

**BROOKVILLE LOCAL SCHOOL DISTRICT**

**Single Audit Reports**

**June 30, 2002**





**Auditor of State  
Betty Montgomery**

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Board of Education  
Brookville Local School District  
325 Simmons Street  
Brookville, Ohio 45309

We have reviewed the Independent Auditor's Report of the Brookville Local School District, Montgomery County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2001 through June 30, 2002. 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 Brookville Local School District is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

January 21, 2003

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**PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS**

8260 NORTHCREEK DRIVE, SUITE 330/ CINCINNATI, OH 45236 • (513) 891-2722 • FAX (513) 891-2760  
2211 SOUTH DIXIE AVENUE/ DAYTON, OH 45409 • (937) 294-1505 • FAX (937) 294-1507

**Report on compliance and on internal control over financial reporting  
based on an audit of financial statements performed in accordance with  
*Government Auditing Standards***

December 4, 2002

Board of Education  
Brookville Local School District

We have audited the general purpose financial statements of the Brookville Local School District, (the District), as of and for the year ended June 30, 2002, and have issued our report thereon dated December 4, 2002. 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 District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Auditor of State, Board of Education, 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.

Plattenburg & Associates, Inc.  
Certified Public Accountants

**PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS**

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**Report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133**

December 4, 2002

Board of Education  
Brookville Local School District

Compliance

We have audited the compliance of the District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2002. The District's major federal program is identified in the summary of auditor's results portion of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulation, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with 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 the District's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2002.

### Internal Control Over Compliance

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

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

### Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the District as of and for the year ended June 30, 2002, and have issued our report thereon dated December 4, 2002. Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the District taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended for the information of management, Board of Education, the Auditor of State, 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.

Plattenburg & Associates, Inc.  
Certified Public Accountants



**BROOKVILLE LOCAL SCHOOL DISTRICT**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED JUNE 30, 2002**

| Federal Grant/<br>Pass Through Grantor<br>Program Title  | Pass Through<br>Entity<br>Number | Federal<br>CFDA<br>Number | Receipts                | Non-Cash<br>Receipts   | Disbursements           | Non-Cash<br>Disbursements |
|--|----------------------------------|---------------------------|-------------------------|------------------------|-------------------------|---------------------------|
| <b>U.S. DEPARTMENT OF AGRICULTURE</b>                    |                                  |                           |                         |                        |                         |                           |
| Passed Through Ohio Department of Education:             |                                  |                           |                         |                        |                         |                           |
| Child Nutrition Cluster:                                 |                                  |                           |                         |                        |                         |                           |
| Food Distribution Program                                | 03-PU                            | 10.550                    | \$0                     | \$32,093               | \$0                     | \$29,353                  |
| National School Breakfast Program                        | 05-PU                            | 10.553                    | 6,457                   | 0                      | 6,457                   | 0                         |
| National School Lunch Program                            | 04-PU                            | 10.555                    | 79,657                  | 0                      | 79,657                  | 0                         |
| Total U.S. Department of Agriculture - Nutrition Cluster |                                  |                           | <u>86,114</u>           | <u>32,093</u>          | <u>86,114</u>           | <u>29,353</u>             |
| <b>U.S. DEPARTMENT OF EDUCATION</b>                      |                                  |                           |                         |                        |                         |                           |
| Passed Through Ohio Department of Education:             |                                  |                           |                         |                        |                         |                           |
| Special Education Cluster:                               |                                  |                           |                         |                        |                         |                           |
| Title VI - B Grant                                       | 6B-SF                            | 84.027                    | 117,776                 | 0                      | 117,563                 | 0                         |
| Preschool Grant  | PG-S1                            | 84.173                    | 17,804                  | 0                      | 17,879                  | 0                         |
| Total U.S. Special Education Cluster                     |                                  |                           | <u>135,580</u>          | <u>0</u>               | <u>135,442</u>          | <u>0</u>                  |
| Eisenhower Grant   | MS-S1                            | 84.281                    | 6,650                   | 0                      | 4,803                   | 0                         |
| Title I Grant  | C1-S0                            | 84.010                    | 78,381                  | 0                      | 80,561                  | 0                         |
| Title VI   | C2-S1                            | 84.298                    | 8,621                   | 0                      | 2,654                   | 0                         |
| Drug Free Schools Grant                                  | DR-S1                            | 84.186                    | 11,252                  | 0                      | 6,216                   | 0                         |
| Title VI-R   | n/a                              | 84.340                    | 27,232                  | 0                      | 23,916                  | 0                         |
| School Renovation ID                                     | ASTS1                            | 84.352                    | 10,860                  | 0                      | 10,820                  | 0                         |
| Total Department of Education                            |                                  |                           | <u>278,576</u>          | <u>0</u>               | <u>264,412</u>          | <u>0</u>                  |
| Total Federal Assistance                                 |                                  |                           | <u><u>\$364,690</u></u> | <u><u>\$32,093</u></u> | <u><u>\$350,526</u></u> | <u><u>\$29,353</u></u>    |

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B -- FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. Monies are commingled with state grants, and it is assumed that federal monies are expended first.

n/a -- Information not available

**BROOKVILLE LOCAL SCHOOL DISTRICT**

**June 30, 2002**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**OMB CIRCULAR A-133 SECTION .505**

**1. SUMMARY OF AUDITOR'S RESULTS**

|              |  |  |
|--------------|--|--|
| (d)(1)(i)    | Type of Financial Statement Opinion  | Unqualified  |
| (d)(1)(ii)   | Were there any material control weakness conditions reported at the financial statement level (GAGAS)?         | No   |
| (d)(1)(ii)   | Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)? | No   |
| (d)(1)(iii)  | Was there any reported material non-compliance at the financial statement level (GAGAS)?                       | No   |
| (d)(1)(iv)   | Were there any material internal control weakness conditions reported for major federal programs?              | No   |
| (d)(1)(iv)   | Were there any other reportable internal control weakness conditions reported for major federal programs?      | No   |
| (d)(1)(v)    | Type of Major Programs' Compliance Opinion   | Unqualified  |
| (d)(1)(vi)   | Are there any reportable findings under Section .510?  | No   |
| (d)(1)(vii)  | Major Programs (list):   | Nutrition Cluster:<br>Food Distribution Program,<br>National School Breakfast Program,<br>National School Lunch Program.<br>Title VI-B |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs  | Type A: > \$300,000<br>Type B: all others  |
| (d)(1)(ix)   | Low Risk Auditee?  | No   |

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

None Noted

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

None Noted

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**BROOKVILLE LOCAL SCHOOL DISTRICT**  
**JUNE 30, 2002**

**SCHEDULE OF PRIOR AUDIT AND QUESTIONED COSTS**  
***OMB CIRCULAR A-133***

Brookville Local School District had no prior audit findings or questioned costs.

***BROOKVILLE LOCAL  
SCHOOL DISTRICT***

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MONTGOMERY COUNTY, OHIO

GENERAL PURPOSE  
FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2002

AUDITED

*Prepared by:*  
Ms. Bobbie Russell  
Treasurer

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**PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS**

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**Independent Auditors ' Report**

December 4, 2002

Board of Education  
Brookville Local School District

We have audited the accompanying general purpose financial statements of the Brookville Local School District (the District), as of and for the year ended June 30, 2002. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with 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. 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 general purpose financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2002, and the results of its operations and the cash flows of its proprietary fund types and non-expendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Governmental Auditing Standards*, we have also issued a report dated December 4, 2002 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Plattenburg & Associates, Inc.  
Certified Public Accountants

