

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

***BUTLER COUNTY JOINT VOCATIONAL
SCHOOL DISTRICT
BUTLER COUNTY, OHIO***

Year Ended June 30, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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To the Board of Education
Butler County Joint Vocational School District

We have reviewed the independent auditor's report of the Butler County Joint Vocational School District, Butler County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2000 through June 30, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

December 31, 2001

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BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

BUTLER COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2001

Prepared by:
Office of the Treasurer

Wayne D. Bethel

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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*Butler County Joint Vocational
School District, Ohio*

INTRODUCTORY SECTION



Butler County Joint Vocational School District

3603 Hamilton-Middletown Road Hamilton, OH 45011
Phone (513) 868-1911 Fax (513) 868-9348
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Joseph L. Lupo
Superintendent

Wayne D. Bethel
Treasurer

November 2, 2001

TO THE CITIZENS AND BOARD OF EDUCATION OF THE BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Butler County Joint Vocational School District (District) for the year ended June 30, 2001. The report contains financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 2000-01 fiscal year.

Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the financial position, results of operations, and cash flows of the various funds and account groups of the District.

This report was prepared in accordance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District.

This report has been divided into three sections:

The Introductory Section includes a table of contents, transmittal letter, a list of principal officials, and the District's organizational chart.

The Financial Section includes the unqualified opinion of our independent auditors, Clark, Schaefer, Hackett & Co., the general purpose financial statements, and the combining and individual fund and account group financial statements and schedules.

The Statistical Section includes selective financial, economic, and demographic information generally presented on a multi-year basis for comparative purposes.

This report includes all funds and account groups of the District.

DESCRIPTION OF THE DISTRICT

As a joint vocational school (JVS) district organized under Section 3311.18 of the Ohio Revised Code, the Vocational Education Planning District (VEPD) provides career-technical education programs to nine member school districts. Member school districts are Edgewood, Fairfield, Lakota, Madison, Middletown, Monroe, New Miami, Ross, and Talawanda.

The District is comprised of four major divisions: secondary education, adult education, Workforce Development Center and the Police Training Institute.

D. Russel Lee Career~Technology Center offers a variety of training programs designed to give high school students technical skills, and the satellite programs offered in the members' school buildings offer middle and high school students the career-technical programs, needed in today's global economy. Programs provide quality career training for the students of Butler County by incorporating the latest technology with exemplary classroom instruction.

As part of their programs, students are involved in career-technical student organizations that allow students to participate in both skill events and leadership activities.

In addition to middle school and high school programs, the District offers a wide variety of part-time and full-time training programs to adults. Over 4,000 adults enroll in these programs yearly.

As a state designated Adult Education Full Service Center, Adult Education offers both full-time and part-time options, including Public Safety Service and Law Enforcement Training. Full-time programs include applied academics and basic skills enhancement as well as employability skills updates.

Part-time programs provide adult students with opportunities to receive training in specific skill areas in a brief 4-6 week period. These courses can be used to enhance current skills or generate new skills that are useful in the workplace.

Located in the Educational Resource Center, the Workforce Development Center focuses on customized training for business and industry and is comprised of three programs which deliver a variety of workforce training solutions, including: Customized Office Skills Training, Diversified Industrial Training, and Safety and Compliance Training.

During the 2000-01 year, the Workforce Development Center offered 151 programs and trained 1,644 individuals in classes customized to meet needs of individual businesses.

The mission of the Workforce Development Center is to assess the workforce training needs of a company, create customized, cost-effective training programs to address those needs; and then deliver the training at the company's location or at the District's state-of-the-art training facilities.

The Police Training Institute (PTI) became a division of the Butler County Joint Vocational School District in January 2001. PTI is responsible for providing advanced law enforcement training opportunities to working law enforcement officers throughout the United States. So far 762 students representing 145 different agencies have been served.

FISCAL AGENT ACTIVITIES

The District serves as fiscal agent for the Southwest Ohio Computer Association. Therefore, this fiduciary responsibility is included in the reporting entity as an agency fund. Because of its independent nature, this organization's financial statements are not included in this report.

Southwest Ohio Computer Association (SWOCA)

SWOCA is responsible for the provision of comprehensive educational computer services to participating school districts located in Butler, Hamilton, Preble, and Warren County areas. The Association serves as a link between the school districts and the Ohio Department of Education, enabling the districts to meet the requirements of the Uniform School Accounting System and other administrative mandates.

COMMUNITY INVOLVEMENT

The District endeavors to foster cooperative relationships with business and industry, professional organizations, associate school districts, and other interested, concerned groups and organizations to consider, plan, and implement educational programs designed to meet the common needs and interests of students.

BUSINESS-SCHOOL PARTNERSHIPS

The business-school partnerships are formal, voluntary relationships between the District and businesses. This partnership brings together businesses and the District in order to address specific educational goals and objectives. Partnerships also give the District insight into the educational and training needs of business and industry.

One way in which the District involves the business community is through program advisory committees. These committees are comprised of individuals who agree to serve as advisors for one or more career-technical programs. Membership may include former students; parents of current students; and representatives of business, industry, labor, and community agencies. These members can provide valuable advice, guidance, and assistance in providing opportunities for students to understand and learn the basic skills necessary to succeed.

ECONOMIC CONDITION AND OUTLOOK

The District is located in Butler County. Established in 1803, Butler County is located in Southwestern Ohio between Hamilton and Montgomery Counties, and shares boundaries with Preble County to the north, Warren County to the east, and the State of Indiana to the west.

The economic outlook for Butler County continues to be optimistic and favorable. Through its Enterprise Zone program, Butler County initiated tax incentives to a number of companies that are expanding within or relocating to Butler County.

Economic development efforts have substantially increased real estate and personal property investments and employment opportunities. The average unemployment rate in Butler County is 3.2 percent.

As one of the fastest growing counties in Ohio, Butler County has experienced an expanding residential population, which requires more housing and services. The number of residents has increased over the past twenty years by an estimated 38%. Housing starts within unincorporated parts of the County have escalated, including areas such as Union, Liberty and Fairfield Townships. This growth is largely attributable to a combination of available land for development, new housing, and a favorable per capita income growth.

The completion of the Interstate 75 and Butler County Regional Highway interchange will help Butler County to continue to attract new business and industry. It also eliminated the unique situation of the City of Hamilton being the largest city in the United States to not have direct access to an interstate highway. Real and personal property investment, as well as new employment opportunities, are expected to grow at an incredible pace as a direct result of roadway infrastructure improvements.

The favorable economic outlook for Butler County will increase the stability and retention of long standing Butler County companies, including but not limited to AK Steel, Cincinnati Financial Corporation and the Ohio Casualty Insurance Company, which employ 4,250, 2,000 and 1,500 people respectively. Financial services, paper manufacturing, retail stores, and medical companies complete the list of top employers. All of these larger companies create the need for a variety of smaller businesses to service their corporate and employee needs.

As a result of Butler County's economic growth, the District's total assessed property values for the 2001 collection year increased \$307,857,801 to a total of \$5,238,167,590 for a 6.2 per cent increase. As a result of increasing property values and financial accountability initiatives begun on January 1, 1996, the District continues to operate on it's original voted millage of 1.43, approved in 1972, and .50 millage, approved in 1977, for a total millage of 1.93.

ORGANIZATION OF THE DISTRICT

The District is governed by a nine (9) member board of directors representing the nine participating Butler County school districts. Each of the nine (9) member school districts has direct representation through board members (elected to their local school district board) and appointed to serve on the JVS board for a two-year term.

The JVS Board holds power and authority for the management and control of the joint vocational school district (Section 3311.19(A) of the Ohio Revised Code). Section 3311.19 (D) vests in the joint vocational school district board of education the same powers, duties, and authorities as granted by law to a board of education of a city school district and all provisions of law that apply to a city school district (excluding jurisdiction by a city civil service commission).

The Board serves as the taxing authority, contracting body and policy initiator for the operation of the District and is also responsible for the tax budget and the annual operating budget. The Board has only those powers and authority conferred upon it by the Ohio Revised Code.

The current Board members, their terms, and years on the Board as of June 30, 2001 are:

<u>Board Member</u>	<u>Term</u>	<u>Years on Board</u>
Alberta Derrough	1/12/00 - 12/31/01	9.5
Mike Oler	1/10/01 - 12/31/02	9.5
Sharon Anderson	1/10/01 - 12/31/02	5.5
Sue Price	1/10/01 - 12/31/02	4.5
Richard Emery	1/12/98 - 12/31/01	3.5
Dr. Donald Barnhart	1/12/00 - 12/31/01	1.5
Katie McNeil	1/12/00 - 12/31/01	1.5
Daniel Warncke	1/12/00 - 12/31/01	1.5
Thomas Birdwell	1/10/01 - 12/31/02	.5

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all educational and support operations of the District. Mr. Joseph L. Lupo serves as the District's Superintendent. Initially employed by the Board as Superintendent effective November 27, 1995, the Board approved a new three-year contract on February 18, 1998 effective August 1, 1999 through July 31, 2002. Mr. Lupo has been in the education profession for 35 years; 16 years as a teacher, 4 years as a central office district director, and 15 as a vocational school superintendent. Mr. Lupo holds a B.S. Degree from Miami University of Ohio and a M.Ed. Degree from Youngstown State University. He has completed post-masters work at Kent State University, Walsh University and Youngstown State University.

The Treasurer is the chief financial officer of the District and is responsible directly to the Board for all financial operations, investments, and maintains custody of all District funds as well as serving as Secretary to the Board. Mr. Wayne D. Bethel was initially hired by the District as interim Treasurer effective December 1, 1997 through December 31, 1997 and appointed as Treasurer January 1, 1998. Mr. Bethel was awarded a four-year contract as Treasurer, which will expire at the Board's Organizational meeting in January 2004. Mr. Bethel has served as a school Treasurer since 1975 and holds a B.B.A. from Wheeling Jesuit College, an associate degree in accounting from Belmont Technical College. Mr. Bethel is recognized by the Ohio Association of School Business Officials as a registered School Business Fiscal Officer.

All other District employees are responsible to the Superintendent and are employed by the Board upon the recommendation of the Superintendent.

THE DISTRICT'S FACILITIES

The District serves an area of approximately 450 square miles, encompassing a geographic area consistent with the boundaries of its nine member school districts.

The District provides career-technical education for nine school districts. The D. Russel Lee Career~Technology Center served 586 high school students, and our seventy-five satellite career-technical training programs located in twenty-two member district school buildings served 5,531 middle school and high school students.

The District also operates a central administration building (Educational Resource Center) and fire training facilities located on the campus of D. Russel Lee Career~Technology Center.

EMPLOYEE RELATIONS

The District has approximately 213 full-time and 166 part-time teachers and support service staff. A majority of the teachers and support staff are recognized by the collective bargaining agreement and represented by the Butler Vocational Education Association (BVEA). This number represents a decrease from the prior collective bargaining agreement based on right-sizing (reorganizing) of District operations on an ongoing basis to more effectively and efficiently utilize available human and fiscal resources.

The District has a three-year agreement with its bargaining unit member expiring June 30, 2004.

The District also employs central office leadership staff; central office exempted employees; and part-time, casual, and seasonal employees who are not represented by the bargaining unit.

DEPARTMENT FOCUS

Professional Representation

Many of the District's instructors serve as members and officers on state level educational committees and professional education associations. The Board of Education encourages and supports their professional participation.

MAJOR INITIATIVES

Academic Courses

In response to state legislation (Senate Bill 55), associate school district graduation requirements, apprenticeship council standards, and post-secondary institution entrance qualifications, the District continues to implement educational pathways that include a wide variety of academic offerings. This allows students to be scheduled in academic classes according to their ability and their specific program. This change has provided program completers with flexibility regarding future job and educational opportunities. As a result of this improvement in academic programming offered to students, the district received a \$100,000 Continuous Improvement Incentive Grant from the Ohio Department of Education.

New Vocational Program

In order to provide career training programs which meet the needs of all students, the Butler County Joint Vocational School District instituted a new secondary program at D. Russel Lee Career~Technology Center.

The Commercial Arts program develops skills in various applications of design, layout and production principles. Computers are an important part of this industry, and students will be qualified for a promising career upon completion of this program.

Renovation/Addition to D. Russel Lee Career~Technology Center

The Butler County Joint Vocational School District continued renovations of the D. Russel Lee Career~Technology Center and completed the construction of a new 58,000 square foot addition to the facility.

The newly constructed area houses classrooms and labs for the district's public safety services department, including the Police Basic Training Academy, Paramedic Training, Practical Nursing, and Firefighter Training programs.

The State Department of Education approved the project and authorized the District to issue unvoted bonds in the amount of \$4,500,000. The bonds were issued on March 1, 2001 at 3.6% and are scheduled to mature in 2003.

The State Controlling Board, in conjunction with the State Department of Education, has also approved \$3.1 million in interest free loans from the Division of Career-Technical and Adult Education Building/Equipment Assistance fund.

The new addition include offices for the Adult Education department; state-of-the-art high school science labs; two computer labs.

Driving Simulators Purchased

The District purchased two Patrol-Sim® simulators for use in training police officers in the proper techniques of pursuit driving. The simulators will provide trainees with the opportunity to experience the dangers of high-speed pursuits and emergency vehicle operations without the risk of placing them in actual vehicles.

The systems feature three 35" X 20" video screens, which surround the trainee, and system audio, which is comprised of actual sounds recorded from inside real vehicles.

With 70 training scenarios available, officers can simulate day or night driving as well as a range of weather conditions, including rain, snow, and fog. Vehicles such as a police cruiser, ambulance, and fire truck can be driven on a variety of terrains including freeway, suburban, rural road, and skill test range.

Included in these profiles are multiple models which can include pedestrians, road barriers, emergency vehicles, and animals. The two simulators can also be linked together, enabling 2 trainees to participate in the same pursuit.

The simulators are used primarily by the District's Police Training Institute and Police Basic Training Academy, however, local fire departments and EMS squads have expressed interest in using the equipment.

Total cost for the two PatrolSim® Interactive Driving Simulators was \$180,000.

Skid Car Purchased

The District acquired a SkidCar System, a sophisticated driver training tool that can improve driving skills and make emergency driving safer for police and emergency personnel. The system is a computer-controlled driver training tool that is used by law enforcement agencies across the nation to reduce the risk of accidents caused by loss of control and lack of attention.

The system is used primarily by the district's Police Basic Training program and Police Training Institute. Plans are also underway to make the system available to other local agencies in need of advanced driver training.

The SkidCar System uses a hydraulically-controlled unit mounted to the suspension of the training vehicle that exactly duplicates loss of tire traction, but at very low speeds (6 -25 m.p.h). Using an electro-hydraulic pump, the mechanism reduces traction by raising or lowering the vehicle's tires from the road, duplicating hazardous driving conditions such as ice, snow, rain, or slick roads from oil or gas spills. This low-speed training teaches drivers how to avoid skids and loss of control.

This training has been shown to instill sharpened driving instincts that help drivers maintain control in the most difficult real-life situations. An instructor sitting inside of the training vehicle controls the SkidCar System's 20 different traction settings, which duplicate a full range of hazardous driving conditions. A built-in memory allows custom programming of any desired traction setting.

