>360,154</u>	<u>360,168</u>	<u>(14)</u>	<u>94,837</u>	<u>59,604</u>	<u>35,233</u>	<u>7,368,901</u>	<u>7,517,338</u>	<u>(148,437)</u>
<u>51,390</u>	<u>53,417</u>	<u>2,027</u>	<u>(77,962)</u>	<u>(41,769)</u>	<u>36,193</u>	<u>(95,383)</u>	<u>(154,792)</u>	<u>(59,409)</u>
0	0	0	0	0	0	14,703	14,703	0
0	0	0	0	0	0	5,042	8,272	3,230
0	0	0	0	0	0	0	122	122
0	0	0	0	0	0	46,100	2,176	(43,924)
0	0	0	0	0	0	(25,000)	(8,461)	16,539
20,145	18,306	(1,839)	50,000	50,000	0	80,197	84,628	4,431
0	0	0	0	0	0	(69,981)	(106,230)	(36,249)
0	0	0	0	0	0	771	0	(771)
<u>20,145</u>	<u>18,306</u>	<u>(1,839)</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>51,832</u>	<u>(4,790)</u>	<u>(56,622)</u>
71,535	71,723	188	(27,962)	8,231	36,193	(43,551)	(159,582)	(116,031)
160,376	160,376	0	106,264	106,264	0	582,940	582,940	0
0	0	0	64,340	64,340	0	172,518	172,518	0
<u>\$231,911</u>	<u>\$232,099</u>	<u>\$188</u>	<u>\$142,642</u>	<u>\$178,835</u>	<u>\$36,193</u>	<u>\$711,907</u>	<u>\$595,876</u>	<u>(\$116,031)</u>

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**COMBINED STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN RETAINED EARNINGS  
PROPRIETARY FUND TYPE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	<u>Enterprise</u>
<b><u>Operating Revenues</u></b>	
Tuition	\$3,912
Sales	223,080
Other	13,880
Total Operating Revenues	240,872
<b><u>Operating Expenses</u></b>	
Salaries	103,421
Fringe Benefits	46,626
Purchased Services	32,873
Materials and Supplies	25,094
Cost of Sales	109,700
Depreciation	10,047
Other	444
Total Operating Expenses	328,205
Operating Loss	(87,333)
<b><u>Non-Operating Revenues</u></b>	
Federal Donated Commodities	12,371
Interest	1,636
Federal and State Subsidies	58,716
Total Non-Operating Revenues	72,723
Loss Before Operating Transfers	(14,610)
Operating Transfers In	21,602
Net Income	6,992
Retained Earnings at Beginning of Year	124,233
Retained Earnings at End of Year	\$131,225

See accompanying notes to the general purpose financial statements



**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**COMBINED STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)  
PROPRIETARY FUND TYPE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Enterprise Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b><i>Revenues:</i></b>			
Tuition	\$4,150	\$3,912	(\$238)
Sales	224,418	223,080	(1,338)
Interest	1,383	1,636	253
Federal and State Subsidies	53,786	58,308	4,522
Other	13,880	13,880	0
Total Revenues	<u>297,617</u>	<u>300,816</u>	<u>3,199</u>
<b><i>Expenses:</i></b>			
Salaries	89,404	112,447	(23,043)
Fringe Benefits	41,607	42,312	(705)
Purchased Services	22,555	26,415	(3,860)
Materials and Supplies	125,706	124,937	769
Other	321	444	(123)
Total Expenses	<u>279,593</u>	<u>306,555</u>	<u>(26,962)</u>
Excess of Revenues Over (Under) Expenses	18,024	(5,739)	(23,763)
Advances Out	(15,000)	0	15,000
Operating Transfers In	21,363	21,602	239
Excess of Revenues Over (Under) Expenses, Advances and Transfers	24,387	15,863	(8,524)
Fund Equity at Beginning of Year	13,655	13,655	0
Prior Year Encumbrances Appropriated	42	42	0
Fund Equity at End of Year	<u>\$38,084</u>	<u>\$29,560</u>	<u>(\$8,524)</u>