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 2002**

|  | <i>Governmental</i> |                             |                         |                              |
|--|---------------------|-----------------------------|-------------------------|------------------------------|
|  | <i>Fund Types</i>   |                             |                         |                              |
|  | General<br>Fund     | Special<br>Revenue<br>Funds | Debt<br>Service<br>Fund | Capital<br>Projects<br>Funds |
| <u>Assets and Other Debits:</u>                            |                     |                             |                         |                              |
| Assets:  |                     |                             |                         |                              |
| Cash and Cash Equivalents                                  | \$3,470,606         | \$526,167                   | \$6,399                 | \$213,471                    |
| Investments  | 0                   | 0                           | 0                       | 789,498                      |
| Receivables (net of allowance<br>for doubtful accounts):   |                     |                             |                         |                              |
| Taxes  | 4,794,501           | 0                           | 0                       | 43,907                       |
| Accounts   | 12,893              | 2,440                       | 0                       | 0                            |
| Intergovernmental  | 9,955               | 16,594                      | 0                       | 0                            |
| Interest   | 0                   | 0                           | 0                       | 5,893                        |
| Inventory of Supplies at Cost                              | 36,686              | 0                           | 0                       | 0                            |
| Prepaid Items  | 34,952              | 732                         | 0                       | 0                            |
| Restricted Assets:   |                     |                             |                         |                              |
| Cash and Cash Equivalents                                  | 69,702              | 0                           | 0                       | 0                            |
| Investments  | 0                   | 0                           | 0                       | 0                            |
| Fixed Assets (net of accumulated depreciation)             | 0                   | 0                           | 0                       | 0                            |
| Other Debits:  |                     |                             |                         |                              |
| Amount Available in Debt Service Fund                      | 0                   | 0                           | 0                       | 0                            |
| Amount to be Provided for<br>General Long-Term Obligations | 0                   | 0                           | 0                       | 0                            |
| Total Assets and Other Debits                              | <u>\$8,429,295</u>  | <u>\$545,933</u>            | <u>\$6,399</u>          | <u>\$1,052,769</u>           |
| <u>Liabilities, Equity and Other Credits:</u>              |                     |                             |                         |                              |
| Liabilities:   |                     |                             |                         |                              |
| Accounts Payable   | \$89,128            | \$13,248                    | \$0                     | \$25,570                     |
| Accrued Wages and Benefits                                 | 872,655             | 30,189                      | 0                       | 0                            |
| Intergovernmental Payables                                 | 235,524             | 2,645                       | 0                       | 511                          |
| Due to Students  | 0                   | 0                           | 0                       | 0                            |
| Deferred Revenue   | 0                   | 1,440                       | 0                       | 2,108                        |
| Deferred Revenue - Taxes                                   | 4,471,656           | 0                           | 0                       | 41,419                       |
| Compensated Absences Payable                               | 9,879               | 0                           | 0                       | 0                            |
| Total Liabilities  | <u>5,678,842</u>    | <u>47,522</u>               | <u>0</u>                | <u>69,608</u>                |
| Equity and Other Credits:                                  |                     |                             |                         |                              |
| Investment in General Fixed Assets                         | 0                   | 0                           | 0                       | 0                            |
| Retained Earnings:   |                     |                             |                         |                              |
| Unreserved   | 0                   | 0                           | 0                       | 0                            |
| Fund Balances:   |                     |                             |                         |                              |
| Reserved for Encumbrances                                  | 148,470             | 39,786                      | 0                       | 589                          |
| Reserved for Property Taxes                                | 322,845             | 0                           | 0                       | 2,488                        |
| Statutory Reserves   | 69,702              | 0                           | 0                       | 0                            |
| Reserved for Inventory of Supplies                         | 36,686              | 0                           | 0                       | 0                            |
| Reserved for Prepaid Items                                 | 34,952              | 732                         | 0                       | 0                            |
| Reserved for Endowments                                    | 0                   | 0                           | 0                       | 0                            |
| Reserved for Debt Service                                  | 0                   | 0                           | 6,399                   | 0                            |
| Unreserved:  |                     |                             |                         |                              |
| Designated   | 106,486             | 0                           | 0                       | 0                            |
| Undesignated   | 2,031,312           | 457,893                     | 0                       | 980,084                      |
| Total Equity and Other Credits                             | <u>2,750,453</u>    | <u>498,411</u>              | <u>6,399</u>            | <u>983,161</u>               |
| Total Liabilities, Equity and Other Credits                | <u>\$8,429,295</u>  | <u>\$545,933</u>            | <u>\$6,399</u>          | <u>\$1,052,769</u>           |

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



**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 2002**

| <i>Proprietary</i>  |                             | <i>Fiduciary</i>             | <i>Account</i>             |                                     | Totals<br>(Memorandum<br>Only) |
|---------------------|-----------------------------|------------------------------|----------------------------|-------------------------------------|--------------------------------|
| <i>Fund Types</i>   |                             | <i>Fund Types</i>            | <i>Groups</i>              |                                     |                                |
| Enterprise<br>Funds | Internal<br>Service<br>Fund | Trust and<br>Agency<br>Funds | General<br>Fixed<br>Assets | General<br>Long Term<br>Obligations |                                |
| \$106,868           | \$12,615                    | \$80,649                     | \$0                        | \$0                                 | \$4,416,775                    |
| 229,997             | 0                           | 7,601                        | 0                          | 0                                   | 1,027,096                      |
| 0                   | 0                           | 0                            | 0                          | 0                                   | 4,838,408                      |
| 1,156               | 0                           | 348                          | 0                          | 0                                   | 16,837                         |
| 9,545               | 0                           | 0                            | 0                          | 0                                   | 36,094                         |
| 0                   | 0                           | 47                           | 0                          | 0                                   | 5,940                          |
| 12,795              | 0                           | 0                            | 0                          | 0                                   | 49,481                         |
| 694                 | 0                           | 0                            | 0                          | 0                                   | 36,378                         |
| 0                   | 0                           | 1,500                        | 0                          | 0                                   | 71,202                         |
| 0                   | 0                           | 14,196                       | 0                          | 0                                   | 14,196                         |
| 138,925             | 0                           | 0                            | 9,534,626                  | 0                                   | 9,673,551                      |
| 0                   | 0                           | 0                            | 0                          | 6,399                               | 6,399                          |
| 0                   | 0                           | 0                            | 0                          | 743,756                             | 743,756                        |
| <u>\$499,980</u>    | <u>\$12,615</u>             | <u>\$104,341</u>             | <u>\$9,534,626</u>         | <u>\$750,155</u>                    | <u>\$20,936,113</u>            |
| \$76                | \$0                         | \$1,755                      | \$0                        | \$0                                 | \$129,777                      |
| 25,407              | 0                           | 0                            | 0                          | 0                                   | 928,251                        |
| 16,873              | 4                           | 0                            | 0                          | 66,095                              | 321,652                        |
| 0                   | 0                           | 40,174                       | 0                          | 0                                   | 40,174                         |
| 9,206               | 0                           | 0                            | 0                          | 0                                   | 12,754                         |
| 0                   | 0                           | 0                            | 0                          | 0                                   | 4,513,075                      |
| 10,160              | 0                           | 0                            | 0                          | 684,060                             | 704,099                        |
| <u>61,722</u>       | <u>4</u>                    | <u>41,929</u>                | <u>0</u>                   | <u>750,155</u>                      | <u>6,649,782</u>               |
| 0                   | 0                           | 0                            | 9,534,626                  | 0                                   | 9,534,626                      |
| 438,258             | 12,611                      | 0                            | 0                          | 0                                   | 450,869                        |
| 0                   | 0                           | 344                          | 0                          | 0                                   | 189,189                        |
| 0                   | 0                           | 0                            | 0                          | 0                                   | 325,333                        |
| 0                   | 0                           | 0                            | 0                          | 0                                   | 69,702                         |
| 0                   | 0                           | 0                            | 0                          | 0                                   | 36,686                         |
| 0                   | 0                           | 0                            | 0                          | 0                                   | 35,684                         |
| 0                   | 0                           | 11,489                       | 0                          | 0                                   | 11,489                         |
| 0                   | 0                           | 0                            | 0                          | 0                                   | 6,399                          |
| 0                   | 0                           | 0                            | 0                          | 0                                   | 106,486                        |
| 0                   | 0                           | 50,579                       | 0                          | 0                                   | 3,519,868                      |
| <u>438,258</u>      | <u>12,611</u>               | <u>62,412</u>                | <u>9,534,626</u>           | <u>0</u>                            | <u>14,286,331</u>              |
| <u>\$499,980</u>    | <u>\$12,615</u>             | <u>\$104,341</u>             | <u>\$9,534,626</u>         | <u>\$750,155</u>                    | <u>\$20,936,113</u>            |

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**COMBINED STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