Accounting Procedures

A five-year plan was developed and presented to the Board with the permanent appropriations in September. This plan documented that since January 1996, salaries and benefits dropped from eighty-one per cent of the total annual operating budget to sixty-three per cent. By following the five-year spending plan, the District can develop a strategic plan supported by a spending plan to meet future needs of the District. Although the District is not in financial difficulty, the five-year plan will serve as a guide in providing financial data and documentation necessary in making decisions affecting the annual budget and future financial integrity of the District.

House Bill 282 that went into effect on July 1, 1999 changed the funding of vocational education from unit reimbursement to ADM funding. This change in funding aligns vocational school funding with that of a comprehensive school. The new funding method will now allow us to change our budget process to correspond with the new funding method. All General Fund programs budgets will be based upon the number of approved FTE's that are in each program as of the October EMIS count. Each budget is calculated based upon a predetermined cost per program times the number of approved FTE's in the program. At the start of the school year the prior years FTE's are used to compute the budget, and modified up or down once we receive the final FTE count from the State.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund and account group is a distinct, self-balancing entity. Records for general governmental operations are maintained on a cash basis system of accounting as prescribed by the Ohio Auditor of State. Cash basis differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, as more fully described in the notes to the financial statements, provides for a modified accrual basis of accounting for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, Expendable Trust Fund, and Agency Funds and for full accrual basis of accounting for all other funds. The District began a conversion to GAAP for financial reporting for the fiscal year ended June 30, 1992.

Internal Controls

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

Budgetary Controls

The District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Ohio Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not reappropriated. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility of sound financial management.

Debt Administration

District debt is maintained at realistic levels in relation to the overall financial condition and to the projected needs for public facilities and improvements. During the fiscal year ended June 30, 1999, the District issued bonds totaling \$995,000 and borrowed nearly \$2.6 million from the State of Ohio. During the year ended June 30, 2001, the District also issued \$4.5 million in bonds. All debt proceeds will be used for the renovation of existing facilities as well as new construction of a building.

Cash Management

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. The District utilizes U.S. Treasury notes, certificates of deposit, commercial paper and repurchase agreements for long-term investments for cash which is not readily needed. Interest earned for all funds during the fiscal year was \$1,260,577.

General Fund

The following schedule presents a summary of revenues for the fiscal year ended June 30, 2001 and the amount and percentage of increases and decreases in relation to the 2000 fiscal year:

<u>Revenues by Source</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase</u>	<u>Percent of Increase</u>
Taxes	\$ 9,081,804	47.66%	\$ 2,248,561	32.91%
Tuition	9,218	0.05%	4,041	78.06%
Earnings on investments	1,127,656	5.92%	473,896	72.49%
Other local revenue	159,412	0.83%	53,859	51.03%
Intergovernmental - state	8,678,683	45.54%	496,869	6.07%
Total	<u>\$ 19,056,773</u>	<u>100.00%</u>	<u>\$ 3,277,226</u>	<u>20.77%</u>

- The District is eligible to receive an advance on property tax collections as of June 30. The amount available for advance was approximately \$740,000 higher at June 30, 2001 than at June 30, 2000, which contributed to the increase in tax revenue. The remainder of the increase is due to the increase in assessed tax values of real and personal property as discussed above.
- Higher cash balances as well as improved cash management resulted in the 72% increase in earnings on investments.
- The District received an increase in its state funding through the state foundation program.

The following schedule presents a summary of expenditures for the General Fund for the year ended June 30, 2001 and the amount and percentage of change in relation to the prior year:

Expenditures by Source	2001 Amount	Percent of Total	Increase (Decrease)	Percent of Increase (Decrease)
Instruction:				
Regular	\$ 279,256	2.23%	\$ 279,256	n/a
Vocational education	7,648,823	61.13%	416,138	5.75%
Support services:				
Pupil	288,464	2.30%	(8,644)	-2.91%
Instructional staff	466,668	3.73%	74,205	18.91%
General administration	112,882	0.90%	70,877	168.73%
School administration	834,469	6.67%	166,612	24.95%
Fiscal	484,007	3.87%	(10)	0.00%
Business	28,757	0.23%	(46,197)	-61.63%
Operations and maintenance	1,008,124	8.06%	40,859	4.22%
Pupil transportation	9,662	0.08%	(7,511)	-43.74%
Central	254,814	2.04%	49,666	24.21%
Extracurricular activities	39,949	0.32%	22,576	129.95%
Community services	20,480	0.16%	(15,566)	-43.18%
Facilities acquisition and construction	966,777	7.73%	167,961	21.03%
Debt Service:				
Principal	60,652	0.48%	4,578	8.16%
Interest	8,182	0.07%	(4,578)	-35.88%
Total	<u>\$ 12,511,966</u>	<u>100.00%</u>	<u>\$ 1,210,222</u>	<u>10.71%</u>

- Beginning in July 2000, the District reclassified Social Studies expenditures from vocational instruction to regular instruction.
- Vocational instruction expenditures are primarily salaries and benefits. All instructional employees received a 5% salary increase along with the associated step increase.
- General administration increased due to legal services related to disputes over construction of the new building addition.
- All administrators were given 5% salary increases and two additional supervisors were hired for the satellite operations causing the increase in school administration.
- Business expenditures were higher in the prior year due to the purchase of equipment and furniture as part of the building renovations program.
- Central expenditures increased due to salary increases and software purchases.

- Extracurricular activities expenditures increased due to an increase in the number of students that qualified for State and National competitions and offices.
- The decrease in community services expenditures is a result of the creation of an enterprise fund to account for purchased services related to Food Services.
- The District has continued its renovations to its facilities thereby causing the increased expenditures for facilities acquisition and construction.

Special Revenue Funds

Special Revenue Funds account for certain revenues restricted by law or other formal actions to be expended for a specific purpose. The sources are primarily grants and entitlements. All Special Revenue Funds on a combined basis operated with \$1,081,876 in revenues and \$1,136,628 in expenditures in 2001.

Capital Projects Fund

The Permanent Improvement Fund was used to fund improvements to facilities. \$4,500,000 of bonds were issued and transferred to this fund to pay for various facility improvements. The District's Capital Projects Fund ended the 2001 fiscal year with a balance of \$3,738,141.

Fiduciary Funds

Trust and Agency Funds require a fiduciary relationship in their management by the District. The Trust Fund currently carried on the records of the District is an Expendable Trust that may be used for scholarships and other student incentives. Agency funds utilized by the District include a Student Activities Fund and the Southwest Ohio Computer Association Fund. Agency fund liabilities totaled \$1,700,187.

Enterprise Funds

The District's enterprise funds are the Food Services Fund, Uniform School Supplies Fund, Rotary Fund, and Adult Education Fund. These funds are similar in nature to profit making activities found in the private sector and are managed accordingly. District Enterprise Funds operated in 2001 with \$3,223,544 in revenues and recorded net income of \$248,607.

Risk Management

The District continues to protect its assets through its participation with other school districts in Butler County in the Butler County Health Plan (BCHP), a public entity risk pool currently operating as a common risk management and insurance program. The School District pays an annual premium to the pool for its general insurance coverage. The risk of loss transfers entirely from the School District to BCHP. The Agreement for Formation of BCHP provides that BCHP will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$125,000 pooling level each year.

Independent Audit

The general purpose financial statements of the District were audited by Clark, Schaefer, Hackett & Co. in compliance with State statutes. The auditors' unqualified opinion on the District's general purpose financial statements, and their report on the combining and individual fund statements and schedules, is included in the financial section of this Comprehensive Annual Financial Report.

Awards

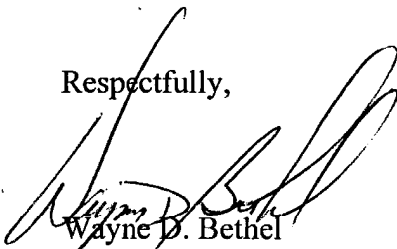
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Butler County Joint Vocational School District for its comprehensive annual financial report for the fiscal year ended June 30, 2000. This was the third consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

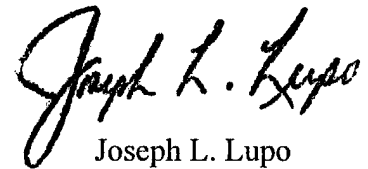
Acknowledgments

The preparation of this report was made possible by the dedicated service of the entire Treasurer's staff and Central Office Leadership staff. Finally, a word of thanks is necessary to recognize the commitment to excellence in financial management and reporting by all the members of the Butler County Joint Vocational School District Board of Education.

Respectfully,



Wayne D. Bethel
Treasurer



Joseph L. Lupo
Superintendent

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2001

BOARD OF EDUCATION

President	Michael Oler	Fairfield City School District
Vice President	Alberta Derrough	Madison Local School District
Board Member	Sharon Anderson	Edgewood City School District
Board Member	Dr. Donald Barnhart	Talawanda City School District
Board Member	Daniel Warncke	Lakota Local School District
Board Member	Richard Emery	Ross Local School District
Board Member	Thomas Birdwell	Monroe Local School District
Board Member	Katie McNeil	Middletown City School District
Board Member	Sue Price	New Miami Local School District

ADMINISTRATIVE OFFICIALS

Superintendent	Joseph L. Lupo
Treasurer	Wayne D. Bethel
Director, Secondary Education	Denise Kalmus
Director, Adult Education	Herb Dietz

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Butler County Joint
Vocational School District,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

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



Anne Spray Kinney
President

Jeffrey L. Esler
Executive Director

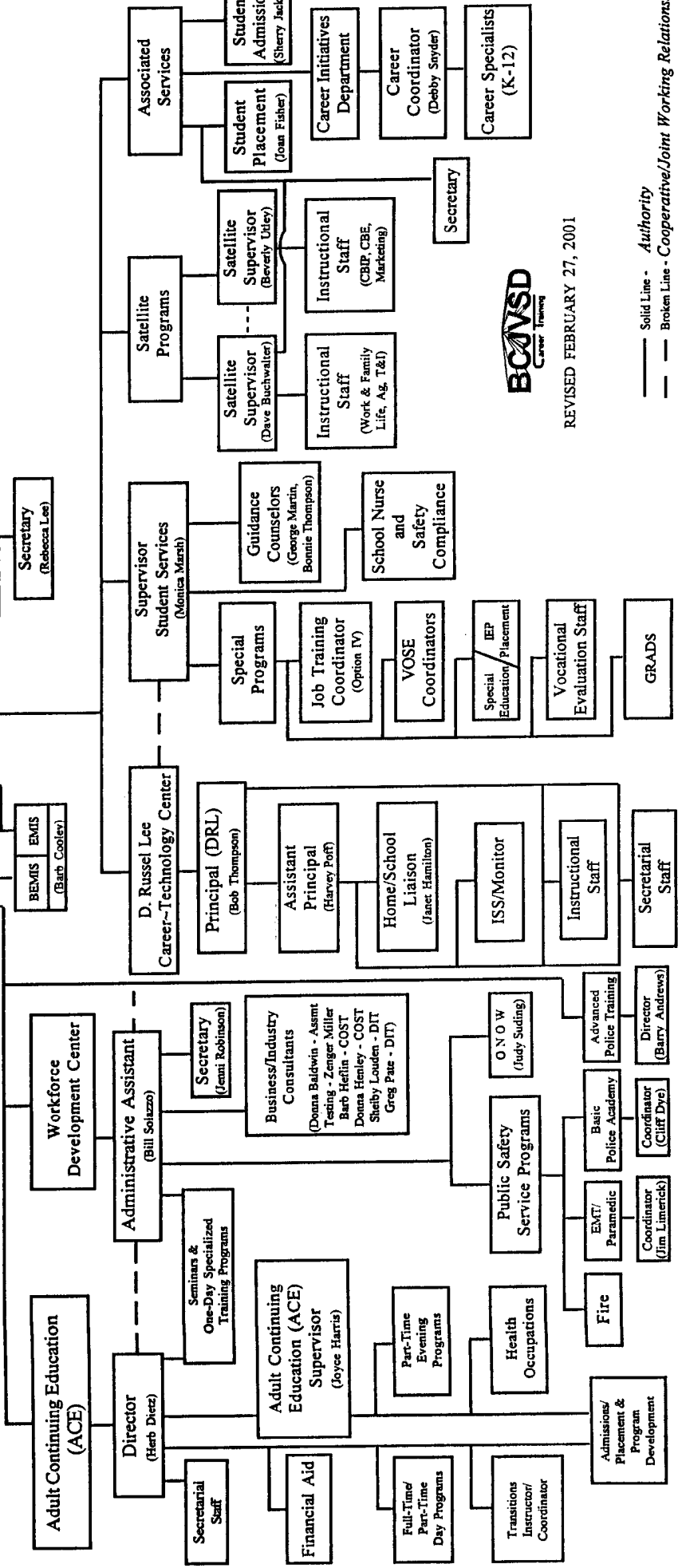
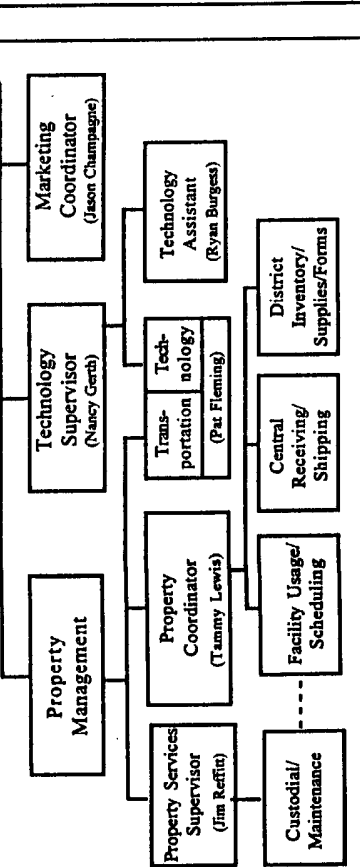
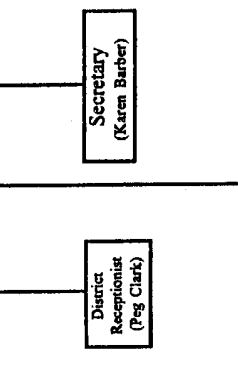
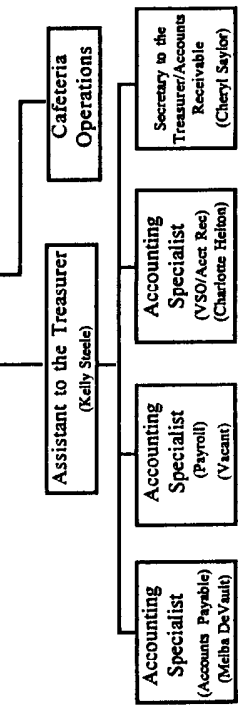
Butler County Joint Vocational School District

Board of Education

Members: Donald Barnhart, Tom Birdwell, Alberta Derrough, Richard Emery, Katie McNeil, Sue Price, Daniel Warncke
 Mike Oler, President, Sharon Anderson, Vice-President

Superintendent (Joseph L. Lupo)

Treasurer (Wayne Beshel)



REVISED FEBRUARY 27, 2001

— Solid Line - Authority
 - - - Broken Line - Cooperative/Joint Working Relationship

*Butler County Joint Vocational
School District, Ohio*

FINANCIAL SECTION



Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Butler County Joint Vocational School District

We have audited the accompanying general purpose financial statements of Butler County Joint Vocational School District as of and for the year ended June 30, 2001 as listed in the table of contents. These general purpose financial statements are the responsibility of the School 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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 Butler County Joint Vocational School District as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2 to the financial statements, the School District implemented Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* as of July 1, 2000.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2001 on our consideration of the Butler County Joint Vocational School 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.

