



**Auditor of State  
Betty Montgomery**



**WESTERN BROWN LOCAL SCHOOL DISTRICT  
BROWN COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report.....	Under Separate Cover
Comprehensive Annual Financial Report .....	Under Separate Cover
Schedule of Federal Awards Receipts and Expenditures.....	1
Notes to the Schedule of Federal Awards Receipts and Expenditures .....	2
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	3
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 .....	5
Schedule of Findings.....	7

**This page intentionally left blank.**

**WESTERN BROWN LOCAL SCHOOL DISTRICT  
BROWN COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program	N/A	10.550	\$0	\$89,959	\$0	\$105,770
National School Lunch Program	LL-P4-02 LL-P4-03	10.555 10.555	71,168 208,006		71,168 208,006	
Total U.S. Department of Agriculture - Nutrition Cluster			<b>279,174</b>	<b>89,959</b>	<b>279,174</b>	<b>105,770</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Grants to States (IDEA Part B)	6B-SF-02 6B-SF-03	84.027 84.027	289,911 289,911	0	37,926 279,534 317,460	0
Title I Grants to Local Educational Agencies	C1-S1-02 C1-S1-03	84.010 84.010	355,878 355,878	0	10,820 307,863 318,683	0
Safe and Drug-Free Schools and Communities - State Grants	DR-S1-02 DR-S1-03	84.186 84.186	15,868 15,868	0	3,153 9,372 12,525	0
Safe and Drug-Free Schools and Communities - National Programs	T4-S1-03	84.184	1,223		1,000	
Innovative Educational Program Strategies	C2-S1-02 C2-S1-03	84.298 84.298	14,650 14,650	0	12,255 14,150 26,405	0
Improving Teacher Quality	TR-S1-03	84.367	141,764		139,327	
Continuous Improvement Grant	G2-S2-01	84.276	0		5,691	
Comprehensive School Reform	RF-S2-01	84.332	20,000		31,009	
Reading Excellence Reform	RN-S1-00	84.338			14,352	
Title VI-R Class Size Reduction	CR-S1-02	84.340			15,927	
Technology Literacy Challenge Grant	TF-S3-01 TJ-S1-03	84.318 84.318	9,744 9,744	0	8,275 9,744 18,019	0
Assistive Technology Infusion	AT-S3-02	84.352	43,058		41,776	
Total Department of Education			<b>892,096</b>	<b>0</b>	<b>942,174</b>	<b>0</b>
<b>Totals</b>			<b>\$1,171,270</b>	<b>\$89,959</b>	<b>\$1,221,348</b>	<b>\$105,770</b>

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

**WESTERN BROWN LOCAL SCHOOL DISTRICT  
BROWN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS  
RECEIPTS AND EXPENDITURES  
JUNE 30, 2003**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - NUTRITION CLUSTER**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.



**Auditor of State  
Betty Montgomery**

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

Western Brown Local School District  
Brown County  
524 West Main Street  
Mt. Orab, Ohio 45154

To the Board of Education:

We have audited the basic financial statements of Western Brown Local School District, Brown County, Ohio (the District), as of and for the fiscal year ended June 30, 2003, and have issued our report thereon dated December 15, 2003. 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 basic 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 basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 15, 2003.

**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 basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 15, 2003.

Western Brown Local School District  
Brown County  
Independent Accountants' Report on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

December 15, 2003





## **Auditor of State Betty Montgomery**

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

Western Brown Local School District  
Brown County  
524 West Main Street  
Mt. Orab, Ohio 45154

To the Board of Education:

#### **Compliance**

We have audited the compliance of Western Brown Local School District, Brown County, Ohio (the District), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the fiscal year ended June 30, 2003. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

#### **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. However, we noted a certain matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 15, 2003.

#### **Schedule of Federal Awards Receipts and Expenditures**

We have audited the basic financial statements of the District as of and for the year ended June 30, 2003, and have issued our report thereon dated December 15, 2003. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards receipts and expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Betty Montgomery**  
Auditor of State

December 15, 2003

**WESTERN BROWN LOCAL SCHOOL DISTRICT  
BROWN COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 §.505  
JUNE 30, 2003**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Special Education Grants to States, CFDA #84.027 Title I Grants to Local Educational Agencies, CFDA #84.010
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all other programs
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

None

**3. FINDINGS FOR FEDERAL AWARDS**

None



**WESTERN BROWN**  
*LOCAL SCHOOL DISTRICT*  
MT. ORAB, OHIO

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

*FOR THE FISCAL YEAR  
ENDED JUNE 30, 2003*



*WESTERN BROWN LOCAL SCHOOL DISTRICT*

*MT. ORAB, OHIO*

*COMPREHENSIVE ANNUAL  
FINANCIAL REPORT*

*FOR THE FISCAL YEAR ENDED JUNE 30, 2003*

Issued by:  
Treasurer's Office

Denny Dunlap, Treasurer

**Western Brown Local School District**  
*Table of Contents*

<b>I. Introductory Section</b>	<u>Page</u>
Title Page	
Table of Contents.....	i
Letter of Transmittal.....	iv
Principal Officials.....	xiii
Organizational Chart.....	xiv
Consultants and Advisors.....	xv
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	xvi
ASBO Certificate of Excellence in Financial Reporting.....	xvii
Strategic Plan.....	xviii
<b>II. Financial Section</b>	
Report of Independent Accountants.....	1
Management’s Discussion and Analysis.....	3
 Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets.....	15
Statement of Activities.....	16
 Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	21
Statements of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund.....	22
Statement of Fund Net Assets - Proprietary Fund.....	23
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Fund.....	24
Statement of Cash Flows - Proprietary Fund.....	25
Statement of Fiduciary Net Assets - Fiduciary Funds.....	27
Statement of Changes in Fiduciary Net Assets - Fiduciary Fund.....	28
 Notes to the Basic Financial Statements.....	 29
 Combining and Individual Fund Statements and Schedules:	
Combining Statements - Nonmajor Funds:	
Fund Descriptions.....	60
Balance Sheet - Nonmajor Governmental Funds.....	63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	65
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	71



**Western Brown Local School District**

*Table of Contents*

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Capital Projects Funds ..... 76

Statement of Changes in Fiduciary Net Assets - Agency Fund..... 77

Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in  
Fund Balance - Budget (Non-GAAP Basis) and Actual:

Major Funds:

General Fund ..... 79

Debt Service Fund ..... 83

Western Brown Construction Project ..... 84

Nonmajor Funds:

Thomas Stout ..... 85

Uniform School Supplies ..... 86

Public School Support ..... 87

Other Grant ..... 88

Classroom Facility Maintenance ..... 89

District Managed Activity ..... 90

Excellence in Education..... 91

Educational Management Information Systems ..... 92

Disadvantaged Pupil Impact Aid ..... 93

OneNet ..... 94

Professional Development ..... 95

Ohio Reads..... 96

Summer School ..... 97

Alternative School ..... 98

Miscellaneous State Grants ..... 99

Title VI-B ..... 100

Title I..... 101

Title VI..... 102

Drug Free Grant ..... 103

Telecommunications Act Grant ..... 104

Continuous Improvement..... 105

Reducing Class Size..... 106

Miscellaneous Federal Grants..... 107

SchoolNet..... 109

Technology Equity..... 110

Video Distance Learning ..... 111

Food Services..... 112

**III. Statistical Section**

General Government Expenditures by Function - Last Ten Fiscal Years ..... S2

General Government Revenues by Source - Last Ten Fiscal Years ..... S4

Governmental Activities Expenses by Function - Last Four Fiscal Years ..... S6

Governmental Activities Revenues - Last Four Fiscal Years ..... S8

Property Tax Levies and Collections - Real and Public Utility  
Property - Last Ten Collection (Calendar) Years ..... S10

**Western Brown Local School District**

*Table of Contents*

Assessed and Estimated Actual Value of Taxable Property  
- Last Ten Collection (Calendar) Years..... S12

Property Tax Rates (Per \$1,000 of Assessed Valuation)  
- Direct and Overlapping Governments  
- Last Ten Collection (Calendar) Years..... S14

Ratio of Net General Bonded Debt to Assessed Value and Net  
Bonded Debt per Capita - Last Ten Fiscal Years ..... S16

Computation of Legal Debt Margin..... S17

Computation of Direct and Overlapping Debt..... S18

Ratio of Annual Debt Service Expenditures for General Bonded Debt to  
Total General Government Expenditures - Last Ten Fiscal Years..... S19

Demographic Statistics - Last Ten Calendar Years ..... S20

Construction, Bank Deposits and Property Values  
- Last Ten Calendar Years ..... S21

Top Ten Principal Taxpayers - Real Property ..... S22

Miscellaneous Statistical Data ..... S23

Enrollment - Last Ten Fiscal Years ..... S24

Per Pupil Cost - Last Ten Fiscal Years ..... S26

Comparative Statistical Data ..... S27

# WESTERN BROWN LOCAL SCHOOL DISTRICT

## BOARD OF EDUCATION

Bruce S. Wallace, President

William H. Neal, Vice President

James W. Herrmann

Richard E. Pride II

Anna M. Robinson



524 West Main Street  
Mt. Orab, Ohio 45154  
(937) 444-2044 Fax (937) 444-4303

## ADMINISTRATION

Michael Wells, Superintendent  
Jeffrey Royalty, Assistant Superintendent  
Denny Dunlap, CPA, Treasurer  
Eva M. Lanter, Executive Secretary  
Billy Brandenburg, Building Project Coordinator  
Kendra Byrd, Special Education Coordinator  
Dan Colonel, Maintenance Supervisor  
Joe Houser, Transportation Supervisor  
Stella Napier, Food Service Director

December 22, 2003

To the Citizens and  
Board of Education of the  
Western Brown Local School District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Western Brown Local School District (the "School District") for the fiscal year ended June 30, 2003. This Comprehensive Annual Financial Report contains financial statements, supplemental statements and statistical information, providing complete and full disclosure of all material financial aspects of the School District for the 2003 fiscal year.

The School District is responsible for the accuracy, completeness, and fairness of the data presented. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. We have included all disclosures necessary to enable the reader to gain an understanding of the School District's financial activities. This report is prepared in conformity with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

The Comprehensive Annual Financial Report is divided into three sections:

The **Introductory Section** includes a table of contents, this transmittal letter, a list of principal officials, the School District's organization chart, the School District's consultants and advisors, the GFOA and ASBO certificates the School District received for the June 30, 2002 CAFR, and the School District's strategic plan.

The **Financial Section** includes the independent accountants' report on the financial statements, management's discussion and analysis, basic financial statements, notes to the basic financial statements, and the combining statements for nonmajor funds and other schedules that provide detailed information relative to the basic financial statements.

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

The School District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at general, college preparatory and vocational levels; a broad range of co-curricular and extracurricular activities and special education programs.

## **FORM OF GOVERNMENT AND REPORTING ENTITY**

The Board of Education of the Western Brown Board of Education is a five member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the School District's tax dollars, and approves the annual appropriation resolution.

The current Board members, their terms and years on the Board as of June 30, 2003, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Richard Pride II	Jan. 2002 - Dec. 2005	1 - 1/2
Jim Herrmann	Jan. 2000 - Dec. 2003	11 - 1/2
William Neal	Jan. 2000 - Dec. 2003	11 - 1/2
Anna Robinson	Jan. 2000 - Dec. 2003	11 - 1/2
Bruce Wallace	Jan. 2002 - Dec. 2005	18 - 1/3

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations, except financial operations, of the School District. Michael E. Wells was initially appointed Superintendent on August 1, 1994. His current two year contract will expire on July 31, 2004.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board for all financial operations, investments, and the custody of all School District funds and assets. The Treasurer also serves as Secretary to the Board. Denny Dunlap was initially appointed Treasurer on March 12, 1991. His current four year contract will expire on December 31, 2004.

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

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

The School District participates in two jointly governed organizations, one public entity shared risk and insurance purchasing pool and one insurance purchasing pool. These organizations are the South Central Ohio Computer Association (SCOCA), Hopewell Special Education Regional Resource Center (Hopewell), Brown County Schools Benefits Consortium, and the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan. These organizations are presented in Notes 15, 16 and 17 to the basic financial statements.

## **ECONOMIC CONDITION AND OUTLOOK**

The Western Brown Local School District is located in the Northwest corner of Brown County, approximately 35 miles east of Cincinnati and includes two population centers; Mt. Orab and Hamersville. Both municipalities are located within an hour of Cincinnati's attractions. Since they are closely located to a metropolitan area, many of the residents are employed outside the School District.

The School District's finances were stable during the 2002-2003 school year, but the state of the economy and the nation is a concern for Western Brown and other school districts. The School District's five year forecast indicates that Western Brown will continue on a stable path for the next five years. Student enrollment increased during the year, which provided additional funding for the School District, but was offset by the employment of new staff for the operation of the new and renovated school buildings completed in 2002. It appears that the School District's student enrollment will continue to increase as projected for the long term, due to continued growth of new home construction in the District. It is understandable that there will be periods of decrease, but Western Brown's student enrollment projections predict an estimated growth rate of approximately 30 students per year.

## **THE SCHOOL DISTRICT AND ITS FACILITIES**

The School District served 3,356 students during the 2003 fiscal year. School District facilities include one senior high school (9-12), and three buildings that serve grades K-8; one at Mt. Orab serving grades Pre K-4, one at Mt. Orab serving grades 5-8 and one at Hamersville serving grades K-8. The Western Brown High School and Hamersville Middle and Elementary Schools were constructed in 2001. The Mt. Orab Middle School was constructed in 1957, with additions in 1971, 1984, 1992 and 2000. Mt. Orab Elementary School was constructed in 1971, with additions in 1988 and 2000.

## **EMPLOYEE RELATIONS**

The School District currently employs 339 full-time and part-time employees.

There are two labor organizations representing School District employees.

The School District teachers, educational specialist, and counselors are represented by the Western Brown Education Association (WBEA). Classified employees are represented by the Western Brown School Employees Organization (WBSEO).

The board entered into contracts with both the WBEA and the WBSEO for three year agreements on language and one year agreements for wages and benefits and providing for a 4% base wage increase and a bonus of 2% of gross salaries for the 2002-2003 school year. A separate two year agreement for the 2003-2004 and 2004-2005 school years was signed in September of 2003.

The School District's administrators, supervisors and office personnel are not organized. Administrators typically receive the same benefits extended to WBEA. Supervisors and office personnel typically receive the same benefits extended to WBSEO.

## **MAJOR INITIATIVES**

Due to the unusually severe winter and spring weather conditions, many of the building projects that were to be completed during the 2002-2003 school year at Western Brown Local School District did not finalize. Those projects included a new district office, a new football entry/concession area/restroom facility, additional seating for the Mr. Orab Middle School gymnasium, installation of a new roof on part of Mr. Orab Middle School, and construction of a new softball field. We hope to complete these projects during the 2003-04 school year.

We were, however, able to complete other projects during this past year. At Hamersville Elementary and Middle School, bleachers were added to the elementary gymnasium and additional parking was constructed. Mt. Orab Elementary received some new cabinetry, marker boards, and bulletin boards in the classrooms, and new shelving was installed in the library. The School District also installed new lighting for the football and baseball fields.

The School District hopes to provide new tennis courts near the new softball field and refurbish the track at Kibler Stadium in the near future. Upon completion of these two projects, the School District should not require new facilities for education or athletics in the foreseeable future.

Western Brown's academic improvement was short lived as the district returned to the Academic Watch on the state report card. Though our standing was reduced, we feel confident as we continue to implement our continuous improvement plan that our students will raise their level of achievement.

As our students experience the Literacy Collaborative program, they should attain higher levels in reading achievement. Our staff is dedicated to improving our ranking on the state report card and helping each student excel in academics. As we look to the 2003-04 school year, we will continue to evaluate current programs and review programs considered best practices in Ohio and throughout the United States. We will incorporate those programs that promise success for Western students.

## FINANCIAL INFORMATION

The School District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

### **Internal Controls**

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

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

### **Federal and State Assistance**

As a recipient of Federal and State assistance, the School District is responsible for insuring that an adequate internal control structure is in place to insure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the School District.

## **Budgetary Controls**

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

The School District maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Unencumbered appropriation balances are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year end are carried forward to succeeding years and are not re-appropriated.

## **Financial Condition**

This is the third year the School District has prepared financial statements following GASB Statement 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the School District's financial activities as follows:

***Government-wide financial statements*** - These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

***Fund financial statements*** - These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

***Statements of budgetary comparisons*** - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion is located in the financial section of this report following the audit opinion, and provides an assessment of the School District finances for 2003 and a discussion of current issues that affect the outlook for the future.



## **Cash Management**

The School District operates a cash management program designed to provide safety, liquidity and yield in that order. Funds are invested in the Ohio State Treasurer's Investment Pool (Star Ohio), certificates of deposit and money market mutual funds. The amount of interest income earned in fiscal year 2003 by the governmental and proprietary funds was \$129,350. A more detailed description of the School District's investment functions are described in Note 5 to the financial statements.

## **Risk Management**

The School District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio. The maximum deductible amount is \$1,000 per loss.

The School District participates in the Brown County Schools Benefits Consortium (the Consortium), a public entity shared risk and insurance purchasing pool (Note 16) consisting of six school districts. The School District is responsible for providing a current listing of enrolled employees and for providing timely pro-rata payments of premiums to the Consortium for employee health coverage and benefits. The Consortium is responsible for the management and operations of the program. Upon termination from the Consortium, for any reason, the terminated member assumes and is responsible for the payment of any delinquent contributions.

For fiscal year 2003, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 17). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Shaekley Uniservice, Inc. provides administrative, cost control and actuarial services to the GRP.

## **OTHER INFORMATION**

### **INDEPENDENT AUDIT**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The Auditor of State's Audit Division conducted the School District's audit for fiscal year 2003. The Auditor's report on the School District's basic financial statements, combining statements and individual fund schedules is included in the financial section of this comprehensive annual financial report.

### **GFOA CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to the Western Brown Local School District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2002. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The Western Brown Local School District believes our current report conforms to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### **ASBO CERTIFICATE**

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2002 to the Western Brown Local School District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2002, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after extensive review of the report by an expert panel of certified public accountants and practicing school business officials.

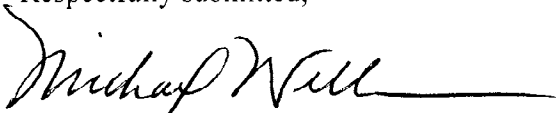
The Western Brown Local School District believes our current report conforms to the ASBO's principles and standards and we are submitting it to ABSO to determine its eligibility for an award.

**ACKNOWLEDGMENTS**

A note of sincere appreciation is extended to the many conscientious people who have contributed their time and effort to the preparation of this report. A special thank you is also extended to the Auditor of State's Local Government Services Section for all their efforts and contributions in the preparation of this Comprehensive Annual Financial Report.

The support and commitment to excellence by the Western Brown Board of Education was vital to the successful preparation and issuance of this report.