|  | <i>Governmental</i> |                             |                         | <i>Fiduciary</i>             |                             | Totals<br>(Memorandum<br>Only) |
|--|---------------------|-----------------------------|-------------------------|------------------------------|-----------------------------|--------------------------------|
|  | <i>Fund Types</i>   |                             |                         | <i>Fund Type</i>             |                             |                                |
|  | General<br>Fund     | Special<br>Revenue<br>Funds | Debt<br>Service<br>Fund | Capital<br>Projects<br>Funds | Expendable<br>Trust<br>Fund |                                |
| <b>Revenues:</b>                         |                     |                             |                         |                              |                             |                                |
| Local Sources:                           |                     |                             |                         |                              |                             |                                |
| Taxes                                    | \$4,969,766         | \$0                         | \$0                     | \$46,928                     | \$0                         | \$5,016,694                    |
| Tuition                                  | 80,483              | 0                           | 0                       | 0                            | 0                           | 80,483                         |
| Transportation Fees                      | 71,614              | 0                           | 0                       | 0                            | 0                           | 71,614                         |
| Investment Earnings                      | 0                   | 0                           | 0                       | 134,091                      | 363                         | 134,454                        |
| Extracurricular Activities               | 28,950              | 260,992                     | 0                       | 0                            | 12,890                      | 302,832                        |
| Class Material and Fees                  | 33,012              | 0                           | 0                       | 0                            | 0                           | 33,012                         |
| Intermediate Sources                     | 0                   | 1,626                       | 0                       | 0                            | 0                           | 1,626                          |
| Intergovernmental - State                | 5,481,949           | 47,097                      | 0                       | 27,942                       | 0                           | 5,556,988                      |
| Intergovernmental - Federal              | 0                   | 280,954                     | 0                       | 0                            | 0                           | 280,954                        |
| All Other Revenues                       | 23,625              | 23,760                      | 0                       | 0                            | 1,820                       | 49,205                         |
| Total Revenues                           | <u>10,689,399</u>   | <u>614,429</u>              | <u>0</u>                | <u>208,961</u>               | <u>15,073</u>               | <u>11,527,862</u>              |
| <b>Expenditures:</b>                     |                     |                             |                         |                              |                             |                                |
| Current:                                 |                     |                             |                         |                              |                             |                                |
| Instruction                              | 5,455,049           | 173,600                     | 0                       | 36,221                       | 11,962                      | 5,676,832                      |
| Supporting Services:                     |                     |                             |                         |                              |                             |                                |
| Pupils                                   | 696,906             | 30,117                      | 0                       | 0                            | 0                           | 727,023                        |
| Instructional Staff                      | 479,761             | 134,727                     | 0                       | 0                            | 0                           | 614,488                        |
| Board of Education                       | 21,646              | 0                           | 0                       | 0                            | 0                           | 21,646                         |
| Administration                           | 1,079,426           | 80,108                      | 0                       | 0                            | 0                           | 1,159,534                      |
| Fiscal Services                          | 258,609             | 0                           | 0                       | 3,174                        | 0                           | 261,783                        |
| Operation and Maintenance of Plant       | 892,502             | 2,386                       | 0                       | 0                            | 0                           | 894,888                        |
| Pupil Transportation                     | 680,486             | 0                           | 0                       | 0                            | 0                           | 680,486                        |
| Central                                  | 14,187              | 2,259                       | 0                       | 0                            | 0                           | 16,446                         |
| Extracurricular Activities               | 211,982             | 175,433                     | 0                       | 0                            | 0                           | 387,415                        |
| Capital Outlay                           | 257,194             | 0                           | 0                       | 91,091                       | 0                           | 348,285                        |
| Debt Service:                            |                     |                             |                         |                              |                             |                                |
| Principal Retirements                    | 43,120              | 0                           | 0                       | 0                            | 0                           | 43,120                         |
| Interest and Fiscal Charges              | 3,033               | 0                           | 0                       | 0                            | 0                           | 3,033                          |
| Total Expenditures                       | <u>10,093,901</u>   | <u>598,630</u>              | <u>0</u>                | <u>130,486</u>               | <u>11,962</u>               | <u>10,834,979</u>              |
| Excess (Deficiency) of                   |                     |                             |                         |                              |                             |                                |
| Revenues Over (Under) Expenditures       | 595,498             | 15,799                      | 0                       | 78,475                       | 3,111                       | 692,883                        |
| <b>Other Financing Sources (Uses):</b>   |                     |                             |                         |                              |                             |                                |
| Proceeds from Sale of Fixed Assets       | 563                 | 0                           | 0                       | 0                            | 0                           | 563                            |
| Refunds of Prior Years' Expenditures     | 10,835              | 2,571                       | 0                       | 0                            | 75                          | 13,481                         |
| Operating Transfers In                   | 0                   | 390,000                     | 0                       | 192,128                      | 0                           | 582,128                        |
| Operating Transfers Out                  | (582,128)           | 0                           | 0                       | 0                            | 0                           | (582,128)                      |
| Total Other Financing Sources (Uses)     | <u>(570,730)</u>    | <u>392,571</u>              | <u>0</u>                | <u>192,128</u>               | <u>75</u>                   | <u>14,044</u>                  |
| Excess (Deficiency) of Revenues          |                     |                             |                         |                              |                             |                                |
| and Other Financing Sources Over (Under) |                     |                             |                         |                              |                             |                                |
| Expenditures and Other Financing Uses    | 24,768              | 408,370                     | 0                       | 270,603                      | 3,186                       | 706,927                        |
| Fund Balance Beginning of Year           | 2,716,239           | 90,041                      | 6,399                   | 712,558                      | 43,501                      | 3,568,738                      |
| Increase in Inventory Reserve            | 9,446               | 0                           | 0                       | 0                            | 0                           | 9,446                          |
| Fund Balance End of Year                 | <u>\$2,750,453</u>  | <u>\$498,411</u>            | <u>\$6,399</u>          | <u>\$983,161</u>             | <u>\$46,687</u>             | <u>\$4,285,111</u>             |

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

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALL GOVERNMENTAL FUND TYPES**  
**FISCAL YEAR ENDED JUNE 30, 2002**

|  | <i>General Fund</i> |             |   | <i>Special Revenue Funds</i> |           |   |
|--|---------------------|-------------|---|------------------------------|-----------|---|
|  | Revised<br>Budget   | Actual      | Variance:<br>Favorable<br>(Unfavorable) | Revised<br>Budget            | Actual    | Variance:<br>Favorable<br>(Unfavorable) |
| <b>Revenues:</b>                         |                     |             |   |                              |           |   |
| Local Sources:                           |                     |             |   |                              |           |   |
| Taxes                                    | \$4,767,603         | \$4,940,084 | \$172,481                               | \$0                          | \$0       | \$0                                     |
| Tuition                                  | 77,727              | 80,539      | 2,812                                   | 0                            | 0         | 0                                       |
| Transportation Fees                      | 59,506              | 61,659      | 2,153                                   | 0                            | 0         | 0                                       |
| Investment Earnings                      | 0                   | 0           | 0                                       | 0                            | 0         | 0                                       |
| Extracurricular Activities               | 27,910              | 28,920      | 1,010                                   | 260,892                      | 260,892   | 0                                       |
| Class Material and Fees                  | 29,868              | 30,949      | 1,081                                   | 0                            | 0         | 0                                       |
| Intermediate Sources                     | 93,939              | 97,337      | 3,398                                   | 1,626                        | 1,626     | 0                                       |
| Intergovernmental - State                | 5,290,550           | 5,481,949   | 191,399                                 | 32,097                       | 32,097    | 0                                       |
| Intergovernmental - Federal              | 0                   | 0           | 0                                       | 280,800                      | 280,800   | 0                                       |
| All Other Revenues                       | 13,798              | 14,297      | 499                                     | 26,174                       | 26,174    | 0                                       |
| Total Revenues                           | 10,360,901          | 10,735,734  | 374,833                                 | 601,589                      | 601,589   | 0                                       |
| <b>Expenditures:</b>                     |                     |             |   |                              |           |   |
| Current:                                 |                     |             |   |                              |           |   |
| Instruction                              | 5,514,176           | 5,514,176   | 0                                       | 173,531                      | 173,531   | 0                                       |
| Supporting Services:                     |                     |             |   |                              |           |   |
| Pupils                                   | 680,624             | 680,624     | 0                                       | 29,564                       | 29,564    | 0                                       |
| Instructional Staff                      | 478,240             | 478,240     | 0                                       | 136,301                      | 136,301   | 0                                       |
| Board of Education                       | 21,510              | 21,510      | 0                                       | 0                            | 0         | 0                                       |
| Administration                           | 1,145,137           | 1,145,137   | 0                                       | 88,436                       | 88,436    | 0                                       |
| Fiscal Services                          | 256,408             | 256,408     | 0                                       | 0                            | 0         | 0                                       |
| Operation and Maintenance of Plant       | 947,549             | 947,549     | 0                                       | 3,756                        | 3,756     | 0                                       |
| Pupil Transportation                     | 685,360             | 685,360     | 0                                       | 0                            | 0         | 0                                       |
| Central                                  | 18,380              | 18,380      | 0                                       | 2,259                        | 2,259     | 0                                       |
| Extracurricular Activities               | 207,481             | 207,481     | 0                                       | 206,032                      | 206,032   | 0                                       |
| Capital Outlay                           | 257,194             | 257,194     | 0                                       | 0                            | 0         | 0                                       |
| Debt Service:                            |                     |             |   |                              |           |   |
| Principal Retirement                     | 43,120              | 43,120      | 0                                       | 0                            | 0         | 0                                       |
| Interest and Fiscal Charges              | 3,033               | 3,033       | 0                                       | 0                            | 0         | 0                                       |
| Total Expenditures                       | 10,258,212          | 10,258,212  | 0                                       | 639,879                      | 639,879   | 0                                       |
| Excess (Deficiency) of                   |                     |             |   |                              |           |   |
| Revenues Over (Under) Expenditures       | 102,689             | 477,522     | 374,833                                 | (38,290)                     | (38,290)  | 0                                       |
| <b>Other Financing Sources (Uses):</b>   |                     |             |   |                              |           |   |
| Proceeds from Sale of Fixed Assets       | 563                 | 563         | 0                                       | 0                            | 0         | 0                                       |
| Refunds of Prior Years' Expenditures     | 11,236              | 11,236      | 0                                       | 2,571                        | 2,571     | 0                                       |
| Operating Transfers In                   | 0                   | 0           | 0                                       | 390,000                      | 390,000   | 0                                       |
| Operating Transfers Out                  | (582,128)           | (582,128)   | 0                                       | 0                            | 0         | 0                                       |
| Total Other Financing Sources (Uses)     | (570,329)           | (570,329)   | 0                                       | 392,571                      | 392,571   | 0                                       |
| Excess (Deficiency) of Revenues          |                     |             |   |                              |           |   |
| and Other Financing Sources Over (Under) |                     |             |   |                              |           |   |
| Expenditures and Other Financing Uses    | (467,640)           | (92,807)    | 374,833                                 | 354,281                      | 354,281   | 0                                       |
| Fund Balance at Beginning of Year        | 2,928,175           | 2,928,175   | 0                                       | 92,247                       | 92,247    | 0                                       |
| Prior Year Encumbrances                  | 470,297             | 470,297     | 0                                       | 27,965                       | 27,965    | 0                                       |
| Fund Balance at End of Year              | \$2,930,832         | \$3,305,665 | \$374,833                               | \$474,493                    | \$474,493 | \$0                                     |