Clark, Schaefer, Hackett & Co.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

We did not audit the introductory and statistical information as listed in the table of contents and, therefore, express no opinion on it.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
November 2, 2001

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BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 2001

	Governmental Fund Types				Proprietary Fund Types			Fiduciary Fund Types			Account Groups			Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust & Agency	General	Fixed Asset	Long-Term Debt	General				
										General	Debt			
ASSETS AND OTHER DEBITS														
ASSETS:														
Equity in pooled cash and cash equivalents	\$ 2,377,323	275,953	-	3,936,118	753,192	1,801,836	-	-	-	-	-	-	-	9,144,422
Investments	14,502,161	-	-	-	-	-	-	-	-	-	-	-	-	14,502,161
Net receivables:														
Taxes	9,018,995	-	509,285	-	-	-	-	-	-	-	-	-	-	9,528,280
Accounts	-	-	-	-	48,839	-	-	-	-	-	-	-	-	48,839
Accrued interest	30,194	-	-	4,067	3	102	-	-	-	-	-	-	-	34,366
Intergovernmental	-	-	-	-	1,261	-	-	-	-	-	-	-	-	1,261
Interfund loan receivable	57,229	-	-	-	-	-	-	-	-	-	-	-	-	57,229
Restricted assets:														
Cash and cash equivalents	467,953	-	-	-	-	-	-	-	-	-	-	-	-	467,953
Property, plant and equipment (net of accumulated depreciation where applicable)	-	-	-	-	350,781	-	30,382,717	-	-	-	-	-	-	30,733,498
OTHER DEBITS:														
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	8,305,249	-	-	-	-	8,305,249
Total assets and other debits	\$ 26,453,855	275,953	509,285	3,940,185	1,154,076	1,801,938	30,382,717	8,305,249	8,305,249	30,382,717	8,305,249	72,823,258	72,823,258	

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

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 2001

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type		Account Groups			Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust & Agency	General Fixed Asset	Long-Term Debt	General			
									General	Debt		
LIABILITIES, EQUITY AND OTHER CREDITS												
LIABILITIES:												
Accounts payable	\$ 525,605	3,981	-	202,044	52,426	-	-	-	-	-	-	784,056
Accrued wages and benefits	1,062,057	66,423	-	-	91,172	-	-	-	-	-	-	1,219,652
Interfund loans payable	-	57,229	-	-	-	-	-	-	-	-	-	57,229
Due to student groups	-	-	-	-	-	-	-	76,219	-	-	-	76,219
Due to other governments	-	-	-	-	-	-	-	1,623,968	-	-	-	1,623,968
Deferred revenue	7,375,995	-	509,285	-	-	-	-	-	-	-	-	7,885,280
Capital leases payable	-	-	-	-	-	-	-	-	61,855	-	-	61,855
General obligation bonds payable	-	-	-	-	-	-	-	-	5,195,000	-	-	5,195,000
General obligation notes payable	-	-	-	-	-	-	-	-	2,241,971	-	-	2,241,971
Compensated absences payable	34,114	1,138	-	-	107,047	-	-	-	806,423	-	-	948,722
Total liabilities	8,997,771	128,771	509,285	202,044	250,645	1,700,187	-	30,382,717	8,305,249	-	-	20,093,952
EQUITY AND OTHER CREDITS:												
Investments in general fixed assets	-	-	-	-	-	-	-	30,382,717	-	-	-	30,382,717
Retained earnings: unreserved	-	-	-	-	903,431	-	-	-	-	-	-	903,431
Fund balances:												
Reserved for:												
Encumbrances	1,241,954	59,499	-	51,644	-	-	-	-	-	-	-	1,353,097
Required budget set-asides	467,953	-	-	-	-	-	-	-	-	-	-	467,953
Property tax advances	1,643,000	-	-	-	-	-	-	-	-	-	-	1,643,000
Unreserved - undesignated	14,103,177	87,683	-	3,686,497	-	101,751	-	-	-	-	-	17,979,108
Total equity and other credits	17,456,084	147,182	-	3,738,141	903,431	101,751	-	30,382,717	8,305,249	-	-	52,729,306
Total liabilities, equity and other credits	\$ 26,453,855	275,953	509,285	3,940,185	1,154,076	1,801,938	30,382,717	8,305,249	8,305,249	30,382,717	72,823,258	72,823,258

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

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BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO

Combined Statement of Revenues, Expenditures, and Changes in Fund
Balances - All Governmental Fund Types and Similar Trust Funds
Year Ended June 30, 2001

	GOVERNMENTAL FUND TYPES				FIDUCIARY	TOTALS (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
Taxes	\$ 9,081,804	-	498,304	-	-	9,580,108
Tuition	9,218	18,003	-	-	-	27,221
Earnings on investments	1,127,656	583	-	129,928	2,332	1,260,499
Other local revenue	159,412	34,737	-	59,687	17,385	271,221
Intergovernmental - state	8,678,683	399,508	-	8,500	-	9,086,691
Intergovernmental - federal	-	629,045	-	-	-	629,045
Total revenues	<u>19,056,773</u>	<u>1,081,876</u>	<u>498,304</u>	<u>198,115</u>	<u>19,717</u>	<u>20,854,785</u>
Expenditures:						
Current:						
Instruction:						
Regular	279,256	633	-	2,581	-	282,470
Vocational education	7,648,823	122,154	-	-	8,434	7,779,411
Other	-	83,447	-	-	-	83,447
Support services:						
Pupil	288,464	508,904	-	-	-	797,368
Instructional staff	466,668	122,998	-	-	-	589,666
General administration	112,882	-	-	-	-	112,882
School administration	834,469	22,609	-	-	-	857,078
Fiscal	484,007	-	-	-	-	484,007
Business	28,757	-	-	-	-	28,757
Operations and maintenance	1,008,124	-	-	-	-	1,008,124
Pupil transportation	9,662	-	-	-	-	9,662
Central	254,814	274,356	-	5,933	-	535,103
Community services	20,480	-	-	-	15,043	35,523
Extracurricular activities	39,949	1,040	-	-	-	40,989
Capital outlay:						
Facilities acquisition and construction	966,777	487	-	4,778,597	-	5,745,861
Debt service:						
Principal	60,652	-	272,460	-	-	333,112
Interest	8,182	-	34,325	191,519	-	234,026
Total expenditures	<u>12,511,966</u>	<u>1,136,628</u>	<u>306,785</u>	<u>4,978,630</u>	<u>23,477</u>	<u>18,957,486</u>
Excess (deficit) revenues over (under) expenditures	6,544,807	(54,752)	191,519	(4,780,515)	(3,760)	1,897,299
Other financing sources (uses):						
Other financing sources	38,468	-	-	-	-	38,468
Proceeds from sale of bonds	4,500,000	-	-	-	-	4,500,000
Operating transfers in	193,500	163,152	193,500	5,891,519	11,128	6,452,799
Operating transfers out	(6,077,152)	-	(385,019)	-	-	(6,462,171)
Total other financing sources (uses)	<u>(1,345,184)</u>	<u>163,152</u>	<u>(191,519)</u>	<u>5,891,519</u>	<u>11,128</u>	<u>4,529,096</u>
Excess revenues and other sources over expenditures and other (uses)	5,199,623	108,400	-	1,111,004	7,368	6,426,395
Fund balance, beginning of year	12,256,461	38,782	-	2,627,137	94,383	15,016,763
Fund balance, end of year	\$ <u>17,456,084</u>	<u>147,182</u>	<u>-</u>	<u>3,738,141</u>	<u>101,751</u>	<u>21,443,158</u>

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

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget-Actual (Budget Basis) - All Governmental Fund Types and Similar Trust Fund

Year Ended June 30, 2001

	General Fund			Special Revenue Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$ 8,343,804	8,343,804	-	-	-	-
Tuition	9,218	9,218	-	18,073	18,073	-
Earnings on investments	1,142,839	1,142,839	-	583	583	-
Intergovernmental - state and local	8,678,683	8,678,683	-	405,482	405,482	-
Intergovernmental - federal	-	-	-	630,467	630,467	-
Other revenue	71,249	71,249	-	26,737	26,737	-
Total revenues	18,245,793	18,245,793	-	1,081,342	1,081,342	-
Expenditures:						
Current:						
Instruction:						
Regular	241,772	241,620	152	11,174	1,973	9,201
Vocational	8,444,632	8,135,753	308,879	237,524	131,696	105,828
Other	-	-	-	120,443	85,243	35,200
Support services:						
Pupil	295,581	284,964	10,617	506,999	506,527	472
Instructional staff	496,053	465,949	30,104	207,122	164,222	42,900
General administration	127,326	127,326	-	-	-	-
School administration	849,547	833,885	15,662	23,609	22,609	1,000
Fiscal and business	539,970	531,741	8,229	-	-	-
Operations and maintenance	1,224,850	1,195,882	28,968	-	-	-
Pupil transportation	65,391	65,391	-	-	-	-
Central	263,685	263,162	523	244,040	222,584	21,456
Community services	20,480	20,480	-	-	-	-
Extracurricular activities	44,505	44,505	-	15,262	1,526	13,736
Capital outlay:						
Facilities acquisition and construction	1,667,850	1,656,581	11,269	-	-	-
Debt Service:						
Repayment of debt	-	-	-	-	-	-
Total expenditures	14,281,642	13,867,239	414,403	1,366,173	1,136,380	229,793
Excess (deficit) revenues over (under) expenditures	3,964,151	4,378,554	414,403	(284,831)	(55,038)	229,793
Other financing sources (uses):						
Operating transfers in	193,500	193,500	-	163,152	163,152	-
Operating transfers out	(6,077,152)	(6,077,152)	-	-	-	-
Proceeds of notes	4,500,000	4,500,000	-	-	-	-
Other financing uses	-	-	-	(72,245)	(72,245)	-
Other financing sources	131,017	131,017	-	-	-	-
Total other financing sources (uses)	(1,252,635)	(1,252,635)	-	90,907	90,907	-
Excess (deficit) revenues and other sources over (under) expenditures and other (uses)	2,711,516	3,125,919	414,403	(193,924)	35,869	229,793
Fund balance, beginning of year	11,458,103	11,458,103		54,117	54,117	
Prior year encumbrances appropriated	1,094,013	1,094,013		65,252	65,252	
Fund balance, end of year	\$ <u>15,263,632</u>	<u>15,678,035</u>		<u>(74,555)</u>	<u>155,238</u>	

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

Debt Service Fund			Capital Projects Funds			Expendable Trust Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
498,304	498,304	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	143,823	143,823	-	2,434	2,434	-
-	-	-	8,500	8,500	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	59,687	59,687	-	17,385	17,385	-
<u>498,304</u>	<u>498,304</u>	<u>-</u>	<u>212,010</u>	<u>212,010</u>	<u>-</u>	<u>19,819</u>	<u>19,819</u>	<u>-</u>
-	-	-	2,661	2,661	-	-	-	-
-	-	-	-	-	-	8,434	8,434	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	3,200	-	3,200	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	102,800	6,000	96,800	-	-	-
-	-	-	-	-	-	15,043	15,043	-
-	-	-	-	-	-	-	-	-
-	-	-	6,953,562	5,985,962	967,600	-	-	-
<u>4,912,075</u>	<u>4,998,304</u>	<u>(86,229)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,912,075</u>	<u>4,998,304</u>	<u>(86,229)</u>	<u>7,062,223</u>	<u>5,994,623</u>	<u>1,067,600</u>	<u>23,477</u>	<u>23,477</u>	<u>-</u>
(4,413,771)	(4,500,000)	(86,229)	(6,850,213)	(5,782,613)	1,067,600	(3,658)	(3,658)	-
4,693,500	4,693,500	-	1,200,000	1,200,000	-	11,128	11,128	-
(193,500)	(193,500)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>4,500,000</u>	<u>4,500,000</u>	<u>-</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>	<u>11,128</u>	<u>11,128</u>	<u>-</u>
86,229	-	(86,229)	(5,650,213)	(4,582,613)	1,067,600	7,470	7,470	-
-	-	-	2,895,484	2,895,484	-	94,179	94,179	-
-	-	-	5,369,558	5,369,558	-	-	-	-
<u>86,229</u>	<u>-</u>	<u>-</u>	<u>2,614,829</u>	<u>3,682,429</u>	<u>-</u>	<u>101,649</u>	<u>101,649</u>	<u>-</u>

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO

Combined Statement of Revenues, Expenses and Changes in Retained Earnings
Proprietary Fund Type

Year Ended June 30, 2001

	<u>Enterprise</u>
Operating revenues:	
Tuition and fees	\$ 1,890,561
Other operating revenues	509,784
Total operating revenues	<u>2,400,345</u>
Operating expenses:	
Personnel services	1,724,236
Contractual services	666,928
Materials and supplies	341,035
Depreciation	44,364
Other expenses	207,874
Total operating expenses	<u>2,984,437</u>
Operating loss	(584,092)
Non-operating revenues:	
Earnings on investment	78
Operating grants	823,121
Total non-operating revenues	<u>823,199</u>
Net income before operating transfers	239,107
Operating transfers in	20,000
Operating transfers out	<u>(10,500)</u>
Net income	248,607
Retained earnings, beginning of year	<u>654,824</u>
Retained earnings, end of year	\$ <u><u>903,431</u></u>

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

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO

Combined Statement of Cash Flows - Proprietary Fund Type

Year Ended June 30, 2001

	<u>Enterprise</u>
Cash flows from operating activities:	
Cash received from tuition and fees	\$ 1,873,417
Cash received from other operations	504,913
Cash payments for personal services	(1,757,281)
Cash payments for contract services	(614,570)
Cash payments for supplies and materials	(429,252)
Cash payments for other expenses	<u>(202,629)</u>
Net cash used by operating activities	<u>(625,402)</u>
Cash flows from noncapital financing activities:	
Transfers from other funds	20,000
Transfers to other funds	(10,500)
Cash received from operating grants	<u>821,853</u>
Net cash provided by noncapital financing activities	<u>831,353</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	<u>(136,416)</u>
Net cash used by capital and related financing activities	<u>(136,416)</u>
Cash flows from investing activities:	
Interest received	<u>75</u>
Net cash provided by investing activities	<u>75</u>
Net increase in cash	69,610
Cash, beginning of year	<u>683,582</u>
Cash, end of year	<u><u>753,192</u></u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	(584,092)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	44,364
Changes in assets and liabilities:	
Increase in accounts receivable	(16,770)
Decrease in accounts payable	(35,858)
Decrease in accrued wages and benefits	(20,059)
Decrease in compensated absences payable	<u>(12,987)</u>
Net cash used by operating activities	\$ <u><u>(625,402)</u></u>

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

Butler County Joint Vocational School District, Ohio
Notes to the General Purpose Financial Statements
Year Ended June 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Butler County Joint Vocational School District (the "School District") is a joint vocational school district organized under Section 3311.18 of the Ohio Revised Code. The School District provides vocational education for nine school districts serving an eligible student population of approximately 4,200 throughout southwestern Ohio. The District fosters cooperative relationships with business and industry, professional organizations, participating school districts, and other interested, concerned groups and organizations to consider, plan and implement educational programs designed to meet the common needs and interests of students.