See accompanying notes to the general purpose financial statements

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**COMBINED STATEMENT OF CASH FLOWS  
PROPRIETARY FUND TYPE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	<u>Enterprise</u>
<i><u>Increase (Decrease) in Cash and Cash Equivalents:</u></i>	
<i><u>Cash Flows from Operating Activities:</u></i>	
Cash Received from Customers	\$226,992
Cash Received from Other Operating Sources	13,880
Cash Payments to Suppliers for Goods and Services	(148,700)
Cash Payments to Employees for Services	(106,448)
Cash Payments for Employee Benefits	<u>(42,312)</u>
Net Cash Used for Operating Activities	<u>(56,588)</u>
<i><u>Cash Flows from Noncapital Financing Activities:</u></i>	
Federal and State Subsidies	58,308
Transfers In	<u>21,602</u>
Net Cash Provided by Noncapital Financing Activities	<u>79,910</u>
<i><u>Cash Flows from Investing Activities:</u></i>	
Interest on Investments	<u>1,636</u>
Net Increase In Cash and Cash Equivalents	24,958
Cash and Cash Equivalents at Beginning of Year	<u>13,697</u>
Cash and Cash Equivalents at End of Year	<u><u>\$38,655</u></u>
<i><u>Reconciliation of Operating Loss to Net Cash Used for Operating Activities:</u></i>	
Operating Loss	<u>(\$87,333)</u>
<i><u>Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:</u></i>	
Donated Commodities Used During Year	12,371
Depreciation	10,047
<i><u>Changes in Assets and Liabilities:</u></i>	
Increase in Prepaid Items	(120)
Decrease in Inventory Held for Resale	141
Decrease in Materials and Supplies Inventory	398
Increase in Accounts Payable	580
Decrease in Accrued Wages and Benefits	(851)
Decrease in Compensated Absences Payable	(3,135)
Increase in Intergovernmental Payable	<u>11,314</u>
Total Adjustments	<u>30,745</u>
<b>Net Cash Used For Operating Activities</b>	<b><u><u>(\$56,588)</u></u></b>

See accompanying notes to the financial statements

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

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

Williamsburg 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 was established in 1922 through the consolidation of existing land areas and school districts. The School District serves an area of approximately 41 square miles. It is located in Clermont County, and includes all of the Village of Williamsburg and portions of Williamsburg and Jackson Townships. It is staffed by 51 non-certificated employees, 67 certificated full-time teaching personnel and 5 administrative employees who provide services to 1,146 students and other community members. The School District currently operates 2 instructional buildings.

*Reporting Entity:*

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Williamsburg Local School District, this includes general operations, food service, latchkey, and student 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 Village of Williamsburg and the Williamsburg County Library, which perform activities within the District's boundaries for the benefit of its residents, are excluded from the accompanying financial statements because the District is not financially accountable for these entities nor are they dependent on the District.

The School District is associated with four organizations, two of which are defined as jointly governed organizations and two are insurance purchasing pools. These organizations include the Hamilton/Clermont Cooperative Association, U. S. Grant Joint Vocational School, the Clermont

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**  
**(Continued)**

County Health Trust, and the Ohio School Boards Association Workers' Compensation Group Rating Plan. These organizations are presented in Notes 19 and 20 to the general purpose financial statements.

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

The financial statements of the Williamsburg Local 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 applied 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.

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 not recorded in the funds because they do not directly affect net available expendable 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) are accounted for through governmental funds. The following are the School District's governmental fund types:

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

*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 used to account for the proceeds of specific revenue sources (other than major capital projects) 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* - The 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 proprietary funds).

*Proprietary Fund Type:*

Proprietary funds are 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 only proprietary fund type:

*Enterprise Funds* - The enterprise funds are used to account for School District activities that are financed and operated in a manner similar to private business enterprises where the intent 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 it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

*Fiduciary Fund Type:*

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 governmental units, and/or other funds. The School District's only fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

*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 funds.

**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.

All proprietary funds are 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. The School District has no contributed capital. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., 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 fiscal year end.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

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

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.

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 type. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on 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 fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The Treasurer is authorized to further allocate Board of Education appropriations to the function and object level for all funds. Because the activity of agency funds is not budgeted, advances-in and advances-out do not equal on a budgetary basis by \$6,285 due to an advance from the general fund to the student activities agency fund.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

*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 Clermont 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 County 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 statements 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 is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level 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 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 fiscal year, one supplemental appropriation was legally enacted. It contained significant modifications.



**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

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 by the Board of Education, during the year for all funds at the object level, 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 fiscal 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. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet.