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

(Continued)

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALL GOVERNMENTAL FUND TYPES**  
**FISCAL YEAR ENDED JUNE 30, 2002**

|  | <i>Debt Service Fund</i> |         |   | <i>Capital Projects Funds</i> |           |   |
|--|--------------------------|---------|---|-------------------------------|-----------|---|
|  | Revised<br>Budget        | Actual  | Variance:<br>Favorable<br>(Unfavorable) | Revised<br>Budget             | Actual    | Variance:<br>Favorable<br>(Unfavorable) |
| <b>Revenues:</b>   |                          |         |   |                               |           |   |
| Local Sources:   |                          |         |   |                               |           |   |
| Taxes  | \$0                      | \$0     | \$0                                     | \$46,701                      | \$46,701  | \$0                                     |
| Tuition  | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Transportation Fees  | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Investment Earnings  | 0                        | 0       | 0                                       | 142,349                       | 142,349   | 0                                       |
| Extracurricular Activities   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Class Material and Fees  | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Intermediate Sources   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Intergovernmental - State  | 0                        | 0       | 0                                       | 27,942                        | 27,942    | 0                                       |
| Intergovernmental - Federal  | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| All Other Revenues   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Total Revenues   | 0                        | 0       | 0                                       | 216,992                       | 216,992   | 0                                       |
| <b>Expenditures:</b>   |                          |         |   |                               |           |   |
| Current:   |                          |         |   |                               |           |   |
| Instruction  | 0                        | 0       | 0                                       | 36,810                        | 36,810    | 0                                       |
| Supporting Services:   |                          |         |   |                               |           |   |
| Pupils   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Instructional Staff  | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Board of Education   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Administration   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Fiscal Services  | 0                        | 0       | 0                                       | 2,663                         | 2,663     | 0                                       |
| Operation and Maintenance of Plant   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Pupil Transportation   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Central  | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Extracurricular Activities   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Capital Outlay   | 0                        | 0       | 0                                       | 91,387                        | 91,387    | 0                                       |
| Debt Service:  |                          |         |   |                               |           |   |
| Principal Retirement   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Interest and Fiscal Charges  | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Total Expenditures   | 0                        | 0       | 0                                       | 130,860                       | 130,860   | 0                                       |
| Excess (Deficiency) of<br>Revenues Over (Under) Expenditures   | 0                        | 0       | 0                                       | 86,132                        | 86,132    | 0                                       |
| <b>Other Financing Sources (Uses):</b>   |                          |         |   |                               |           |   |
| Proceeds from Sale of Fixed Assets   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Refunds of Prior Years' Expenditures   | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Operating Transfers In   | 0                        | 0       | 0                                       | 192,128                       | 192,128   | 0                                       |
| Operating Transfers Out  | 0                        | 0       | 0                                       | 0                             | 0         | 0                                       |
| Total Other Financing Sources (Uses)   | 0                        | 0       | 0                                       | 192,128                       | 192,128   | 0                                       |
| Excess (Deficiency) of Revenues<br>and Other Financing Sources Over (Under)<br>Expenditures and Other Financing Uses | 0                        | 0       | 0                                       | 278,260                       | 278,260   | 0                                       |
| Fund Balance at Beginning of Year  | 6,399                    | 6,399   | 0                                       | 645,263                       | 645,263   | 0                                       |
| Prior Year Encumbrances  | 0                        | 0       | 0                                       | 52,258                        | 52,258    | 0                                       |
| Fund Balance at End of Year  | \$6,399                  | \$6,399 | \$0                                     | \$975,781                     | \$975,781 | \$0                                     |

(Continued)

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALL GOVERNMENTAL FUND TYPES**  
**FISCAL YEAR ENDED JUNE 30, 2002**

|  | <i>Totals (Memorandum Only)</i> |                           |   |
|--|---------------------------------|---------------------------|---|
|  | Revised<br>Budget               | Actual                    | Variance:<br>Favorable<br>(Unfavorable) |
| <u>Revenues:</u>   |                                 |                           |   |
| Local Sources:   |                                 |                           |   |
| Taxes  | \$4,814,304                     | \$4,986,785               | \$172,481                               |
| Tuition  | 77,727                          | 80,539                    | 2,812                                   |
| Transportation Fees  | 59,506                          | 61,659                    | 2,153                                   |
| Investment Earnings  | 142,349                         | 142,349                   | 0                                       |
| Extracurricular Activities   | 288,802                         | 289,812                   | 1,010                                   |
| Class Material and Fees  | 29,868                          | 30,949                    | 1,081                                   |
| Intermediate Sources   | 95,565                          | 98,963                    | 3,398                                   |
| Intergovernmental - State  | 5,350,589                       | 5,541,988                 | 191,399                                 |
| Intergovernmental - Federal  | 280,800                         | 280,800                   | 0                                       |
| All Other Revenues   | 39,972                          | 40,471                    | 499                                     |
| Total Revenues   | <u>11,179,482</u>               | <u>11,554,315</u>         | <u>374,833</u>                          |
| <u>Expenditures:</u>   |                                 |                           |   |
| Current:   |                                 |                           |   |
| Instruction  | 5,724,517                       | 5,724,517                 | 0                                       |
| Supporting Services:   |                                 |                           |   |
| Pupils   | 710,188                         | 710,188                   | 0                                       |
| Instructional Staff  | 614,541                         | 614,541                   | 0                                       |
| Board of Education   | 21,510                          | 21,510                    | 0                                       |
| Administration   | 1,233,573                       | 1,233,573                 | 0                                       |
| Fiscal Services  | 259,071                         | 259,071                   | 0                                       |
| Operation and Maintenance of Plant   | 951,305                         | 951,305                   | 0                                       |
| Pupil Transportation   | 685,360                         | 685,360                   | 0                                       |
| Central  | 20,639                          | 20,639                    | 0                                       |
| Extracurricular Activities   | 413,513                         | 413,513                   | 0                                       |
| Capital Outlay   | 348,581                         | 348,581                   | 0                                       |
| Debt Service:  |                                 |                           |   |
| Principal Retirement   | 43,120                          | 43,120                    | 0                                       |
| Interest and Fiscal Charges  | 3,033                           | 3,033                     | 0                                       |
| Total Expenditures   | <u>11,028,951</u>               | <u>11,028,951</u>         | <u>0</u>                                |
| Excess (Deficiency) of<br>Revenues Over (Under) Expenditures   | 150,531                         | 525,364                   | 374,833                                 |
| <u>Other Financing Sources (Uses):</u>   |                                 |                           |   |
| Proceeds from Sale of Fixed Assets   | 563                             | 563                       | 0                                       |
| Refunds of Prior Years' Expenditures   | 13,807                          | 13,807                    | 0                                       |
| Operating Transfers In   | 582,128                         | 582,128                   | 0                                       |
| Operating Transfers Out  | (582,128)                       | (582,128)                 | 0                                       |
| Total Other Financing Sources (Uses)   | <u>14,370</u>                   | <u>14,370</u>             | <u>0</u>                                |
| Excess (Deficiency) of Revenues<br>and Other Financing Sources Over (Under)<br>Expenditures and Other Financing Uses | 164,901                         | 539,734                   | 374,833                                 |
| Fund Balance at Beginning of Year  | 3,672,084                       | 3,672,084                 | 0                                       |
| Prior Year Encumbrances  | 550,520                         | 550,520                   | 0                                       |
| Fund Balance at End of Year  | <u><u>\$4,387,505</u></u>       | <u><u>\$4,762,338</u></u> | <u><u>\$374,833</u></u>                 |