The reporting entity is comprised of the primary government. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School District. Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The School District serves as fiscal agent for legally separate Southwest Ohio Computer Association (SWOCA) but is not financially accountable. Therefore, SWOCA has been included in the School District's financial statements as an agency fund. See Note 16 for additional discussion.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

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

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:

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 expendable trusts or 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 Fund - 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 or trust 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 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 Types:

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The School District's fiduciary funds include expendable trust and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups:

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

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

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 or trust funds.

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 and expendable trust funds 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. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures 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, expendable trust, 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.

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 for advance, interest, tuition, student fees, and grants.

The School District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria 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, 2001 which are intended to finance fiscal year 2002 operations, and delinquent property taxes whose availability is indeterminable, 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 proprietary fund types utilize the accrual basis of accounting for reporting purposes. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred.

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. However, for the purpose of additional analysis, the budgetary financial statements have been presented at the function level.

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 Butler 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 2001.

Appropriations:

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund 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 appropriate resolutions, 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 the 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. The budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions. The Board passed supplemental appropriations during the fiscal year.

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.

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled in a central bank account. Monies for all funds, including proprietary funds, are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the balance sheet. During fiscal year 2001, investments were limited to commercial paper notes, repurchase agreements, mutual funds and federal agency securities.

The Governmental Accounting Standards Board Statement No. 31 (GASB 31), "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", requires that investments, with certain exceptions,, be recorded at their fair value and that changes in the fair value be reported in the operating statement. The School District recorded investments, other than repurchase agreements, held at June 30, 2001 at the fair value. Repurchase agreements are reported at cost.

Under existing Ohio statutes, all investment earnings accrue to the general fund except those specifically related to agency funds, certain trust funds, and those other funds individually authorized by Board resolution. Interest earnings are allocated to these funds based on average monthly cash balance.

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 an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents.

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 has no 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 and improvements to fund fixed assets are depreciated over the remaining useful lives of the related fixed assets.

Assets in the general fixed assets account group are not depreciated. Depreciation of equipment in the enterprise funds is computed using the straight-line method over an estimated useful life of ten years.

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. 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.

Grants and entitlements amounted to approximately forty-five percent of the School District's revenue during the 2001 fiscal year.

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 vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy.

For governmental funds, the School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. For purposes of establishing a liability for this future severance eligibility, all employees at least fifty years of age, with at least ten years of services, or twenty years of service at any age were included. The current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, compensated absences 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 fiscal year-end are considered not to have used current available financial resources.

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

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.

Short-term interfund loans are reflected as interfund loans payable/receivable, while long-term interfund loans (greater than one year in length) are recorded as advances to/from other funds.

Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. A corresponding fund balance reserve has also been established.

Estimates

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

Fund Balance Reserves

The School District records reservations for portions of fund equity that are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balances indicates that portion of fund equity that is available for appropriation in future periods. Fund equity reserves are established for encumbrances, property taxes, and budget reserve set-asides. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statutes. The reserve for budget stabilization represents money required to be set-aside by statute to protect against cyclical changes in revenues and expenditures.

Total Columns on General Purpose Financial Statements

Total columns on the general purpose financial statements are captioned "Total - (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2001, the School District implemented GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. There was no effect on fund balance as of June 30, 2000 as a result of implementing GASB 33.

3. ACCOUNTABILITY

Fund balance deficits

At June 30, 2001, the Career Development and Vocational Education special revenue funds had deficit fund balances of \$52,267 and \$73,836 respectively, which 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.

Non-compliance

Contrary to the Ohio Revised Code, the Debt Service Fund's expenditures exceeded appropriations.

4. BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and Similar Trust Fund is presented on the budgetary basis to provide a 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 are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).
4. Proceeds from and principal payments on bond anticipation notes are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. The School District repays short-term note debt from the debt service fund (budget basis) as opposed to the fund that receives the proceeds (GAAP basis). Debt service fund resources used to pay both principal and interest have been allocated accordingly.

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

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

	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust
GAAP Basis	\$ 5,199,623	108,400	-	1,111,004	7,368
Revenue					
Accruals	(810,980)	(534)	-	13,895	102
Expenditure					
Accruals	378,982	63,728	-	(762,305)	-
Other Sources	92,549	(72,245)	-	(4,691,519)	-
Encumbrances	(1,734,255)	(63,480)	-	(253,688)	-
Budget Basis	<u>\$ 3,125,919</u>	<u>35,869</u>	<u>-</u>	<u>(4,582,613)</u>	<u>7,470</u>

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

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

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

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

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

Deposits: At year-end, the carrying amount of the School District's deposits was \$(423,466) and the bank balance was \$101,404. Of the bank balance, \$100,000 was covered by federal depository insurance and \$1,404 was uninsured and uncollateralized as defined by GASB.

Investments: The School District's investments are categorized below to give an indication of the level of risk assumed by the School District at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments, which are held by the counter party'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 counter party, or by its trust department or agent but not in the School District's name. The School District's investment in a mutual fund is unclassified because it is not evidenced by securities that exist in physical or book entry form.

	Category 2	Category 3	Fair Value
Commercial Paper	\$ 2,974,036	-	2,974,036
Repurchase Agreement	-	8,836,778	8,836,778
Mutual fund	-	-	90,391
U.S. Government Securities	<u>12,636,797</u>	<u>-</u>	<u>12,636,797</u>
	\$ <u>15,610,833</u>	<u>8,836,778</u>	<u>24,538,002</u>

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

	Cash and Cash Equivalents/ Deposits	Investments
GASB Statement No. 9	\$ 9,612,375	14,502,161
Investments:		
Repurchase Agreement	(8,836,778)	8,836,778
Mutual fund	(90,391)	90,391
Commercial Paper	<u>(1,108,672)</u>	<u>1,108,672</u>
GASB Statement No. 3	\$ <u>(423,466)</u>	<u>24,538,002</u>

6. PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years.

Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

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

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

The School District receives property taxes from Butler County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2001, 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 that became measurable as of June 30, 2001. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current 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, 2001, was \$1,643,000 in the General Fund.

The assessed values upon which fiscal year 2001 taxes were collected are:

	2000 Second-Half Collections		2001 First-Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 4,009,741,600	81.33%	4,293,172,000	81.96%
Public Utility	1,038,670	.01%	886,670	.01%
Tangible Personal Property	919,529,519	18.66%	944,108,920	18.03%
Total Assessed Value	<u>\$ 4,930,309,789</u>	<u>100.00%</u>	<u>5,238,167,590</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$ 1.93		\$ 1.93	

7. FIXED ASSETS

A summary of the enterprise funds' fixed assets at June 30, 2001, follows:

Furniture and Equipment	\$ 582,139
Less Accumulated Depreciation	<u>(231,358)</u>
Net Fixed Assets	<u>\$ 350,781</u>

A summary of the changes in general fixed assets during fiscal year 2001 follows:

Asset Category	Balance at 7/1/00	Additions	Deletions	Balance at 6/30/01
Land and Improvements	\$ 490,680	-	-	490,680
Buildings	12,067,812	8,785,989	-	20,853,801
Furniture and equipment	7,246,988	1,367,420	-	8,614,408
Vehicles	309,592	114,236	-	423,828
Construction in progress	<u>2,793,664</u>	<u>5,523,796</u>	<u>(8,317,460)</u>	<u>-</u>
Total General Fixed Assets	<u>\$22,908,736</u>	<u>15,791,441</u>	<u>(8,317,460)</u>	<u>30,382,717</u>

8. INTERFUND TRANSACTIONS

Interfund balances at June 30, 2001 consist of interfund loans of \$27,567 and \$29,662 due to the General Fund from the Career Development and Vocational Education funds, respectively. Operating transfers during the year ended June 30, 2001 also included a transfer of \$128 to the Student Activities Agency fund from the Expendable Trust Fund.

9. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In August 1985, the School District joined together with ten other school districts in Butler County to form the Butler County Health Plan (BCHP), a public entity risk pool currently operating as a common risk management and insurance program. The School District pays an annual premium to the pool for its general insurance coverage. The risk of loss transfers entirely from the School District to BCHP. The Agreement for Formation of BCHP provides that BCHP will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$125,000 pooling level each year. Settled claims have not exceeded this commercial coverage in any of the past three years.

For fiscal year 2001, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. 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.

The School District participates in the Butler County Health Trust (the Trust), a group insurance purchasing pool, 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.

10. DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

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

Plan members are required to contribute 9% of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts by the SERS's Retirement Board. The School District's required contributions to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were approximately \$237,000, \$287,000, and \$271,000 respectively. 100% of the required contributions have been made for all three years.

State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer defined benefit retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issued a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the STRS, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3% of their annual covered salary and the School District is required to contribute 14%. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The School District's required contributions to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were approximately \$1,097,000, \$1,191,000, and \$1,314,000 respectively. 100% of the required contributions have been made for all three years.

Social Security System

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, 2001, some members of the Board of Education have elected Social Security. The Board's liability is 6.2% of wages paid.

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 Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by state statute and are funded on a pay-as-you-go basis.

STRS has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll. For the year ended June 30, 2000, the board allocated employer contributions equal to 8% of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled approximately \$627,000 during fiscal year 2001. STRS pays health care benefits from the Health Care Reserve Fund. The balance in the fund was \$3,419 million at June 30, 2000. For the year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000 and STRS had 99,011 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, 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% of the premium. For this fiscal year, employer contributions to fund health care benefits were 8.45% of covered payroll.

In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay has been established at \$12,400. The surcharge rate added to the unallocated portion of the 14% 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% of annual health care expenses. Expenses for health care for the year ended June 30, 2000 were \$140.7 million and the target level was \$211.0 million. At June 30, 2000, SERS' net assets available for payment of health care benefits was \$252.3 million. SERS has approximately 50,000 participants currently receiving health care benefits. For the School District, this amount to fund health care benefits, including the surcharge, equaled approximately \$143,000 during the 2001 fiscal year.

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 classified employees earn sick leave at the rate of one and one fourth days per month. Sick leave may be accumulated up to maximum of 240 days for teachers, 225 days for classified staff and unlimited days for administrators. Upon retirement, payment is made for 25% of the employee's accumulated sick leave up to a maximum of 60 days for teachers and administrators, and 45 for classified employees.

13. SHORT-TERM OBLIGATIONS

At June 30, 2000, the School District had outstanding bond anticipation notes in the amount of \$4,500,000 maturing on March 1, 2001 and paying interest at 4.5%. In March, the School District issued \$4,500,000 of general obligation bonds to retire the bond anticipation notes.

14. LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2001 were as follows:

	Principal Outstanding 7/1/00	Additions	Deletions	Principal Outstanding 6/30/01
Capital Leases	\$ 122,507	-	60,652	61,855
Serial Bonds 1998 4.34%	795,000	-	100,000	695,000
Serial Bonds 2001 3.60%	-	4,500,000	-	4,500,000
Notes Payable	2,414,431	-	172,460	2,241,971
Compensated Absences	777,896	28,527	-	806,423
Total General Long-Term Obligations	\$ 4,109,834	4,528,527	333,112	8,305,249

Energy Conservation Bonds - In August of 1998, the School District issued unvoted bonds in the amount of \$995,000 at an interest rate of 4.34% and a maturity of December 1, 2007. The proceeds of the bonds were used to implement building, equipment repair and improvements that provide energy savings. This project was approved by the Ohio Department of Education in accordance with House Bill 264.

School Improvement Bonds - In March of 2001, the School District issued unvoted bonds in the amount of \$4,500,000 at an interest rate of 3.60% and a maturity of December 1, 2003. The proceeds of the bonds were used to renovate and improve school buildings.

Notes Payable – The School District borrowed \$2,586,891 from the Ohio Department of Education Division of Vocational Education for construction and renovation of facilities. The interest-free loan will be repaid in thirty equal semi-annual payments of \$86,230 with a maturity of January 1, 2014.

Principal and interest requirements to retire the Energy Conservation and School Improvement Bonds outstanding at June 30, 2001, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2002	\$ 1,600,000	151,725	1,751,725
2003	1,600,000	137,025	1,737,025
2004	1,600,000	78,775	1,678,775
2005	100,000	17,475	117,475
2006	100,000	13,125	113,125
2007-2008	195,000	13,000	208,000
Total	<u>\$ 5,195,000</u>	<u>411,125</u>	<u>5,606,125</u>

Principal and interest requirements to retire the long-term notes payable outstanding at June 30, 2001 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2002	\$ 172,460	-	172,460
2003	172,460	-	172,460
2004	172,460	-	172,460
2005	172,460	-	172,460
2006	172,460	-	172,460
2007-2011	862,300	-	862,300
2012-2014	517,371	-	517,371
Total	<u>\$ 2,241,971</u>	<u>-</u>	<u>2,241,971</u>

The School District's voted legal debt margin was \$471,435,083 with an unvoted debt margin of \$738,168 at June 30, 2001.

15. CAPITALIZED LEASES

The School District is obligated under certain leases accounted for as capital leases. The leased assets and related obligations are accounted for in the General Fixed Asset Account Group and the General Long-Term Debt Account Group, respectively. Equipment under capital leases totaled \$283,230 at June 30, 2001. The following is a schedule of future minimum lease payments under capital leases, with the net present value of the minimum lease payments as of June 30, 2001.

Year Ending	
June 30	
2002	\$ 45,230
2003	<u>20,988</u>
Minimum lease payments	66,218
Less: Amount representing interest	<u>(4,363)</u>
Present value of minimum lease payments	\$ <u>61,855</u>

16. JOINTLY GOVERNED ORGANIZATION

Southwestern Ohio Computer Association

The Southwestern Ohio Computer Association (SWOCA), a jointly governed organization, was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the member schools of the three county consortium supports SWOCA based upon per pupil charge dependent upon the software package utilized. SWOCA is governed by a board of directors consisting of the superintendents and treasurers of member school districts. The degree of control exercised by any participating School District is limited to its representation on the Board. To obtain financial information, write to the Southwestern Ohio Computer Association, at 3603 Hamilton-Middletown, Hamilton, Ohio 45011.

17. CONTINGENCIES

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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, 2001.

18. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The School District maintains four enterprise funds to account for the operations of food services, uniform school supplies, rotary and adult education. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30, 2001.