During fiscal year 2000, the School District's investments were limited to certificates of deposit, repurchase agreements and funds invested in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

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.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

The Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2000 amounted to \$72,077 which includes \$39,598 assigned from other School District funds. The capital projects fund and enterprise fund also received interest of \$6,335 and \$1,636, respectively.

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

**E. Inventory**

Inventories of proprietary funds are stated at the lower of cost or market. Cost is determined on a first-in, first-out basis. Inventories of proprietary funds consist of donated food, purchased food held for resale and supplies, and are expensed when used.

**F. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2000, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**G. 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 funds are capitalized in the 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 one hundred and fifty dollars. The School District does not have 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.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

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 of five to twenty years.

**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.

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

*Entitlements*

*General Fund*

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

*Non-Reimbursable Grants*

*Special Revenue Funds*

- Education Management Information Systems
- Disadvantaged Pupil Impact Aid
- Title I
- Title II
- Title VI
- Title VI-B
- Title VI-R
- Ohio Reads
- Professional Development Block Grant
- Comprehensive School Reform Demonstration Grant
- District Improvement Planning Grant
- Drug Free Schools Grant

*Capital Projects Fund*

- School Net

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

*Reimbursable Grants*

*General Fund*

Driver Education

*Special Revenue*

E-Rate

*Proprietary Funds*

National School Lunch Program

Government Donated Commodities

Grants and entitlements received in the governmental funds amounted to 49 percent of governmental fund revenue during the 2000 fiscal year.

**I. Interfund Assets/Liabilities**

Short-term interfund loans are classified as "interfund receivables" and "interfund payables".

**J. 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. The liability is an estimate based on the School District's past experience of making termination payments.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available 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 proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**K. 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, compensated absences and contractually required pension contributions 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 available expendable financial resources. Payments made more than sixty days after year-end are considered not to have used current financial available resources. Capital

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

leases, long-term loans and bonds are reported as a liability of the general long-term obligations account group until due.

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

**L. 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.

**M. Fund Balance Reserves**

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances 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. Estimates**

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

**O. Total Columns on General Purpose Financial Statements**

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 or results of operations 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.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Accountability**

At June 30, 2000, the following funds had deficit Fund Balances/Retained Earnings:

General Fund	\$337,314
Special Revenue Funds:	
Emergency Management Information System	1,064
Title VI-B	3,159
Title I	9,728
Enterprise Fund:	
Preschool	5,982

The general fund deficit fund balance was due to adjustments for accrued liabilities. The District is monitoring the general fund deficit and will take appropriate action if deemed necessary. The deficits in the special revenue and enterprise funds were created by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur. The School District is tracking the fees collected in the preschool fund to see if an increase in charges is necessary.

**B. Compliance**

**Budgetary:** The following funds had an excess of expenditures plus encumbrances over appropriations for the fiscal year ended June 30, 2000:

	Excess
<b>General Fund</b>	\$179,153
<b>Special Revenue Funds:</b>	
Classroom Facilities Maintenance	2,203
Emergency Management Information Systems	283
Miscellaneous State Grant	6,723
Title VI-B	2,191
Title I	5,806

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

E-Rate	1,343
Title VI-R	5,638
<b>Debt Service Fund</b>	<b>14</b>
<b>Enterprise Fund:</b>	
Food Service	5,963
PreSchool	5,998

Ohio Revised Code Section 5705.10, states that money that is paid into a fund must be used only for the purpose for which such fund has been established. As a result, a negative fund balance indicates that money from one fund was used to cover the expense of another fund. At June 30, 2000, the General Fund (001) had a cash basis negative cash fund balance of \$24,575. However, the District includes funds 018, 007 and 014 with fund 001 for financial reporting purposes. These other funds had a positive cash balance of \$140,930, and when combined with the negative cash balance in fund 001, the General Fund presents Equity in Pooled Cash and Cash Equivalents at June 30, 2000, of \$116,355.

**Set-aside Calculations:** The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. The School District is also required to set aside money for budget stabilization.