Respectfully submitted,



Michael Wells  
Superintendent



Denny Dunlap, CPA  
Treasurer

*Western Brown Local School District  
Principal Officials  
June 30, 2003*

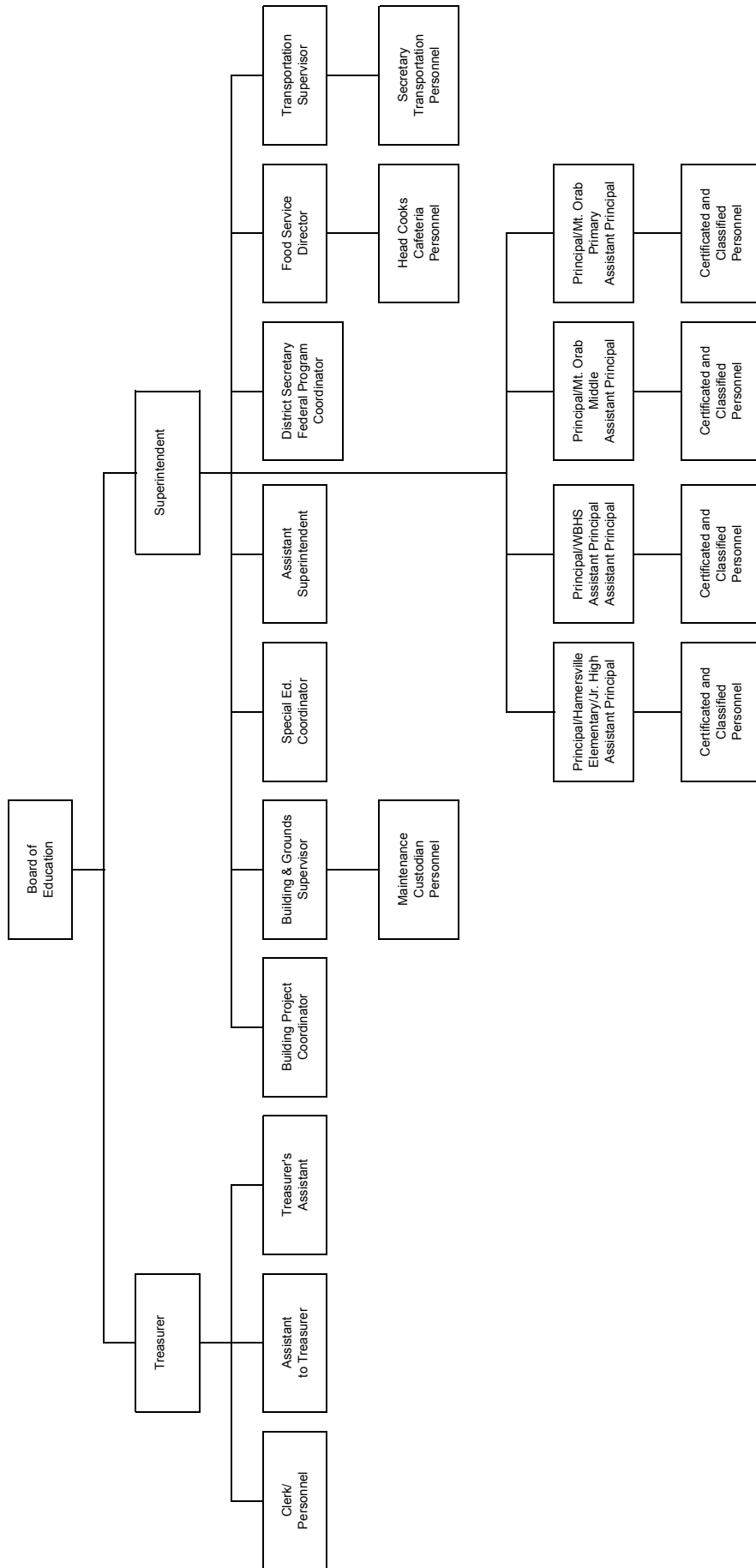
ELECTED OFFICIALS

President, Board of Education .....	Bruce Wallace
Vice President, Board of Education.....	William Neal
Board Member .....	Anna Robinson
Board Member .....	Jim Herrmann
Board Member .....	Richard Pride II

ADMINISTRATIVE OFFICIALS

Superintendent .....	Michael E. Wells
Treasurer .....	Denny Dunlap
Assistant Superintendent .....	Jeff Royalty
Special Education Coordinator .....	Kendra Byrd
Building Project Coordinator.....	Bill Brandenburg
Buildings and Grounds Supervisor .....	Dan Colonel
Transportation Supervisor.....	Joe Howser

**Western Brown Local School District  
Organizational Chart  
June 30, 2003**



***Western Brown Local School District  
Consultants and Advisors  
June 30, 2003***

**Architects**

---

Steed Hammond Paul  
82 Williams Avenue  
Hamilton, OH 45011

**Bond Counsel**

---

Peck, Shaffer & Williams LLP  
Suite 900  
201 East Fifth Street  
Cincinnati, OH 45202

**Independent Auditor**

---

Betty D. Montgomery, Auditor of State  
Audit Division  
88 East Broad Street  
Columbus, OH 43215

**CAFR Preparation Consultants**

---

Betty D. Montgomery, Auditor of State  
Local Government Services Section  
88 East Broad Street  
Columbus, OH 43215

**Worker Compensation/  
Unemployment**

---

Sheakley Uniservice, Inc.  
P.O. Box 42212  
Columbus, OH 45242-9844

**Investment Advisor**

---

Seasongood & Mayer  
300 Mercantile Library Bldg.  
414 Walnut Street  
Cincinnati, OH 45202-3910

**Legal Counsel**

---

Ennis, Roberts & Fischer  
121 West Ninth Street  
Cincinnati, OH 45202

Whalen & Compton  
565 Wolfledges Parkway  
P.O. Box 2020  
Akron, OH 44309-2020

**Official Depositories**

---

National Bank & Trust  
452 West Main Street  
Mt. Orab, OH 45154

State Treasury Asset Reserve of Ohio  
1228 Euclid Avenue  
Cleveland, OH 44115

Provident Bank  
One East Fourth Street  
Cincinnati, OH 45202

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Western Brown Local  
School District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2002

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



A handwritten signature in black ink, appearing to read "Edward Haney".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emmer".

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

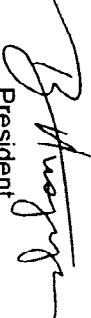


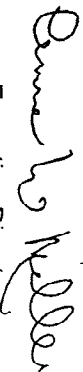
This Certificate of Excellence in Financial Reporting is presented to

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2002

Upon recommendation of the Association's Panel of Review which has judged the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

  
President

  
Executive Director



# *Western Brown Local Schools*

## Strategic Plan

Adopted by the Western Brown Board of Education  
June 24<sup>th</sup>, 1998

---

### Beliefs

- Every person has worth and value.
- Education is a shared responsibility of faculty, staff, community, administration, students and family.
- A safe, trusting, creative and disciplined environment is vital for teaching and learning.
- A strong democracy depends on well educated citizens.
- Learning is a life long process.

### Mission Statement

In partnership with family and community, the Western Brown Local School District will graduate outstanding citizens capable of confidently adapting and competing in the ever-changing global society, by guaranteeing that a quality staff delivers a rigorous and relevant education in a safe, creative, and disciplined atmosphere.

## Strategic Parameters

1. We will always make decisions that are in the best interests of our students.
2. Site-based decisions will always be consistent with the strategic plan.
3. Priority will always be given to the K-12 instructional program as defined by approved course of study.
4. No new program will be accepted unless:
  - it is consistent with the strategic plan;
  - benefits clearly exceed costs; and
  - provisions are made for staff development and program evaluation.

No program or service will be retained unless benefits justify costs and it contributes to the mission.
5. We will not condone any behavior which diminishes the dignity or self worth of any student, staff or community member.

## Objectives

- By 2004, increase the graduation rate from 64% to 95%.
- By 2004, all students will demonstrate competency as measured by the district assessment program, including proficiency tests.
- By 2004, to have 100% of our graduates enrolled in post high school study or engaged in a vocation of their choice within six months after graduation.

THIS PAGE INTENTIONALLY LEFT BLANK





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Western Brown Local School District  
Brown County  
524 West Main Street  
Mt. Orab, Ohio 45154

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Western Brown Local School District, Brown County, Ohio (the "District") as of and for the year ended June 30, 2003, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Western Brown Local School District, Brown County, Ohio, as of June 30, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2003, 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.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules, and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

December 15, 2003

**Western Brown Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2003*  
*Unaudited*

---

The discussion and analysis of Western Brown Local School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2003. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standard Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Government issued June 1999.

### **Financial Highlights**

- ‡ In total, net assets decreased \$2,644,428. Net assets of governmental activities decreased \$2,516,331 and net assets of business-type activity decreased by \$128,097. Governmental expenses increased by \$1,534,714, due to increases in special instruction, operation and maintenance of plant, central and extracurricular activities expenses, while governmental revenues only increased by \$136,440. In addition, capital assets of governmental activities decreased by \$478,101 and long-term liabilities of governmental activities increased by \$942,637, which was mainly due to the capital lease liability of \$1,017,000, related to the construction of the new administration building.
- ‡ General revenues accounted for \$20,098,370 revenue or 86 percent of all total revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$3,146,106 or 14 percent of total revenues of \$23,244,476.
- ‡ Total assets of governmental activities decreased by \$1,028,160, due mainly to a \$2,019,757, increase in capital assets offset by a \$2,477,506 increase in accumulated depreciation. Major additions to capital assets included finish work on the new School District buildings, construction on the new football and baseball fields, purchases of new computer equipment and six new busses. Cash and Cash Equivalents with Fiscal Agents increased by \$714,064. This amount represents unspent proceeds of a capital lease. The monies are restricted for construction of a new district administrative building.
- ‡ The School District had \$24,749,730 in expenses and transfers related to governmental activities; only \$2,154,928 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$20,078,471 were used to provide for these programs along with unrestricted net assets from the prior year.

**Western Brown Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2003*  
*Unaudited*

---

- ‡ Construction in progress at year-end was \$737,261, which related to the construction of the new administration building and a concession and restroom facility at the School District athletic complex.

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Western Brown Local School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's major funds with all other non-major funds presented in total in one column. The major funds for the Western Brown Local School District are the general fund, the debt service fund, and the Western Brown construction project capital projects fund.

**Reporting the School District as a Whole**

One of the most important questions asked about the School District is "How did we do financially during 2003?" The *Statement of Net Assets* and the *Statements of Activities*, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. However, the School District's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the School District's property tax base, current property tax laws in Ohio restricting revenue growth, required educational programs and other factors.



**Western Brown Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2003*  
*Unaudited*

---

In the Statement of Net Assets and the Statements of Activities, the School District is divided into two distinct kinds of activities:

- ‡ Government Activities – Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extra-curricular activities.
  
- ‡ Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District's food service is reported as business activities.

### **Reporting the School District's Most Significant Funds**

#### **Fund Financial Statements**

The analysis of the School District's major funds begins on page 9. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's major funds.

**Governmental Funds** - Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental *activities* (reported in the Statement of Net Assets and the Statements of Activities) and governmental *funds* is reconciled in the financial statements.

**Proprietary Funds** - Proprietary funds use the same basis of accounting as business-type activities; therefore, the statements for the proprietary fund will essentially match.

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2003**  
**Unaudited**

**The School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2003 and 2002:

(Table 1)  
**Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
<b>Assets</b>						
Current and other Assets	\$11,896,016	\$12,446,075	\$275,019	\$284,193	\$12,171,035	\$12,730,268
Capital Assets	60,484,227	60,962,328	2,232,744	2,344,334	62,716,971	63,306,662
Total Assets	<u>72,380,243</u>	<u>73,408,403</u>	<u>2,507,763</u>	<u>2,628,527</u>	<u>74,888,006</u>	<u>76,036,930</u>
<b>Liabilities</b>						
Long-Term Liabilities	(8,671,608)	(7,728,971)	(6,123)	(8,571)	(8,677,731)	(7,737,542)
Other Liabilities	(5,407,204)	(4,861,670)	(97,398)	(87,617)	(5,504,602)	(4,949,287)
Total Liabilities	<u>(14,078,812)</u>	<u>(12,590,641)</u>	<u>(103,521)</u>	<u>(96,188)</u>	<u>(14,182,333)</u>	<u>(12,686,829)</u>
<b>Net Assets</b>						
Invested in Capital Assets Net of Debt	53,812,800	54,382,759	2,232,744	2,344,334	56,045,544	56,727,093
Restricted	5,513,566	4,243,508	0	0	5,513,566	4,243,508
Unrestricted (Deficit)	(1,024,935)	2,191,495	171,498	188,005	(853,437)	2,379,500
Total Net Assets	<u>\$58,301,431</u>	<u>\$60,817,762</u>	<u>\$2,404,242</u>	<u>\$2,532,339</u>	<u>\$60,705,673</u>	<u>\$63,350,101</u>

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2003**  
**Unaudited**

Table 2 shows the changes in net assets for fiscal year 2003 and 2002.

(Table 2)  
**Changes in Net Assets**

	Governmental Activities 2003	Governmental Activities 2002	Business-Type Activities 2003	Business-Type Activities 2002	Total 2003	Total 2002
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$286,486	\$261,506	\$609,331	\$631,462	\$895,817	\$892,968
Operating Grants and Contributions	1,801,397	1,828,883	381,847	388,620	2,183,244	2,217,503
Capital Grants and Contributions	67,045	187,682	0	0	67,045	187,682
<b>Total Program Revenues</b>	<b>2,154,928</b>	<b>2,278,071</b>	<b>991,178</b>	<b>1,020,082</b>	<b>3,146,106</b>	<b>3,298,153</b>
General Revenues:						
Property Taxes	3,916,058	3,955,468	0	0	3,916,058	3,955,468
Grants and Entitlements not Restricted to Specific Programs	15,899,676	15,421,480	0	0	15,899,676	15,421,480
Unrestricted Contributions	0	8,096	0	0	0	8,096
Investment Earnings	126,630	306,638	2,720	4,581	129,350	311,219
Gain on Sale of Fixed Assets	53,143	0	0	0	53,143	0
Miscellaneous	82,964	127,206	17,179	7,394	100,143	134,600
<b>Total General Revenues</b>	<b>20,078,471</b>	<b>19,818,888</b>	<b>19,899</b>	<b>11,975</b>	<b>20,098,370</b>	<b>19,830,863</b>
Transfers	0	0	8,921	282,299	8,921	282,299
<b>Total Revenues and Transfers</b>	<b>22,233,399</b>	<b>22,096,959</b>	<b>1,019,998</b>	<b>1,314,356</b>	<b>23,253,397</b>	<b>23,411,315</b>
<b>Program Expenses</b>						
Instruction						
Regular	12,465,772	12,123,321	0	0	12,465,772	12,123,321
Special	2,242,856	1,804,213	0	0	2,242,856	1,804,213
Vocational	273,998	265,181	0	0	273,998	265,181
Support Services						
Pupils	1,084,700	972,090	0	0	1,084,700	972,090
Instructional Staff	886,418	871,741	0	0	886,418	871,741
Board of Education	18,213	30,269	0	0	18,213	30,269
Administration	2,126,037	1,973,300	0	0	2,126,037	1,973,300
Fiscal	485,519	457,010	0	0	485,519	457,010
Business	0	115	0	0	0	115
Operation and Maintenance of Plant	2,534,729	2,164,658	0	0	2,534,729	2,164,658
Pupil Transportation	1,662,716	1,609,885	0	0	1,662,716	1,609,885
Central	97,847	70,364	0	0	97,847	70,364
Operation of Non-Instructional Services	1,916	73,801	0	0	1,916	73,801
Extracurricular Activities	521,942	401,793	0	0	521,942	401,793
Interest and Fiscal Charges	337,404	330,800	0	0	337,404	330,800
Issuance Costs	742	0	0	0	742	0
Loss on Sale of Capital Assets	0	57,554	0	0	0	57,554
Food Service	0	0	1,148,095	1,109,624	1,148,095	1,109,624
<b>Total Expenses</b>	<b>24,740,809</b>	<b>23,206,095</b>	<b>1,148,095</b>	<b>1,109,624</b>	<b>25,888,904</b>	<b>24,315,719</b>
<b>Transfers</b>	<b>8,921</b>	<b>282,299</b>	<b>0</b>	<b>0</b>	<b>8,921</b>	<b>282,299</b>
<b>Total Expenses and Transfers</b>	<b>24,749,730</b>	<b>23,488,394</b>	<b>1,148,095</b>	<b>1,109,624</b>	<b>25,897,825</b>	<b>24,598,018</b>
<b>Increase (Decrease) in Net Assets</b>	<b>(\$2,516,331)</b>	<b>(\$1,391,435)</b>	<b>(\$128,097)</b>	<b>\$204,732</b>	<b>(\$2,644,428)</b>	<b>(\$1,186,703)</b>

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2003**  
*Unaudited*

**Governmental Activities**

The School District has been able to benefit greatly due to the increase in state funding. Grants and Entitlements made up 78 percent of revenues for governmental activities of the Western Brown Local School District for fiscal year 2003.

Instruction comprises 61 percent of governmental program expenses. Support services expenses make up 36 percent of governmental expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. In Table 3, the total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Net costs are costs that must be covered by unrestricted state aid (State Foundation) or local taxes. The difference in these two columns would represent restricted grants, fees and donations.

(Table 3)  
Governmental Activities

	Total Cost of Services 2003	Total Cost of Services 2002	Net Cost of Services 2003	Net Cost of Services 2002
Instruction	\$14,982,626	\$14,250,269	\$13,472,518	\$12,563,355
Support Services	8,896,179	8,149,432	8,390,820	7,705,693
Operation of Non-Instructional Services	1,916	73,801	(101)	73,534
Extracurricular Activities	521,942	401,793	384,498	254,642
Interest and Fiscal Charges	338,146	330,800	338,146	330,800
<b>Total Expenses</b>	<b>\$24,740,809</b>	<b>\$23,206,095</b>	<b>\$22,585,881</b>	<b>\$20,928,024</b>

**Business-Type Activities**

The only business-type activity is the food service operation. This program had revenues and transfers of \$1,019,998 and expenses of \$1,148,095 for fiscal year 2003. Of the revenues, \$609,331 was charges for services, \$381,847 was from State and Federal grants, \$2,720 was from investment earnings, \$17,179 was miscellaneous revenues and the remaining \$8,921 related to a transfer of capital assets from governmental activities. Business activities receive no support from tax revenues. The School District will continue to monitor the charges and costs of this activity. If it becomes necessary, the School District will increase the charges for this activity.

***Western Brown Local School District***  
***Management's Discussion and Analysis***  
***For the Fiscal Year Ended June 30, 2003***  
***Unaudited***

---

**The School District's Funds**

Information about the School District's major funds start on page 18. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$23,027,878 and expenditures of \$24,309,150. The net change in fund balance for the year was most significant in the general fund, a decrease of \$962,977. This was due to a decrease in taxes revenue of \$227,394, a decrease in interest revenue of \$180,008, and the continued capital outlay expenditures related to completing existing construction projects related to the new administration building.

**General Fund - Budget Highlights**

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal 2003 the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures. A summary of the general fund original and final budgeted amounts is listed on page 22, as well as the actual amounts. A variance comparison is presented between the final budgeted amount and the actual amounts.

For the general fund, the actual budget basis revenue was \$19,845,393 with an original budget estimate of \$20,793,554. The difference of \$948,161 was primarily due to increases in property taxes, interest and tuition coupled with decreases in intergovernmental revenue (grants), contributions and donations and miscellaneous revenue.

The School District's ending unobligated cash balance was \$303,368 above the final budgeted amount.

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2003**  
*Unaudited*

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal year 2003 the School District had \$62,716,971 invested in land, buildings and improvements, furniture and equipment, and vehicles, \$60,484,227 in governmental activities. Table 4 shows fiscal year 2003 balances compared to 2002:

(Table 4)  
**Capital Assets at June 30**  
**(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$2,602,879	\$2,603,938	\$0	\$0	\$2,602,879	\$2,603,938
Buildings and Improvements	52,249,036	53,299,300	1,229,907	1,267,163	53,478,943	54,566,463
Furniture and Equipment	4,006,159	4,344,084	1,002,837	1,077,171	5,008,996	5,421,255
Vehicles	888,892	715,006	0	0	888,892	715,006
Construction in Progress	737,261	0	0	0	737,261	0
<b>Totals</b>	<b>\$60,484,227</b>	<b>\$60,962,328</b>	<b>\$2,232,744</b>	<b>\$2,344,334</b>	<b>\$62,716,971</b>	<b>\$63,306,662</b>

Net Capital Assets decreased from the prior year. Land was sold and purchased during the year. The cost of land sold was greater than the purchase. Buildings and Improvements decreased during the years. Finish casework throughout the new Mt. Orab Middle School and Mt. Orab Elementary School buildings and new blacktop parking areas were added, however, the amount of depreciation was greater resulting in a net decrease for the year. Furniture and Equipment was purchased during the year, however, the amount of depreciation was greater resulting in a net decrease for the year. Vehicles experienced a net increase due to the purchase of six new buses to replace four of the oldest busses which were sold. Construction in progress at June 30, 2003 includes work on the new district office building, which was about fifty percent complete and the new sports concessions and restroom building which was near completion at year-end.

For more information on capital assets, refer to note 8 to the basic financial statements.