	Food <u>Service</u>	School <u>Supplies</u>	Rotary	Adult <u>Education</u>	<u>Total</u>
Operating revenues	\$ 148,170	15,764	226,814	2,009,597	2,400,345
Operating expenses before depreciation	174,848	37,602	187,308	2,540,315	2,940,073
Depreciation	-	-	15,240	29,124	44,364
Operating income (loss)	(26,678)	(21,838)	24,266	(559,842)	(584,092)
Operating grants	9,765	-	-	813,356	823,121
Interest income	78	-	-	-	78
Operating transfers in	20,000	-	-	-	20,000
Operating transfers out	-	-	-	(10,500)	(10,500)
Net income (loss)	3,165	(21,838)	24,266	243,014	248,607
Net working capital	3,165	28,861	91,543	429,081	552,650
Total assets	4,169	28,929	245,050	875,928	1,154,076
Total equity	3,165	28,861	236,575	634,830	903,431
Fixed asset additions	-	-	81,777	54,639	136,416
Encumbrances at June 30, 2001	\$ -	300	3,504	61,613	65,417

19. REQUIRED SET-ASIDES

The School District is required by State Statute to annually set aside in the general fund an amount based on the 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 following cash basis information describes the change in the year-end set aside amounts for textbooks, capital acquisition, and budget stabilization. Disclosure of this information is required by State statute.

	Textbooks	Capital <u>Improvements</u>	Budget <u>Stabilization</u>
Set-aside balance as of June 30, 2000	\$ (498,797)	-	467,953
Current year set-aside requirement	466,617	466,617	-
Less qualifying disbursements	<u>1,510,487</u>	<u>6,164,076</u>	-
Total	<u>(1,542,667)</u>	<u>(5,697,459)</u>	<u>467,953</u>
Cash balance carried forward to FY 2002	<u>-</u>	<u>-</u>	<u>467,953</u>

Since the School District had offsets and qualifying disbursements during the year that reduced the set aside amount for textbooks and instructional materials to below zero, these extra amounts may be used to reduce the set aside requirements of future years. However, the excess qualifying disbursements of the capital improvement set-aside may not be used to reduce the capital improvement set aside requirements of future years.

The Ohio General Assembly eliminated the requirement for the budget stabilization reserve and effective April 10, 2001, the Board of Education could choose to eliminate the reserve with the exception of rebates received from the Bureau of Workers Compensation. The School District chose not to reduce its budget stabilization reserve.

20. SCHOOL FUNDING DECISION

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

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

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

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of November 2, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001 asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

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 and on its financial operations.

COMBINING AND INDIVIDUAL FUND
AND ACCOUNT GROUP FINANCIAL
STATEMENTS AND SCHEDULES

Butler County Joint Vocational School District, Ohio

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.

Since there is only one General Fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented here.

Butler County Joint Vocational School District, Ohio

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. The following are descriptions of each Special Revenue Fund:

The **Public School Support Fund** accounts for specific local revenue sources (other than taxes) generated by the individual school buildings. Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

The **Other Grant Fund** accounts for various state and local grants.

The **Termination Benefits Fund** accounts for the accumulation of resources and payments of employee severance.

The **Career Development Fund** accounts for state and federal grants which are provided to introduce various career opportunities to students.

The **Post Secondary Vocational Education Fund** accounts for revenue and expenditures incurred in providing opportunities for adults to acquire adequate employment skills.

The **Teacher Development Fund** accounts for state funded revenue and expenditures necessary for providing assistance to local school districts for the development of in-service programs.

The **Ohio Industrial Training Grant Fund** accounts for state grants to address worker shortages in specific occupations such as nursing homes and long-term care facilities by defraying a portion of the tuition costs for students to attend state tested nurse aide training.

The **Management Information Systems Fund** accounts for state funds provided to assist the District in implementing a staff, student, and financial reporting system as mandated by the Omnibus Education Reform Act of 1989.

The **Schoolnet Professional Development Fund** accounts for state grants for the provision of hardware, software, telecommunications services, and staff development to support educational uses of technology in the classroom.

The **Tech Prep Fund** accounts for state grants for the enhancement of vocational education including recruiting and training of students as well as assisting students with career visions.

The **Miscellaneous State Grants Fund** accounts for various monies received from state agencies which are not classified elsewhere.

The **Telecomm (E-Rate) Fund** accounts for federal funds received from the Telecommunications Act Grant.

The **Education for Economic Security Act (EESA) Fund** accounts for federal funds used for strengthening instruction in science, mathematics, modern foreign languages, English, the arts and computer learning.

The **Vocational Education Fund** accounts for federal funds used in the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, cooperative education, advisory committees, and work-study projects.

The **Miscellaneous Federal Grants Fund** accounts for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere.

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**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 JUNE 30, 2001**

	<u>Public School Support</u>	<u>Other Grant</u>	<u>Termination Benefits</u>	<u>Career Develop- ment</u>	<u>Post Seconday Vocational Education</u>	<u>Teacher Develop- ment</u>
ASSETS:						
Equity in pooled cash and cash equivalents	\$ <u>56,895</u>	<u>129</u>	<u>105,411</u>	<u>-</u>	<u>-</u>	<u>14,758</u>
Total assets	<u>56,895</u>	<u>129</u>	<u>105,411</u>	<u>-</u>	<u>-</u>	<u>14,758</u>
LIABILITIES AND EQUITY:						
LIABILITIES:						
Accounts payable	-	-	-	-	-	-
Accrued wages and benefits	-	-	-	24,700	-	-
Compensated absences payable	-	-	-	-	-	-
Interfund loans payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,567</u>	<u>-</u>	<u>-</u>
Total liabilities	-	-	-	52,267	-	-
EQUITY:						
Fund Balances						
Reserved for:						
Encumbrances	-	-	-	85	-	-
Unreserved-undesignated	<u>56,895</u>	<u>129</u>	<u>105,411</u>	<u>(52,352)</u>	<u>-</u>	<u>14,758</u>
Total equity	<u>56,895</u>	<u>129</u>	<u>105,411</u>	<u>(52,267)</u>	<u>-</u>	<u>14,758</u>
Total liabilities and equity	\$ <u>56,895</u>	<u>129</u>	<u>105,411</u>	<u>-</u>	<u>-</u>	<u>14,758</u>

<u>Ohio Industrial Training</u>	<u>Management Information Systems</u>	<u>SchoolNet Professional Development</u>	<u>Tech Prep Fund</u>	<u>Misc. State Grants</u>	<u>E-Rate</u>	<u>EESA</u>	<u>Vocational Education</u>	<u>Misc. Federal Grants</u>	<u>TOTAL</u>
-	22,156	6,000	2,183	64,358	-	3,563	-	500	275,953
-	22,156	6,000	2,183	64,358	-	3,563	-	500	275,953
-	-	-	-	2,325	-	343	1,313	-	3,981
-	-	-	-	-	-	-	41,723	-	66,423
-	-	-	-	-	-	-	1,138	-	1,138
-	-	-	-	-	-	-	29,662	-	57,229
-	-	-	-	2,325	-	343	73,836	-	128,771
-	700	-	543	36,531	-	1,340	20,300	-	59,499
-	21,456	6,000	1,640	25,502	-	1,880	(94,136)	500	87,683
-	22,156	6,000	2,183	62,033	-	3,220	(73,836)	500	147,182
-	22,156	6,000	2,183	64,358	-	3,563	-	500	275,953

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2001**

	Public School Support	Other Grant	Termination Benefits	Career Develop- ment	Post Secondary Vocational Education	Teacher Develop- ment
Revenues:						
Tuition	\$ -	-	-	-	-	-
Earnings on investments	-	-	583	-	-	-
Other local revenues	20,539	11,558	-	-	1,218	-
Intergovernmental - state	-	-	-	182,841	31,180	13,926
Intergovernmental - federal	-	-	-	-	-	-
Total revenues	<u>20,539</u>	<u>11,558</u>	<u>583</u>	<u>182,841</u>	<u>32,398</u>	<u>13,926</u>
Expenditures:						
Current:						
Instruction:						
Regular	-	-	-	-	-	-
Vocational Education	-	2,033	20,172	-	-	-
Other	-	-	-	-	331	-
Support services						
Pupil	-	4,967	-	216,588	-	-
Instructional staff	-	(517)	-	-	-	8,032
School administration	-	868	-	-	-	-
Central	-	-	-	1,999	88,653	-
Extracurricular activities	1,040	-	-	-	-	-
Facilities acquisition and construction	487	-	-	-	-	-
Total expenditures	<u>1,527</u>	<u>7,351</u>	<u>20,172</u>	<u>218,587</u>	<u>88,984</u>	<u>8,032</u>
Excess of revenues over (under) expenditures	19,012	4,207	(19,589)	(35,746)	(56,586)	5,894
Other financing sources (uses)						
Operating transfers in	-	-	125,000	27,652	10,500	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>27,652</u>	<u>10,500</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	19,012	4,207	105,411	(8,094)	(46,086)	5,894
Fund balance, beginning of year	37,883	(4,078)	-	(44,173)	46,086	8,864
Fund balance, end of year	\$ <u>56,895</u>	<u>129</u>	<u>105,411</u>	<u>(52,267)</u>	<u>-</u>	<u>14,758</u>

<u>Ohio Industrial Training</u>	<u>Management Information Systems</u>	<u>SchoolNet Professional Development</u>	<u>Tech Prep Fund</u>	<u>Misc. State Grants</u>	<u>E-Rate</u>	<u>EESA</u>	<u>Vocational Education</u>	<u>Misc. Federal Grants</u>	<u>TOTAL</u>
-	-	-	-	-	-	-	18,003	-	18,003
-	-	-	-	-	-	-	-	-	583
-	-	-	-	-	1,422	-	-	-	34,737
5,400	5,000	5,000	90,000	50,000	-	-	16,161	-	399,508
-	-	-	-	-	-	3,854	624,691	500	629,045
<u>5,400</u>	<u>5,000</u>	<u>5,000</u>	<u>90,000</u>	<u>50,000</u>	<u>1,422</u>	<u>3,854</u>	<u>658,855</u>	<u>500</u>	<u>1,081,876</u>
-	-	-	-	-	-	633	-	-	633
-	-	-	-	3	-	-	99,946	-	122,154
14,800	-	-	-	-	-	-	68,316	-	83,447
-	-	-	-	-	-	-	287,349	-	508,904
-	-	-	78,817	34,599	-	-	2,067	-	122,998
-	-	-	-	-	-	-	21,741	-	22,609
-	1,700	-	9,000	-	1,422	4,312	167,270	-	274,356
-	-	-	-	-	-	-	-	-	1,040
-	-	-	-	-	-	-	-	-	487
<u>14,800</u>	<u>1,700</u>	<u>-</u>	<u>87,817</u>	<u>34,602</u>	<u>1,422</u>	<u>4,945</u>	<u>646,689</u>	<u>-</u>	<u>1,136,628</u>
(9,400)	3,300	5,000	2,183	15,398	-	(1,091)	12,166	500	(54,752)
-	-	-	-	-	-	-	-	-	163,152
-	-	-	-	-	-	-	-	-	163,152
(9,400)	3,300	5,000	2,183	15,398	-	(1,091)	12,166	500	108,400
<u>9,400</u>	<u>18,856</u>	<u>1,000</u>	<u>-</u>	<u>46,635</u>	<u>-</u>	<u>4,311</u>	<u>(86,002)</u>	<u>-</u>	<u>38,782</u>
<u>-</u>	<u>22,156</u>	<u>6,000</u>	<u>2,183</u>	<u>62,033</u>	<u>-</u>	<u>3,220</u>	<u>(73,836)</u>	<u>500</u>	<u>147,182</u>

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
PUBLIC SCHOOL SUPPORT FUND
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
From local sources:			
Other local revenues	\$ 21,224	21,224	-
Total revenues	21,224	21,224	-
Expenditures:			
Current:			
Extracurricular activities	15,262	1,526	13,736
Total expenditures	15,262	1,526	13,736
Excess of revenues over expenditures	5,962	19,698	13,736
Fund balance, beginning of year	36,933	36,933	
Prior year encumbrances appropriated	262	262	
Fund balance, end of year	\$ 43,157	56,893	

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
OTHER GRANT FUND
YEAR ENDED JUNE 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
From local sources:			
Tuition	\$ 70	70	-
Other local revenues	5,513	5,513	-
Intergovernmental - state and local	<u>5,974</u>	<u>5,974</u>	<u>-</u>
Total revenues	11,557	11,557	-
Expenditures:			
Current:			
Instruction:			
Vocational	2,033	2,033	-
Support Services:			
Pupil	15,947	15,821	126
Instructional staff	264	264	-
School administration	<u>868</u>	<u>868</u>	<u>-</u>
Total expenditures	<u>19,112</u>	<u>18,986</u>	<u>126</u>
Excess of revenues over (under) expenditures	<u>(7,555)</u>	<u>(7,429)</u>	<u>126</u>
Fund balance, beginning of year	(15,923)	(15,923)	
Prior year encumbrances appropriated	<u>23,478</u>	<u>23,478</u>	
Fund balance, end of year	\$ <u>-</u>	<u>126</u>	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
TERMINATION BENEFITS FUND
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Earnings on investments	\$ 583	583	-
Total revenues	583	583	-
Expenditures:			
Current:			
Instruction:			
Vocational	125,000	20,172	104,828
Total expenditures	125,000	20,172	104,828
Excess of revenues over (under) expenditures	(124,417)	(19,589)	104,828
Other financing sources:			
Operating transfers in	125,000	125,000	-
Total other financing sources	125,000	125,000	-
Excess of revenues and other sources over expenditures	583	105,411	104,828
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ 583	105,411	

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
CAREER DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental - state and local	\$ 182,841	182,841	-
Total revenues	182,841	182,841	-
Expenditures:			
Current:			
Support services:			
Pupil	209,999	209,999	-
Total expenditures	209,999	209,999	-
Excess of revenues over (under) expenditures	<u>(27,158)</u>	<u>(27,158)</u>	-
Other financing sources (uses):			
Operating transfers in	27,652	27,652	-
Other financing uses	<u>(2,000)</u>	<u>(2,000)</u>	-
Total other financing sources (uses)	<u>25,652</u>	<u>25,652</u>	-
Excess of revenues and other sources over (under) expenditures and other uses	(1,506)	(1,506)	-
Fund balance, beginning of year	(26,146)	(26,146)	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>(27,652)</u>	<u>(27,652)</u>	