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

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside Reserve Balance as of July 1, 1999	\$0	\$0	\$32,393
Current Year Set-aside Requirement	149,111	149,111	49,704
Additional Money Set Aside	354	400	35,818

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

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

Current Year Offsets	0	(102,211)	(32,408)
Qualifying Disbursements	<u>(149,111)</u>	<u>(46,900)</u>	<u>0</u>
Required Set-aside Balances Carried Forward to FY 2001	<u>\$354</u>	<u>\$400</u>	<u>\$85,507</u>
Set-aside Reserve Balances as of June 30, 2000	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

The District did not restrict cash equivalents as required by state law. Therefore, the District did not report restricted assets or the corresponding reserve or fund balance at June 30, 2000.

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations, and changes in fund balances/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) - Proprietary Fund Type 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).
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 disclosure in the proprietary fund type (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type:



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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
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(Continued)**

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (Continued)**

Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses All Governmental Fund Types				
	General	Special Revenue	Debt Service	Capital Projects
GAAP Basis	(\$247,501)	\$95,498	\$76,429	\$40,910
Adjustments:				
Revenue Accrual	27,864	(5,909)	(4,706)	0
Expenditure Accrual	3,217	14,381	0	(14,448)
Encumbrances	(96,172)	(24,629)	0	(18,231)
Advances	(7,561)	1,276	0	0
Budget Basis	<u>(\$320,153)</u>	<u>\$80,617</u>	<u>\$71,723</u>	<u>\$8,231</u>

Net Income/Excess of Revenues  
Over Expenses, Advances and Transfers  
Proprietary Fund Type

	<u>Enterprise</u>
GAAP Basis	\$6,992
Adjustments:	
Revenue Accruals	(408)
Expense Accruals	8,327
Depreciation Expense	10,047
Encumbrances	(9,095)
Budget Basis	<u>\$15,863</u>

**NOTE 5 - 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 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.

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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
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(Continued)**

**NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)**

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal 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 must not exceed thirty days;
4. Bond 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) 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 (STAROhio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
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(Continued)**

**NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)**

8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the 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 only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

***Cash on Hand*** At year end, the School District had \$650 in undeposited cash on hand which is included on the balance sheet of the School District as part of "Equity in Pooled Cash and Cash Equivalents."

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

***Deposits*** At year end, the carrying amount of the School District's deposits was (\$60,505) and the bank balance was \$168,387. Of the bank balance:

1. \$167,215 was covered by federal depository insurance; and
2. \$1,172 was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the School District held to a successful claim by the FDIC.

***Investments*** The School District's investments are required to be categorized to give an indication of the level of risk assumed by the School District at fiscal 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. STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)**

	Category 3	Carrying/Fair Value
Repurchase Agreement	\$227,507	\$227,507
STAR Ohio	0	638,577
Total	\$227,507	\$866,084

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, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

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

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No.9	\$806,229	\$0
Cash on Hand	(650)	0
Investments:		
Repurchase Agreements	(227,507)	227,507
STAR Ohio	(638,577)	638,577
GASB Statement No. 3	(\$60,505)	\$866,084

**NOTE 6 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2000 for real and public utility property taxes represents collections of calendar 1999 taxes. Property tax payments received during calendar 2000 for tangible personal property (other than public utility property) are for calendar 2000 taxes.

2000 real property taxes are levied after April 1, 2000, on the assessed value as of January 1, 2000, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 6 - PROPERTY TAXES (Continued)**

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 2000 public utility property taxes became a lien December 31, 1999, are levied after April 1, 2000, and are collected in 2001 with real property taxes.

2000 tangible personal property taxes are levied after April 1, 1999, on the value as of December 31, 1999. Collections are made in 2000. Tangible personal property assessments are twenty-five percent of true value.

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

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

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

	1999 Second- Half Collections		2000 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$62,390,910	67.15%	\$73,158,710	68.21%
Public Utility	7,557,750	8.14	7,579,830	7.07
Tangible Personal Property	22,960,622	24.71	26,514,760	24.72
Total Assessed Value	\$92,909,282	100.00%	\$107,253,300	100.00%
Tax rate per \$1,000 of assessed valuation	\$49.70		\$49.90	

The School District receives property taxes from Clermont and Brown Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property taxes payments collected by the County by June 30, 2000, are available to finance fiscal year 2001 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes which became measurable as of June 30, 2000. Although

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 6 - PROPERTY TAXES (Continued)**

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 fiscal 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 \$294,563 in the general fund, \$5,800 in the classroom facilities special revenue fund and \$47,113 in the debt service fund.