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN RETAINED EARNINGS/FUND BALANCE**  
**ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

|   | <i>Proprietary</i>  |                             | <i>Fiduciary</i>               | Totals<br>(Memorandum<br>Only) |
|---|---------------------|-----------------------------|--------------------------------|--------------------------------|
|   | <i>Fund Types</i>   |                             | <i>Fund Type</i>               |                                |
|   | Enterprise<br>Funds | Internal<br>Service<br>Fund | Nonexpendable<br>Trust<br>Fund |                                |
| <u>Operating Revenues:</u>                          |                     |                             |                                |                                |
| Tuition and Fees                                    | \$37,659            | \$55,611                    | \$0                            | \$93,270                       |
| Sales   | 348,882             | 0                           | 0                              | 348,882                        |
| Other Operating Revenues                            | 68,596              | 0                           | 0                              | 68,596                         |
| Investment Earnings                                 | 0                   | 0                           | 635                            | 635                            |
| Total Operating Revenues                            | 455,137             | 55,611                      | 635                            | 511,383                        |
| <u>Operating Expenses:</u>                          |                     |                             |                                |                                |
| Salaries and Wages                                  | 205,372             | 874                         | 0                              | 206,246                        |
| Fringe Benefits                                     | 64,448              | 134                         | 0                              | 64,582                         |
| Contractual Services                                | 14,408              | 43,051                      | 0                              | 57,459                         |
| Materials and Supplies                              | 259,138             | 27,915                      | 0                              | 287,053                        |
| Depreciation  | 15,480              | 0                           | 0                              | 15,480                         |
| Other Operating Expenses                            | 350                 | 0                           | 0                              | 350                            |
| Total Operating Expenses                            | 559,196             | 71,974                      | 0                              | 631,170                        |
| Operating Income (Loss)                             | (104,059)           | (16,363)                    | 635                            | (119,787)                      |
| <u>Non-Operating Revenues (Expenses):</u>           |                     |                             |                                |                                |
| Capital Contributions                               | 18,815              | 0                           | 0                              | 18,815                         |
| Gain on Sale of Fixed Assets                        | 370                 | 0                           | 0                              | 370                            |
| Operating Grants                                    | 90,505              | 0                           | 0                              | 90,505                         |
| Federally Donated Commodities                       | 29,353              | 0                           | 0                              | 29,353                         |
| Other Non-Operating Revenue                         | 1,014               | 22,246                      | 0                              | 23,260                         |
| Investment Earnings                                 | 7,098               | 0                           | 0                              | 7,098                          |
| Total Non-Operating Revenues (Expenses)             | 147,155             | 22,246                      | 0                              | 169,401                        |
| Net Income  | 43,096              | 5,883                       | 635                            | 49,614                         |
| Retained Earnings/Fund Balance at Beginning of Year | 395,162             | 6,728                       | 15,090                         | 416,980                        |
| Retained Earnings/Fund Balance at End of Year       | \$438,258           | \$12,611                    | \$15,725                       | \$466,594                      |

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

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

|  | <i>Proprietary<br/>Fund Types</i> |                             | <i>Fiduciary<br/>Fund Type</i> | Totals<br>(Memorandum<br>Only) |
|--|-----------------------------------|-----------------------------|--------------------------------|--------------------------------|
|  | Enterprise<br>Funds               | Internal<br>Service<br>Fund | Nonexpendable<br>Trust<br>Fund |                                |
| <u>Cash Flows from Operating Activities:</u>                     |                                   |                             |                                |                                |
| Cash Received from Customers                                     | \$419,561                         | \$0                         | \$0                            | \$419,561                      |
| Cash Received from Tuition and Fee Payments                      | 37,559                            | 77,881                      | 0                              | 115,440                        |
| Cash Payments for Goods and Services                             | (242,301)                         | (79,502)                    | 0                              | (321,803)                      |
| Cash Payments to Employees for Services and Benefits             | (269,465)                         | (1,004)                     | 0                              | (270,469)                      |
| Net Cash Used for Operating Activities                           | <u>(54,646)</u>                   | <u>(2,625)</u>              | <u>0</u>                       | <u>(57,271)</u>                |
| <u>Cash Flows from Noncapital Financing Activities:</u>          |                                   |                             |                                |                                |
| Operating Grants Received  | 90,080                            | 0                           | 0                              | 90,080                         |
| Net Cash Provided by Noncapital Financing Activities             | <u>90,080</u>                     | <u>0</u>                    | <u>0</u>                       | <u>90,080</u>                  |
| <u>Cash Flows from Capital and Related Financing Activities:</u> |                                   |                             |                                |                                |
| Acquisition of Equipment   | (34,504)                          | 0                           | 0                              | (34,504)                       |
| Net Cash Used for Capital and Related Financing Activities       | <u>(34,504)</u>                   | <u>0</u>                    | <u>0</u>                       | <u>(34,504)</u>                |
| <u>Cash Flows from Investing Activities:</u>                     |                                   |                             |                                |                                |
| Receipts of Interest   | 7,600                             | 0                           | 668                            | 8,268                          |
| Maturity of Investment   | 0                                 | 0                           | 13,528                         | 13,528                         |
| Purchase of Investment   | (229,681)                         | 0                           | (14,196)                       | (243,877)                      |
| Net Cash Provided by Investing Activities                        | <u>(222,081)</u>                  | <u>0</u>                    | <u>0</u>                       | <u>(222,081)</u>               |
| Net Increase (Decrease) in Cash and Cash Equivalents             | (221,151)                         | (2,625)                     | 0                              | (223,776)                      |
| Cash and Cash Equivalents at Beginning of Year                   | 328,019                           | 15,240                      | 1,500                          | 344,759                        |
| Cash and Cash Equivalents at End of Year                         | <u>\$106,868</u>                  | <u>\$12,615</u>             | <u>\$1,500</u>                 | <u>\$120,983</u>               |
| <u>Reconciliation of Operating Income (Loss) to Net Cash</u>     |                                   |                             |                                |                                |
| <u>Used for Operating Activities:</u>                            |                                   |                             |                                |                                |
| Operating Income (Loss)  | (\$104,059)                       | (\$16,363)                  | \$635                          | (\$119,787)                    |
| <u>Adjustments to Reconcile Operating Income (Loss) to</u>       |                                   |                             |                                |                                |
| <u>    Net Cash Provided Used for Operating Activities:</u>      |                                   |                             |                                |                                |
| Miscellaneous Non-Operating Income                               | 1,384                             | 22,246                      | 0                              | 23,630                         |
| Depreciation Expense   | 15,480                            | 0                           | 0                              | 15,480                         |
| Donated Commodities Used During the Year                         | 29,353                            | 0                           | 0                              | 29,353                         |
| Interest on Investment   | 0                                 | 0                           | (635)                          | (635)                          |
| <u>Changes in Assets and Liabilities:</u>                        |                                   |                             |                                |                                |
| Decrease in Accounts Receivable                                  | 599                               | 24                          | 0                              | 623                            |
| Increase in Inventory  | (2,509)                           | 0                           | 0                              | (2,509)                        |
| Decrease in Prepaid Items  | 1,939                             | 0                           | 0                              | 1,939                          |
| Increase (Decrease) in Accounts Payable                          | 72                                | (8,536)                     | 0                              | (8,464)                        |
| Increase in Accrued Wages and Benefits                           | 359                               | 0                           | 0                              | 359                            |
| Increase (Decrease) in Intergovernmental Payables                | (1,559)                           | 4                           | 0                              | (1,555)                        |
| Increase in Deferred Revenue                                     | 2,740                             | 0                           | 0                              | 2,740                          |
| Increase in Compensated Absences                                 | 1,555                             | 0                           | 0                              | 1,555                          |
| Total Adjustments  | <u>49,413</u>                     | <u>13,738</u>               | <u>(635)</u>                   | <u>62,516</u>                  |
| Net Cash Used for Operating Activities                           | <u><u>(\$54,646)</u></u>          | <u><u>(\$2,625)</u></u>     | <u><u>\$0</u></u>              | <u><u>(\$57,271)</u></u>       |

Schedule of Noncash Investing, Capital and Financing Activities:

The Food Services Fund received \$18,815 of capital assets contributed from other funds.

During 2002, the fair value of investments increased by \$316 in the Food Services Fund.

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

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Brookville Local School District, Ohio (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 70 noncertified and approximately 105 certified teaching personnel and administrative employees providing education to 1,601 students.

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, the District. There were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. The District is a member of the Metropolitan Dayton Educational Cooperative Association, a jointly governed organization which provides computer service to thirty (30) school districts. Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings.

The District is associated with organizations which are defined as jointly governed organizations and an insurance purchasing pool. These organizations are presented in Notes 14 and 15 to the general purpose financial statements.

The accounting policies and financial reporting practices of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

**B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are summarized by type in the general purpose financial statements.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

The following fund types and account groups are used by the District:

***Governmental Funds*** - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the District's governmental fund types:

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

**Special Revenue Funds** - These 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** - This fund is used for the accumulation of resources for the payment of general long-term debt principal and interest.

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

***Proprietary Funds*** - The proprietary funds are accounted for on a "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in retained earnings (net total assets).

**Enterprise Funds** - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**Internal Service Fund** - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

*Fiduciary Funds*

Trust and Agency Funds - These funds are used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The District maintains an expendable trust fund, a non-expendable trust fund and an agency fund. The expendable trust fund is accounted for and reported similarly to a governmental fund, the non-expendable trust fund is accounted for similarly to a proprietary fund. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

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

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

General Long-Term Obligations Account Group - This account group is established to account for all long-term debt and other long-term liabilities of the District except those accounted for in the proprietary funds.