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
POST SECONDARY VOCATIONAL EDUCATION FUND
YEAR ENDED JUNE 30, 2001

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental - state and local	\$ 31,180	31,180	-
Total revenues	31,180	31,180	-
Expenditures:			
Current:			
Instruction:			
Adult/continuing education	1,941	1,941	-
Central	30,500	30,500	-
Total expenditures	32,441	32,441	-
Excess of revenues over (under) expenditures	(1,261)	(1,261)	-
Other financing sources (uses):			
Operating transfers in	10,500	10,500	-
Other financing (uses)	(56,933)	(56,933)	-
Total other financing sources (uses)	(46,433)	(46,433)	-
Excess of revenues and other sources over (under) expenditures and other (uses)	(47,694)	(47,694)	-
Fund balance, beginning of year	45,968	45,968	
Prior year encumbrances appropriated	1,726	1,726	
Fund balance, end of year	\$ -	-	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
TEACHER DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental - state and local	<u>13,926</u>	<u>13,926</u>	<u>-</u>
Total revenues	13,926	13,926	-
Expenditures:			
Current:			
Support Services:			
Instructional staff	<u>22,790</u>	<u>8,033</u>	<u>14,757</u>
Total expenditures	<u>22,790</u>	<u>8,033</u>	<u>14,757</u>
Excess of revenues over (under) expenditures	<u>(8,864)</u>	<u>5,893</u>	<u>14,757</u>
Fund balance, beginning of year	8,814	8,814	
Prior year encumbrances appropriated	<u>50</u>	<u>50</u>	
Fund balance, end of year	\$ <u>-</u>	<u>14,757</u>	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
OHIO INDUSTRIAL TRAINING GRANT
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental - state and local	<u>5,400</u>	<u>5,400</u>	<u>-</u>
Total revenues	5,400	5,400	-
Expenditures:			
Current:			
Instructional:			
Adult/continuing education	<u>50,000</u>	<u>14,800</u>	<u>35,200</u>
Total expenditures	<u>50,000</u>	<u>14,800</u>	<u>35,200</u>
Excess of revenues over (under) expenditures	<u>(44,600)</u>	<u>(9,400)</u>	<u>35,200</u>
Fund balance, beginning of year	9,400	9,400	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>(35,200)</u>	<u>-</u>	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
MANAGEMENT INFORMATION SYSTEMS FUND
YEAR ENDED JUNE 30, 2001**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental - state and local	\$ 5,000	5,000	-
Total revenues	5,000	5,000	-
Expenditures:			
Current:			
Support services:			
Central	23,856	2,400	21,456
Total expenditures	23,856	2,400	21,456
Excess of revenues over (under) expenditures	(18,856)	2,600	21,456
Fund balance, beginning of year	18,856	18,856	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ -	21,456	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
SCHOOLNET PROFESSIONAL DEVELOPMENT GRANT
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental - state and local	\$ <u>5,000</u>	<u>5,000</u>	<u>-</u>
Total revenues	5,000	5,000	-
Expenditures:			
Current:			
Instructional:			
Vocational education	1,000	-	1,000
Support services:			
Instructional staff	1,000	-	1,000
School administration	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total expenditures	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Excess of revenues over (under) expenditures	<u>2,000</u>	<u>5,000</u>	<u>3,000</u>
Fund balance, beginning of year	1,000	1,000	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>3,000</u>	<u>6,000</u>	

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
TECH PREP FUND
YEAR ENDED JUNE 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental - state and local	\$ 90,000	90,000	-
Total revenues	90,000	90,000	-
Expenditures:			
Current:			
Support services:			
Instructional staff	81,000	79,360	1,640
Total expenditures	81,000	79,360	1,640
Excess of revenues over (under) expenditures	9,000	10,640	1,640
Other financing sources uses:			
Other financing uses	(9,000)	(9,000)	-
Excess of revenues over (under) expenditures and other (uses)	-	1,640	1,640
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ -	1,640	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
MISCELLANEOUS STATE GRANTS FUND
YEAR ENDED JUNE 30, 2001**

		<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental - state and local	\$	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total revenues		50,000	50,000	-
Expenditures:				
Current:				
Instruction:				
Vocational		32	32	-
Support services:				
Instructional staff		<u>100,000</u>	<u>74,497</u>	<u>25,503</u>
Total expenditures		<u>100,032</u>	<u>74,529</u>	<u>25,503</u>
Excess of revenues over (under) expenditures		(50,032)	(24,529)	25,503
Fund balance, beginning of year		10,296	10,296	
Prior year encumbrances appropriated		<u>39,736</u>	<u>39,736</u>	
Fund balance, end of year	\$	<u>-</u>	<u>25,503</u>	

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
TELECOM (E-RATE) FUND
YEAR ENDED JUNE 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental - federal	\$ 1,422	1,422	-
Total revenues	1,422	1,422	-
Expenditures:			
Current:			
Support services:			
Central	1,422	1,422	-
Total expenditures	1,422	1,422	-
Excess of revenues over (under) expenditures	-	-	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ -	-	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
EDUCATION FOR ECONOMIC SECURITY ACT FUND
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental - federal	\$ 3,854	3,854	-
Total revenues	3,854	3,854	-
Expenditures:			
Current:			
Instruction:			
Regular	3,854	1,973	1,881
Total expenditures	3,854	1,973	1,881
Excess of revenues over expenditures	-	1,881	1,881
Other financing (uses):			
Other financing (uses)	(4,312)	(4,312)	-
Total other financing (uses)	(4,312)	(4,312)	-
Excess of revenues over (under) expenditures and other (uses)	(4,312)	(2,431)	1,881
Fund balance, beginning of year	4,312	4,312	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ -	1,881	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
BUDGET AND ACTUAL (BUDGET BASIS)
VOCATIONAL EDUCATION FUND
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
From local sources:			
Tuition	18,003	18,003	-
Intergovernmental - state and local	16,161	16,161	-
Intergovernmental - federal	\$ 624,691	624,691	-
Total revenues	<u>658,855</u>	<u>658,855</u>	-
Expenditures:			
Current:			
Instruction:			
Vocational	109,459	109,459	-
Adult/continuing education	68,502	68,502	-
Support services:			
Pupil	281,053	280,707	346
Instructional staff	2,068	2,068	-
School administration	21,741	21,741	-
Central	188,262	188,262	-
Total expenditures	<u>671,085</u>	<u>670,739</u>	<u>346</u>
Excess of revenues over (under) expenditures	(12,230)	(11,884)	346
Fund balance, beginning of year	(39,393)	(39,393)	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ <u>(51,623)</u>	<u>(51,277)</u>	

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
CHAPTER 2 FUND
YEAR ENDED JUNE 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Intergovernmental - federal	\$ -	-	-
Total revenues	-	-	-
Expenditures:			
Current:			
Instruction:			
Regular	<u>7,320</u>	-	<u>7,320</u>
Total expenditures	<u>7,320</u>	-	<u>7,320</u>
Excess of revenues over (under) expenditures	(7,320)	-	7,320
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>(7,320)</u>	<u>-</u>	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
MISCELLANEOUS FEDERAL GRANT FUND
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental - federal	\$ 500	500	-
Total revenues	500	500	-
Expenditures:			
Current:			
Support Services:			
Instructional staff	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	500	500	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ 500	500	

Butler County Joint Vocational School District, Ohio

DEBT SERVICE FUND

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

Since there is only one debt service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented here.

Butler County Joint Vocational School District, Ohio

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings, additions to existing school buildings, or for major renovation projects, including equipment purchases:

The **Permanent Improvement Fund** accounts for all transactions related to the acquiring, constructing, or improving of the infrastructure of buildings and grounds through permanent improvements.

The **Building Fund** accounts for all transactions related to the construction of the new building.

The **Interactive Video Learning Fund** accounts for all transactions related to state grants for upgrading video learning technology.

The **Schoolnet Equipment Fund** accounts for state grants for the purchase of technology for classrooms.

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS
 JUNE 30, 2001**

	<u>Permanent Improve- ment</u>	<u>Building</u>	<u>Interactive Video Learning</u>	<u>SchoolNet Equipment</u>	<u>TOTAL</u>
ASSETS:					
Equity in pooled cash and cash equivalents	\$ 3,611,902	321,649	-	2,567	3,936,118
Accrued interest	<u>3,743</u>	<u>324</u>	<u>-</u>	<u>-</u>	<u>4,067</u>
Total assets	<u><u>3,615,645</u></u>	<u><u>321,973</u></u>	<u><u>-</u></u>	<u><u>2,567</u></u>	<u><u>3,940,185</u></u>
LIABILITIES AND EQUITY:					
LIABILITIES:					
Accounts payable	<u>-</u>	<u>202,044</u>	<u>-</u>	<u>-</u>	<u>202,044</u>
Total liabilities	<u>-</u>	<u>202,044</u>	<u>-</u>	<u>-</u>	<u>202,044</u>
EQUITY:					
Fund Balances					
Reserved for:					
Encumbrances	-	51,577	-	67	51,644
Unreserved-undesignated	<u>3,615,645</u>	<u>68,352</u>	<u>-</u>	<u>2,500</u>	<u>3,686,497</u>
Total equity	<u>3,615,645</u>	<u>119,929</u>	<u>-</u>	<u>2,567</u>	<u>3,738,141</u>
Total liabilities and equity	\$ <u><u>3,615,645</u></u>	<u><u>321,973</u></u>	<u><u>-</u></u>	<u><u>2,567</u></u>	<u><u>3,940,185</u></u>

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2001

	Permanent Improve- ment	Building	Interactive Video Learning	SchoolNet Equipment	<i>TOTAL</i>
Revenues:					
Earnings on investments	\$ 86,358	43,570	-	-	129,928
Other local revenues	59,687	-	-	-	59,687
Intergovernmental - state	-	-	-	8,500	8,500
Total revenues	<u>146,045</u>	<u>43,570</u>	<u>-</u>	<u>8,500</u>	<u>198,115</u>
Expenditures:					
Current:					
Instruction:					
Regular	-	-	2,581	-	2,581
Support services:					
Central	-	-	-	5,933	5,933
Capital outlay:					
Facilities acquisition and construction	208,544	4,570,053	-	-	4,778,597
Debt service:					
Interest	-	191,519	-	-	191,519
Total expenditures	<u>208,544</u>	<u>4,761,572</u>	<u>2,581</u>	<u>5,933</u>	<u>4,978,630</u>
Excess of revenues over (under) expenditures	(62,499)	(4,718,002)	(2,581)	2,567	(4,780,515)
Other financing sources					
Operating transfers in	1,000,000	4,891,519	-	-	5,891,519
Total other financing sources	<u>1,000,000</u>	<u>4,891,519</u>	<u>-</u>	<u>-</u>	<u>5,891,519</u>
Excess of revenues and other sources over (under) expenditures	937,501	173,517	(2,581)	2,567	1,111,004
Fund balance, beginning of year	2,678,144	(53,588)	2,581	-	2,627,137
Fund balance, end of year	\$ <u>3,615,645</u>	<u>119,929</u>	<u>-</u>	<u>2,567</u>	<u>3,738,141</u>

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
PERMANENT IMPROVEMENT FUND
YEAR ENDED JUNE 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
From local sources:			
Earnings on investments	\$ 88,420	88,420	-
Other local revenues	<u>59,687</u>	<u>59,687</u>	<u>-</u>
Total revenues	148,107	148,107	-
Expenditures:			
Current:			
Support services:			
Operations and maintenance	3,200	-	3,200
Central	96,800	-	96,800
Facilities acquisition and construction	<u>1,176,144</u>	<u>208,544</u>	<u>967,600</u>
Total expenditures	<u>1,276,144</u>	<u>208,544</u>	<u>1,067,600</u>
Excess of revenues over expenditures	<u>(1,128,037)</u>	<u>(60,437)</u>	<u>1,067,600</u>
Other financing sources:			
Operating transfers in	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Total financing sources	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	(128,037)	939,563	1,067,600
Fund balance, beginning of year	2,646,195	2,646,195	
Prior year encumbrances appropriated	<u>26,144</u>	<u>26,144</u>	
Fund balance, end of year	\$ <u><u>2,544,302</u></u>	<u><u>3,611,902</u></u>	

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
BUILDING FUND
YEAR ENDED JUNE 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
From local sources:			
Earnings on investments	\$ 55,403	55,403	-
Total revenues	55,403	55,403	-
Expenditures:			
Facilities acquisition and construction	5,777,418	5,777,418	-
Total expenditures	5,777,418	5,777,418	-
Excess of revenues over expenditures	<u>(5,722,015)</u>	<u>(5,722,015)</u>	-
Other financing sources:			
Operating transfers in	200,000	200,000	-
Total financing sources	200,000	200,000	-
Excess of revenues and other sources over (under) expenditures	(5,522,015)	(5,522,015)	-
Fund balance, beginning of year	247,408	247,408	
Prior year encumbrances appropriated	5,342,634	5,342,634	
Fund balance, end of year	\$ <u>68,027</u>	<u>68,027</u>	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
INTERACTIVE VIDEO LEARNING FUND
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental - state and local	\$ -	-	-
Total revenues	-	-	-
Expenditures:			
Instruction:			
Regular	2,661	2,661	-
Total expenditures	2,661	2,661	-
Excess of revenues over (under) expenditures	(2,661)	(2,661)	-
Fund balance, beginning of year	1,881	1,881	
Prior year encumbrances appropriated	780	780	
Fund balance, end of year	\$ -	-	

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGET BASIS)
SCHOOLNET EQUIPMENT FUND
YEAR ENDED JUNE 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental - state and local	\$ 8,500	8,500	-
Total revenues	8,500	8,500	-
Expenditures:			
Support services:			
Central	6,000	6,000	-
Total expenditures	6,000	6,000	-
Excess of revenues over expenditures	2,500	2,500	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ 2,500	2,500	

Butler County Joint Vocational School District, Ohio

ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector business where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public be financed or recovered primarily through user charges. The following are descriptions of each of the District's Enterprise Funds:

The **Food Services Fund** accounts for the financial transactions related to the food service operation of the District.

The **Uniform School Supply Fund** accounts for the purchase and sale of school supplies as adopted by the Board of Education for use in the District.

The **Rotary Fund** accounts for income and expenses made in connection with goods and services provided by the District.

The **Vocational Adult Education Fund** accounts for revenue and expenditures involved in upgrading and retraining out-of-school youth and adults for the purpose of improving their skills and knowledge in their current or planned occupation.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
JUNE 30, 2001

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Rotary</u>	<u>Vocational Adult Education</u>	<u>TOTAL</u>
ASSETS:					
Equity in pooled cash and cash equivalents	\$ 2,905	28,929	100,018	621,340	753,192
Net receivables:					
Accounts	-	-	-	48,839	48,839
Accrued interest	3	-	-	-	3
Intergovernmental	1,261	-	-	-	1,261
Property, plant and equipment	-	-	169,337	334,855	504,192
Accumulated depreciation	-	-	<u>(24,305)</u>	<u>(129,106)</u>	<u>(153,411)</u>
Total assets	<u>4,169</u>	<u>28,929</u>	<u>245,050</u>	<u>875,928</u>	<u>1,154,076</u>
LIABILITIES AND EQUITY:					
LIABILITIES:					
Accounts payable	1,004	68	1,426	49,928	52,426
Accrued wages and benefits	-	-	7,049	84,123	91,172
Compensated absences payable	-	-	-	107,047	107,047
Total liabilities	<u>1,004</u>	<u>68</u>	<u>8,475</u>	<u>241,098</u>	<u>250,645</u>
EQUITY:					
Retained earnings:					
Unreserved	<u>3,165</u>	<u>28,861</u>	<u>236,575</u>	<u>634,830</u>	<u>903,431</u>
Total equity	<u>3,165</u>	<u>28,861</u>	<u>236,575</u>	<u>634,830</u>	<u>903,431</u>
Total liabilities and equity	\$ <u>4,169</u>	<u>28,929</u>	<u>245,050</u>	<u>875,928</u>	<u>1,154,076</u>

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 COMBINING STATEMENT OF REVENUES,
 EXPENSES AND CHANGES IN RETAINED EARNINGS
 ALL ENTERPRISE FUNDS
 YEAR ENDED JUNE 30, 2001**