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2000, consisted of property taxes, accounts (rent, billings for user charged services, and student fees), interfund, interest, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
General Fund:	
Driver Education	\$850
Customer Services	30,581
Total General Fund	31,431
Special Revenue Fund:	
District Managed Activity	109
Enterprise Fund:	
Food Service	7,131
Total All Funds	\$38,671

**NOTE 8 - FIXED ASSETS**

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

Furniture and Equipment	\$218,782
Less Accumulated Depreciation	(79,290)
Net Fixed Assets	\$139,492

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 8 - FIXED ASSETS (Continued)**

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

Asset Category	Balance at 7/01/99	Additions	Deletions	Balance at 6/30/00
Land and Improvements	\$1,260,006	\$6,648	\$0	\$1,266,654
Buildings and Improvements	11,336,740	62,352	0	11,399,092
Furniture, Fixtures and Equipment	2,049,636	113,416	1,339	2,161,713
Vehicles	551,739	60,303	0	612,042
Construction In Progress	49,663	0	49,663	0
<b>Totals</b>	<b>\$15,247,784</b>	<b>\$242,719</b>	<b>\$51,002</b>	<b>\$15,439,501</b>

**NOTE 9 - 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 Nationwide Insurance for fleet and liability insurance, and contracted with Indiana Insurance for property and inland marine coverage. Coverages provided are as follows:

Building and Contents-replacement cost (\$500 deductible)	\$22,174,890
Additional Miscellaneous Property Damage (\$500 deductible)	10,000
Inland Marine Coverage (\$500 deductible)	included above
Additional Inland Marine Coverage	116,509
Boiler and Machinery (\$500 deductible)	included above
Automobile Liability (\$0 deductible)	2,000,000
Uninsured Motorists (\$0 deductible)	1,000,000
General Liability	
Per occurrence	2,000,000
Total per year	5,000,000
Fire Damage Limit	100,000
Medical Expense Limit	5,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage from last year.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 9 - RISK MANAGEMENT (Continued)**

For fiscal year 2000, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 20). 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 Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

For fiscal year 2000, the School District participated in the Clermont County Health Trust (the Trust), a group insurance purchasing pool (Note 20), in order to provide dental, life, medical, and disability benefits to employees, their dependents and designated beneficiaries and to set aside funds for such purposes. The Trustee provides insurance policies in whole or in part through one or more group insurance policies.

**NOTE 10 - DEFINED BENEFIT PENSION PLANS**

**A. 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. That report may be obtained by writing to the School Employees Retirement System, 45 N. 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. The contribution requirements of plan members and employers 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 \$49,870,



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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)**

\$70,181 and \$85,184, respectively; 40.55 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$29,646 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.

**B. 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. That 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 salaries. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendations 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 \$189,895, \$161,725 and \$302,106, respectively; 82 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$34,183 represents the unpaid contribution for fiscal year 2000 and is recorded as a liability within the respective funds.

**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, two 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 on a pay-as-you-go basis.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the 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 \$253,194 for fiscal year 2000.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 1999, (the latest information available) the balance in the Fund was \$2,783 million. 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 6.30 percent for fiscal year 1999. 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 was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2000 fiscal year equaled \$115,217.

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 the annual health care expenses. Expenses for health care for the fiscal year ended 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 participants currently receiving health care benefits.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 12 - EMPLOYEE BENEFITS**

**Compensated Absences**

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and non-certified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 220 days for all employees. For non-certified employees, upon retirement, payment is made for 25 percent of accrued, but unused sick leave credit to a maximum of 50 days. For certified employees, the District is offering a retirement incentive during the first year that an employee becomes eligible to retire. The incentive is 60% (three annual payments) or 50% (two annual payments) of accrued, but unused sick leave, up to a maximum of 220 days.

**NOTE 13 - CAPITALIZED LEASES - LESSEE DISCLOSURE**

In prior years, the District had entered into a capitalized lease for the acquisition of computer hardware and software. The terms of the agreement provide options to purchase the equipment. 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 to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the General Purpose Financial Statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

General fixed assets acquired by lease have been capitalized in the general fixed assets account group in the amount of \$400,264 which is equal to the present value of the future 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 \$77,780.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2000.