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2003**  
*Unaudited*

**Debt**

At June 30, 2003, the School District had \$6,372,000 in bonds outstanding, \$185,000 due within one year. Table 5 summarizes bonds and notes outstanding at 2003 and 2002:

(Table 5)  
 Outstanding Debt, at Year End

	2003	2002
General Obligation Bonds:		
1998-School Improvement Bonds	\$6,330,000	\$6,485,000
1997-School Improvement Bonds	0	23,000
1995-Energy Conservation Bonds	42,000	62,000
Notes Payable:		
1993-Energy Conservation Note	0	9,569
<b>Total</b>	<b>\$6,372,000</b>	<b>\$6,579,569</b>

On June 15, 1998, the School District issued \$7,164,600 in voted general obligation bonds for the purpose of acquiring land, constructing new classroom facilities, and making renovations to existing buildings. The final payment is due in 2021.

On September 15, 1997, the School District issued \$115,000 in unvoted general obligation bonds for the purpose of acquiring busses for transportation of students. The final payment was made in 2003.

On May 10, 1995, the School District issued \$202,000 in unvoted general obligation debt for the purpose of providing energy conservation measures for the School District, under authority of the Ohio Revised Code Sections 133.06(G) and 3313.372. The bonds were issued for at ten year period with final maturity during fiscal year 2005. It is anticipated that the savings over ten years will offset the costs.

On June 15, 1993, the School District issued \$225,400 in unvoted general obligation debt for the purpose of providing energy conservation measures for the School District, under authority of the Ohio Revised Code Sections 133.06(G) and 3313.372. The bonds were issued for at ten year period in anticipation that the savings over that time will offset the costs. The debt was retired in June, 2003.

At June 30, 2003 the School District's overall legal debt margin was \$10,707,829 with an unvoted debt margin of \$175,275, and an Energy Conservation debt margin of \$1,535,478 at June 30, 2003. The School District had a AA- bond rating by Standard and Poor's Rating Service on the 1998 School Improvement Bonds.

For more information about debt, refer to note 14 to the basic financial statements

***Western Brown Local School District***  
***Management's Discussion and Analysis***  
***For the Fiscal Year Ended June 30, 2003***  
***Unaudited***

---

**District Challenges for the Future**

While expenditures exceeded revenues in the General Fund, Western Brown Local School District is not experiencing financial difficulties at this time, and the General Fund maintained a positive fund balance at fiscal year end. Even though the state of the economy in Ohio and the nation has been dismal, we feel that the economy is beginning a positive turn.

Until that time, the main concern for Western Brown Local School District is that our student enrollment has not increased as had been predicted. The fluctuation in enrollment that we have experienced during the past several years does not permit a reliable estimate of per pupil funding. This uncertainty causes an inability to predict staffing needs, as well as material and supply needs for the coming years.

Throughout the School District, there are new subdivisions with many new homes currently occupied, and more new homes being constructed. We are confident that our enrollment will increase substantially in the next few years, and that this will bring more revenue to the School District.

Another problem that the School District is facing is the increase in community schools, home schooling, and intra-district enrollment among schools. These enrollment options cause problems with enrollment, staffing, and financial projections.

The preparation of the state budget is also a concern to our School District. Once the legislature determines the budget, the State often does not fund all programs at the one hundred percent funding level stated in the budget. Currently the State does not fully fund special education, transportation, and parity aid for school districts. Having to meet financial obligations, without fully funded budgets, makes it increasingly difficult to balance the School District's budget.

Even with these financial concerns, Western Brown Local School District continues to meet its obligations through careful planning and conservative spending. We will continue to observe a cautious budgetary process so that the district maintains its positive financial outlook.



*Western Brown Local School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2003  
Unaudited*

---

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information contact Denny Dunlap, Treasurer at Western Brown Local School District, 524 West Main Street, Mt. Orab, OH 45154 or e-mail at [denny\\_wb@scoa-k12.org](mailto:denny_wb@scoa-k12.org).

**This Page is Intentionally Left Blank.**

# Basic Financial Statements

**This Page is Intentionally Left Blank.**

**Western Brown Local School District**  
*Statement of Net Assets*  
June 30, 2003

	Governmental Activities	Business-Type Activity	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$7,154,838	\$205,700	\$7,360,538
Accrued Interest Receivable	105	0	105
Prepaid Items	23,922	0	23,922
Inventory Held for Resale	0	18,459	18,459
Materials and Supplies Inventory	0	2,608	2,608
Intergovernmental Receivable	7,370	48,252	55,622
Taxes Receivable	3,879,813	0	3,879,813
Accounts Receivable	10,525	0	10,525
Cash and Cash Equivalents with Escrow Agents	84,121	0	84,121
Cash and Cash Equivalents with Fiscal Agents	5,000	0	5,000
Investments with Fiscal Agents	714,064	0	714,064
Deferred Charges	16,258	0	16,258
Capital Assets:			
Land and Construction in Progress	3,340,140	0	3,340,140
Depreciable Capital Assets, Net	57,144,087	2,232,744	59,376,831
<i>Total Assets</i>	<u>72,380,243</u>	<u>2,507,763</u>	<u>74,888,006</u>
<b>Liabilities</b>			
Accounts Payable	19,991	0	19,991
Contracts Payable	133,761	0	133,761
Accrued Wages and Benefits	1,800,514	61,993	1,862,507
Matured Compensated Absences Payable	146,905	3,421	150,326
Intergovernmental Payable	313,969	31,984	345,953
Deferred Revenue	2,831,100	0	2,831,100
Matured Interest Payable	5,000	0	5,000
Accrued Interest Payable	26,620	0	26,620
Retainage Payable	129,344	0	129,344
Long-Term Liabilities:			
Due Within One Year	284,456	131	284,587
Due in More Than One Year	8,387,152	5,992	8,393,144
<i>Total Liabilities</i>	<u>14,078,812</u>	<u>103,521</u>	<u>14,182,333</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	53,812,800	2,232,744	56,045,544
Restricted for:			
Debt Service	1,278,683	0	1,278,683
Capital Projects	3,407,766	0	3,407,766
Other Purposes	827,117	0	827,117
Unrestricted (Deficit)	(1,024,935)	171,498	(853,437)
<i>Total Net Assets</i>	<u>\$58,301,431</u>	<u>\$2,404,242</u>	<u>\$60,705,673</u>

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
**Statement of Activities**  
For the Fiscal Year Ended June 30, 2003

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
Instruction:				
Regular	\$12,465,772	\$149,335	\$294,215	\$36,080
Special	2,242,856	0	1,030,478	0
Vocational	273,998	0	0	0
Support Services:				
Pupils	1,084,700	1,901	222,082	0
Instructional Staff	886,418	29,823	73,628	0
Board of Education	18,213	0	0	0
Administration	2,126,037	0	156,167	0
Fiscal	485,519	0	9,397	0
Operation and Maintenance of Plant	2,534,729	0	0	0
Pupil Transportation	1,662,716	0	0	0
Central	97,847	0	12,361	0
Operation of Non-Instructional Services	1,916	0	2,017	0
Extracurricular Activities	521,942	105,427	1,052	30,965
Interest and Fiscal Charges	338,146	0	0	0
<i>Total Governmental Activities</i>	24,740,809	286,486	1,801,397	67,045
<b>Business-Type Activity</b>				
Food Service	1,148,095	609,331	381,847	0
<i>Totals</i>	\$25,888,904	\$895,817	\$2,183,244	\$67,045

**General Revenues:**

Property Taxes Levied for:  
    General Purposes  
    Debt Service  
    Capital Outlay  
Grants and Entitlements not Restricted to Specific Programs  
Investment Earnings  
Gain on Sale of Capital Assets  
Miscellaneous

**Transfers**

*Total General Revenues and Transfers*

Change in Net Assets

*Net Assets Beginning of Year*

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue  
and Changes in Net Assets

Governmental Activity	Business-Type Activity	Total
(\$11,986,142)	\$0	(\$11,986,142)
(1,212,378)	0	(1,212,378)
(273,998)	0	(273,998)
	0	
(860,717)	0	(860,717)
(782,967)	0	(782,967)
(18,213)	0	(18,213)
(1,969,870)	0	(1,969,870)
(476,122)	0	(476,122)
(2,534,729)	0	(2,534,729)
(1,662,716)	0	(1,662,716)
(85,486)	0	(85,486)
101	0	101
(384,498)	0	(384,498)
(338,146)	0	(338,146)
(22,585,881)	0	(22,585,881)
0	(156,917)	(156,917)
(22,585,881)	(156,917)	(22,742,798)
3,304,693	0	3,304,693
528,751	0	528,751
82,614	0	82,614
15,899,676	0	15,899,676
126,630	2,720	129,350
53,143	0	53,143
82,964	17,179	100,143
(8,921)	8,921	0
20,069,550	28,820	20,098,370
(2,516,331)	(128,097)	(2,644,428)
60,817,762	2,532,339	63,350,101
\$58,301,431	\$2,404,242	\$60,705,673

**Western Brown Local School District**  
*Balance Sheet*  
**Governmental Funds**  
*June 30, 2003*

	General	Debt Service	Western Brown Construction Project	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$3,149,613	\$1,163,704	\$1,976,129	\$730,061	\$7,019,507
Cash and Cash Equivalents with Fiscal Agents	0	5,000	0	0	5,000
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	135,331	0	0	0	135,331
Cash and Cash Equivalents with Escrow Agents	0	0	84,121	0	84,121
Investments with Fiscal Agents	714,064	0	0	0	714,064
Receivables:					
Taxes	3,336,651	459,478	0	83,684	3,879,813
Accounts	8,550	0	0	1,975	10,525
Intergovernmental	0	0	0	7,370	7,370
Accrued Interest	105	0	0	0	105
Prepaid Items	23,922	0	0	0	23,922
<i>Total Assets</i>	<u>\$7,368,236</u>	<u>\$1,628,182</u>	<u>\$2,060,250</u>	<u>\$823,090</u>	<u>\$11,879,758</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$16,037	\$0	\$0	\$3,954	\$19,991
Contracts Payable	133,761	0	0	0	133,761
Accrued Wages and Benefits	1,765,922	0	0	34,592	1,800,514
Matured Compensated Absences Payable	146,905	0	0	0	146,905
Payable from Restricted Assets:					
Retainage Payable	45,223	0	84,121	0	129,344
Intergovernmental Payable	164,684	0	0	3,259	167,943
Deferred Revenue	2,715,765	360,136	0	75,533	3,151,434
Matured Interest Payable	0	5,000	0	0	5,000
<i>Total Liabilities</i>	<u>4,988,297</u>	<u>365,136</u>	<u>84,121</u>	<u>117,338</u>	<u>5,554,892</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	905,936	0	131,228	29,176	1,066,340
Reserved for Property Taxes	572,994	91,679	0	14,324	678,997
Reserved for Textbooks	47,924	0	0	0	47,924
Reserved for Bus Purchases	87,407	0	0	0	87,407
Reserved for Capital Improvements	714,064	0	0	0	714,064
Unreserved, Undesignated, Reported in:					
General Fund	51,614	0	0	0	51,614
Special Revenue Funds	0	0	0	662,252	662,252
Debt Service Funds	0	1,171,367	0	0	1,171,367
Capital Projects Funds	0	0	1,844,901	0	1,844,901
<i>Total Fund Balances</i>	<u>2,379,939</u>	<u>1,263,046</u>	<u>1,976,129</u>	<u>705,752</u>	<u>6,324,866</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$7,368,236</u>	<u>\$1,628,182</u>	<u>\$2,060,250</u>	<u>\$823,090</u>	<u>\$11,879,758</u>

See accompanying notes to the basic financial statements



**Western Brown Local School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2003*

**Total Governmental Fund Balances** \$6,324,866

***Amounts reported for governmental activities in the  
 statement of net assets are different because:***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	2,602,879	
Construction in progress	737,261	
Other capital assets	68,919,037	
Accumulated depreciation	<u>(11,774,950)</u>	
Total capital assets		60,484,227

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Taxes	312,964	
Intergovernmental	<u>7,370</u>	
		320,334

Governmental funds report capital lease issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities.

16,258

Intergovernmental payable includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds

(146,026)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds.

Accrued interest on bonds		(26,620)
---------------------------	--	----------

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds and loans payable	(6,372,000)	
Capital leases payable	(1,017,000)	
Compensated absences	<u>(1,282,608)</u>	
Total liabilities		<u>(8,671,608)</u>

**Net Assets of Governmental Activities** \$58,301,431

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2003*

	General	Debt Service	Western Brown Construction Project	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$3,122,237	\$499,558	\$0	\$78,053	\$3,699,848
Intergovernmental	16,498,458	63,952	0	1,148,870	17,711,280
Interest	96,897	0	29,733	0	126,630
Tuition and Fees	9,632	0	0	63,770	73,402
Extracurricular Activities	13,843	0	0	183,806	197,649
Contributions and Donations	34,715	0	0	14,753	49,468
Miscellaneous	39,736	0	43,228	15,435	98,399
<i>Total Revenues</i>	<u>19,815,518</u>	<u>563,510</u>	<u>72,961</u>	<u>1,504,687</u>	<u>21,956,676</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	9,990,312	0	1,466	655,570	10,647,348
Special	1,833,568	0	0	295,839	2,129,407
Vocational	230,475	0	0	0	230,475
Support Services:					
Pupils	755,568	0	0	245,995	1,001,563
Instructional Staff	786,042	0	0	75,320	861,362
Board of Education	18,208	0	0	0	18,208
Administration	1,592,254	0	15,600	188,949	1,796,803
Fiscal	435,288	15,968	0	2,494	453,750
Operation and Maintenance of Plant	2,456,027	0	3,545	0	2,459,572
Pupil Transportation	1,838,405	0	0	0	1,838,405
Central	85,979	0	0	10,452	96,431
Operation of Non-Instructional Services	0	0	0	1,916	1,916
Extracurricular Activities	339,446	0	0	104,039	443,485
Capital Outlay	1,397,268	0	342,042	28,000	1,767,310
Debt Service:					
Principal Retirement	52,569	155,000	0	0	207,569
Interest and Fiscal Charges	38,288	317,258	0	0	355,546
<i>Total Expenditures</i>	<u>21,849,697</u>	<u>488,226</u>	<u>362,653</u>	<u>1,608,574</u>	<u>24,309,150</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,034,179)</u>	<u>75,284</u>	<u>(289,692)</u>	<u>(103,887)</u>	<u>(2,352,474)</u>
<b>Other Financing Sources</b>					
Proceeds from Sale of Capital Assets	54,202	0	0	0	54,202
Proceeds from Capital Lease	1,017,000	0	0	0	1,017,000
<i>Total Other Financing Sources</i>	<u>1,071,202</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,071,202</u>
<i>Net Change in Fund Balance</i>	(962,977)	75,284	(289,692)	(103,887)	(1,281,272)
<i>Fund Balance at Beginning of Year</i>	<u>3,342,916</u>	<u>1,187,762</u>	<u>2,265,821</u>	<u>809,639</u>	<u>7,606,138</u>
<i>Fund Balance at End of Year</i>	<u>\$2,379,939</u>	<u>\$1,263,046</u>	<u>\$1,976,129</u>	<u>\$705,752</u>	<u>\$6,324,866</u>

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Fiscal Year Ended June 30, 2003*

**Net Change in Fund Balances - Total Governmental Funds** (\$1,281,272)

***Amounts reported for governmental activities in the  
statement of activities are different because:***

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital asset additions	2,028,678	
Capital assets transferred to business-type activities	(8,921)	
Depreciation expense	<u>(2,477,506)</u>	
Excess of capital outlay over depreciation expense		(457,749)

During the year, the School District sold land. As part of the exchange, the School District received cash and land. The value of the land received was: (19,293)

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of the capital assets are removed from the capital asset account in the statement of net assets and offset against the proceeds from the sale of capital assets resulting in a gain on the sale of capital assets in the statement of activities.

Proceeds from Sale of Capital Assets	(54,202)	
Gain on Disposal of Capital Assets	<u>53,143</u>	
		(1,059)

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.

Delinquent Property Taxes	216,210	
Intergovernmental	<u>7,370</u>	
		223,580

Governmental funds report capital lease issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities. 16,258

Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets the lease obligation is reported as a liability. (1,017,000)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

Note principal retirement	9,569	
Bond principal retirement	<u>198,000</u>	
Total long-term debt repayment		207,569

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Decrease in accrued interest	1,142	
Increase in compensated absences	(133,206)	
Increase in intergovernmental payable	<u>(55,301)</u>	
Total additional expenditures		<u>(187,365)</u>

Change in Net Assets of Governmental Activities (\$2,516,331)

See accompanying notes to the basic financial statements

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2003*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Property Taxes	\$3,018,810	\$3,013,583	\$3,161,326	\$147,743
Intergovernmental	17,530,538	16,510,697	16,498,458	(12,239)
Interest	106,177	100,000	96,211	(3,789)
Tuition and Fees	0	0	9,632	9,632
Extracurricular Activities	0	0	13,843	13,843
Contributions and Donations	84,941	80,000	34,715	(45,285)
Miscellaneous	53,088	50,000	31,208	(18,792)
<b>Total Revenues</b>	<b>20,793,554</b>	<b>19,754,280</b>	<b>19,845,393</b>	<b>91,113</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular Instruction	9,913,730	9,842,358	9,636,488	205,870
Special Instruction	1,525,832	1,570,757	1,716,292	(145,535)
Vocational Instruction	239,984	239,984	230,810	9,174
Other Instruction	408,900	408,900	295,574	113,326
Support Services:				
Pupils	805,871	805,872	765,443	40,429
Instructional Staff	724,536	736,238	770,488	(34,250)
Board of Education	30,715	30,715	20,622	10,093
Administration	1,684,031	1,660,030	1,638,803	21,227
Fiscal	429,020	429,032	447,646	(18,614)
Operation and Maintenance of Plant	2,435,780	2,435,779	2,535,364	(99,585)
Pupil Transportation	1,873,493	1,873,493	1,852,026	21,467
Central	62,711	62,711	85,412	(22,701)
Extracurricular Activities	217,431	217,431	337,873	(120,442)
Capital Outlay	2,517,488	2,103,069	1,903,242	199,827
Debt Service:				
Principal Retirement	65,325	65,313	52,569	12,744
Interest and Fiscal Charges	1,311	1,311	21,288	(19,977)
<b>Total Expenditures</b>	<b>22,936,158</b>	<b>22,482,993</b>	<b>22,309,940</b>	<b>173,053</b>
Excess of Revenues Over (Under) Expenditures	<b>(2,142,604)</b>	<b>(2,728,713)</b>	<b>(2,464,547)</b>	<b>264,166</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Capital Lease	0	1,017,000	1,017,000	0
Proceeds from the Sale of Capital Assets	0	15,000	54,202	39,202
Advances In	0	75,000	0	(75,000)
Advances Out	(75,000)	(75,000)	0	75,000
<b>Total Other Financing Sources (Uses)</b>	<b>(75,000)</b>	<b>1,032,000</b>	<b>1,071,202</b>	<b>39,202</b>
<b>Net Change in Fund Balance</b>	<b>(2,217,604)</b>	<b>(1,696,713)</b>	<b>(1,393,345)</b>	<b>303,368</b>
Fund Balances at Beginning of Year	3,580,453	3,580,453	3,580,453	0
Unexpended Prior Year Encumbrances	884,907	884,907	884,907	0
<b>Fund Balances at End of Year</b>	<b>\$2,247,756</b>	<b>\$2,768,647</b>	<b>\$3,072,015</b>	<b>\$303,368</b>

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Fund Net Assets*  
*Proprietary Fund*  
*June 30, 2003*

	Food Service
<b>Assets</b>	
<b>Current Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$205,700
Intergovernmental Receivables	48,252
Inventory Held for Resale	18,459
Materials and Supplies Inventory	2,608
<i>Total Current Assets</i>	275,019
Capital Assets, Net	2,232,744
<i>Total Assets</i>	2,507,763
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accrued Wages and Benefits	61,993
Matured Compensated Absences Payable	3,421
Compensated Absences	131
Intergovernmental Payable	31,984
<i>Total Current Liabilities</i>	97,529
Compensated Absences Payable	5,992
<i>Total Liabilities</i>	103,521
<b>Net Assets</b>	
Invested in Capital Assets	2,232,744
Unrestricted	171,498
<i>Total Net Assets</i>	\$2,404,242

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2003*

	Food Service
<b>Operating Revenues</b>	
Sales	\$609,331
Other	17,179
<i>Total Operating Revenues</i>	626,510
<b>Operating Expenses</b>	
Salaries	336,533
Fringe Benefits	191,659
Purchased Services	8,446
Materials and Supplies	30,823
Cost of Sales	460,123
Depreciation	120,511
<i>Total Operating Expenses</i>	1,148,095
<i>Operating Loss</i>	(521,585)
<b>Non-Operating Revenues</b>	
Donated Commodities	82,730
Operating Grants	299,117
Interest	2,720
<i>Total Non-Operating Revenues</i>	384,567
<i>Loss before Contributions</i>	(137,018)
Capital Contributions	8,921
<i>Change in Net Assets</i>	(128,097)
<i>Net Assets at Beginning of Year</i>	2,532,339
<i>Net Assets at End of Year</i>	\$2,404,242

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Cash Flows*  
*Proprietary Fund*  
For the Fiscal Year Ended June 30, 2003

	<u>Food Service</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$609,331
Cash Received from Others	15,448
Cash Payments on Employee Benefits	(182,724)
Cash Payments to Employees for Services	(338,135)
Cash Payments to Suppliers for Goods and Services	<u>(414,372)</u>
<i>Net Cash Used for Operating Activities</i>	<u>(310,452)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Operating Grants Received	<u>293,237</u>
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>293,237</u>
<b>Cash Flows from Investing Activities</b>	
Interest	<u>2,720</u>
<i>Net Cash Provided by Investing Activities</i>	<u>2,720</u>
<i>Net Decrease in Cash and Cash Equivalents</i>	(14,495)
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>220,195</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u><u>\$205,700</u></u>
	<i>(continued)</i>

**Western Brown Local School District**  
*Statement of Cash Flows*  
*Proprietary Fund*  
For the Fiscal Year Ended June 30, 2003  
(continued)

	Food Service
<b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</b>	
Operating Loss	(\$521,585)
<b>Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities</b>	
Depreciation	120,511
Donated Commodities Received During Year	82,730
(Increase) Decrease in Assets:	
Inventory Held for Resale	1,964
Materials and Supplies Inventory	326
Intergovernmental Receivable	(1,731)
Increase (Decrease) in Liabilities	
Accrued Wages and Benefits	(2,655)
Compensated Absences	973
Intergovernmental Payable	9,015
Total Adjustments	211,133
Net Cash Used for Operating Activities	(\$310,452)

**Noncash Capital and Noncapital Financing Activities**

During fiscal year 2003, the Food Service Enterprise Fund received contributions of capital assets from governmental funds in the amount of \$8,921 and donated commodities in the amount of \$82,730.