**C. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds and expendable trust and agency funds. The accrual basis of accounting is followed by the proprietary funds.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes property taxes, tuition, grants and entitlements, student fees, and interest on investments.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting (Continued)**

Current property taxes measurable at June 30, 2002, of which are not intended to finance fiscal 2002 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2002 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

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

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

Pursuant to GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

**D. 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 appropriation resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the Board of Education.

**1. Tax Budget**

By January 15, the Superintendent and Treasurer submit an annual operating budget for the following fiscal year to the Board of Education for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by January 20 of each year for the period July 1 to June 30 of the following fiscal year.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Budgetary Process (Continued)**

2. Estimated Resources

Prior to March 15, the Board 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 District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2002.

3. Appropriations

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution establishes spending controls at the fund, department and object level. The appropriation resolution may be amended during the year, as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year with approval of the Board. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual-All Governmental Fund Types" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as reservations of fund balances for governmental funds in the accompanying general purpose financial statements.

5. 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 appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Budgetary Process (Continued)**

6. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures (budgetary basis) as opposed to reservations of fund balance (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the governmental funds:

|  | Excess (Deficiency) of Revenues and Other Financing Sources<br>Over (Under) Expenditures and Other Financing Uses |                             |                         |                              |
|--|---|-----------------------------|-------------------------|------------------------------|
|  | General<br>Fund   | Special<br>Revenue<br>Funds | Debt<br>Service<br>Fund | Capital<br>Projects<br>Funds |
| GAAP Basis (as reported)   | \$24,768  | \$408,370                   | \$0                     | \$270,603                    |
| Increase (Decrease):   |   |                             |                         |                              |
| Accrued Revenues<br>at June 30, 2002,<br>received during FY 2003 | (345,693)   | (17,594)                    | 0                       | (7,356)                      |
| Accrued Revenues<br>at June 30, 2001,<br>received during FY 2002 | 392,429   | 4,754                       | 0                       | 15,387                       |
| Accrued Expenditures<br>at June 30, 2002,<br>paid during FY 2003 | 1,207,186   | 46,082                      | 0                       | 26,081                       |
| Accrued Expenditures<br>at June 30, 2001,<br>paid during FY 2002 | (1,194,742)   | (36,009)                    | 0                       | (350)                        |
| FY 2001 Prepays for FY 2002                                      | 92,840  | 1,084                       | 0                       | 0                            |
| FY 2002 Prepays for FY 2003                                      | (34,952)  | (732)                       | 0                       | 0                            |
| Encumbrances Outstanding<br>at June 30, 2001                     | (234,643)   | (51,674)                    | 0                       | (26,105)                     |
| Budget Basis   | <u>(\$92,807)</u>   | <u>\$354,281</u>            | <u>\$0</u>              | <u>\$278,260</u>             |

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits and investments with original maturities of less than three months.

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 3, "Cash, Cash Equivalents and Investments."

**F. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District reports its nonparticipating investments contracts (certificates of deposit) at cost. See Note 3, "Cash, Cash Equivalents and Investments."

**G. Inventory**

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental and expendable trust funds when purchased and as expenses in the proprietary funds when used.

**H. Fixed Assets and Depreciation**

The accounting and reporting treatment applied to fixed assets is determined by their ultimate use:

**1. Property, Plant and Equipment - General Governmental Purposes**

Fixed assets acquired or constructed for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received. The District does not possess any infrastructure.

General fixed asset values were initially determined at June 30, 1993 by identifying historical costs where such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain fixed assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

The District has elected not to record depreciation in the General Fixed Assets Account Group.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Fixed Assets and Depreciation** (Continued)

2. Property, Plant and Equipment - Proprietary Fund

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed fixed assets are recorded at fair market value at the date received. Capital contributions received after June 30, 2000 are recorded as revenue in the proprietary funds.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

| <u>Description</u>                           | <u>Estimated Lives (in years)</u> |
|--|-----------------------------------|
| Machinery, Equipment, Furniture and Fixtures | 5-20                              |

**I. Long-Term Obligations**

Long-term liabilities are being repaid from the following funds:

| <u>Obligation</u>         | <u>Fund</u>                      |
|---------------------------|----------------------------------|
| General Obligation Bond   | General Fund                     |
| Intergovernmental Payable | General Fund                     |
| Compensated Absences      | General Fund, Food Services Fund |

**J. Compensated Absences**

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation benefits are accrued as a liability when an employee's right to receive compensation is attributable to services already rendered, and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Administrators and classified staff who work twelve month contracts are granted vacation leave based on length of service and position. Sick leave benefits are accrued as a liability using the vesting method. Employees may earn 15 days of sick leave per year up to a maximum of 282 days. Upon retirement, employees will receive one-fourth of the accumulated sick leave up to a maximum of 63 days. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The long-term portion of the liability is reported in the General Long-Term Obligations Account Group. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

**K. Pensions**

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Interfund Transactions**

During the course of normal operations, the District has numerous transactions between funds. Interfund transactions are generally classified as follows:

- Operating transfers are reported as “Other Financing Sources and Uses” in the governmental funds, as “Operating Transfers In” by the recipient fund, and “Operating Transfers Out” by the disbursing fund.
- 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.
- Residual Equity Transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance.

Transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the District are similarly treated when involving other funds of the District.

**M. Restricted Assets**

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve, a reserve for textbook purchases and a reserve for capital maintenance. These reserves are required by State statute. The budget stabilization reserve can be used only after receiving approval from the State Superintendent of Public Instruction. Fund balance reserves have also been established for these amounts.

**N. Reservations of Fund Balance**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for debt service, prepaid items, endowments, property taxes, budget stabilization, textbook purchase, capital maintenance and encumbered amounts which have not been accrued at year end. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles, but not available for appropriation under State statute. The reserve for budget stabilization, textbook purchase and capital maintenance are required by State statute.

**O. Estimates**

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



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Total Columns on Combined Financial Statements - Overview**

Total columns on the "Combined Financial Statements-Overview" are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - COMPLIANCE AND ACCOUNTABILITY**

**Fund Deficits** - The fund deficits at June 30, 2002 of \$490 in the Summer School Fund, \$3,548 in the Title VI-B Fund, \$980 in the Title I Fund, \$44 in the Preschool Handicap Grant Fund, and \$288 in the Title VI-R Grant Fund (special revenue funds) arose from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. Deficits did not exist under the cash basis of accounting.

**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by a number of individual funds.

Statutes require the classification of funds held by the District into three categories. Category 1 consists of "active" funds - those funds required to be kept in a "cash" or "near cash" status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- 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;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- 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;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets 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, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the District places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, "Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements," collateral held in single financial institution collateral pools with securities being held by the pledging financial institutions' agent in the pool's name are classified as Category 3.

The Governmental Accounting Standards Board has established risk categories for deposits and investments as follows:

*Deposits:*

- |            |  |
|------------|--|
| Category 1 | Insured or collateralized with securities held by the District or by its agent in the District's name.                                 |
| Category 2 | Collateralized with securities held by the pledging financial institution's trust department or agent, in the District's name.         |
| Category 3 | Collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name. |

**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

*Investments:*

- Category 1 Insured or registered, or securities held by the District or its agent in the District's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the District's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the District's name.

**A. Deposits**

At year end the carrying amount of the District's deposits was \$4,509,774 and the bank balance was \$4,634,320. The Federal Deposit Insurance Corporation (FDIC) covered \$200,000 of the bank balance and all remaining deposits were classified as Category 3.

**B. Investments**

The District's investments at June 30, 2002 were as follows:

| <u>Categorized Investments</u>         | <u>Category 2</u> | <u>Category 3</u>  | <u>Carrying Amount/<br/>Fair Value</u> |
|--|-------------------|--------------------|--|
| Federal Securities                     | N/A               | \$1,004,990        | \$1,004,990                            |
| <br><u>Non-Categorized Investments</u> |                   |                    |  |
| Money Market Mutual Funds              | N/A               | N/A                | 14,505                                 |
| Total Investments                      | <u>\$0</u>        | <u>\$1,004,990</u> | <u>\$1,019,495</u>                     |

**C. Reconciliation of Cash, Cash Equivalents and Investments**

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

|  | <u>Cash and Cash<br/>Equivalents</u> | <u>Investments</u> |
|--|--------------------------------------|--------------------|
| Per Combined Balance Sheet   | \$4,487,977                          | \$1,041,292        |
| Certificates of Deposit<br>(with maturities of more than 3 months) | <u>21,797</u>                        | <u>(21,797)</u>    |
| Per GASB Statement No. 3   | <u>\$4,509,774</u>                   | <u>\$1,019,495</u> |

**NOTE 4 - TAXES**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2002 were levied after October 1, 2001 on assessed values as of January 1, 2001, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years with a statistical update every third year. The last revaluation was completed in 1996. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually, the first payment is due April 30; with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Brookville Local School District. The County Auditor periodically remits to the District its portion of the taxes collected.