<u>Fiscal Year Ending June 30,</u>	<u>Payment</u>
2001	\$92,215
2002	92,215

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
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**NOTE 13 - CAPITALIZED LEASES - LESSEE DISCLOSURE (Continued)**

	2003	46,107
Total Minimum Lease Payments		230,537
Less: Amount Representing Interest		(17,282)
Present Value of Minimum Lease Payments		\$213,255

**NOTE 14 - LONG-TERM OBLIGATIONS**

The changes in the School District's long-term obligations during fiscal year 2000, were as follows:

	Amount Outstanding 7/01/99	Additions	Deductions	Amount Outstanding 6/30/00
<u>General Obligation Bonds:</u>				
1996 New High School Bond - 3.4%	\$4,005,000	\$0	\$115,000	\$3,890,000
1992 Energy Conservation Loan - 5.75%	65,000	0	15,000	50,000
Total Long-Term Bonds and Loans	4,070,000	0	130,000	3,940,000
Capital Lease Payable	291,035	0	77,780	213,255
Pension Obligation	40,046	64,210	40,046	64,210
Compensated Absences	514,025	24,237	0	538,262
Total General Long-Term Obligations	\$4,915,106	\$88,447	\$247,826	\$4,755,727

The 1996 New High School General Obligation Bonds were issued in the amount of \$4,255,000 in March, 1996 as a result of the School District being approved for a \$6,360,000 school facilities loan. The School District issued the general obligation bonds to provide a partial cash match for the school facilities loans. As a requirement of the loans, the School District was required to pass a 4.67 mill levy. The 4.67 mill levy, of which .5 mill is used for retirement of the loan, will be in effect for twenty-three years. The bonds will be repaid with tax revenue from the remainder of the levy from the debt service fund.

In October, 1997, the School District was notified by the Ohio School Facilities Commission that they would not be responsible for repaying the remainder of the classroom facilities loan to the State because the School District's adjusted valuation per pupil, was less than the state-wide median adjusted valuation per pupil. In lieu of the repayment, the School District must set aside the funds that would have been used for repayment for facilities maintenance. As part of this process, the School District must submit a maintenance plan to the Ohio School Facilities Commission every five

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
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**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
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**NOTE 14 - LONG-TERM OBLIGATIONS (Continued)**

years until the twenty-three year period expires. If the School District's adjusted valuation per pupil increases above the state-wide median adjusted valuation during the twenty-three year period, the School District may become responsible for repayment of a portion of the State's contribution.

Energy Conservation Loan - On October 1, 1992, Williamsburg Local School District issued \$135,000 in unvoted general obligation notes for the purpose of providing energy conservation measures for the School District, under the authority of Ohio Revised Code Sections 133.06(G) and 3313.372. The notes were issued for a ten year period with final maturity during fiscal year 2003. The loan will be retired from the debt service fund.

Compensated absences and the pension obligation will be paid from the fund from which the employees' salaries are paid. Capital lease obligations will be paid from the general fund.

The School District's overall legal debt margin was \$6,042,009, with an unvoted debt margin of \$107,253 at June 30, 2000.

Principal and interest requirements to retire general obligation debt outstanding at June 30, 2000, are as follows:

**GENERAL OBLIGATION BONDS**

Fiscal year Ending June 30,	Principal	Interest	Total
2001	\$115,000	\$215,528	\$330,528
2002	120,000	210,650	330,650
2003	125,000	205,443	330,443
2004	130,000	199,895	329,895
2005	140,000	193,884	333,884
2006-2010	880,000	755,720	1,635,720
2011-2015	1,190,000	452,000	1,642,000
2016-2019	1,190,000	122,750	1,312,750
Total	<u>\$3,890,000</u>	<u>\$2,355,870</u>	<u>\$6,245,870</u>

**ENERGY CONSERVATION LOAN**

Fiscal year Ending June 30,	Principal	Interest	Total
2001	\$15,000	\$2,444	\$17,444
2002	15,000	1,581	16,581
2003	20,000	575	20,575
Total	<u>\$50,000</u>	<u>\$4,600</u>	<u>\$54,600</u>

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 15 - INTERFUND ACTIVITY**

As of June 30, 2000, receivables and payables that resulted from various interfund transactions were as follows:

Fund Type/Fund	Interfund Receivables	Interfund Payables
General Fund	\$8,461	\$0
Special Revenue Fund:		
Ohio Reads		1,276
Agency Fund:		
Student Activities	0	7,185
Total All Funds	\$8,461	\$8,461

**NOTE 16 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The School District maintains two enterprise funds to account for the operations of food service and preschool program. 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.