See accompanying notes to the basic financial statements



**Western Brown Local School District**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*June 30, 2003*

	Private Purpose Trust	Agency Fund
<b>Assets</b>		
Current Assets:		
Equity in Pooled Cash and Cash Equivalents	\$19,419	\$82,874
<b>Liabilities</b>		
Undistributed Monies	0	82,874
<i>Total Liabilities</i>	0	\$82,874
<b>Net Assets</b>		
Held in Trust for Scholarships	19,419	
<i>Total Net Assets</i>	\$19,419	

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Fund*  
*For the Fiscal Year Ended June 30, 2003*

	Private Purpose Trust
	Scholarship
<b>Additions</b>	
Contributions	\$18,575
<b>Deductions</b>	
Scholarships Awarded	8,500
<i>Change in Net Assets</i>	10,075
<i>Net Assets Beginning of Year</i>	9,344
<i>Net Assets End of Year</i>	\$19,419

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

Western Brown Local School District (the "School 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 School District operates under a locally elected Board of Education (five members) and is responsible for the education of the residents of the School District. The Board controls the School District's four instructional support facilities staffed by 120 non-certificated, 207 teaching and 12 administrative employees providing education to 3,356 students.

The School District serves an area of approximately 141 square miles. It is located in Brown County, and includes the Village of Mt. Orab, the Village of Hamersville and portions of surrounding townships.

**Reporting Entity**

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

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

The School District participates in two jointly governed organizations, one public entity shared risk and insurance purchasing pool and one insurance purchasing pool. These organizations are the South Central Ohio Computer Association (SCOCA), Hopewell Special Education Regional Resource Center (Hopewell), Brown County Schools Benefits Consortium, and the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan. These organizations are presented in Notes 15, 16 and 17 to the basic financial statements.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

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

**A. Basis of Presentation**

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-wide Financial Statements**

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the School District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the single business-type activity of the School District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business activity or governmental program is self-financing or draws from the general revenues of the School District.

*Western Brown Local School District*  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

**Fund Financial Statements**

During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

**B. Fund Accounting**

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

**Governmental Funds**

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest and certain other long-term obligations when the School District is obligated for the payment.

Western Brown Construction Project Fund - The Western Brown construction project fund is used to account for all and interest received and expended in connection with the contracts entered into by the School District and the Ohio Department of Education for the building and equipping of the new and remodeled classroom facilities.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

**Proprietary Fund**

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no internal service funds.

Enterprise Fund - Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services. The only enterprise fund of the School District accounts for the financial transactions related to food service operations.

**Fiduciary Funds**

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary funds are a private purpose trust fund and an agency fund. The private purpose trust fund accounts for college scholarship programs for students. The School District's agency fund accounts for those student activities which consist of a student body, student president, student treasurer and faculty advisor.

**C. Measurement Focus**

**Government-wide Financial Statements**

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities reports increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

The private purpose trust fund is reported using the economic resources measurement focus.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The government-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions**

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. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the School 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 (see Note 6). 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 year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: property taxes available for advance, student fees, grants and interest.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

**Deferred Revenue**

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2003, but which were levied to finance fiscal year 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

**E. Cash and Cash Equivalents**

To improve cash management, all cash received by the School District is pooled. Monies for all funds, including the proprietary fund, are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. The School District utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the financial statements as "Cash and Cash Equivalents with Fiscal Agents" and represents deposits. The School District also utilizes an escrow agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as "Cash and Cash Equivalents with Escrow Agents" and represent money market mutual funds. During 2003, a fiscal agent held School District monies to be used for construction of a new administration building. The monies are presented as "Restricted Assets: Investments with Fiscal Agents" on the balance sheet.

During fiscal year 2003, the School District's investments were limited to certificates of deposit, money market mutual funds and funds invested in the State Treasury Assets Reserve of Ohio (STAROhio). Except for nonparticipating investment contracts, investments are reported at fair value which based on quoted market prices. For investments in open-end mutual funds, the fair value is determined by the fund's current share price. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.



**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2003.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2003 amounted to \$96,897, which includes \$48,086 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash and cash equivalents.

**F. Restricted Assets**

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors or laws of other governments or imposed by enabling legislation. Restricted assets represent unexpended revenues restricted for the purchase of buses, amounts required by Statute to be set-aside by the School District to purchase textbooks (see note 18), construction retainage and cash received through the capital lease-purchase agreement related to the administration building construction project (see note 13).

**G. Fund Balance Reserves**

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

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute for fiscal year 2003. The reserve for capital improvements represents amounts which may only be expended for the administration building construction capital improvement project.

**H. Inventory**

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used.

Inventories consist of purchased food held for resale and consumable supplies.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

**I. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the government-wide statement of net assets and in the fund.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Buildings and Improvements	10 - 40 years	10 - 40 years
Furniture and Equipment	5 - 10 years	12 years
Vehicles	10 years	N/A

**J. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the School District's past experience of making termination payments.

*Western Brown Local School District*  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees have accumulated leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**K. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the proprietary funds are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term notes and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**L. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include activities for music and athletic programs, student activities, and federal and state grants restricted to expenditures for specified purposes.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**M. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenditures not meeting this definition are classified as non-operating.

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

**N. Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from contributions of fixed assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**O. Interfund Transactions**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**P. Estimates**

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

**Q. Budgetary Process**

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate that was in effect at the time the final appropriations were passed.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

**R. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2003, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**S. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables" and "Interfund Payables." These amounts are eliminated in the governmental activities columns of the statement of net assets.

**NOTE 3 - FUND DEFICITS**

The Disadvantaged Pupil Impact Aid, Alternative School, and Title VI-B Special Revenue Funds had deficit fund balances at June 30, 2003, of \$19,615, \$4,799, and \$316, respectively. The deficits in these funds are due to adjustments for accrued liabilities which generate expenditures that are greater than those recognized on a cash basis. The General Fund is liable for the deficits and provides operating transfers when cash is required, not when accruals occur.

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as a reservation of fund balance.
4. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statement. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the general fund.

<u>Net Change in Fund Balance</u>	
GAAP Basis	(\$962,977)
Adjustments:	
Revenue Accruals	34,893
Expenditure Accruals	461,732
Encumbrances	(921,975)
Unrecorded Cash	<u>(5,018)</u>
Budget Basis	<u><u>(\$1,393,345)</u></u>

**NOTE 5 - DEPOSITS AND INVESTMENTS**

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

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

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

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

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

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

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least five percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and
8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

Deposits: At fiscal year-end, the carrying amount of the School District's deposits was \$1,894,550 and the bank balance was \$2,120,845. Of the bank balance, \$112,184 was covered by federal depository insurance and \$2,008,661 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging financial institution's trust department in the School District's name and all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

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

	<u>Fair Value</u>
Armada Government Money Market Mutual Fund	\$2,164
Federated U.S. Treasury Cash Reserves Mutual Fund	84,121
Bayerische Hypo Und Verinsbank Investment Money Market Mutual Funds	711,900
STAR Ohio	<u>5,573,281</u>
Total	<u><u>\$6,371,466</u></u>



**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

The classification of cash and cash equivalents, and investments on the basic financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting."

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

	Cash and Cash Equivalents/Deposits	Investments
<i>GASB Statement No. 9</i>	\$7,551,952	\$714,064
Investments:		
Money Market Mutual Funds - US Treasury	(84,121)	84,121
STAR Ohio	(5,573,281)	5,573,281
<i>GASB Statement No. 3</i>	\$1,894,550	\$6,371,466

**NOTE 6 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2003 represents collections of calendar year 2002 taxes. Real property taxes received in calendar year 2003 were levied after April 1, 2002, on the assessed value listed as of January 1, 2002, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2003 represents collections of calendar year 2002 taxes. Public utility real and tangible personal property taxes received in calendar year 2003 became a lien December 31, 2001, were levied after April 1, 2002 and are collected in 2003 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

Tangible personal property tax revenue received during calendar 2003 (other than public utility property) represents the collection of 2003 taxes. Tangible personal property taxes received in calendar year 2003 were levied after April 1, 2002, on the value as of December 31, 2002. Tangible personal property is currently assessed at twenty-five percent of true value for capital assets and twenty-four percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30. This year, the June 2003 tangible personal property tax was not received until July 2003.

The School District receives property taxes from Brown County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2003, are available to finance fiscal year 2003 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2003 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 and the delayed settlement of personal property taxes were levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2003, was \$572,994 in the general fund, \$91,679 in the debt service fund and \$14,324 in the non-major governmental funds. The amount available as an advance at June 30, 2002, was \$633,611 in the general fund, \$101,378 in the debt service fund and \$15,840 in the non-major governmental funds.

The assessed values upon which fiscal year 2003 taxes were collected are:

	2002 Second- Half Collections		2003 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$148,785,410	88.71%	\$155,956,050	88.99%
Public Utility Personal	7,851,920	4.68%	8,142,990	4.64%
Tangible Personal Property	11,087,420	6.61%	11,176,322	6.37%
<b>Total</b>	<b>\$167,724,750</b>	<b>100.00%</b>	<b>\$175,275,362</b>	<b>100.00%</b>
 Tax rate per \$1,000 of assessed valuation	 \$23.70		 \$23.70	

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2003, consisted of property taxes, accounts, intergovernmental grants and interest. All receivables are considered collectible in full and will be received within one year. A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental Activities:	
Alternative School Community Grant	\$2,854
Title VI - Innovative Programs Grant	4,516
Total Governmental Activities	7,370
Business-Type Activity:	
Food Service - Federal Lunch Reimbursements	48,252
Total Intergovernmental Receivables	\$55,622

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2003, was as follows:

	Balance 6/30/02	Additions	Deductions	Balance 6/30/03
<b><u>Governmental Activities</u></b>				
<i>Capital Assets, Not being Depreciated</i>				
Land	\$2,603,938	\$19,293	(\$20,352)	\$2,602,879
Construction in Progress	0	737,261	0	737,261
Total Capital Assets, Not Being Depreciated	2,603,938	756,554	(20,352)	3,340,140
<i>Capital Assets Being Depreciated</i>				
Buildings and Improvements	59,808,327	502,562	0	60,310,889
Furniture and Equipment	6,001,571	444,890	(8,921)	6,437,540
Vehicles	2,007,037	324,672	(161,101)	2,170,608
Total Capital Assets, Being Depreciated	67,816,935	1,272,124	(170,022)	68,919,037
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(6,509,027)	(1,552,826)	0	(8,061,853)
Furniture and Equipment	(1,657,487)	(773,894)	0	(2,431,381)
Vehicles	(1,292,031)	(150,786)	161,101	(1,281,716)
Total Accumulated Depreciation	(9,458,545)	(2,477,506) *	161,101	(11,774,950)
Total Capital Assets, Being Depreciated, Net	58,358,390	(1,205,382)	(8,921)	57,144,087
Governmental Activities Capital Assets, Net	\$60,962,328	(\$448,828)	(\$29,273)	\$60,484,227

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

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

	Balance 6/30/02	Additions	Deductions	Balance 6/30/03
<b><u>Business-Type Activity</u></b>				
Buildings and Improvements	\$1,422,497	\$0	\$0	\$1,422,497
Furniture and Equipment	1,213,083	8,921	0	1,222,004
Total Capital Assets, Being Depreciated	<u>2,635,580</u>	<u>8,921</u>	<u>0</u>	<u>2,644,501</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(155,334)	(37,256)	0	(192,590)
Furniture and Equipment	(135,912)	(83,255)	0	(219,167)
Total Accumulated Depreciation	<u>(291,246)</u>	<u>(120,511)</u>	<u>0</u>	<u>(411,757)</u>
Business-Type Activity Capital Assets, Net	<u>\$2,344,334</u>	<u>(\$111,590)</u>	<u>\$0</u>	<u>\$2,232,744</u>

\* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,734,788
Special	99,342
Vocational	33,419
Support Services:	
Pupils	61,672
Instructional Staff	17,689
Administration	248,688
Fiscal	19,159
Operation and Maintenance of Plant	29,920
Pupil Transportation	155,368
Operation of Non-Instructional Services	77,461
Total Depreciation Expense	<u>\$2,477,506</u>

**NOTE 9 - RISK MANAGEMENT**

**A. Property and Liability**

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2003, the School District contracted with Selective Insurance Company for general liability insurance with a \$2,000,000 single occurrence limit and a \$4,000,000 aggregate. Property is protected by the Indiana Insurance Company and holds a \$1,000 deductible. The School District's vehicles are covered by the Indiana Insurance Company under a business policy and hold a \$500 deductible for comprehensive and collision with a \$1,000,000 limit on any accident. School Board errors and omissions coverage is provided by Zurich and has a \$1,000,000 limit. Settled claims have not exceeded this commercial coverage in any of the past three years.

**B. Workers' Compensation**

For fiscal year 2003, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 17). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. Shaekley Uniservice, Inc provides administrative, cost control and actuarial services to the GRP.

**C. Employee Medical**

The School District participates in the Brown County Schools Benefits Consortium (the Consortium), a public entity shared risk and insurance purchasing pool (Note 16) consisting of six districts. Medical coverage is provided through Medical Mutual and the dental coverage is being provided through a shared risk pool based on member districts' number of employees. The School District is responsible for providing a current listing of enrolled employees and for providing timely pro-rata payments of premiums to the Consortium for employee health coverage and dental benefits. The Consortium is responsible for the management and operation of the program. Upon termination from the Consortium, for any reason, the terminated member shall assume and be responsible for the payment of any delinquent contributions relating to the medical insurance and all dental claims related to its employees from the date of termination, regardless of the date such claims were incurred.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

**NOTE 10 - PENSION PLANS**

**A. School Employees Retirement System**

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2003, 8.17 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2002, 5.46 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002, and 2001 were \$265,051, \$123,631, and \$84,993, respectively; 74.18 percent has been contributed for fiscal year 2003 and 100 percent for the fiscal years 2002 and 2001. \$68,442, represents the unpaid contribution for fiscal year 2003.

**B. State Teachers Retirement System of Ohio**

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to the STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (614) 227-4090.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

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

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may/ qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2003, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2002, the portion used to fund pension obligations was 9.5 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2003, 2002, and 2001 were \$1,384,949, \$803,255, and \$853,403, respectively; 91.43 percent has been contributed for fiscal year 2003 and 100 percent for fiscal years 2002 and 2001. \$101,126 represents the unpaid contribution for 2003. Contributions to the DC and Combined Plans for fiscal year 2003 were \$7,955 made by the School District and \$21,960 made by the plan members.

*Western Brown Local School District*  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

**NOTE 11 - POSTEMPLOYMENT BENEFITS**

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

All STRS Ohio benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2003, the STRS Ohio Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$101,126 for fiscal year 2003.

STRS Ohio pays health care benefits from the Health Care Reserve Fund. At June 30, 2002, (the latest information available) the balance in the Fund was \$3.011 billion. For the year ended June 30, 2002, net health care costs paid by STRS Ohio were \$354,697,000 and STRS Ohio had 105,300 eligible benefit recipients.

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

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2003, employer contributions to fund health care benefits were 5.83 percent of covered payroll, a decrease of 2.71 percent from fiscal year 2002. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2003, the minimum pay was established at \$14,500. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2003 fiscal year equaled \$232,259.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2002 (the latest information available), were \$182,946,777 and the target level was \$274.4 million. At June 30, 2002, SERS had net assets available for payment of health care benefits of \$335.2 million. SERS has approximately 50,000 participants currently receiving health care benefits.



*Western Brown Local School District*  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

**NOTE 12 - EMPLOYEE BENEFITS**

**A. Compensated Absences**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements, Board resolutions and State laws. Eligible classified employees and administrators earn ten to twenty days of vacation per year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and administrators who are not on a twelve month contract do not earn vacation time.

Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month for a total of 15 days of sick leave for each year under contract. An unlimited amount of sick leave may be accumulated during regular employment for teachers, administrators, and classified personnel. Upon severance from the School District, payment is made for one-half of administrators' unused sick leave credit and one-fourth of teachers' and classified employees' accumulated, but unused sick leave credit.

**B. Insurance Benefits**

The School District provides life insurance and accidental death and dismemberment insurance to most employees through a private insurance carrier. Vision insurance is provided by Vision Service Plan.

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

The capital lease obligation recorded in the General Fund relates to the construction of a new district administration building. The School District is leasing the project from Rickenbacker Port Authority. Rickenbacker Port Authority will retain title to the project during the lease term. Rickenbacker Port Authority has assigned National City Bank as trustee. National City Bank deposited \$1,017,000 in the School District's name with a fiscal agent for the construction of the building. Amounts will be paid to contractors by the School District as the work progresses. The School District will then submit the invoices to the agent for reimbursement. The School District will make semi-annual lease payments to National City Bank. Interest rates are based on a calculation of the TBMA Index. The lease is renewable annually and expires in 2026. The intention of the School District is to renew the lease annually.

At fiscal year-end, the project was underway. The School District will begin making payments in fiscal year 2004. The principal amount owed on the lease at year-end is \$1,017,000.

At year end, capital assets being constructed under this lease have been capitalized as construction in progress in the statement of net assets for governmental activities in the amount of \$299,427.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

**NOTE 13 - CAPITALIZED LEASES - LESSEE DISCLOSURE** (Continued)

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2003.