The assessed values upon which the fiscal year 2002 receipts were based, were as follows:

|  | 2001 Second Half<br>Collections | 2002 First Half<br>Collections |
|--|---------------------------------|--------------------------------|
| Agricultural/Residential and Other Real Estate | \$129,239,840                   | \$132,920,710                  |
| Public Utility Personal                        | 6,919,280                       | 5,481,070                      |
| Tangible Personal Property                     | <u>19,138,640</u>               | <u>15,203,847</u>              |
| Total Assessed Value                           | <u>\$155,297,760</u>            | <u>\$153,605,627</u>           |
| Tax rate per \$1,000 of assessed valuation     | \$57.09                         | \$57.08                        |

**NOTE 5 - RECEIVABLES**

Receivables at June 30, 2002 consisted of taxes, interest, accounts receivable and intergovernmental receivables.

**NOTE 6 - OPERATING TRANSFERS**

Following is a summary of operating transfers in and out for all funds at June 30, 2002:

| Fund                       | Transfer In      | Transfer Out     |
|----------------------------|------------------|------------------|
| General Fund               | \$0              | \$582,128        |
| Special Revenue Fund:      |                  |                  |
| Termination Benefits Fund  | 390,000          | 0                |
| Capital Projects Fund:     |                  |                  |
| Permanent Improvement Fund | 192,128          | 0                |
| Total All Funds            | <u>\$582,128</u> | <u>\$582,128</u> |

**NOTE 7 - FIXED ASSETS**

**A. General Fixed Assets**

Summary by category of changes in general fixed assets at June 30, 2002:

| Class                   | June 30, 2001      | Additions        | Deletions          | June 30, 2002      |
|-------------------------|--------------------|------------------|--------------------|--------------------|
| Land                    | \$42,719           | \$0              | \$0                | \$42,719           |
| Buildings               | 5,042,068          | 0                | 0                  | 5,042,068          |
| Machinery and Equipment | 3,424,826          | 200,179          | (27,268)           | 3,597,737          |
| Vehicles                | 803,930            | 152,890          | (104,718)          | 852,102            |
| Totals                  | <u>\$9,313,543</u> | <u>\$353,069</u> | <u>(\$131,986)</u> | <u>\$9,534,626</u> |

**B. Proprietary Fixed Assets**

Summary by Category at June 30, 2002:

| Category                            | Historical<br>Cost | Accumulated<br>Depreciation | Book<br>Value    |
|-------------------------------------|--------------------|-----------------------------|------------------|
| Machinery and Equipment             | \$331,940          | (\$193,015)                 | \$138,925        |
| Total Property, Plant and Equipment | <u>\$331,940</u>   | <u>(\$193,015)</u>          | <u>\$138,925</u> |

**NOTE 8 - DEFINED BENEFIT PENSION PLANS**

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

**A. School Employees Retirement System of Ohio (SERS of Ohio)**

All non-certified employees of the District, with minor exceptions, performing duties that do not require a certificate issued by the Ohio Department of Education are eligible to participate in the School Employees Retirement System of Ohio, a cost-sharing, multiple-employer public employee retirement system.

The SERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and survivor benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. The SERS of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the SERS of Ohio. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

The Ohio Revised Code provides statutory authority for District and employee contributions of 14% and 9% respectively. The contribution rates are determined actuarially, and are established and may be amended, up to statutory amounts, by the School Employees Retirement Board (Retirement Board) within the rates allowed by State statute. The required employer contribution rate is allocated to basic retirement benefits and health care by the Retirement Board. At June 30, 2001, (latest information available) 4.2% was allocated to fund the pension benefit and 9.8% to fund health care. The District's contributions to the SERS of Ohio for the years ending June 30, 2002, 2001, and 2000 were \$252,925, \$245,136, and \$227,772, respectively, which were equal to the required contributions for each year.

The Ohio Revised Code gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. 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. The portion of the 2001 employer contribution rate (latest information available) that was used to fund health care for the year 2001 was 9.8%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between minimum pay and the member's pay, prorated for partial service credit. For fiscal year 2002, the minimum pay has been established as \$12,400. The amount contributed to fund health care benefits, including the surcharge amounted to \$177,047.

Health care benefits are financed on a pay-as-you-go basis. The number of retirees and covered dependents currently receiving benefits is approximately 50,000. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2001 (the latest information available) were \$161,439,934 and the target level was \$242.2 million. Net assets available for payment of benefits at June 30, 2001 was \$315.7 million.

**NOTE 8 - DEFINED BENEFIT PENSION PLANS (Continued)**

**B. State Teachers Retirement System of Ohio (STRS of Ohio)**

All certified employees of the District are eligible to participate in the State Teachers Retirement System of Ohio, a cost-sharing, multiple-employer public employee retirement system.

The STRS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and survivor benefits based on eligible service credit to plan members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. The STRS of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the STRS of Ohio. Interested parties may obtain a copy by making a written request to STRS, 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

The Ohio Revised Code provides statutory authority for District and employee contributions of 14% and 9.3%, respectively. The contribution requirements of plan members and the District are established and may be amended by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. At June 30, 2001, (latest information available) 9.5% was allocated to fund the pension benefit and 4.5% to fund health care. The District's contributions to the STRS of Ohio for the years ending June 30, 2002, 2001, and 2000 were \$845,976, \$721,944, and \$676,608, respectively, which were equal to the required contributions for each year.

STRS provides postemployment health care benefits to retirees and their dependents. Coverage includes hospitalization, physician fees, prescription drugs and reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Revised Code, the State Teachers Retirement Board has discretionary authority over how much, if any, of the health care cost will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium.

Benefits are funded on a pay-as-you-go basis through an allocation of employer contributions to a Health Care Reserve Fund. For the fiscal year ended June 30, 2001, (latest information available) the board allocated employer contributions are equal to 4.5% of covered payroll to the Health Care Reserve Fund, which amounted to \$271,921 for the District. The balance of the Health Care Reserve Fund was \$3.256 billion at June 30, 2001 (the latest information available). For the fiscal year ended June 30, 2001, the net health care costs paid by STRS were \$300,772,000. There were 102,132 eligible benefit recipients.

**NOTE 9 - COMPENSATED ABSENCES**

The District provides a liability for accumulated unpaid sick leave and vacation time benefits when earned by employees. Accrued employee benefits for governmental funds not currently due and payable at year end are recorded in the General Long-Term Obligations Account Group. At June 30, 2002, the total accumulated unpaid sick and vacation time recorded in the General Long-Term Obligations Account Group was:

|           | <u>Sick Leave</u> | <u>Vacation</u> | <u>Total</u> |
|-----------|-------------------|-----------------|--------------|
| Liability | \$674,354         | \$9,706         | \$684,060    |

The portion attributable to the enterprise funds has been recorded within the respective fund and is not included in the figures presented above.

**NOTE 10 - GENERAL LONG-TERM DEBT AND OTHER GENERAL LONG-TERM OBLIGATIONS**

Detail of the changes in the bonds, intergovernmental payable, and compensated absences of the District for the year ended June 30, 2002 is as follows:

|   |       | <u>Balance<br/>June 30, 2001</u> | <u>Issued<br/>(Retired)</u> | <u>Balance<br/>June 30, 2002</u> |
|---|-------|----------------------------------|-----------------------------|----------------------------------|
| <b>General Long-Term Debt:</b>  |       |                                  |                             |                                  |
| (General Obligation Bond)   |       |                                  |                             |                                  |
| Energy Conservation Project   | 5.00% | \$43,120                         | (\$43,120)                  | \$0                              |
| Total General Long-Term Debt  |       | 43,120                           | (43,120)                    | 0                                |
| <b>Other General Long-Term Obligations:</b>                             |       |                                  |                             |                                  |
| Intergovernmental Payable   |       | 70,210                           | (4,115)                     | 66,095                           |
| Compensated Absences  |       | 603,204                          | 80,856                      | 684,060                          |
| Total Other General Long-Term Obligations                               |       | 673,414                          | 76,741                      | 750,155                          |
| Total General Long-Term Debt and<br>Other General Long-Term Obligations |       | <u>\$716,534</u>                 | <u>\$33,621</u>             | <u>\$750,155</u>                 |



**NOTE 11 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The District maintains three Enterprise Funds to account for the operation of Food Services, Uniform School Supply Sales and a Latch Key program. The key financial information for the year ended June 30, 2002 for these enterprise activities is as follows:

|                                | <u>Food<br/>Services</u> | <u>Uniform<br/>School Supply</u> | <u>Latch Key</u> | <u>Total</u> |
|--------------------------------|--------------------------|----------------------------------|------------------|--------------|
| Operating Revenues             | \$349,024                | \$37,659                         | \$68,454         | \$455,137    |
| Depreciation Expense           | 15,176                   | 0                                | 304              | 15,480       |
| Operating Income (Loss)        | (106,229)                | 234                              | 1,936            | (104,059)    |
| Net Income                     | 40,926                   | 234                              | 1,936            | 43,096       |
| Property, Plant and Equipment: |                          |                                  |                  |              |
| Additions                      | 53,319                   | 0                                | 0                | 53,319       |
| Operating Grants               | 90,505                   | 0                                | 0                | 90,505       |
| Total Assets                   | 445,337                  | 12,436                           | 42,207           | 499,980      |
| Net Working Capital            | 268,600                  | 12,436                           | 37,663           | 318,699      |
| Total Equity                   | 386,186                  | 12,436                           | 39,636           | 438,258      |