	Food Service	Preschool	Total Enterprise Funds
Operating Revenues	\$236,960	\$3,912	\$240,872
Depreciation Expense	10,047	0	10,047
Operating Loss	(59,750)	(27,583)	(87,333)
Donated Commodities	12,371	0	12,371
Federal and State Subsidies	58,716	0	58,716
Operating Transfers	0	21,602	21,602
Net Income (Loss)	12,974	(5,982)	6,992
Net Working Capital	8,494	(5,982)	2,512

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 16 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS (Continued)**

Total Assets	191,925	16	191,941
Total Equity	(137,207)	5,982	131,225
Encumbrances Outstanding at June 30, 2000	(9,095)	0	(9,095)

**NOTE 17 - SCHOOL FUNDING COURT DECISION**

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 2000, the School District received \$2,809,818 of school foundation support for its general fund.

In addition, the Court declared the classroom facilities program unconstitutional, because, in the Court's opinion, the program had not been sufficiently funded by the State. The classroom facilities program provided money to build schools and furnish classrooms. As of June 30, 2000, the School District had received a total of \$7,962,852 under this program.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County 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 appealed the decision made by the Court of Common Pleas to the Ohio 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.

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 17 - SCHOOL FUNDING COURT DECISION (Continued)**

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 these programs and on its financial operations.

**NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Hamilton/Clermont Cooperative Association**

The Williamsburg Local School District is a participant in a two county consortium of school districts to operate The Hamilton/Clermont Cooperative Association (H/CCA). H/CCA is an association of public districts in a geographic area determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The Board of H/CCA consists of one representative from each of the participating members. The School District paid \$5,000 for services provided during the fiscal year. Complete financial statements for H/CCA can be obtained from Al Porter, director, at their administrative offices at 7615 Harrison Avenue, Cincinnati, Ohio 45231.

**B. U.S. Grant Joint Vocational School**

The U.S. Grant Joint Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the four participating school districts' elected board with an additional representative rotated among the four schools. The Vocational School possesses its own budgeting and taxing authority. To obtain financial information write to the U.S. Grant Joint Vocational School, Patti Patton, who serves as Treasurer, at 3046 State Route 125, Bethel, Ohio 45106.

**NOTE 19 - INSURANCE PURCHASING POOL**

**A. Clermont County Health Trust**

The Clermont County Health Trust (the Trust), an insurance purchasing pool, is a health trust formed to provide affordable and desirable dental, life, medical, and other disability group insurance for members' employees, eligible dependents and designated beneficiaries of such employees. The Board of Directors consists of one representative from each of the participating members and are elected by the vote of a majority of the member school districts. The School District pays premiums to a third party administrator, Educational Purchasing Council, which in turn buys the insurance policies from various insurance companies. Upon termination, the School District is responsible for prompt payment of all plan liabilities accruing as a result of such termination and maintains no right to any assets of the Trust. The School District may terminate participation in the Trust for the benefit of its employees upon written notice to the Trustee delivered at least sixty days prior to the annual review



**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**NOTES TO THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Continued)**

**NOTE 19 - INSURANCE PURCHASING POOL (Continued)**

date of the policy. Financial information can be obtained from Dr. Alexander, administrator of the Clermont County Health Trust, at P.O. Box 526 Middletown, Ohio 45042.

**B. Ohio School Boards Association Workers' Compensation Group Rating Plan**

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

**NOTE 20 - CONTINGENCIES**

**A. Grants**

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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.

**B. Litigation**

The School District is not party to legal proceedings.

**NOTE 21 - SUBSEQUENT EVENTS**

On July 11, 2000, the School District entered into two construction contracts, with Indell Construction Corporation and Luce Electric Company, in the amount of \$32,010 and \$51,419, respectively, for the construction and renovation of an athletic complex. The project was completed in August of 2000. On July 24, 2000, the School District also entered into contracts with Indell Construction Corporation in the amount of \$24,200 and \$20,100, respectively. On September 1, 2000, contracts were entered into with Argo Construction Company in the amounts of \$31,800, and \$55,500.

Due to recently passed legislation, the School District will not be required to re-pay any portion of the Ohio School Facilities Commission Loan, even if the adjusted valuation per pupil exceeds the state- wide median.