Fiscal Year Ending June 30,	Total Payments
2004	\$73,318
2005	73,201
2006	73,267
2007	73,222
2008	73,070
2009-2013	364,314
2014-2018	360,836
2019-2023	358,349
2024-2026	212,857
Total	1,662,434
Less: Amount Representing Interest	(645,434)
Present Value of Minimum Lease Payments	\$1,017,000

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

**NOTE 14 - LONG-TERM LIABILITIES**

The change in the School District's long-term liabilities during the fiscal year 2003 were as follows:

	Amount Outstanding 6/30/02	Additions	Deductions	Amount Outstanding 6/30/03	Amounts Due in One Year
<i>Governmental Activities:</i>					
School Improvement Bonds 1998 5.01%	\$6,485,000	\$0	\$155,000	\$6,330,000	\$165,000
School Bus Acquisition Bonds 1997 5.70%	23,000	0	23,000	0	0
Energy Conservation Bonds 1995 5.70%	62,000	0	20,000	42,000	20,000
Energy Conservation Notes 1993 3.33%	9,569	0	9,569	0	0
Compensated Absences	1,149,402	682,102	548,896	1,282,608	79,456
Capital Leases	0	1,017,000	0	1,017,000	20,000
Total General					
Long-Term Liabilities	<u>\$7,728,971</u>	<u>\$1,699,102</u>	<u>\$756,465</u>	<u>\$8,671,608</u>	<u>\$284,456</u>
<i>Business-Type Activity:</i>					
Compensated Absences	<u>\$8,571</u>	<u>\$22,703</u>	<u>\$25,151</u>	<u>\$6,123</u>	<u>\$131</u>

**School Improvement Bonds 1998**

On June 15, 1998, the School District issued \$7,164,600 in voted general obligation bonds for the purpose of acquiring land, constructing new classroom facilities, and making renovations to existing classrooms. These bonds are being paid from property tax revenues. The Ohio Department of Education, School Finance, announced that the School District was eligible for state school building assistance funding on June 2, 1997. The bond issue satisfies the local match required to receive state assistance for the construction project. These bonds are being paid from the Debt Service Fund.

**School Bus Acquisition Bonds 1997**

On September 15, 1997, the School District issued \$115,000 in unvoted general obligation bonds for the purpose of acquiring buses for transportation of students to and from school, and other functions authorized by the Board of Education. These bonds were paid from the General Fund. The School District made the final payment in June 2003.

**Energy Conservation Bonds 1995**

On May 10, 1995, the School District issued \$202,000 in unvoted general obligation debt for the purpose of providing energy conservation measures for the School District, under authority of the Ohio Revised Code Sections 133.06(G) and 3313.372. The bonds were issued for a ten year period with final maturity during fiscal year 2005. The debt will be retired from the anticipated savings over the ten years and will be paid from the General Fund.

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

**NOTE 14 - LONG-TERM LIABILITIES** (Continued)

Energy Conservation Notes 1993

On June 15, 1993, the School District issued \$225,400 in unvoted general obligation debt for the purpose of providing energy conservation measures for the School District, under authority of the Ohio Revised Code Sections 133.06(G) and 3313.372. The notes were issued for a ten year period with final maturity during fiscal year 2003. The debt was retired in June, 2003.

Compensated absences will be paid from the General, Disadvantaged Pupil Impact Aid, Alternative School, Title VI-B, Title I, Miscellaneous Federal Grant and Food Service funds. Capital lease obligations will be paid from the General Fund.

The School District's overall legal debt margin was \$10,707,829 with an unvoted debt margin of \$175,275, and an Energy Conservation debt margin of \$1,535,478 at June 30, 2003 (see Statistical Table 9).

Principal and interest requirements to retire general obligation debt outstanding at June 30, 2003 are as follows:

School Improvement Bonds 1998

Fiscal Year Ending June 30,	Principal	Interest	Total
2004	\$165,000	\$310,496	\$475,496
2005	190,000	302,905	492,905
2006	200,000	294,420	494,420
2007	215,000	285,236	500,236
2008	240,000	275,053	515,053
2009-2013	1,475,000	1,183,787	2,658,787
2014-2018	2,155,000	717,784	2,872,784
2019-2021	1,690,000	130,750	1,820,750
Total	<u>\$6,330,000</u>	<u>\$3,500,431</u>	<u>\$9,830,431</u>

Energy Conservation Bonds 1995

Fiscal Year Ending June 30,	Principal	Interest	Total
2004	\$20,000	\$2,109	\$22,109
2005	22,000	969	22,969
Total	<u>\$42,000</u>	<u>\$3,078</u>	<u>\$45,078</u>

***Western Brown Local School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS**

The School District is a participant in the South Central Ohio Computer Association (SCOCA), which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Adams, Brown, Highland, Pike, Ross, Scioto, Vinton, Jackson and Lawrence Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCA consists of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, plus a representative of the fiscal agent. The School District paid SCOCA \$50,599 for services provided during the year. Financial information can be obtained from their fiscal agent, the Pike County Joint Vocational School, P.O. Box 577, 175 Beaver Creek Rd., Piketon, Ohio, 45661.

The Hopewell Special Education Regional Resource Center (Hopewell) is a jointly governed organization created by the Ohio Department of Education at the request of the participating school districts to offer direct and related services to low incidence handicapped students of the region. Seventeen local, city, and exempted village school districts receive services from Hopewell. Hopewell is operated under regulations and policies established by the Ohio Department of Education, and its own governing board. The governing board is made up of superintendents from the seventeen school districts, plus a representative from the Clinton-Fayette-Highland Educational Service District, a representative from the board of mental retardation and developmental disabilities, two joint vocational school superintendents and five parents of handicapped children living in the region. The Clinton-Fayette-Highland Educational Service District acts as fiscal agent. Hopewell receives funding from the contracts with each of the member school districts and Federal and State grants. The School District paid \$210,812 to Hopewell during the year. To obtain financial information write to Hopewell at the Clinton-Fayette-Highland Educational Service District, 62 Laurel Dr., Wilmington, Ohio 45177.

**NOTE 16 - PUBLIC ENTITY SHARED RISK AND INSURANCE PURCHASING POOL**

*Brown County Schools Benefits Consortium* - The Brown County Schools Benefits Consortium, a public entity shared risk and insurance purchasing pool, currently operates to provide health insurance (insurance purchasing pool) and dental coverage (public entity shared risk pool) to enrolled employees of the consortium members and to eligible dependents of those enrolled employees. Six Brown County school districts (Eastern, Fayetteville-Perry, Georgetown, Ripley-Union-Lewis-Huntington, Southern Hills Joint Vocational and Western Brown Schools) have entered into an agreement with the Brown County Educational Service Center to form the Brown County Schools Benefits Consortium. The overall objectives of the consortium are to formulate and administer a program of health and dental insurance for the benefit of the consortium members' employees and their dependents. The consortium contracts with Medical Mutual of Ohio to provide medical insurance directly to consortium member employees. The School District pays premiums to the consortium based on employee membership. For dental coverage the consortium acts as a public entity shared risk pool. Each member district pays dental premiums based on the consortium estimates of future claims. If the member district's dental claims exceed its premiums, there is no individual supplemental assessment; on the other hand, if the School District's claims are low, it will not receive a refund. Dental coverage is administered through a third party administrator, CoreSource. Participating member district's pay an administrative fee to the fiscal agent to cover the costs associated with the administering of the Consortium. To obtain financial information write to Brown County Educational Service Center at 325 West State St., Georgetown, Ohio 45121.

**NOTE 17 - INSURANCE PURCHASING POOL**

*Ohio Association of School Business Officials Workers' Compensation Group Rating Plan* – The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP) was established through the Ohio Association of School Business Officials (OASBO) as a group insurance purchasing pool.

The GRP's business and affairs are conducted by a five member Board of Directors. Each year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

**NOTE 18 - SET-ASIDE CALCULATIONS**

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

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

**NOTE 18 - SET-ASIDE CALCULATIONS** (Continued)

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

	Textbooks	Capital Acquisition
Set-aside Reserve Balance as of June 30, 2002	\$0	\$0
Prior Year Excess Disbursement Carried Forward	(144,519)	0
Current Year Set-Aside Requirement	439,122	439,122
Current Year Offsets	0	(91,553)
Qualifying Disbursements	(246,679)	(1,611,797)
Totals	\$47,924	(\$1,264,228)
Set-aside Reserve Balance as of June 30, 2003	\$47,924	\$0
Required Set-aside Balances Carried Forward to FY 2004	\$47,924	\$0

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

**NOTE 19 - CONSTRUCTION COMMITMENTS**

The School District contracted for the design and construction of a new district administrative office building and a building to house the concessions and restrooms for the sports fields. Both projects are anticipated to be complete in the 2004 fiscal year. The outstanding construction commitments at June 30, 2003 are:

Contractor	Total Contract Amount	Amount Expended	Balance At 6/30/03
<u>District Office Project</u>			
Indell Construction Corporation	\$798,654	\$299,427	\$499,227
<u>Sports Concessions &amp; Restrooms</u>			
Indell Construction Corporation	278,454	252,274	26,180
Total	\$1,077,108	\$551,701	\$525,407

**Western Brown Local School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2003

---

**NOTE 20 – STATE SCHOOL-FUNDING DECISION**

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..."

The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

**NOTE 21 - CONTINGENCIES**

**Grants:**

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2003.

**Litigation:**

The School District is not currently party to legal proceedings.



Western Brown Local School District  
Combining and Individual Fund Statements and Schedules

*Western Brown Local School District*

*Fund Descriptions*

*Special Revenue Funds*

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. The following are descriptions of the School District's nonmajor special revenue funds:

*Nonmajor Special Revenue Funds*

**THOMAS STOUT** - This fund accounts for donations received by the School District to be used for the purchase of new signs to be erected on the grounds of the new school buildings.

**UNIFORM SCHOOL SUPPLIES** - This fund accounts for the purchase and sale of school supplies as adopted by the board of education for use in the schools of the School District. Revenues derived from such sale is to be used for school purposes or activities in connection with the school.

**PUBLIC SCHOOL SUPPORT** - This fund is used to account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e., sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

**OTHER GRANT** - This fund accounts for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

**CLASSROOM FACILITY MAINTENANCE** - This fund accounts for property tax revenues that are restricted to expenditures for the maintenance and upkeep of School District classroom facilities.

**DISTRICT MANAGED ACTIVITY** - This fund accounts for those student activity programs which have student participation in the activity but do not have student management of the programs.

**EXCELLENCE IN EDUCATION** - This fund accounts for monies which are provided for pupil competency assessment and instructional development as required by the minimum standards for Ohio schools.

**EDUCATIONAL MANAGEMENT INFORMATION SYSTEMS** - This fund accounts for hardware and software development, or other costs associated with the requirements of the management information system.

**DISADVANTAGED PUPIL IMPACT AID** - This fund accounts for monies which are provided for the improvement of the educational and cultural status of disadvantaged pupils.

*Western Brown Local School District*

*Fund Descriptions*

*Nonmajor Special Revenue Funds (Continued)*

**ONENET** – This fund accounts for monies appropriated for Ohio Educational Computer Network connections.

**PROFESSIONAL DEVELOPMENT** - This fund accounts the revenues and expenditures associated with a limited number of professional development subsidy grants.

**OHIO READS** - This fund accounts for state monies and operating expenditures associated with administering the OhioReads Program. The OhioReads Program is intended to improve reading outcomes, especially on the fourth grade reading proficiency test.

**SUMMER SCHOOL** - This fund accounts for State money used for summer school programs.

**ALTERNATIVE SCHOOL** - This fund accounts for state monies and expenditures for alternative educational programs for existing and new, at-risk and delinquent youth.

**MISCELLANEOUS STATE GRANTS** - This fund accounts for various monies received from State agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

**TITLE VI-B** - This fund accounts for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

**TITLE I** - This fund accounts for federal funds expended for services provided to meet special educational needs of educationally deprived children.

**TITLE VI** - This fund accounts for federal funds used to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; and programs to enhance personal excellence of students and student achievement.

**DRUG FREE GRANT** - This fund accounts for federal funds used to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

*Western Brown Local School District*

*Fund Descriptions*

*Nonmajor Special Revenue Funds (Continued)*

**TELECOMMUNICATIONS ACT GRANT** - This fund accounts for monies refunded from telecommunications vendors. This money will be used to pay future telecommunications bills or will be transferred to the general fund.

**CONTINUOUS IMPROVEMENT** - This fund accounts for federal funds to be used to support the goals and strategies identified in the continuous improvement plan of the School District.

**REDUCING CLASS SIZE** - This fund accounts for federal funds used to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

**MISCELLANEOUS FEDERAL GRANTS** - This fund accounts for the proceeds of specific federal grants that are legally restricted to expenditures for specific purposes.

*Capital Projects Funds*

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, and for major renovation projects including equipment purchases. The following are descriptions of the School District's nonmajor capital projects funds:

*Nonmajor Capital Projects Funds*

**SCHOOLNET** - This fund accounts for State grant monies used for the installation of wiring and the purchase of a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.

**TECHNOLOGY EQUITY** - This fund accounts for technology equity funding to low-wealth school districts.

**VIDEO DISTANCE LEARNING** - This fund accounts for technology equity funding to low-wealth school districts to complement the SchoolNet Program. The proceeds are used to purchase computer equipment, wiring and peripherals.

**Western Brown Local School District**  
*Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2003*

	Nonmajor Special Revenue Funds
	Funds
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$730,061
Receivables:	
Taxes	83,684
Accounts	1,975
Intergovernmental	7,370
	7,370
<i>Total Assets</i>	\$823,090
 <b>Liabilities and Fund Balances</b>	
<b>Liabilities</b>	
Accounts Payable	\$3,954
Accrued Wages and Benefits	34,592
Intergovernmental Payable	3,259
Deferred Revenue	75,533
	75,533
<i>Total Liabilities</i>	117,338
 <b>Fund Balances</b>	
Reserved for Encumbrances	29,176
Reserved for Property Taxes	14,324
Unreserved, Undesignated	662,252
	662,252
<i>Total Fund Balances</i>	705,752
 <i>Total Liabilities and Fund Balances</i>	 \$823,090

THIS PAGE INTENTIONALLY LEFT BLANK

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2003*

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Taxes	\$78,053	\$0	\$78,053
Intergovernmental	1,112,790	36,080	1,148,870
Tuition and Fees	63,770	0	63,770
Extracurricular Activities	183,806	0	183,806
Contributions and Donations	14,753	0	14,753
Miscellaneous	15,435	0	15,435
<i>Total Revenues</i>	<u>1,468,607</u>	<u>36,080</u>	<u>1,504,687</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	511,065	144,505	655,570
Special	295,839	0	295,839
Support Services:			
Pupils	245,995	0	245,995
Instructional Staff	75,320	0	75,320
Administration	188,949	0	188,949
Fiscal	2,494	0	2,494
Central	10,452	0	10,452
Operation of Non-Instructional Services	1,916	0	1,916
Extracurricular Activities	104,039	0	104,039
Capital Outlay	28,000	0	28,000
<i>Total Expenditures</i>	<u>1,464,069</u>	<u>144,505</u>	<u>1,608,574</u>
<i>Net Change in Fund Balances</i>	4,538	(108,425)	(103,887)
<i>Fund Balance Beginning of Year</i>	<u>701,214</u>	<u>108,425</u>	<u>809,639</u>
<i>Fund Balance End of Year</i>	<u><u>\$705,752</u></u>	<u><u>\$0</u></u>	<u><u>\$705,752</u></u>

**Western Brown Local School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2003*

	Thomas Stout	Uniform School Supplies	Public School Support	Other Grant
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$786	\$102,615	\$65,424	\$538
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	1,210	0
Intergovernmental	0	0	0	0
<i>Total Assets</i>	<u>\$786</u>	<u>\$102,615</u>	<u>\$66,634</u>	<u>\$538</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	0	0	33	0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>33</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	0	5,799	0
Reserved for Property Taxes	0	0	0	0
Unreserved, Undesignated (Deficit)	786	102,615	60,802	538
<i>Total Fund Balances (Deficit)</i>	<u>786</u>	<u>102,615</u>	<u>66,601</u>	<u>538</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$786</u>	<u>\$102,615</u>	<u>\$66,634</u>	<u>\$538</u>



<u>Classroom Facility Maintenance</u>	<u>District Managed Activity</u>	<u>Excellence In Education</u>	<u>Educational Management Information Systems</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>OneNet</u>
\$399,716	\$35,374	\$633	\$24,459	\$0	\$1,230
83,684	0	0	0	0	0
0	765	0	0	0	0
0	0	0	0	0	0
<u>\$483,400</u>	<u>\$36,139</u>	<u>\$633</u>	<u>\$24,459</u>	<u>\$0</u>	<u>\$1,230</u>
0	2,724	0	0	0	0
0	0	0	2,130	17,563	0
0	0	0	391	2,052	0
68,163	0	0	0	0	0
<u>68,163</u>	<u>2,724</u>	<u>0</u>	<u>2,521</u>	<u>19,615</u>	<u>0</u>
0	20,165	0	0	0	0
14,324	0	0	0	0	0
400,913	13,250	633	21,938	(19,615)	1,230
<u>415,237</u>	<u>33,415</u>	<u>633</u>	<u>21,938</u>	<u>(19,615)</u>	<u>1,230</u>
<u>\$483,400</u>	<u>\$36,139</u>	<u>\$633</u>	<u>\$24,459</u>	<u>\$0</u>	<u>\$1,230</u>

(continued)

**Western Brown Local School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2003*  
*(continued)*

	Professional Development	Ohio Reads	Summer School	Alternative School
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,852	\$13,240	\$9,936	\$223
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	0	2,854
<i>Total Assets</i>	\$1,852	\$13,240	\$9,936	\$3,077
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	4,971
Intergovernmental Payable	0	0	0	51
Deferred Revenue	0	0	0	2,854
<i>Total Liabilities</i>	0	0	0	7,876
<b>Fund Balances</b>				
Reserved for Encumbrances	0	1,601	0	0
Reserved for Property Taxes	0	0	0	0
Unreserved, Undesignated (Deficit)	1,852	11,639	9,936	(4,799)
<i>Total Fund Balances (Deficit)</i>	1,852	13,240	9,936	(4,799)
<i>Total Liabilities and Fund Balances</i>	\$1,852	\$13,240	\$9,936	\$3,077

Miscellaneous State Grants	Title VI-B	Title I	Title VI	Drug Free Grant	Tele- communications Act Grant
\$82	\$10,377	\$48,015	\$500	\$6,496	\$4,845
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	4,516	0	0
<u>\$82</u>	<u>\$10,377</u>	<u>\$48,015</u>	<u>\$5,016</u>	<u>\$6,496</u>	<u>\$4,845</u>
0	0	0	0	0	0
0	9,928	0	0	0	0
0	765	0	0	0	0
0	0	0	4,516	0	0
<u>0</u>	<u>10,693</u>	<u>0</u>	<u>4,516</u>	<u>0</u>	<u>0</u>
0	0	0	214	200	0
0	0	0	0	0	0
82	(316)	48,015	286	6,296	4,845
<u>82</u>	<u>(316)</u>	<u>48,015</u>	<u>500</u>	<u>6,496</u>	<u>4,845</u>
<u>\$82</u>	<u>\$10,377</u>	<u>\$48,015</u>	<u>\$5,016</u>	<u>\$6,496</u>	<u>\$4,845</u>

(continued)

**Western Brown Local School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*June 30, 2003*

*(continued)*

	<u>Reducing Class Size</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$2,438	\$1,282	\$730,061
Receivables:			
Taxes	0	0	83,684
Accounts	0	0	1,975
Intergovernmental	0	0	7,370
	<u>0</u>	<u>0</u>	<u>7,370</u>
<i>Total Assets</i>	<u><u>\$2,438</u></u>	<u><u>\$1,282</u></u>	<u><u>\$823,090</u></u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	0	1,197	3,954
Accrued Wages and Benefits	0	0	34,592
Intergovernmental Payable	0	0	3,259
Deferred Revenue	0	0	75,533
	<u>0</u>	<u>0</u>	<u>75,533</u>
<i>Total Liabilities</i>	<u>0</u>	<u>1,197</u>	<u>117,338</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	1,197	0	29,176
Reserved for Property Taxes	0	0	14,324
Unreserved, Undesignated (Deficit)	1,241	85	662,252
	<u>1,241</u>	<u>85</u>	<u>662,252</u>
<i>Total Fund Balances (Deficit)</i>	<u>2,438</u>	<u>85</u>	<u>705,752</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$2,438</u></u>	<u><u>\$1,282</u></u>	<u><u>\$823,090</u></u>