	Food Service	Uniform School Supply	Rotary	Vocational Adult Education	<i>TOTAL</i>
Operating revenues:					
Tuition and fees	\$ 148,170	15,764	5,435	1,721,192	1,890,561
Other operating revenues	-	-	221,379	288,405	509,784
Total operating revenues	<u>148,170</u>	<u>15,764</u>	<u>226,814</u>	<u>2,009,597</u>	<u>2,400,345</u>
Operating expenses:					
Personnel services	70,640	-	54,536	1,599,060	1,724,236
Contractual services	20,026	-	93,883	553,019	666,928
Materials and supplies	82,201	37,602	38,693	182,539	341,035
Depreciation	-	-	15,240	29,124	44,364
Other operating expenses	1,981	-	196	205,697	207,874
Total operating expenses	<u>174,848</u>	<u>37,602</u>	<u>202,548</u>	<u>2,569,439</u>	<u>2,984,437</u>
Operating income (loss)	(26,678)	(21,838)	24,266	(559,842)	(584,092)
Nonoperating revenues					
Earnings on investment	78	-	-	-	78
Operating grants	9,765	-	-	813,356	823,121
Total nonoperating revenues	<u>9,843</u>	<u>-</u>	<u>-</u>	<u>813,356</u>	<u>823,199</u>
Net income before transfers	(16,835)	(21,838)	24,266	253,514	239,107
Operating transfers in	20,000	-	-	-	20,000
Operating transfers out	-	-	-	(10,500)	(10,500)
Net income (loss)	3,165	(21,838)	24,266	243,014	248,607
Retained earnings, beginning of year	-	50,699	212,309	391,816	654,824
Retained earnings, end of year	\$ <u>3,165</u>	<u>28,861</u>	<u>236,575</u>	<u>634,830</u>	<u>903,431</u>

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2001

	Food Service	Uniform School Supply	Rotary	Vocational Adult Education	TOTAL
Cash flows from operating activities:					
Cash received from tuition and fees	\$ 148,170	15,609	8,955	1,700,683	1,873,417
Cash received from other operations	-	371	221,379	283,163	504,913
Cash payments for personal services	(70,640)	-	(54,575)	(1,632,066)	(1,757,281)
Cash payments for contract services	(19,022)	-	(92,457)	(503,091)	(614,570)
Cash payments for supplies and materials	(82,081)	(37,710)	(43,628)	(265,833)	(429,252)
Cash payments for other expenses	(2,101)	(299)	(3,425)	(196,804)	(202,629)
Net cash provided (used) by operating activities	<u>(25,674)</u>	<u>(22,029)</u>	<u>36,249</u>	<u>(613,948)</u>	<u>(625,402)</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	20,000	-	-	-	20,000
Transfers to other funds	-	-	-	(10,500)	(10,500)
Cash received from operating grants	8,504	-	-	813,349	821,853
Net cash provided by noncapital financing activities	<u>28,504</u>	<u>-</u>	<u>-</u>	<u>802,849</u>	<u>831,353</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	-	(81,777)	(54,639)	(136,416)
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(81,777)</u>	<u>(54,639)</u>	<u>(136,416)</u>
Cash flows from investing activities:					
Interest received	75	-	-	-	75
Net cash provided by investing activities	<u>75</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75</u>
Net increase (decrease) in cash	2,905	(22,029)	(45,528)	134,262	69,610
Cash, beginning of year	-	50,958	145,546	487,078	683,582
Cash, end of year	<u>2,905</u>	<u>28,929</u>	<u>100,018</u>	<u>621,340</u>	<u>753,192</u>
Reconciliation of operating income (loss)					
to net cash provided (used) by operating activities:					
Operating income (loss)	(26,678)	(21,838)	24,266	(559,842)	(584,092)
Adjustments to reconcile operating income (loss)					
to net cash provided (used) by operating activities:					
Depreciation	-	-	15,240	29,124	44,364
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	-	215	3,518	(20,503)	(16,770)
Increase (decrease) in accounts payable	1,004	(406)	(6,735)	(29,721)	(35,858)
Decrease in accrued wages and benefits	-	-	(40)	(20,019)	(20,059)
Decrease in compensated absences payable	-	-	-	(12,987)	(12,987)
Net cash provided (used) by operating activities	<u>\$ (25,674)</u>	<u>(22,029)</u>	<u>36,249</u>	<u>(613,948)</u>	<u>(625,402)</u>

Butler County Joint Vocational School District, Ohio

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These funds include the Expendable Trust Fund and Agency Funds. The following are descriptions of each of the District's Fiduciary Funds:

Expendable Trust Fund

The **Special Trust Fund** accounts for donations that are received to provide scholarships and awards to students. Since there is only one Expendable Trust Fund no additional statement of revenues, expenditures and changes in fund balance is presented here.

Agency Funds

The **Southwest Ohio Computer Association** accounts for the activity and resources of the Southwest Ohio Computer Association (SWOCA). The District serves as the fiscal agent for SWOCA.

The **Student Activities Funds** account for the resources that belong to various student groups in the District. The funds account for sales and other revenue generating activities by student groups which have students involved in the management of the program.

The **District Agency Fund** accounts for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds.

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL FIDUCIARY FUND TYPES
 JUNE 30, 2001**

	Expendable Trust Fund	Agency Funds			
	Special Trust	SWOCA	Student Activities	District Agency	<i>TOTAL</i>
ASSETS:					
Equity in pooled cash and cash equivalents	\$ 101,649	1,613,480	76,219	10,488	1,801,836
Accrued interest	102	-	-	-	102
Total assets	<u>101,751</u>	<u>1,613,480</u>	<u>76,219</u>	<u>10,488</u>	<u>1,801,938</u>
LIABILITIES AND EQUITY:					
LIABILITIES:					
Due to other governments	-	1,613,480	-	10,488	1,623,968
Due to student groups	-	-	76,219	-	76,219
Total liabilities	<u>-</u>	<u>1,613,480</u>	<u>76,219</u>	<u>10,488</u>	<u>1,700,187</u>
EQUITY:					
Fund Balances					
Unreserved-undesignated	101,751	-	-	-	101,751
Total equity	<u>101,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>101,751</u>
Total liabilities and equity	\$ <u>101,751</u>	<u>1,613,480</u>	<u>76,219</u>	<u>10,488</u>	<u>1,801,938</u>

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2001

	Beginning Balance <u>July 1, 2000</u>	Additions	Deductions	Ending Balance <u>June 30, 2001</u>
SWOCA:				
Assets:				
Equity in pooled cash and cash equivalents	\$ <u>926,209</u>	<u>3,066,239</u>	<u>2,378,968</u>	<u>1,613,480</u>
Liabilities:				
Due to other governments	<u>926,209</u>	<u>3,066,239</u>	<u>2,378,968</u>	<u>1,613,480</u>
<hr/>				
STUDENT ACTIVITIES:				
Assets:				
Equity in pooled cash and cash equivalents	<u>84,440</u>	<u>159,762</u>	<u>167,983</u>	<u>76,219</u>
Liabilities:				
Due to student groups	<u>84,440</u>	<u>159,762</u>	<u>167,983</u>	<u>76,219</u>
<hr/>				
DISTRICT AGENCY:				
Assets:				
Equity in pooled cash and cash equivalents	<u>10,909</u>	<u>173,287</u>	<u>173,708</u>	<u>10,488</u>
Liabilities:				
Due to other governments	<u>10,909</u>	<u>173,287</u>	<u>173,708</u>	<u>10,488</u>
<hr/>				
TOTAL:				
Assets:				
Equity in pooled cash and cash equivalents	<u>1,021,558</u>	<u>3,399,288</u>	<u>2,720,659</u>	<u>1,700,187</u>
Liabilities:				
Due to other governments	937,118	3,239,526	2,552,676	1,623,968
Due to student groups	<u>84,440</u>	<u>159,762</u>	<u>167,983</u>	<u>76,219</u>
	\$ <u>1,021,558</u>	<u>3,399,288</u>	<u>2,720,659</u>	<u>1,700,187</u>

Butler County Joint Vocational School District, Ohio

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is used to account for all sites, buildings, equipment and vehicles not used in the operations of the Proprietary Funds. The majority of the District's assets are reflected in the General Fixed Assets Account Group.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
JUNE 30, 2001

GENERAL FIXED ASSETS:	
Land and improvements	\$ 490,680
Buildings	20,853,801
Furniture and equipment	8,614,408
Vehicles	<u>423,828</u>
 TOTAL GENERAL FIXED ASSETS	 <u><u>30,382,717</u></u>

INVESTMENT IN GENERAL FIXED ASSETS FROM:

General Fund	4,498,838
Special Revenue Funds	64,955
Capital Projects Funds	10,082,654
Acquired before July 1, 1998*	<u>15,736,270</u>
 TOTAL INVESTMENT IN GENERAL FIXED ASSETS	 \$ <u><u>30,382,717</u></u>

* Represents assets for which fund source cannot practically be obtained.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
JUNE 30, 2001

	<u>Land and Improvements</u>	<u>Buildings</u>	<u>Furniture and Equipment</u>	<u>Vehicles</u>	<u>Total</u>
Instruction:					
Vocational	\$ -	126,468	1,528,040	101,358	1,755,866
Support Services:					
Pupil	-	-	3,190	-	3,190
Instructional staff	-	37,380	99,024	-	136,404
School administration	-	-	63,733	-	63,733
Fiscal and business	-	-	72,187	-	72,187
Operations and maintenance	-	-	129,957	229,031	358,988
Central	-	-	149,318	-	149,318
Capital outlay	307,744	11,353,741	445,276	-	12,106,761
Other - pre July 1, 1998 items	<u>182,936</u>	<u>9,336,212</u>	<u>6,123,683</u>	<u>93,439</u>	<u>15,736,270</u>
	<u>\$ 490,680</u>	<u>20,853,801</u>	<u>8,614,408</u>	<u>423,828</u>	<u>30,382,717</u>

* Represents assets for which fund source cannot practically be obtained.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION
YEAR ENDED JUNE 30, 2001

	Balance July 1, 2000	Additions	Deletions	Balance June 30, 2001
Instruction:				
Vocational	\$ 646,884	1,108,982	-	1,755,866
Support Services:				
Pupil	714	2,476	-	3,190
Instructional staff	18,169	118,235	-	136,404
School administration	61,639	2,094	-	63,733
Fiscal and business	72,187	-	-	72,187
Operations and maintenance	220,701	138,287	-	358,988
Central	83,862	65,456	-	149,318
Capital outlay	6,068,310	6,038,451	-	12,106,761
Other - pre July 1, 1998 items*	15,736,270	-	-	15,736,270
	\$ <u>22,908,736</u>	<u>7,473,981</u>	<u>-</u>	<u>30,382,717</u>

* Represents assets for which fund source cannot practically be obtained.

*Butler County Joint Vocational
School District, Ohio*

STATISTICAL SECTION

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN YEARS**

Year	Instruction	Support Services	Community Services	Extra-Curricular Activities	Facilities and Capital Outlay	Debt Service	Total
Fiscal 2001	\$ 7,928,079	3,487,847	20,480	39,949	966,777	68,834	12,511,966
Fiscal 2000	7,232,685	3,163,769	36,046	17,373	783,037	68,834	11,301,744
Fiscal 1999	8,508,927	3,485,138	-	21,503	1,035,387	68,834	13,119,789
Fiscal 1998	8,093,650	3,806,487	-	18,740	296,716	47,864	12,263,457
Fiscal 1997	8,549,132	3,949,107	-	14,912	165,452	23,586	12,702,189
Fiscal 1996	9,032,257	4,283,682	-	12,103	-	27,980	13,356,022
Fiscal 1995	5,672,205	3,085,606	-	9,207	-	287,980	9,054,998
Fiscal 1994	5,805,357	3,063,899	-	6,123	-	-	8,875,379
Fiscal 1993	5,022,445	2,548,010	-	2,795	-	51,900	7,625,150
Fiscal 1992	4,464,717	2,212,543	-	1,545	-	59,682	6,738,487

Source: District records.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
GENERAL FUND REVENUES BY SOURCE
LAST TEN YEARS

Year	Taxes	Tuition	Earnings on Investments	Inter- governmental	Other	Total
Fiscal 2001	\$ 9,081,804	9,218	1,127,656	8,678,683	159,412	19,056,773
Fiscal 2000	6,833,243	5,177	653,760	8,181,814	105,553	15,779,547
Fiscal 1999	8,974,891	-	554,556	7,282,256	158,274	16,969,977
Fiscal 1998	7,778,542	-	450,532	7,477,698	273,309	15,980,081
Fiscal 1997	6,910,796	1,535	245,026	6,943,825	137,805	14,238,987
Fiscal 1996	6,105,779	17,139	213,916	6,961,086	184,480	13,482,400
Fiscal 1995	4,830,344	7,304	182,078	4,486,736	103,272	9,609,734
Fiscal 1994	4,404,024	46,315	155,773	4,305,068	74,802	8,985,982
Fiscal 1993	3,972,826	11,527	166,052	3,981,460	26,286	8,158,151
Fiscal 1992	3,820,974	26,254	238,794	3,807,854	36,284	7,930,160

Source: District records.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS - REAL AND PUBLIC UTILITY PROPERTY
LAST TEN COLLECTION (CALENDAR) YEARS

Year	Tax Levied (1)	Current Collection (2)	Percent Collected	Delinquent Collection	Total Tax Collection	Percent of Total Collections to Levy	Outstanding Delinquent Taxes (3)	Percent of Outstanding Delinquent Taxes to Tax Levied
2000	\$ 8,427,785	8,159,326	96.81%	183,980	8,343,306	99.00%	485,057	5.76%
1999	7,593,136	7,327,219	96.50%	208,671	7,535,890	99.25%	400,578	5.28%
1998	7,233,754	7,032,333	97.22%	164,771	7,197,104	99.49%	343,332	4.75%
1997	7,324,499	7,129,780	97.34%	171,723	7,301,503	99.69%	306,682	4.19%
1996	7,277,902	7,083,440	97.33%	180,013	7,263,453	99.80%	269,112	3.70%
1995	5,374,193	5,208,595	96.92%	131,498	5,340,093	99.37%	228,613	4.25%
1994	5,158,512	4,983,497	96.61%	116,257	5,099,754	98.86%	194,513	3.77%
1993	4,586,094	4,446,893	96.96%	135,135	4,582,028	99.91%	129,744	2.83%
1992	4,170,642	4,044,544	96.98%	116,458	4,161,002	99.77%	125,678	3.01%
1991	3,714,415	3,625,856	97.62%	82,594	3,708,450	99.84%	116,038	3.12%

Source: Butler County Auditor.

- (1) Taxes levied and collected are presented on a cash basis.
- (2) State reimbursements of rollback and homestead exemptions are included.
- (3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN CALENDAR YEARS (1)**

Year		Agricultural and Residential Real Estate	Other Real Estate	Public Utility Personal	Tangible Personal	Total Assessed Value	Estimated Actual Value	Ratio
2001	\$	3,266,072,980	1,027,985,690	340,235,770	603,873,150	5,238,167,590	15,070,863,214	34.76%
2000		3,101,386,920	909,393,350	355,947,900	563,581,619	4,930,309,789	14,118,184,926	34.92%
1999		2,770,306,620	889,507,980	354,744,010	562,802,599	4,577,361,209	13,110,941,732	34.91%
1998		2,731,088,120	800,522,700	349,975,010	559,330,743	4,440,916,573	12,725,338,476	34.90%
1997		2,666,270,800	812,857,680	345,421,730	559,517,525	4,384,067,735	12,570,961,879	34.87%
1996		2,561,278,490	788,158,160	350,233,540	505,719,158	4,205,389,348	11,990,688,291	35.07%
1995		2,261,437,670	680,148,017	346,051,253	435,912,213	3,723,549,153	10,541,419,447	35.32%
1994		1,797,541,600	451,187,630	266,518,400	218,303,116	2,733,550,746	7,601,014,939	35.96%
1993		1,704,082,190	457,439,260	246,340,060	199,395,607	2,607,257,117	7,253,289,886	35.95%
1992		1,502,441,740	419,773,410	183,296,820	197,474,582	2,302,986,552	6,459,852,750	35.65%

Source: Butler County Auditor.