**NOTE 12 – STATUTORY RESERVES**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2002, the reserve activity (cash-basis) was as follows:

|  | <u>Textbook<br/>Reserve</u> | <u>Capital<br/>Acquisition<br/>Reserve</u> | <u>Budget<br/>Stabilization<br/>Reserve</u> | <u>Total</u>     |
|--|-----------------------------|--|---|------------------|
| Set-aside Cash Balance as of June 30, 2001 | \$13,766                    | \$0  | \$106,486                                   | \$120,252        |
| Current Year Set-Aside Requirement         | 189,575                     | 189,575                                    | 0   | 379,150          |
| Current Year Offset Credits                | 0                           | 0  | 0   | 0                |
| Qualifying Disbursements                   | (203,341)                   | (119,873)                                  | 0   | (323,214)        |
| Total                                      | <u>\$0</u>                  | <u>\$69,702</u>                            | <u>\$106,486</u>                            | <u>\$176,188</u> |
| Set-aside Cash Balance as of June 30, 2002 | <u>\$0</u>                  | <u>\$69,702</u>                            | <u>\$106,486</u>                            | <u>\$176,188</u> |
| Amount Restricted for Textbooks            |                             |  |   | \$0              |
| Amount Restricted for Capital Acquisition  |                             |  |   | 69,702           |
| Amount Restricted for Budget Stabilization |                             |  |   | 106,486          |
| Total Restricted Assets                    |                             |  |   | <u>\$176,188</u> |

**NOTE 13- RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. During fiscal year 2002 the District contracted with several different insurance providers for various insurance coverages, as follows:

| <u>Insurance Provider</u>    | <u>Coverage</u>   | <u>Deductible</u> |
|------------------------------|-------------------|-------------------|
| Nationwide Insurance Company | Automobile        | \$1,500           |
| Indiana Insurance Company    | Property          | \$500             |
| Nationwide Insurance Company | General Liability | \$0               |

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

**NOTE 14 - INSURANCE PURCHASING POOL**

Southwestern Ohio Educational Purchasing Cooperative Workers' Compensation Group Rating Plan (WCGRP) - The District participates in the WCGRP, an insurance purchasing pool. The group rating plan for workers' compensation was established under Section 4123.29 of the Ohio Revised Code. The Plan's business and affairs are conducted by an executive committee elected by members of the cooperative. Each year, the participating school districts pay an enrollment fee to the WCGRP to cover the costs of administering the program.

**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS**

Southwestern Ohio Instructional Technology Association (SOITA) - SOITA is a not-for-profit corporation formed under section 1702.01 of the Ohio Revised Code. The purpose of SOITA is to serve the educational needs of the area through television programming for the advancement of educational programs.

The Board of Trustees is comprised of twenty-one representatives of SOITA member schools or institutions. Nineteen representatives are elected from within the counties by the qualified members within the counties i.e. Auglaize, Butler, Champaign, Clark, Clifton, Darke, Fayette, Green, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby, and Warren. Montgomery, Green, and Butler counties shall elect two representatives per area. All others shall elect one representative per area. All superintendents except for those from educational service centers vote on the representatives after a nomination committee nominates individuals to run. One at-large non-public representative shall be elected by the non-public school SOITA members as the State assigned SOITA service area. One at-large higher education representative shall be elected by higher education SOITA members from within the State assigned SOITA service area.

**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS (Continued)**

All member districts are obligated to pay all fees, charges, or other assessments as established by the SOITA. Upon dissolution, the net assets shall be distributed to the federal government, or to a state or local government for a public purpose. Payments to SOITA are made from the general fund. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association at 150 East Sixth Street, Franklin, Ohio 45005.

Southwestern Ohio Educational Purchasing Cooperative (SOEPC) - SOEPC is a purchasing cooperative made up of nearly one hundred school districts in twelve counties. The Montgomery County Board of Education acts as fiscal agent for the group. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC. Each member district has one voting representative. Title to any and all equipment and supplies purchased by the SOEPC is held in trust for the member district by the fiscal agent. Payments to SOEPC are made from the general fund. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Cooperative, 1831 Harshman Road, Dayton, Ohio 45424.

**NOTE 16 - CONTINGENCIES**

**A. Grants**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2002.

**B. State School Funding**

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.

**NOTE 16 - CONTINGENCIES** (Continued)

**B. State School Funding** (Continued)

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

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

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**BY CATEGORY**  
**FISCAL YEAR ENDED JUNE 30 , 2002**

| Function and Activity                  | Land            | Buildings          | Machinery and<br>Equipment | Vehicles         | Total              |
|--|-----------------|--------------------|----------------------------|------------------|--------------------|
| Instruction                            | \$38,307        | \$4,641,122        | \$1,958,605                | \$0              | \$6,638,034        |
| Support Services:                      |                 |                    |                            |                  |                    |
| Pupils                                 | 0               | 0                  | 36,740                     | 0                | 36,740             |
| Instructional Staff                    | 0               | 0                  | 600,943                    | 0                | 600,943            |
| Board of Education                     | 0               | 0                  | 1,235                      | 0                | 1,235              |
| Administration                         | 400             | 67,541             | 215,774                    | 0                | 283,715            |
| Operation and                          |                 |                    |                            |                  |                    |
| Maintenance of Plant                   | 0               | 71,434             | 343,769                    | 32,337           | 447,540            |
| Pupil Transportation                   | 1,605           | 261,971            | 62,495                     | 797,378          | 1,123,449          |
| Auxiliary Services                     | 0               | 0                  | 610                        | 0                | 610                |
| Extracurricular Activities             | 2,407           | 0                  | 174,994                    | 0                | 177,401            |
| Facilities Acquisition and Improvement | 0               | 0                  | 202,572                    | 22,387           | 224,959            |
| Total General Fixed Assets             | <u>\$42,719</u> | <u>\$5,042,068</u> | <u>\$3,597,737</u>         | <u>\$852,102</u> | <u>\$9,534,626</u> |

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

| Function and Activity                  | June 30,<br>2001   | Additions        | Deletions          | June 30,<br>2002   |
|--|--------------------|------------------|--------------------|--------------------|
| Instruction                            | \$6,559,551        | \$78,483         | \$0                | \$6,638,034        |
| Support Services:                      |                    |                  |                    |                    |
| Pupils                                 | 32,715             | 4,025            | 0                  | 36,740             |
| Instructional Staff                    | 571,362            | 29,581           | 0                  | 600,943            |
| Board of Education                     | 1,235              | 0                | 0                  | 1,235              |
| Administration                         | 276,169            | 7,546            | 0                  | 283,715            |
| Operation and                          |                    |                  |                    |                    |
| Maintenance of Plant                   | 413,758            | 78,397           | (44,615)           | 447,540            |
| Pupil Transportation                   | 1,084,599          | 126,221          | (87,371)           | 1,123,449          |
| Auxiliary Services                     | 610                | 0                | 0                  | 610                |
| Extracurricular Activities             | 160,843            | 16,558           | 0                  | 177,401            |
| Facilities Acquisition and Improvement | 212,701            | 12,258           | 0                  | 224,959            |
| Total General Fixed Assets             | <u>\$9,313,543</u> | <u>\$353,069</u> | <u>(\$131,986)</u> | <u>\$9,534,626</u> |

**BROOKVILLE LOCAL SCHOOL DISTRICT, OHIO**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

|   | Balance<br>June 30,<br>2001 | Additions       | Deductions        | Balance<br>June 30,<br>2002 |
|---|-----------------------------|-----------------|-------------------|-----------------------------|
| <b><u>Student Managed Activity Fund</u></b> |                             |                 |                   |                             |
| Assets:                                     |                             |                 |                   |                             |
| Cash and Cash Equivalents                   | \$45,170                    | \$93,328        | (\$96,733)        | \$41,765                    |
| Accounts Receivable                         | 1,160                       | 158             | (1,160)           | 158                         |
| Total Assets                                | <u>\$46,330</u>             | <u>\$93,486</u> | <u>(\$97,893)</u> | <u>\$41,923</u>             |
| Liabilities:                                |                             |                 |                   |                             |
| Accounts Payable                            | \$835                       | \$1,749         | (\$835)           | \$1,749                     |
| Due to Students                             | 45,495                      | 91,737          | (97,058)          | 40,174                      |
| Total Liabilities                           | <u>\$46,330</u>             | <u>\$93,486</u> | <u>(\$97,893)</u> | <u>\$41,923</u>             |







**Auditor of State  
Betty Montgomery**

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Facsimile 614-466-4490

**BROOKVILLE LOCAL SCHOOL DISTRICT**

**MONTGOMERY 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 30, 2003**