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2003*

	Thomas Stout	Uniform School Supplies	Public School Support	Other Grant
<b>Revenues</b>				
Property and Other Local Taxes	\$0	\$0	\$0	\$0
Intergovernmental	0	0	0	0
Tuition and Fees	0	63,770	0	0
Extracurricular Activities	0	0	94,492	0
Contributions and Donations	0	0	7,178	7,575
Miscellaneous	0	0	15,435	0
<i>Total Revenues</i>	<u>0</u>	<u>63,770</u>	<u>117,105</u>	<u>7,575</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	68,671	67,165	5,279
Special	0	0	0	0
Support Services:				
Pupils	0	0	2,059	0
Instructional Staff	0	0	32,253	0
Administration	0	0	0	0
Fiscal	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	1,916
Extracurricular Activities	0	0	17,426	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>68,671</u>	<u>118,903</u>	<u>7,195</u>
<i>Net Change in Fund Balances</i>	0	(4,901)	(1,798)	380
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>786</u>	<u>107,516</u>	<u>68,399</u>	<u>158</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$786</u>	<u>\$102,615</u>	<u>\$66,601</u>	<u>\$538</u>

*(continued)*

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2003*  
*(continued)*

	Classroom Facility Maintenance	District Managed Activity	Excellence In Education	Educational Management Information Systems
<b>Revenues</b>				
Property and Other Local Taxes	\$78,053	\$0	\$0	\$0
Intergovernmental	9,943	0	0	12,350
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	89,314	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>87,996</u>	<u>89,314</u>	<u>0</u>	<u>12,350</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	0	1,503	0
Special	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	22,724
Fiscal	2,494	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	86,613	0	0
Capital Outlay	28,000	0	0	0
<i>Total Expenditures</i>	<u>30,494</u>	<u>86,613</u>	<u>1,503</u>	<u>22,724</u>
<i>Net Change in Fund Balances</i>	57,502	2,701	(1,503)	(10,374)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>357,735</u>	<u>30,714</u>	<u>2,136</u>	<u>32,312</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$415,237</u>	<u>\$33,415</u>	<u>\$633</u>	<u>\$21,938</u>

Disadvantaged Pupil Impact Aid	OneNet	Professional Development	Ohio Reads	Summer School	Alternative School
\$0	\$0	\$0	\$0	\$0	\$0
40,024	14,000	4,600	49,000	0	65,263
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>40,024</u>	<u>14,000</u>	<u>4,600</u>	<u>49,000</u>	<u>0</u>	<u>65,263</u>
29,066	17,660	7,393	0	33,242	52,835
0	0	0	11,027	0	0
0	0	0	0	0	0
0	0	0	25,688	0	0
28,687	0	0	5,138	0	14
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>57,753</u>	<u>17,660</u>	<u>7,393</u>	<u>41,853</u>	<u>33,242</u>	<u>52,849</u>
(17,729)	(3,660)	(2,793)	7,147	(33,242)	12,414
<u>(1,886)</u>	<u>4,890</u>	<u>4,645</u>	<u>6,093</u>	<u>43,178</u>	<u>(17,213)</u>
<u>(\$19,615)</u>	<u>\$1,230</u>	<u>\$1,852</u>	<u>\$13,240</u>	<u>\$9,936</u>	<u>(\$4,799)</u>

(continued)

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2003*  
*(continued)*

	Miscellaneous State Grants	Title VI-B	Title I	Title VI
<b>Revenues</b>				
Property and Other Local Taxes	\$0	\$0	\$0	\$0
Intergovernmental	34,878	289,911	355,878	14,650
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>34,878</u>	<u>289,911</u>	<u>355,878</u>	<u>14,650</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	5,424	0	0	12,244
Special	0	0	259,432	12,255
Support Services:				
Pupils	0	243,111	0	0
Instructional Staff	0	0	0	0
Administration	37,217	74,674	8,125	1,906
Fiscal	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>42,641</u>	<u>317,785</u>	<u>267,557</u>	<u>26,405</u>
<i>Net Change in Fund Balances</i>	(7,763)	(27,874)	88,321	(11,755)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>7,845</u>	<u>27,558</u>	<u>(40,306)</u>	<u>12,255</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$82</u>	<u>(\$316)</u>	<u>\$48,015</u>	<u>\$500</u>



Drug Free Grant	Tele-communications Act Grant	Continuous Improvement	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$78,053
15,868	11,859	0	141,764	52,802	1,112,790
0	0	0	0	0	63,770
0	0	0	0	0	183,806
0	0	0	0	0	14,753
0	0	0	0	0	15,435
<u>15,868</u>	<u>11,859</u>	<u>0</u>	<u>141,764</u>	<u>52,802</u>	<u>1,468,607</u>
9,425	37,135	5,691	135,146	23,186	511,065
1,959		0	0	11,166	295,839
825		0	0		245,995
0	0	0	0	17,379	75,320
317	3,226	0	4,228	2,693	188,949
0	0	0	0	0	2,494
0	5,769	0	0	4,683	10,452
0	0	0	0	0	1,916
0	0	0	0	0	104,039
0	0	0	0	0	28,000
<u>12,526</u>	<u>46,130</u>	<u>5,691</u>	<u>139,374</u>	<u>59,107</u>	<u>1,464,069</u>
3,342	(34,271)	(5,691)	2,390	(6,305)	4,538
<u>3,154</u>	<u>39,116</u>	<u>5,691</u>	<u>48</u>	<u>6,390</u>	<u>701,214</u>
<u>\$6,496</u>	<u>\$4,845</u>	<u>\$0</u>	<u>\$2,438</u>	<u>\$85</u>	<u>\$705,752</u>

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2003*

	<u>SchoolNet</u>	<u>Technology Equity</u>	<u>Video Distance Learning</u>	<u>Total Nonmajor Capital Project Funds</u>
<b>Revenues</b>				
Intergovernmental	\$0	\$36,080	\$0	\$36,080
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	<u>96,735</u>	<u>39,070</u>	<u>8,700</u>	<u>144,505</u>
<i>Net Change in Fund Balances</i>	(96,735)	(2,990)	(8,700)	(108,425)
<i>Fund Balance at Beginning of Year</i>	<u>96,735</u>	<u>2,990</u>	<u>8,700</u>	<u>108,425</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Western Brown Local School District**  
*Statement of Changes in Fiduciary Net Assets*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2003*

	Balance at 6/30/02	Additions	Reductions	Balance at 6/30/03
<b><u>STUDENT MANAGED ACTIVITY</u></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$68,929	\$121,060	\$107,115	\$82,874
<b>Liabilities</b>				
Undistributed Monies	\$68,929	\$121,060	\$107,115	\$82,874

**This Page is Intentionally Left Blank.**

Western Brown Local School District

Individual Fund Schedules of Revenues, Expenditures/Expenses  
and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Property Taxes	\$3,018,810	\$3,013,583	\$3,161,326	\$147,743
Intergovernmental	17,530,538	16,510,697	16,498,458	(12,239)
Interest	106,177	100,000	96,211	(3,789)
Tuition and Fees	0	0	9,632	9,632
Extracurricular Activities	0	0	13,843	13,843
Contributions and Donations	84,941	80,000	34,715	(45,285)
Miscellaneous	53,088	50,000	31,208	(18,792)
<b>Total Revenues</b>	<b>20,793,554</b>	<b>19,754,280</b>	<b>19,845,393</b>	<b>91,113</b>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	6,945,676	6,945,362	6,880,711	64,651
Fringe Benefits	2,116,650	2,119,614	2,151,775	(32,161)
Purchased Services	189,447	153,675	130,949	22,726
Materials and Supplies	480,260	493,446	373,419	120,027
Capital Outlay - New	181,697	130,261	99,634	30,627
<b>Total Regular Instruction</b>	<b>9,913,730</b>	<b>9,842,358</b>	<b>9,636,488</b>	<b>205,870</b>
Special Instruction:				
Salaries and Wages	719,354	749,679	867,533	(117,854)
Fringe Benefits	261,390	275,990	343,531	(67,541)
Purchased Services	542,676	542,677	491,304	51,373
Materials and Supplies	2,412	2,411	13,924	(11,513)
<b>Total Special Instruction</b>	<b>1,525,832</b>	<b>1,570,757</b>	<b>1,716,292</b>	<b>(145,535)</b>
Vocational Instruction:				
Salaries and Wages	152,054	152,054	157,008	(4,954)
Fringe Benefits	43,462	43,462	44,086	(624)
Purchased Services	10,100	10,100	13,161	(3,061)
Materials and Supplies	34,368	34,368	15,865	18,503
Other	0	0	690	(690)
<b>Total Vocational Instruction</b>	<b>239,984</b>	<b>239,984</b>	<b>230,810</b>	<b>9,174</b>
Other Instruction:				
Purchased Services	408,900	408,900	295,574	113,326
<b>Total Instruction</b>	<b>12,088,446</b>	<b>12,061,999</b>	<b>11,879,164</b>	<b>182,835</b>
Support Services:				
Pupils:				
Salaries and Wages	395,524	395,524	423,531	(28,007)
Fringe Benefits	125,790	125,790	128,475	(2,685)
Purchased Services	273,695	273,696	197,546	76,150
Materials and Supplies	10,862	10,862	15,891	(5,029)
<b>Total Pupils</b>	<b>\$805,871</b>	<b>\$805,872</b>	<b>\$765,443</b>	<b>\$40,429</b>

*(continued)*

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2003*  
*(continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Instructional Staff:</b>				
Salaries and Wages	\$522,089	\$534,880	\$451,026	\$83,854
Fringe Benefits	150,918	150,918	151,951	(1,033)
Purchased Services	1,000	0	125,038	(125,038)
Materials and Supplies	50,529	50,440	41,152	9,288
Other	0	0	1,321	(1,321)
<b>Total Instructional Staff</b>	<b>724,536</b>	<b>736,238</b>	<b>770,488</b>	<b>(34,250)</b>
<b>Board of Education:</b>				
Salaries and Wages	8,000	8,000	4,960	3,040
Fringe Benefits	281	281	142	139
Purchased Services	2,000	2,000	4,282	(2,282)
Materials and Supplies	434	434	683	(249)
Other	20,000	20,000	10,555	9,445
<b>Total Board of Education</b>	<b>30,715</b>	<b>30,715</b>	<b>20,622</b>	<b>10,093</b>
<b>Administration:</b>				
Salaries and Wages	974,658	974,658	990,435	(15,777)
Fringe Benefits	343,267	343,267	353,894	(10,627)
Purchased Services	197,452	197,452	221,264	(23,812)
Materials and Supplies	43,654	19,653	19,838	(185)
Other	125,000	125,000	53,372	71,628
<b>Total Administration</b>	<b>1,684,031</b>	<b>1,660,030</b>	<b>1,638,803</b>	<b>21,227</b>
<b>Fiscal:</b>				
Salaries and Wages	175,155	175,167	178,821	(3,654)
Fringe Benefits	73,827	73,827	75,290	(1,463)
Purchased Services	14,100	14,100	36,334	(22,234)
Materials and Supplies	6,778	6,778	5,197	1,581
Other	159,160	159,160	152,004	7,156
<b>Total Fiscal</b>	<b>429,020</b>	<b>429,032</b>	<b>447,646</b>	<b>(18,614)</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries and Wages	870,097	870,097	915,074	(44,977)
Fringe Benefits	351,098	351,098	384,638	(33,540)
Purchased Services	1,095,596	1,095,595	1,062,874	32,721
Materials and Supplies	99,272	99,272	148,630	(49,358)
Capital Outlay - New	18,900	18,900	23,520	(4,620)
Other	817	817	628	189
<b>Total Operation and Maintenance of Plant</b>	<b>2,435,780</b>	<b>2,435,779</b>	<b>2,535,364</b>	<b>(99,585)</b>
<b>Pupil Transportation:</b>				
Salaries and Wages	719,235	719,235	729,531	(10,296)
Fringe Benefits	399,745	399,745	391,731	8,014
Purchased Services	193,848	193,848	166,302	27,546
Materials and Supplies	230,865	230,865	230,535	330
Capital Outlay - New	329,100	329,100	332,917	(3,817)
Other	700	700	1,010	(310)
<b>Total Pupil Transportation</b>	<b>\$1,873,493</b>	<b>\$1,873,493</b>	<b>\$1,852,026</b>	<b>\$21,467</b>

*(continued)*

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2003*  
*(continued)*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Central:				
Salaries and Wages	\$16,358	\$16,358	\$16,815	(\$457)
Fringe Benefits	2,353	2,353	2,621	(268)
Purchased Services	19,000	19,000	18,041	959
Other	25,000	25,000	47,935	(22,935)
<b>Total Central</b>	<b>62,711</b>	<b>62,711</b>	<b>85,412</b>	<b>(22,701)</b>
<b>Total Support Services</b>	<b>8,046,157</b>	<b>8,033,870</b>	<b>8,115,804</b>	<b>(81,934)</b>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	0	0	59,899	(59,899)
Fringe Benefits	500	500	4,109	(3,609)
Purchased Services	300	300	11,019	(10,719)
Materials and Supplies	2,444	2,444	2,102	342
Capital Outlay - New	0	0	12,557	(12,557)
<b>Total Academic and Subject Oriented Activities</b>	<b>3,244</b>	<b>3,244</b>	<b>89,686</b>	<b>(86,442)</b>
Sports Oriented Activities:				
Salaries and Wages	178,500	178,500	201,832	(23,332)
Fringe Benefits	15,687	15,687	31,853	(16,166)
Purchased Services	10,000	10,000	6,744	3,256
Materials and Supplies	10,000	10,000	3,744	6,256
Capital Outlay - New	0	0	4,014	(4,014)
<b>Total Sports Oriented Activities</b>	<b>214,187</b>	<b>214,187</b>	<b>248,187</b>	<b>(34,000)</b>
<b>Total Extracurricular Activities</b>	<b>217,431</b>	<b>217,431</b>	<b>337,873</b>	<b>(120,442)</b>
Capital Outlay:				
Site Improvement Services:				
Capital Outlay - New	175,879	175,879	220,477	(44,598)
Architecture and Engineering Services:				
Purchased Services	106,845	106,845	57,864	48,981
Building Acquisition and Construction Services:				
Capital Outlay - New	2,234,764	1,820,345	1,624,901	195,444
<b>Total Capital Outlay</b>	<b>\$2,517,488</b>	<b>\$2,103,069</b>	<b>\$1,903,242</b>	<b>\$199,827</b>

*(continued)*



**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2003*  
*(continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal Retirement	\$65,325	\$65,313	\$52,569	\$12,744
Interest and Fiscal Charges	1,311	1,311	21,288	(19,977)
Total Debt Service	66,636	66,624	73,857	(7,233)
<i>Total Expenditures</i>	22,936,158	22,482,993	22,309,940	173,053
Excess of Revenues Over (Under) Expenditures	(2,142,604)	(2,728,713)	(2,464,547)	264,166
<b><u>Other Financing Sources (Uses):</u></b>				
Proceeds from Sale of Notes	0	1,017,000	1,017,000	0
Proceeds from Sale of Capital Assets	0	15,000	54,202	39,202
Advances In	0	75,000	0	(75,000)
Advances Out	(75,000)	(75,000)	0	75,000
<i>Total Other Financing Sources (Uses)</i>	(75,000)	1,032,000	1,071,202	39,202
Net Change in Fund Balance	(2,217,604)	(1,696,713)	(1,393,345)	303,368
Fund Balance at Beginning of Year	3,580,453	3,580,453	3,580,453	0
Prior Year Encumbrances Appropriated	884,907	884,907	884,907	0
Fund Balance at End of Year	\$2,247,756	\$2,768,647	\$3,072,015	\$303,368

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Debt Service*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Property Taxes	439,903	\$371,629	\$505,812	\$134,183
Intergovernmental	0	68,274	63,952	(4,322)
<i>Total Revenues</i>	<u>439,903</u>	<u>439,903</u>	<u>569,764</u>	<u>129,861</u>
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Fiscal:				
Other	<u>20,100</u>	<u>20,100</u>	<u>15,967</u>	<u>4,133</u>
Total Fiscal	<u>20,100</u>	<u>20,100</u>	<u>15,967</u>	<u>4,133</u>
Debt Service:				
Principal Retirement	155,000	155,000	155,000	0
Interest and Fiscal Charges	<u>320,513</u>	<u>320,513</u>	<u>317,258</u>	<u>3,255</u>
Total Debt Service	<u>475,513</u>	<u>475,513</u>	<u>472,258</u>	<u>3,255</u>
<i>Total Expenditures</i>	<u>495,613</u>	<u>495,613</u>	<u>488,225</u>	<u>7,388</u>
Net Change in Fund Balance	(55,710)	(55,710)	81,539	137,249
Fund Balance at Beginning of Year	<u>1,082,164</u>	<u>1,082,164</u>	<u>1,082,164</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,026,454</u></u>	<u><u>\$1,026,454</u></u>	<u><u>\$1,163,703</u></u>	<u><u>\$137,249</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Western Brown Construction Project*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b><u>Revenues:</u></b>				
Interest	\$40,000	\$40,000	\$29,733	(\$10,267)
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Capital Outlay - New	1,880,000	0	1,466	(1,466)
Total Instruction	1,880,000	0	1,466	(1,466)
Support Services:				
Administration:				
Purchased Services	0	0	15,600	(15,600)
Operation and Maintenance of Plant:				
Purchased Services	0	0	3,545	(3,545)
Total Support Services	0	0	19,145	(19,145)
Capital Outlay:				
Building Acquisition and Construction Services:				
Purchased Services	57,746	57,746	21,750	35,996
Capital Outlay - New	30,775	480,775	464,548	16,227
Total Capital Outlay	88,521	538,521	486,298	52,223
<i>Total Expenditures</i>	1,968,521	538,521	506,909	31,612
Excess of Revenues Over (Under) Expenditures	(1,928,521)	(498,521)	(477,176)	21,345
<b><u>Other Financing Sources:</u></b>				
Refund of Prior Year Expenditures	0	0	43,228	43,228
Net Change in Fund Balance	(1,928,521)	(498,521)	(433,948)	64,573
Fund Balance at Beginning of Year	2,190,330	2,190,330	2,190,330	0
Prior Year Encumbrances Appropriated	88,521	88,521	88,521	0
Fund Balance at End of Year	\$350,330	\$1,780,330	\$1,844,903	\$64,573

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Thomas Stout*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Total Revenues	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Site Acquisition Services:				
Other	786	0	0	0
Net Change in Fund Balance	(786)	0	0	0
Fund Balance at Beginning of Year	786	786	786	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$786</u>	<u>\$786</u>	<u>\$0</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Uniform School Supplies*  
*For the Fiscal Year Ended June 30, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
Tuition and Fees	\$76,700	\$59,700	\$63,770	\$4,070
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Materials and Supplies	66,433	75,405	73,298	2,107
Net Change in Fund Balance	10,267	(15,705)	(9,528)	6,177
Fund Balance at Beginning of Year	104,907	104,907	104,907	0
Prior Year Encumbrances Appropriated	2,608	2,608	2,608	0
Fund Balance at End of Year	<u>\$117,782</u>	<u>\$91,810</u>	<u>\$97,987</u>	<u>\$6,177</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Extracurricular Activities	\$89,767	\$92,650	\$94,708	\$2,058
Gifts and Donations	3,391	3,500	7,178	3,678
Miscellaneous	11,142	11,500	14,704	3,204
<i>Total Revenues</i>	<u>104,300</u>	<u>107,650</u>	<u>116,590</u>	<u>8,940</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	9,383	18,983	17,440	1,543
Materials and Supplies	50,452	47,803	47,170	633
Capital Outlay - New	2,871	0	0	0
Other	21,130	6,730	6,732	(2)
Total Instruction	<u>83,836</u>	<u>73,516</u>	<u>71,342</u>	<u>2,174</u>
Support Services:				
Pupils:				
Purchased Services	490	2,090	2,059	31
Instructional Staff:				
Materials and Supplies	29,418	35,792	33,805	1,987
Administration:				
Materials and Supplies	864	304	0	304
Capital Outlay - New	4,424	424	0	424
Total Administration	<u>5,288</u>	<u>728</u>	<u>0</u>	<u>728</u>
Total Support Services	<u>35,196</u>	<u>38,610</u>	<u>35,864</u>	<u>2,746</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Materials and Supplies	238	238	275	(37)
Other	16,977	18,677	18,901	(224)
Total Extracurricular Activities	<u>17,215</u>	<u>18,915</u>	<u>19,176</u>	<u>(261)</u>
<i>Total Expenditures</i>	<u>136,247</u>	<u>131,041</u>	<u>126,382</u>	<u>4,659</u>
Net Change in Fund Balance	(31,947)	(23,391)	(9,792)	13,599
Fund Balance at Beginning of Year	64,875	64,875	64,875	0
Prior Year Encumbrances Appropriated	4,510	4,510	4,510	0
Fund Balance at End of Year	<u>\$37,438</u>	<u>\$45,994</u>	<u>\$59,593</u>	<u>\$13,599</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Other Grant*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Gifts and Donations	\$1,000	\$7,569	\$7,575	\$6
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Materials and Supplies	0	5,309	5,279	30
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	0	2,000	1,916	84
<i>Total Expenditures</i>	<u>0</u>	<u>7,309</u>	<u>7,195</u>	<u>114</u>
Net Change in Fund Balance	1,000	260	380	120
Fund Balance at Beginning of Year	<u>157</u>	<u>157</u>	<u>157</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,157</u></u>	<u><u>\$417</u></u>	<u><u>\$537</u></u>	<u><u>\$120</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Classroom Facility Maintenance*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Property Taxes	\$81,463	\$72,217	\$79,031	\$6,814
Intergovernmental	0	9,246	9,943	697
<i>Total Revenues</i>	<u>81,463</u>	<u>81,463</u>	<u>88,974</u>	<u>7,511</u>
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Fiscal:				
Other	3,400	3,400	2,494	906
Capital Outlay:				
Architecture and Engineering				
Services:				
Purchased Services	<u>28,000</u>	<u>28,000</u>	<u>28,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>31,400</u>	<u>31,400</u>	<u>30,494</u>	<u>906</u>
Net Change in Fund Balance	50,063	50,063	58,480	8,417
Fund Balance at Beginning of Year	313,236	313,236	313,236	0
Prior Year Encumbrances Appropriated	<u>28,000</u>	<u>28,000</u>	<u>28,000</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$391,299</u></u>	<u><u>\$391,299</u></u>	<u><u>\$399,716</u></u>	<u><u>\$8,417</u></u>