- (1) Butler County Auditor property tax records are maintained on a calendar year basis.
- (2) Middletown City School District became a member of the District in 1996.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN COLLECTION (CALENDAR YEARS)

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
BCJVSD	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.94	1.97	1.97
Butler County	8.45	8.45	8.44	8.45	8.44	7.44	7.45	7.44	7.45	7.45
<u>Cities and Villages:</u>										
Fairfield	4.54	4.54	4.54	4.54	4.54	4.54	4.54	4.25	4.25	4.25
Millville	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30
Monroe	7.85	7.85	7.85	7.85	7.85	7.85	7.85	7.85	7.85	7.85
Somerville	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09
Oxford	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65	3.65
New Miami	4.30	4.30	4.30	4.30	4.30	4.30	4.30	4.30	3.30	2.30
Sevenmile	8.02	8.82	8.82	7.32	9.22	7.92	8.42	8.42	8.42	8.32
Hamilton										
Talawanda LSD	5.06	5.06	5.06	5.06	5.06	5.11	5.11	5.11	5.11	5.11
Ross LSD	3.97	3.97	3.97	3.97	3.97	4.02	4.02	4.02	4.02	4.02
Fairfield CSD	2.54	2.54	2.54	2.54	2.54	2.59	2.59	2.59	2.59	2.59
New Miami LSD	4.06	4.06	4.06	4.06	4.06	4.11	4.11	4.11	4.11	4.11
Edgewood CSD	4.49	4.49	4.49	4.49	5.06	3.24	-	-	-	-
Middletown	4.14	6.36	6.36	6.31	6.31	6.38	-	-	-	-
Trenton	4.74	4.99	4.99	4.99	4.99	4.99	4.99	3.24	3.24	3.24
Indian Springs	-	-	-	-	7.19	7.19	7.19	-	-	-
<u>School Districts:</u>										
Edgewood City Schools	37.11	37.55	37.55	33.61	34.11	34.61	35.36	35.61	37.61	37.61
Fairfield City Schools	54.16	54.16	54.16	53.56	55.16	55.16	55.16	50.76	50.76	45.86
Lakota Local Schools	55.14	56.14	56.14	56.14	56.24	50.14	51.74	48.14	49.24	47.84
Madison Local Schools	35.94	30.94	30.94	30.94	31.09	31.84	31.94	32.14	32.64	32.84
Middletown City Schools	35.33	36.56	36.56	36.63	37.03	38.20	-	-	-	-
New Miami Local Schools	29.09	25.09	25.09	25.09	25.09	25.09	25.84	25.84	25.84	25.84
Ross Local Schools	45.73	45.73	45.73	45.73	45.84	46.43	47.73	42.18	42.18	42.18
Talawanda Local Schools	43.80	43.80	43.80	43.80	46.30	51.80	51.80	51.80	51.80	51.80

Source: Butler County Auditor

- (1) Middletown City Schools became a member of the District in 1996.
- (2) Fairfield Township was incorporated as Indian Springs in 1993 but reverted back to a township in 1997.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN COLLECTION (CALENDAR YEARS)

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
<u>Townships:</u>										
Fairfield Township	7.19	7.19	7.19	7.19	-	-	-	7.19	7.19	7.19
Fairfield F.D.	5.00	5.00	5.00	5.00	-	-	-	5.00	5.00	5.00
Fairfield Corp.	-	-	-	-	-	-	-	0.29	0.29	0.29
Hanover Township	2.72	2.72	2.72	2.72	2.72	2.72	2.72	2.72	2.72	2.72
Millville Corp.	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Lemon Township	-	-	-	-	-	2.92	-	-	-	-
Monroe Corp.	-	-	-	-	-	0.60	-	-	-	-
Liberty Township	7.59	7.59	7.59	7.59	5.59	5.59	4.92	4.09	3.09	3.09
Monroe Corp.	0.59	0.59	0.59	0.59	0.59	0.59	0.59	2.09	2.09	2.09
Madison Township	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
Milford Township	5.74	5.74	5.74	5.74	5.74	5.74	5.74	5.74	5.74	5.74
Somerville Corp.	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Morgan Township	6.22	6.22	6.22	5.22	5.22	5.22	5.22	5.22	5.22	5.22
Oxford Township	7.84	7.84	7.84	7.84	7.84	5.84	5.84	5.84	5.84	5.84
Oxford Corp.	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Reily Township	7.39	7.39	7.39	5.39	5.39	5.39	5.39	5.39	5.39	5.39
Ross Township	5.72	5.72	5.72	5.72	5.72	3.72	5.72	4.72	4.72	4.72
Millville Corp.	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92
St. Clair Township	4.47	4.47	4.47	4.47	4.47	4.47	4.47	4.47	4.47	4.47
New Miami Corp.	1.01	1.01	1.01	1.01	1.01	1.01	1.01	1.01	1.01	1.01
Seven Mile Corp.	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	1.01	1.01
Union Township	10.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59
Fairfield Corp.	-	-	-	-	-	-	-	0.59	0.59	0.59
Wayne Township	3.58	3.58	3.58	4.58	4.58	4.58	3.58	5.08	5.08	5.08
Seven Mile Corp.	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51

Source: Butler County Auditor

- (1) Middletown City Schools became a member of the District in 1996.
- (2) Fairfield Township was incorporated as Indian Springs in 1993.
to a township in 1997.

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND
 NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
 LAST TEN CALENDAR YEARS**

Year	Net General Bonded Debt	Assessed Value	Population	Ratio of Debt to Assessed Value	Net Debt Per Capita
2001	\$ 5,195,000	5,238,167,590	332,807	0.10%	15.61
2000	795,000	4,930,309,789	335,560	0.02%	2.37
1999	895,000	4,577,361,209	332,623	0.02%	2.69
1998	-	4,440,916,573	330,411	0.00%	-
1997	-	4,384,067,735	326,749	0.00%	-
1996	140,000	4,205,389,348	323,358	0.00%	0.43
1995	350,000	3,723,549,153	319,458	0.01%	1.10
1994	200,000	2,733,550,746	315,763	0.01%	0.63
1993	300,000	2,607,257,117	311,776	0.01%	0.96
1992	400,000	2,302,986,552	305,631	0.02%	1.31

Source: Butler County Auditor and District records.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
COMPUTATION OF OVERLAPPING DEBT
JUNE 30, 2001

Governmental Unit	General Obligation Debt Outstanding	Percent Applicable to District	Amount Applicable to District
Butler County	\$ 15,765,000	100.00%	15,765,000
City of Middletown	27,020,000	100.00%	27,020,000
City of Fairfield	6,096,616	100.00%	6,096,616
City of Oxford	3,825,000	100.00%	3,825,000
City of Trenton	1,308,969	100.00%	1,308,969
Fairfield City School District	<u>46,284,814</u>	100.00%	<u>46,284,814</u>
Total Overlapping Debt	\$ <u><u>100,300,399</u></u>		<u><u>100,300,399</u></u>

Source: Butler County Auditor.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2001

Assessed valuation of District	\$	<u>5,238,167,590</u>
Voted Debt Limit - 9% of Assessed Value		471,435,083
Amount of Debt Applicable to Debt Limit:		
Net Bonded Debt		<u>-</u>
Voted Debt Margin		<u>471,435,083</u>
Unvoted Debt Limit - .1% of Assessed Value		5,238,168
Amount of Debt Applicable to Debt Limit:		<u>4,500,000</u>
Unvoted Debt Margin	\$	<u>738,168</u>

Source: County Auditor and School District Records

Note: Ohio Bond Law sets a limit of 9% for voted debt and 0.1% for unvoted debt.

Note: Bonds issued for Energy Conservation Projects are excludable when calculating legal debt margin.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL
OBLIGATION BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
LAST TEN YEARS

Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures
2001	\$ 100,000	34,325	134,325	12,511,966	1.07%
2000	100,000	36,325	136,325	11,301,744	1.21%
1999	100,000	31,566	131,566	13,119,789	1.00%
1998	-	-	-	12,207,807	0.00%
1997	140,000	5,436	145,436	12,702,189	1.14%
1996	120,000	10,355	130,355	13,356,022	0.98%
1995	120,000	15,070	135,070	9,054,998	1.49%
1994	100,000	9,500	109,500	8,875,379	1.23%
1993	100,000	14,250	114,250	7,625,150	1.50%
1992	100,000	19,000	119,000	6,738,487	1.77%

Source: School District Records.

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
CONSTRUCTION, BANK DEPOSITS AND PROPERTY VALUES
LAST TEN YEARS**

Year	Property Values (1)	Construction Values (2)	Bank Deposits (3)
2001	\$ 5,238,167,590	188,219,910	1,141,635,000
2000	4,930,309,789	125,091,420	923,585,000
1999	4,577,361,209	123,319,530	864,105,000
1998	4,440,916,573	120,230,050	815,435,000
1997	4,384,067,735	126,282,560	783,398,000
1996	4,205,389,348	116,248,200	800,556,000
1995	3,723,549,153	118,963,340	737,683,000
1994	2,733,550,746	84,376,290	711,686,000
1993	2,607,257,117	76,694,870	724,213,000
1992	2,302,986,552	45,740,462	904,381,000

(1) Middletown City School District was added to the Tax Values effective January 1, 1996. Source: Butler County Auditor.

(2) Source: Butler County Auditor.

(3) Includes all Butler County deposits. Source: Department of Data Service, Federal Reserve Bank of Cleveland.

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 PRINCIPAL TAXPAYERS - REAL AND TANGIBLE PERSONAL PROPERTY
 JUNE 30, 2001**

Name of Taxpayer	Assessed Value	Percent of Assessed Value
Cincinnati Gas & Electric	\$ 275,900,560	5.27%
AK Steel	126,742,150	2.42%
Miller Brewing Company	59,311,255	1.13%
Cincinnati Bell Telephone	37,027,850	0.71%
Duke Realty	34,354,250	0.66%
CFC Investments	14,555,800	0.28%
Centerpoint Realty	12,832,830	0.24%
Xerox	10,256,630	0.20%
First Industrial	7,282,250	0.14%
Ohio Bell Telephone	7,173,000	0.14%

Source: Butler County Auditor.

**BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO
 DEMOGRAPHIC STATISTICS
 LAST TEN YEARS**

Year	Population	Per Capita Income	School Enrollment	Annual Average Unemployment Percentage	
				Butler County	State of Ohio
2001	332,807	\$ 27,916	4,219	3.20%	4.20%
2000	335,560	27,916	4,234	3.10%	4.11%
1999	332,623	24,896	4,457	3.30%	4.30%
1998	330,411	23,876	4,571	3.40%	4.40%
1997	326,749	23,093	4,685	3.50%	4.60%
1996	323,358	22,310	4,368	4.10%	4.90%
1995	319,458	21,527	2,443	4.00%	4.80%
1994	315,763	20,377	2,802	5.30%	5.50%
1993	311,776	19,679	2,457	6.60%	6.50%
1992	305,631	19,117	905	6.70%	7.30%

Source: Ohio State University Extension Office, Ohio Bureau of Employment Services

- (1) In 1993, satellite operations were assumed from Fairfield and Edgewood City Schools
- (2) In 1996, Middletown City School District became a member of the District.

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**BUTLER COUNTY JOINT
VOCATIONAL SCHOOL DISTRICT**

Single Audit Reports

June 30, 2001

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

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BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

Schedule of Prior Audit Findings

For the Year Ended June 30, 2001

The prior audit disclosed no instances of noncompliance with requirements of major federal programs. In addition, no reportable conditions or material weaknesses with respect to internal controls over compliance with requirements that could have a direct and material effect on a major federal program were reported in the prior year.

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

<u>Federal Grantor/Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Federal Receipts</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>				
(Passed through Ohio Department of Education)				
National School Lunch Program	LL-PP-01	10.555	\$ 8,504	8,504
Total U.S. Department of Agriculture			<u>8,504</u>	<u>8,504</u>
<u>U.S. Department of Education:</u>				
Pell Grant	n/a	84.063	173,708	173,708
(Passed through Ohio Department of Education)				
Vocational Education Basic Grant	20-C1/C2-00/01	84.048	613,191	581,055
Eisenhower Professional Development Grant	MS-S1-00/01	84.281	<u>3,854</u>	<u>6,285</u>
Total U.S. Department of Education			<u>790,753</u>	<u>761,048</u>
Total Federal Awards			\$ <u>799,257</u>	<u>769,552</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The schedule of expenditures of federal awards is a summary of the activity of the School District's federal award programs. The schedule has been prepared on the cash basis of accounting.

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

**REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Education
Butler County Joint Vocational School District:

We have audited the general purpose financial statements of the Butler County Joint Vocational School District as of and for the year ended June 30, 2001, and have issued our report thereon dated November 2, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Butler County Joint Vocational School District's general purpose 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 and questioned costs as item 2001-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Butler County Joint Vocational School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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 general purpose 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 operations that we consider to be material weaknesses.

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

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
November 2, 2001

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

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

To the Board of Education
Butler County Joint Vocational School District:

Compliance

We have audited the compliance of Butler County Joint Vocational School District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. Butler County Joint Vocational School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Butler County Joint Vocational School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School District's compliance with those requirements.

In our opinion, Butler County Joint Vocational School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

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

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

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of Butler County Joint Vocational School District as of and for the year ended June 30, 2001, and have issued our report thereon dated November 2, 2001. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of Butler County Joint Vocational School District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

Clack, Schaefer, Harkett & Co.

Cincinnati, Ohio
November 2, 2001

BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

Schedule of Findings and Questioned Costs

Year Ended June 30, 2001

Section I - Summary of Auditors' Results

Financial Statements

Type of report issued on financial statements:	unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	none
Reportable condition(s) identified not considered to be material weaknesses?	none
Noncompliance material to financial statements noted?	yes

Federal Awards

Internal Control over major programs:	
Material weakness(es) identified?	none
Reportable condition(s) identified not considered to be material weaknesses?	none
Type of auditors' report issued on compliance for major programs:	unqualified
Any audit findings that are required to be reported in accordance with Circular A-133, Section .510(a)?	none
Identification of major programs:	
<i>CFDA 84.048 Vocational Education Basic Grant</i>	
Dollar threshold to distinguish between Type A and Type B Programs:	\$300,000
Auditee qualified as low-risk auditee?	yes

Section II - Financial Statement Findings

2001-1 Ohio Revised Code Section 5705.41(B) requires that no expenditures may be made unless lawfully appropriated. Contrary to this section, the School District's Debt Service Fund had expenditures in excess of appropriations.

Section III - Federal Award Findings and Questioned Costs

None.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

BUTLER 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
JANUARY 15, 2002**