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**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

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

<b>FEDERAL GRANTOR</b> Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster: Food Distribution Program		10.550		\$12,130		\$12,371
National School Lunch Program		10.555	\$61,991		\$61,991	
Total U.S. Department of Agriculture - Child Nutrition Cluster			61,991	12,130	61,991	12,371
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster: Special Education Grants to States (IDEA Part B)	6BSF-98 6BSF-99	84.027	12,928 38,473		13,932 35,356	
Total Special Education Cluster			51,401		49,288	
School To Work	WKBE-98	17.249	5,000		5,000	
Grants to Local Educational Agencies (ESEA Title I)	C1S1-99 C1S1-00	84.010	137,826 137,826		22,356 125,016 147,372	
Innovative Educational Program Strategies	C2S1-99 C2S1-00	84.298	724 5,526 6,250		2,502 1,087 3,589	
Drug-Free Schools Grant	DRS1-98 DRS1-99 DRS1-00	84.186			590 161 3,907 4,658	
Eisenhower Professional Development Grant	MSS1-98 MSS1-00	84.281	4,926			
Comprehensive School Reform	RFS1-99 RFS1-00	84.332	62,500 75,000 137,500		39,867 39,867	
Title VI-R	CR-S1-00	84.340	15,768		9,996	
Total Department of Education			363,566		259,770	
<b>TOTAL FEDERAL ASSISTANCE</b>			<b>\$425,557</b>	<b>\$12,130</b>	<b>\$321,761</b>	<b>\$12,371</b>

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

**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

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

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) is a summary of the activity of the District's federal awards programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

Non-monetary 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. Federal cash receipts are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2000, the District had no significant food commodities in inventory.



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OFFICE OF THE AUDITOR

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

Williamsburg Local School District  
Clermont County  
549-A West Main Street  
Williamsburg, Ohio 45176

To the Board of Education:

We have audited the financial statements of the Williamsburg Local School District, Clermont County, Ohio (the District), as of and for the fiscal year ended June 30, 2000, and have issued our report thereon dated December 21, 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2000-10413-001. We also noted certain immaterial instances of noncompliance that we have reported to the management of the District in a separate letter dated December 21, 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 other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 21, 2000.

Williamsburg Local School District  
Clermont County  
Report 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, and the Board of Education, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

December 21, 2000



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

Williamsburg Local School District  
Clermont County  
549-A West Main Street  
Williamsburg, Ohio 45176

To the Board of Education:

**Compliance**

We have audited the compliance of the Williamsburg Local School District, Clermont County, Ohio (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 each of its major federal programs for the fiscal year ended June 30, 2000. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of 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 each of its major federal programs for the fiscal 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.

Williamsburg Local School District  
Clermont County  
Report on Compliance with Requirements Applicable to Each Major  
Federal Program and Internal Control Over Compliance  
in Accordance with OMB Circular A-133  
Page 2

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

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

December 21, 2000



**WILLIAMSBURG LOCAL SCHOOL DISTRICT  
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .500  
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)?	Yes
(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 1- CFDA #84.010 Title VI-B - CFDA #84.027
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A > \$300,000 Type B - all other programs
(d)(1)(ix)	Low Risk Auditee?	No

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

**FINDING NUMBER 2000-10413-001**

Ohio Rev. Code, Section 5705.10, states money that is paid into a fund must be used only for the purpose for which such fund has been established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund. The General Fund (001) had a negative fund balance at year-end of (\$24,575) at June 30, 2000. The District includes the Public School (018), Special Trust (007) and The Centre (014) funds in the General Fund for financial reporting purposes. These other funds had positive cash balance of \$140,930, and when combined with the negative cash balance in fund 001, the General Fund presents a positive cash balance of \$116,355 at June 30, 2000.

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

(Continued)

As a result of the negative cash balance in fund 001, the District did not maintain sufficient cash balances to fund the cash reserves required by the Ohio Rev. Code, Section 3315.17 and 3315.171 (textbooks); 3315.18 and 3315.181 (capital); and Ohio Admin. Code, Section 3301-92-01 (textbooks) and 3301-92-02 (capital). The District did establish these reserve accounts on their books, but did not have enough cash to fund them.

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

None



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**WILLIAMSBURG LOCAL SCHOOL DISTRICT**

**CLERMONT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY 01, 2001**