**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*District Managed Activity*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Extracurricular Activities	\$90,100	\$88,852	\$89,191	\$339
<b><u>Expenditures:</u></b>				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Purchased Services	41,349	43,349	39,877	3,472
Materials and Supplies	47,276	45,276	40,318	4,958
Capital Outlay - New	0	20,000	26,675	(6,675)
<i>Total Expenditures</i>	<u>88,625</u>	<u>108,625</u>	<u>106,870</u>	<u>1,755</u>
Net Change in Fund Balance	1,475	(19,773)	(17,679)	2,094
Fund Balance at Beginning of Year	26,285	26,285	26,285	0
Prior Year Encumbrances Appropriated	<u>3,880</u>	<u>3,880</u>	<u>3,880</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$31,640</u></u>	<u><u>\$10,392</u></u>	<u><u>\$12,486</u></u>	<u><u>\$2,094</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Excellence In Education*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	2,202	1,978	1,344	634
Materials and Supplies	0	224	224	0
<i>Total Expenditures</i>	2,202	2,202	1,568	634
Net Change in Fund Balance	(2,202)	(2,202)	(1,568)	634
Fund Balance at Beginning of Year	1,907	1,907	1,907	0
Prior Year Encumbrances Appropriated	295	295	295	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$634</u>	<u>\$634</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Educational Management Information Systems*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$12,300	\$12,300	\$12,350	\$50
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Administration:				
Salaries and Wages	15,000	15,000	14,013	987
Fringe Benefits	0	2,250	2,184	66
Purchased Services	0	250	178	72
Capital Outlay - New	0	6,000	5,876	124
<i>Total Expenditures</i>	<u>15,000</u>	<u>23,500</u>	<u>22,251</u>	<u>1,249</u>
Net Change in Fund Balance	(2,700)	(11,200)	(9,901)	1,299
Fund Balance at Beginning of Year	<u>34,360</u>	<u>34,360</u>	<u>34,360</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$31,660</u></u>	<u><u>\$23,160</u></u>	<u><u>\$24,459</u></u>	<u><u>\$1,299</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Disadvantaged Pupil Impact Aid*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$40,025	\$40,024	\$40,024	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	0	11,219	11,219	0
Fringe Benefits	15,025	19	118	(99)
Total Instruction	15,025	11,238	11,337	(99)
Support Services:				
Administration:				
Purchased Services	25,000	28,786	28,687	99
<i>Total Expenditures</i>	40,025	40,024	40,024	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*OneNet*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$14,000	\$14,000	\$14,000	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	0	1,019	1,164	(145)
Capital Outlay - New	20,266	19,247	17,872	1,375
<i>Total Expenditures</i>	20,266	20,266	19,036	1,230
Net Change in Fund Balance	(6,266)	(6,266)	(5,036)	1,230
Fund Balance at Beginning of Year	1,915	1,915	1,915	0
Prior Year Encumbrances Appropriated	4,351	4,351	4,351	0
Fund Balance at End of Year	\$0	\$0	\$1,230	\$1,230

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Professional Development*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$4,145	\$4,600	\$4,600	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	<u>5,340</u>	<u>9,245</u>	<u>7,393</u>	<u>1,852</u>
Net Change in Fund Balance	(1,195)	(4,645)	(2,793)	1,852
Fund Balance at Beginning of Year	3,450	3,450	3,450	0
Prior Year Encumbrances Appropriated	<u>1,195</u>	<u>1,195</u>	<u>1,195</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,450</u></u>	<u><u>\$0</u></u>	<u><u>\$1,852</u></u>	<u><u>\$1,852</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ohio Reads*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$45,000	\$49,000	\$49,000	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Special Instruction:				
Salaries and Wages	45,611	611	207	404
Materials and Supplies	2,189	47,189	12,421	34,768
Total Instruction	47,800	47,800	12,628	35,172
Support Services:				
Instructional Staff:				
Salaries and Wages	0	0	24,206	(24,206)
Purchased Services	820	820	296	524
Materials and Supplies	1,420	1,420	1,186	234
Total Instructional Staff	2,240	2,240	25,688	(23,448)
Administration:				
Purchased Services	1,053	1,053	5,138	(4,085)
Total Support Services	3,293	3,293	30,826	(27,533)
<i>Total Expenditures</i>	51,093	51,093	43,454	7,639
Net Change in Fund Balance	(6,093)	(2,093)	5,546	7,639
Fund Balance at Beginning of Year	4,050	4,050	4,050	0
Prior Year Encumbrances Appropriated	2,043	2,043	2,043	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$4,000</u>	<u>\$11,639</u>	<u>\$7,639</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Summer School*  
*For the Fiscal Year Ended June 30, 2003*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>Revenues:</u></b>				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	43,178	43,178	33,242	9,936
Net Change in Fund Balance	(43,178)	(43,178)	(33,242)	9,936
Fund Balance at Beginning of Year	43,178	43,178	43,178	0
Fund Balance at End of Year	\$0	\$0	\$9,936	\$9,936



**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Alternative School*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$72,290	\$65,263	\$65,263	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	72,290	60,838	60,838	0
Support Services:				
Administration:				
Purchased Services	0	4,425	4,202	223
<i>Total Expenditures</i>	<u>72,290</u>	<u>65,263</u>	<u>65,040</u>	<u>223</u>
Net Change in Fund Balance	0	0	223	223
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$223</u></u>	<u><u>\$223</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous State Grants*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$45,000	\$34,878	\$34,878	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	0	3,341	3,341	0
Materials and Supplies	14,495	2,328	2,246	82
Total Instruction	14,495	5,669	5,587	82
Support Services:				
Administration:				
Purchased Services	52,391	51,317	51,317	0
<i>Total Expenditures</i>	66,886	56,986	56,904	82
Net Change in Fund Balance	(21,886)	(22,108)	(22,026)	82
Fund Balance at Beginning of Year	4,222	4,222	4,222	0
Prior Year Encumbrances Appropriated	17,886	17,886	17,886	0
Fund Balance at End of Year	<u>\$222</u>	<u>\$0</u>	<u>\$82</u>	<u>\$82</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI-B*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b><u>Revenues:</u></b>				
Intergovernmental	\$217,000	\$289,911	\$289,911	\$0
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Pupils:				
Purchased Services	29,700	243,111	243,111	0
Administration:				
Salaries and Wages	222,274	71,774	62,671	9,103
Fringe Benefits	2,952	12,952	11,678	1,274
Total Administration	225,226	84,726	74,349	10,377
<i>Total Expenditures</i>	254,926	327,837	317,460	10,377
Net Change in Fund Balance	(37,926)	(37,926)	(27,549)	10,377
Fund Balance at Beginning of Year	37,926	37,926	37,926	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$10,377</u>	<u>\$10,377</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title I*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$297,000	\$355,878	\$355,878	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Special Instruction:				
Salaries and Wages	307,820	340,773	292,758	48,015
Purchased Services	0	17,800	17,800	0
Total Instruction	307,820	358,573	310,558	48,015
Support Services:				
Pupils:				
Salaries and Wages	0	2,500	2,500	0
Fringe Benefits	0	625	625	0
Purchased Services	0	5,000	5,000	0
Total Support Services	0	8,125	8,125	0
<i>Total Expenditures</i>	307,820	366,698	318,683	48,015
Net Change in Fund Balance	(10,820)	(10,820)	37,195	48,015
Fund Balance at Beginning of Year	10,820	10,820	10,820	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$48,015</u>	<u>\$48,015</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$16,904	\$14,650	\$14,650	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	0	2,527	2,527	0
Purchased Services	0	7,620	7,620	0
Materials and Supplies	0	2,217	2,217	0
Total Regular Instruction	0	12,364	12,364	0
Special Instruction:				
Salaries and Wages	21,840	5,240	5,240	0
Materials and Supplies	7,015	7,015	7,015	0
Total Special Instruction	28,855	12,255	12,255	0
Total Instruction	28,855	24,619	24,619	0
Support Services:				
Instructional Staff:				
Purchased Services	304	0	0	0
Administration:				
Purchased Services	0	2,000	2,000	0
Total Support Services	304	2,000	2,000	0
<i>Total Expenditures</i>	29,159	26,619	26,619	0
Net Change in Fund Balance	(12,255)	(11,969)	(11,969)	0
Fund Balance at Beginning of Year	5,240	5,240	5,240	0
Prior Year Encumbrances Appropriated	7,015	7,015	7,015	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$286</u>	<u>\$286</u>	<u>\$0</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Free Grant*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$13,700	\$15,868	\$15,868	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	369	10,920	8,471	2,449
Materials and Supplies	0	5,000	1,154	3,846
Total Regular Instruction	369	15,920	9,625	6,295
Special Instruction:				
Materials and Supplies	15,659	1,959	1,959	0
Total Instruction	16,028	17,879	11,584	6,295
Support Services:				
Pupils:				
Purchased Services	825	825	825	0
Administration:				
Salaries and Wages	0	317	317	0
Total Support Services	825	1,142	1,142	0
<i>Total Expenditures</i>	16,853	19,021	12,726	6,295
Net Change in Fund Balance	(3,153)	(3,153)	3,142	6,295
Fund Balance at Beginning of Year	3,153	3,153	3,153	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$6,295</u>	<u>\$6,295</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Telecommunications Act Grant*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$10,000	\$11,859	\$11,859	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Capital Outlay - New	39,184	41,043	30,683	10,360
Other	6,452	6,452	6,452	0
Total Instruction	45,636	47,495	37,135	10,360
Support Services:				
Administration:				
Purchased Services	3,126	3,126	3,226	(100)
Central:				
Materials and Supplies	0	0	5,768	(5,768)
Total Support Services	3,126	3,126	8,994	(5,868)
<i>Total Expenditures</i>	48,762	50,621	46,129	4,492
Net Change in Fund Balance	(38,762)	(38,762)	(34,270)	4,492
Fund Balance at Beginning of Year	354	354	354	0
Prior Year Encumbrances Appropriated	38,762	38,762	38,762	0
Fund Balance at End of Year	<u>\$354</u>	<u>\$354</u>	<u>\$4,846</u>	<u>\$4,492</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Continuous Improvement*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	<u>5,691</u>	<u>5,691</u>	<u>5,691</u>	<u>0</u>
Net Change in Fund Balance	(5,691)	(5,691)	(5,691)	0
Fund Balance at Beginning of Year	<u>5,691</u>	<u>5,691</u>	<u>5,691</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>



**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Reducing Class Size*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$65,600	\$141,764	\$141,764	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	81,527	94,672	94,672	0
Fringe Benefits	0	22,165	20,925	1,240
Purchased Services	0	36,626	36,626	0
Total Instruction	81,527	153,463	152,223	1,240
Support Services:				
Administration:				
Salaries and Wages	0	1,783	1,783	0
Fringe Benefits	0	445	445	0
Purchased Services	0	2,000	2,000	0
Total Support Services	0	4,228	4,228	0
<i>Total Expenditures</i>	81,527	157,691	156,451	1,240
Net Change in Fund Balance	(15,927)	(15,927)	(14,687)	1,240
Fund Balance at Beginning of Year	15,927	15,927	15,927	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$1,240</u>	<u>\$1,240</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$72,802	\$72,802	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	1,275	3,711	3,711	0
Materials and Supplies	4,177	16,579	16,579	0
Capital Outlay - New	3,273	3,273	3,273	0
Total Regular Instruction	8,725	23,563	23,563	0
Special Instruction:				
Materials and Supplies	1,460	26,485	26,485	0
Capital Outlay - New	0	30,106	30,106	0
Total Special Instruction	1,460	56,591	56,591	0
Total Instruction	10,185	80,154	80,154	0
Support Services:				
Pupils:				
Purchased Services	919	0	0	0
Instructional Staff:				
Salaries and Wages	0	5,000	5,000	0
Purchased Services	18,022	12,379	12,379	0
Total Instructional Staff	18,022	17,379	17,379	0
Administration:				
Salaries and Wages	0	500	500	0
Fringe Benefits	0	125	125	0
Purchased Services	3,811	3,500	3,500	0
Total Administration	3,811	4,125	4,125	0
Central:				
Purchased Services	0	4,683	4,683	0
Total Support Services	22,752	26,187	26,187	0
<i>Total Expenditures</i>	<u>\$32,937</u>	<u>\$106,341</u>	<u>\$106,341</u>	<u>\$0</u>

*(continued)*

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants*  
*For the Fiscal Year Ended June 30, 2003*  
*(continued)*

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Net Change in Fund Balance	(\$32,937)	(\$33,539)	(\$33,539)	\$0
Fund Balance at Beginning of Year	22,727	22,727	22,727	0
Prior Year Encumbrances Appropriated	10,909	10,909	10,909	0
Fund Balance at End of Year	<u>\$699</u>	<u>\$97</u>	<u>\$97</u>	<u>\$0</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*SchoolNet*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive
				(Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	0	0	3,180	(3,180)
Capital Outlay - New	96,735	96,735	93,555	3,180
<i>Total Expenditures</i>	<u>96,735</u>	<u>96,735</u>	<u>96,735</u>	<u>0</u>
Net Change in Fund Balance	(96,735)	(96,735)	(96,735)	0
Fund Balance at Beginning of Year	11,615	11,615	11,615	0
Prior Year Encumbrances Appropriated	85,120	85,120	85,120	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Technology Equity*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$36,080	\$36,080	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular Instruction:				
Materials and Supplies	3,358	34,170	34,170	0
Capital Outlay - New	0	5,268	5,268	0
<i>Total Expenditures</i>	<u>3,358</u>	<u>39,438</u>	<u>39,438</u>	<u>0</u>
Net Change in Fund Balance	(3,358)	(3,358)	(3,358)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>3,358</u>	<u>3,358</u>	<u>3,358</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Video Distance Learning*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	<u>0</u>	<u>8,700</u>	<u>8,700</u>	<u>0</u>
Net Change in Fund Balance	0	(8,700)	(8,700)	0
Fund Balance at Beginning of Year	<u>8,700</u>	<u>8,700</u>	<u>8,700</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$8,700</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Food Services*  
*For the Fiscal Year Ended June 30, 2003*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues:</u></b>				
Sales	\$619,285	\$602,500	\$609,331	\$6,831
Interest	6,167	6,000	2,720	(3,280)
Federal and State Subsidies	276,289	268,800	293,237	24,437
Other Revenues	39,059	38,000	15,448	(22,552)
<i>Total Revenues</i>	<u>940,800</u>	<u>915,300</u>	<u>920,736</u>	<u>5,436</u>
<b><u>Expenses:</u></b>				
Salaries	326,857	326,857	338,135	(11,278)
Fringe Benefits	169,096	191,796	182,724	9,072
Purchased Services	7,443	8,643	8,446	197
Materials and Supplies	414,564	460,564	405,926	54,638
<i>Total Expenses</i>	<u>917,960</u>	<u>987,860</u>	<u>935,231</u>	<u>52,629</u>
<i>Net Change in Fund Balance</i>	22,840	(72,560)	(14,495)	58,065
Fund Balance at Beginning of Year	<u>220,195</u>	<u>220,195</u>	<u>220,195</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$243,035</u></u>	<u><u>\$147,635</u></u>	<u><u>\$205,700</u></u>	<u><u>\$58,065</u></u>

**This Page is Intentionally Left Blank.**



# **STATISTICAL SECTION**



## Western Brown Local School District

### Statistical Section

The following statistical tables reflect economic data, financial trends and fiscal capacity of the School District.

# **WESTERN BROWN LOCAL SCHOOL DISTRICT**

## General Government Expenditures by Function (1)

Last Ten Fiscal Years

<u>Fiscal Year (2)</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
Current:					
Instruction:					
Regular	\$5,137,138	\$5,522,019	\$6,325,427	\$6,552,823	\$6,599,280
Special	973,040	1,047,777	1,107,730	1,134,055	1,179,633
Vocational	226,538	202,934	214,616	216,331	225,227
Other	27,350	60,137	61,410	36,628	53,207
Support Services:					
Pupil	336,840	391,943	456,958	522,655	516,512
Instructional Staff	340,098	349,678	469,399	521,859	534,698
Board of Education	11,073	15,787	17,090	18,951	20,193
Administration	813,746	847,147	967,303	1,043,548	1,259,446
Fiscal	213,669	209,382	259,672	270,512	314,902
Business	0	0	0	0	0
Operation and Maintenance					
of Plant	810,640	861,158	995,880	1,014,982	1,066,097
Pupil Transportation	950,406	810,864	1,016,884	934,959	1,005,717
Central	6,779	5,914	15,708	15,884	18,470
Non-Instructional Services	8,082	6,941	1,295	2,085	2,197
Extracurricular Activities	203,759	214,945	251,502	274,545	210,195
Capital Outlay	637,598	788,123	364,637	735,301	2,775,367
Debt Service	194,658	109,435	172,226	173,755	132,867
Total	<u>\$10,891,414</u>	<u>\$11,444,184</u>	<u>\$12,697,737</u>	<u>\$13,468,873</u>	<u>\$15,914,008</u>

Source: Western Brown Local School District records.

(1) Includes general, special revenue, capital projects and debt service funds.

(2) Fiscal Year 1995 is the first year reported on a GAAP basis.  
Fiscal Year 1994 is reported on a cash basis.

**TABLE 1**

1999	2000	2001	2002	2003
\$6,986,880	\$7,562,398	\$8,815,842	\$10,393,020	\$10,647,348
1,637,025	1,696,333	1,798,908	1,723,141	2,129,407
238,702	201,082	235,505	237,884	230,475
74,237	246,475	322,220	0	0
611,949	668,085	737,671	916,806	1,001,563
565,070	588,016	715,753	856,387	861,362
19,871	17,463	19,691	30,438	18,208
1,322,121	1,372,313	1,696,706	1,740,695	1,796,803
316,568	370,393	394,236	443,539	453,750
0	0	0	115	0
1,061,173	1,157,787	1,431,397	2,225,489	2,459,572
1,118,240	1,394,202	1,625,326	1,733,213	1,838,405
26,581	27,274	35,632	70,304	96,431
2,110	2,124	3,093	54,351	1,916
224,208	246,507	266,885	362,070	443,485
3,264,502	20,034,990	25,207,716	6,349,331	1,767,310
757,114	581,298	554,367	554,184	563,115
<u>\$18,226,351</u>	<u>\$36,166,740</u>	<u>\$43,860,948</u>	<u>\$27,690,967</u>	<u>\$24,309,150</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

General Government Revenues by Source (1)  
Last Ten Fiscal Years

<u>Fiscal Year (2)</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
Property Taxes	\$1,892,872	\$2,104,303	\$2,330,221	\$1,887,549	\$2,928,840
Intergovernmental	8,335,480	8,991,566	9,757,083	10,957,534	11,726,451
Interest	71,641	109,029	122,740	115,598	156,887
Tuition and Fees	16,199	13,306	6,696	5,546	10,445
Extracurricular Activities	61,668	78,969	76,774	79,458	102,754
Rent	0	220	253	60,875	102
Contributions and Donations	0	0	0	0	0
Miscellaneous	<u>31,072</u>	<u>67,706</u>	<u>27,600</u>	<u>41,783</u>	<u>116,445</u>
Total	<u>\$10,408,932</u>	<u>\$11,365,099</u>	<u>\$12,321,367</u>	<u>\$13,148,343</u>	<u>\$15,041,924</u>

Source: Western Brown Local School District records.

(1) Includes general, special revenue, capital projects and debt service funds.

(2) Fiscal Year 1995 is the first year reported on a GAAP basis.

Fiscal Year 1994 is reported on a cash basis.

**TABLE 2**

<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
\$3,372,682	\$3,391,359	\$3,717,413	\$4,045,516	\$3,699,848
20,804,415	38,529,501	30,562,605	17,688,565	17,711,280
491,425	1,042,221	1,148,868	306,638	126,630
4,921	126,643	95,952	81,376	73,402
118,572	133,836	153,313	177,630	197,649
104	0	46	0	0
0	0	24,931	58,555	49,468
<u>70,449</u>	<u>290,924</u>	<u>88,057</u>	<u>134,706</u>	<u>98,399</u>
<u><u>\$24,862,568</u></u>	<u><u>\$43,514,484</u></u>	<u><u>\$35,791,185</u></u>	<u><u>\$22,492,986</u></u>	<u><u>\$21,956,676</u></u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

Governmental Activities Expenses by Function  
Last Four Fiscal Years

<u>Fiscal Year (1)</u>	<u>2000</u>	<u>2001</u>
Current:		
Instruction:		
Regular	\$8,068,695	\$10,067,185
Special	1,719,676	1,862,292
Vocational	199,223	247,993
Other	246,475	322,220
Support Services:		
Pupil	648,298	781,023
Instructional Staff	585,093	733,883
Board of Education	17,873	19,462
Administration	1,415,779	1,818,114
Fiscal	399,413	412,367
Business	0	15,950
Operation and Maintenance of Plant	1,163,058	1,441,306
Pupil Transportation Central	1,335,397	1,473,213
Non-Instructional Services	39,941	61,637
Extracurricular Activities	2,124	3,093
Debt Service	254,892	291,069
	<u>352,057</u>	<u>341,112</u>
Total	<u>\$16,447,994</u>	<u>\$19,891,919</u>

Source: Western Brown Local School District records.

- (1) Fiscal year 2000 is the first year the District prepared full accrual statements for Governmental Activities.



**TABLE 3**

<u>2002</u>	<u>2003</u>
\$12,180,875	\$12,465,772
1,804,213	2,242,856
265,181	273,998
0	0
972,090	1,084,700
871,741	886,418
30,269	18,213
1,973,300	2,126,037
457,010	485,519
115	0
2,164,658	2,534,729
1,609,885	1,662,716
70,364	97,847
73,801	1,916
401,793	521,942
330,800	338,146
<u>\$23,206,095</u>	<u>\$24,740,809</u>

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

Governmental Activities Revenues

Last Four Fiscal Years

Fiscal Year (1)	Program Revenues		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
2000	\$260,479	\$1,798,652	\$283,058
2001	249,265	1,029,607	164,651
2002	261,506	1,828,883	187,682
2003	286,486	1,801,397	67,045

Source: Western Brown Local School District records.

- (1) Fiscal year 2000 is the first year the District prepared full accrual statements for Governmental Activities.

**TABLE 4**

General Revenues					
Property Taxes	Intergovernmental	Interest	Gain on Sale of Capital Assets	Miscellaneous	Total
\$3,499,950	\$37,191,909	\$1,042,221	\$0	\$234,698	\$44,310,967
3,795,624	13,715,161	1,148,868	0	88,103	20,191,279
3,955,468	15,421,480	306,638	0	127,206	22,088,863
3,916,058	15,899,676	126,630	53,143	82,964	22,233,399

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
Property Tax Levies and Collections - Real and Public Utility Property  
Last Ten Collection (Calendar) Years

<u>Collection Year</u>	<u>Tax Levied (1)</u>	<u>Current Tax Collection (2)</u>	<u>Percent Collected</u>	<u>Delinquent Collection</u>	<u>Total Tax Collections</u>
1994	\$1,918,854	\$1,835,991	95.68%	\$95,709	\$1,931,700
1995	2,184,071	2,080,589	95.26	147,252	2,227,841
1996	2,240,914	2,176,478	97.12	106,918	2,283,396
1997	2,366,746	2,230,989	94.26	97,492	2,328,481
1998	3,152,355	2,971,413	94.26	128,169	3,099,582
1999	3,499,080	2,994,064	85.57	192,717	3,186,781
2000	3,619,000	2,733,798	75.54	201,748	2,935,546
2001	3,996,074	2,784,616	69.68	230,414	3,015,030
2002	3,996,074	3,498,450	87.55	230,908	3,729,358
2003	4,153,755	3,620,965	87.17	226,570	3,847,535

Source: Brown County Auditor

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

**TABLE 5**

<u>Percent Of Total Collections To Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Percent of Outstanding Delinquent Taxes To Tax Levied</u>
100.67%	\$127,369	6.64%
102.00	156,928	7.19
101.90	121,315	5.41
98.38	114,227	4.83
98.33	179,904	5.71
91.07	312,299	8.93
81.11	329,691	9.11
75.45	289,171	7.24
93.33	230,908	5.78
92.63	306,220	7.37

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

Assessed and Estimated Actual Value of Taxable Property  
Last Ten Collection (Calendar) Years (1)

Collection Year	Real Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1994	\$71,972,890	\$205,636,829	\$18,968,900	\$75,875,600
1995	84,432,090	241,234,543	18,956,300	75,825,200
1996	86,287,220	246,534,914	19,790,970	79,163,880
1997	90,793,590	259,410,257	21,239,870	84,959,480
1998	109,251,850	312,148,140	19,863,940	108,307,960
1999	112,223,030	320,637,229	19,059,300	76,237,200
2000	118,254,980	337,871,758	18,815,010	75,260,040
2001	141,948,170	405,566,200	15,129,970	60,519,880
2002	148,785,410	425,101,171	11,087,420	44,349,680
2003	155,956,050	445,588,714	11,176,322	44,705,288

Source: Brown County Auditor

- (1) Brown County Auditor property tax records are maintained on a calendar year basis.
- (2) Ratio represents total assessed value/total estimated actual value.

**TABLE 6**

<u>Public Utilities Property</u>		<u>Total</u>		
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio (2)</u>
\$5,120,020	\$6,400,025	\$96,061,810	\$287,912,454	33.36%
5,815,190	7,268,988	109,203,580	324,328,730	33.67
5,967,480	7,459,350	112,045,670	333,158,144	33.63
6,304,190	7,880,238	118,337,650	352,249,975	33.59
7,262,630	9,078,288	136,378,420	420,518,080	32.43
7,389,800	9,237,250	138,672,130	406,111,679	34.15
7,713,000	9,641,250	144,782,990	443,831,366	32.62
8,829,875	11,037,344	165,908,015	477,123,424	34.77
7,851,920	9,814,900	167,724,750	479,265,751	35.00
8,142,990	10,178,738	175,275,362	500,472,740	35.02

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

Property Tax Rates (Per \$1,000 of Assessed Valuation)  
Direct and Overlapping Governments  
Last Ten Collection (Calendar) Years

<u>Collection Year</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
Western Brown Local School District	\$20.00	\$20.00	\$20.00	\$20.00	\$25.20
Brown County	7.00	5.80	5.80	5.80	5.80
Village of Mt. Orab	9.10	9.10	9.10	9.10	9.10
Southern Hills Joint Vocational School	5.90	5.80	5.80	5.80	5.80
Green Township	3.00	3.00	3.00	3.50	3.50
Pike Township	3.50	3.50	3.50	3.50	3.50
Sterling Township	5.50	5.50	5.50	5.50	5.50
Clark Township	3.60	3.60	3.60	4.10	4.10
Lewis Township	3.70	3.10	3.10	3.10	3.10
Scott Township	3.30	3.30	3.30	3.30	3.30

Source: Brown County Auditor



**TABLE 7**

<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
\$25.20	\$25.20	\$25.20	\$23.70	\$23.70
5.80	5.80	5.80	5.80	5.80
9.10	9.10	9.10	9.10	9.10
5.80	5.80	5.80	5.80	5.80
3.50	3.50	3.50	4.50	4.50
3.50	3.50	3.50	4.50	4.50
5.50	5.50	5.50	6.50	6.50
4.10	4.60	4.60	4.60	4.60
3.10	3.25	3.25	3.25	3.25
3.30	3.30	3.30	3.30	4.00

**TABLE 8****WESTERN BROWN LOCAL SCHOOL DISTRICT**

Ratio of Net General Bonded Debt to Assessed Value  
 And Net Bonded Debt per Capita  
 Last Ten Fiscal Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Assessed Value (2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Less Debt Service Fund (4)</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt To Assessed Value (%)</u>	<u>Net Bonded Debt Per Capita</u>
1994	11,662	\$96,061,810	\$0	\$20,273	\$0	0.00%	\$0
1995	11,662	109,203,580	334,000	20,561	313,439	0.29	27
1996	11,662	112,045,670	287,600	35,231	252,369	0.23	22
1997	11,662	118,337,650	241,200	6,880	234,320	0.20	20
1998	11,662	136,378,420	7,474,400	411,601	7,062,799	5.18	606
1999	11,662	138,672,130	7,120,400	473,360	6,647,040	4.79	570
2000	16,482	144,782,990	6,931,000	700,415	6,230,585	4.30	378
2001	16,482	165,908,015	6,676,000	990,387	5,685,613	3.43	345
2002	16,482	167,724,750	6,508,000	1,187,762	5,320,238	3.17	323
2003	16,482	175,275,362	6,330,000	1,263,046	5,066,954	2.89	307

(1) Source: 1994 through 1999 population data from 1990 U.S. census.  
 After 1999, population data is from U.S. census estimates.

(2) Source: Brown County Auditor, calendar year basis.

(3) Excludes Energy Conservation Notes and Bonds

(4) Fiscal Year 1995 is the first year reported on GAAP basis.  
 Fiscal Year 1994 is reported on a cash basis.

**TABLE 9****WESTERN BROWN LOCAL SCHOOL DISTRICT**

## Computation of Legal Debt Margin

June 30, 2003

Assessed Valuation of District		<u>\$175,275,362</u>
<hr/>		
Overall Direct Debt Limitation		
Direct debt limitation		
9% of assessed valuation (1)		\$15,774,783
Amount available in Debt Service Fund		1,263,046
Gross indebtedness	6,372,000	
Less Exempt Debt:		
Energy Conservation Bonds	<u>(42,000)</u>	
Net indebtedness		<u>(6,330,000)</u>
Legal debt margin within 9% limitation		<u>\$10,707,829</u>
<hr/>		
Energy Conservation Debt Limitation		
Debt limitation		
0.9% of assessed valuation (1)		\$1,577,478
Net debt within 0.9% limitation		<u>(42,000)</u>
Energy Conservation Debt Margin		<u>\$1,535,478</u>
<hr/>		
Unvoted Direct Debt Limitation		
0.1% of assessed valuation (1)		\$175,275
Gross indebtedness	42,000	
Less Exempt Debt:		
Energy Conservation Bonds	<u>(42,000)</u>	
Net indebtedness		<u>0</u>
Legal debt margin within 0.1% limitation		<u>\$175,275</u>

Source: Western Brown Local School District records.

- (1) Ohio Bond Law sets a limit of 9% for overall debt, 0.9% for Energy Conservation measures and 1/10 of 1% for unvoted debt.

**TABLE 10****WESTERN BROWN LOCAL SCHOOL DISTRICT**

Computation of Direct and Overlapping Debt

June 30, 2003

Governmental Unit	Gross General Obligation Bonds (1)	Percent Applicable to District	Amount Applicable to District
Direct:			
Western Brown Local School District	\$6,330,000	100.00%	\$6,330,000
Overlapping:			
Brown County	2,400,000	34.50	828,000
Total direct and overlapping debt	\$8,730,000		\$7,158,000

Source: Ohio Municipal Advisory Council

(1) Only reflects bonded debt. (Excludes Energy Conservation Bonds.)

**TABLE 11**

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
 Ratio of Annual Debt Service Expenditures  
 For General Bonded Debt to Total General Government Expenditures  
 Last Ten Fiscal Years

<u>Fiscal Year (1)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Government Expenditures</u>	<u>Ratio of Debt Service to General Expenditures (%)</u>
1994	\$30,938	\$469	\$31,407	\$10,891,414	0.29%
1995	0	0	0	11,444,184	0.00
1996	46,400	25,810	72,210	12,697,737	0.57
1997	46,400	21,414	67,814	13,468,873	0.50
1998	46,400	13,102	59,502	15,914,008	0.37
1999	354,000	348,183	702,183	18,226,351	3.85
2000	189,400	351,302	540,702	36,166,740	1.50
2001	153,000	332,473	485,473	43,860,948	1.11
2002	168,000	325,487	493,487	27,690,967	1.78
2003	178,000	317,258	495,258	24,309,150	2.04

Source: Western Brown Local School District records.

- (1) Fiscal Year 1995 is the first year reported on a GAAP basis.  
 Fiscal Year 1994 is reported on a cash basis.

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

Demographic Statistics  
Last Ten Calendar Years

<u>Year</u>	<u>Brown County Population (1)</u>	<u>Population of District (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate Brown County (3)</u>	<u>Unemployment Rate State of Ohio (3)</u>	<u>Unemployment Rate U.S.A. (3)</u>
1994	34,966	11,662	3,041	6.10%	5.50%	6.10%
1995	34,966	11,662	3,128	5.90	4.80	5.60
1996	34,966	11,662	3,125	6.10	4.90	4.90
1997	34,966	11,662	3,209	4.50	4.10	4.70
1998	34,966	11,662	3,219	5.50	4.50	4.70
1999	34,966	11,662	3,312	5.30	4.60	4.30
2000	41,576	16,482	3,381	5.90	4.20	4.20
2001	41,576	16,482	3,287	5.50	4.10	4.90
2002	41,576	16,482	3,335	7.20	5.50	5.70
2003	41,576	16,482	3,356	6.20	5.80	6.10

Sources: (1) 1994 through 1999 population data from 1990 U.S. census  
After 1999, population data is from the 2000 U.S. census

(2) Western Brown Local School District Records

(3) Ohio Department of Jobs and Family Services

**TABLE 13**

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
 Contruction, Bank Deposits and Property Values  
 Last Ten Calendar Years

<u>Year</u>	<u>Construction (1)</u>	<u>County Bank Deposits (2) (in thousands)</u>	<u>Property Values (3)</u>
1994	\$4,068,000	\$81,170	\$71,972,890
1995	2,456,000	86,564	84,432,090
1996	2,309,638	96,410	86,287,220
1997	2,625,011	79,345	90,793,590
1998	3,096,410	87,654	109,251,850
1999	2,632,391	87,294	112,223,030
2000	4,897,529	93,527	118,254,980
2001	N/A	107,946	141,948,170
2002	N/A	128,145	148,785,410
2003	N/A	N/A	155,956,050

- Sources:
- (1) 1994-1996 data from Building Permit Survey, prepared by the Bureau of Census  
 1997-2000 data from Bureau of Census World Wide Web site  
 2001-2003 construction deposits was unavailable
  - (2) Federal Reserve Bank of Cleveland  
 2003 county bank deposits was unavailable
  - (3) Brown County Auditor, calendar year basis - assessed value of real property only.

**TABLE 14*****WESTERN BROWN LOCAL SCHOOL DISTRICT***Top Ten Principal Taxpayers  
Real Property

Name of Taxpayer	Assessed Valuation	% of Total Assessed Valuation
Kroger Limited Partnership	\$4,892,400	3.14%
Cincinnati Milacron	4,047,600	2.60%
Trinity Industries	3,974,114	2.55%
Ava Jo Bohl	1,537,857	0.99%
BHM Enterprises	1,423,342	0.91%
Howard Meeker L & F	1,254,742	0.80%
Countrytyme Lebanon	1,208,600	0.77%
Scottwood Commons	1,143,800	0.73%
Lake Grant Ltd	1,092,142	0.70%
N A L Company	1,072,171	0.69%
Total Principal Taxpayers	\$21,646,768	13.88%
Total School District Real Property Assessed Value	\$155,956,050	100.00%

Source: Brown County Auditor.



**TABLE 15*****WESTERN BROWN LOCAL SCHOOL DISTRICT***

Miscellaneous Statistical Data

June 30, 2003

Original Charter:	July 19, 1971
Form of Government:	Public School District
Area of District:	141 square miles
Number of Miles Traveled by Transportation Fleet for the Fiscal 2003 School Year:	465,660

<u>School</u>	<u>Grade Levels</u>	<u>Enrollment</u>
Hamersville Elementary	K - 8	824
Mt. Orab Elementary	Pre K - 4	884
Mt. Orab Middle School	5 - 8	693
Western Brown High School	9 - 12	955
Total		<u><u>3,356</u></u>

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor	34	18.50 %
Bachelor +150	50	26.00
Masters	27	17.00
Masters +15 or more	96	38.50
Total	<u><u>207</u></u>	<u><u>100.00 %</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	66	32.00 %
6 - 10	33	16.00
11 - 15	22	11.00
16 - 20	33	16.00
21 - 25	16	7.00
26 and over	37	18.00
Total	<u><u>207</u></u>	<u><u>100.00 %</u></u>

Source: Western Brown Local School District records.

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

Enrollment  
Last Ten Fiscal Years

<u>Year</u>	<u>K</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
1994	240	240	245	276	236	237	247	256
1995	253	279	224	247	281	238	244	263
1996	246	290	250	242	249	249	237	252
1997	246	296	257	251	243	237	272	250
1998	250	288	256	256	273	236	245	276
1999	317	244	268	263	280	256	254	250
2000	255	323	253	281	274	289	265	259
2001	239	278	298	256	267	269	271	270
2002	197	271	288	303	250	271	276	269
2003	226	212	270	284	311	258	280	287

Source: Western Brown Local School District records.

**TABLE 16**

<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>Total</u>
246	243	235	189	151	3,041
227	233	244	218	177	3,128
246	240	225	211	188	3,125
233	258	232	209	225	3,209
249	223	245	232	190	3,219
287	240	213	232	208	3,312
264	277	231	194	216	3,381
237	252	268	209	173	3,287
261	251	249	256	193	3,335
271	255	240	230	232	3,356

**TABLE 17*****WESTERN BROWN LOCAL SCHOOL DISTRICT***Per Pupil Cost  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Western Brown Local All Funds</u>	<u>State Average</u>	<u>Difference + (-)</u>
1994	\$4,201	\$5,043	(\$842)
1995	4,098	5,218	(1,120)
1996	4,429	5,545	(1,116)
1997	4,483	5,932	(1,449)
1998	6,905	6,281	624
1999	4,883	6,800	(1,917)
2000	5,031	7,235	(2,204)
2001	5,862	7,578	(1,716)
2002	6,474	8,054	(1,580)
2003	6,622	8,073	(1,451)

Source: Western Brown Local School District records.

**TABLE 18****WESTERN BROWN LOCAL SCHOOL DISTRICT**

Comparative Statistical Data

June 30, 2003

	Western Brown Local Schools	State
Expenditure Per Pupil (all funds)	\$6,622	\$8,073
H.S. Graduation Rate	84.1%	83.9%
Student Attendance Rate	94.9%	94.5%
<u>Proficiency Tests: Percentage of Students Who Passed</u>		
Grade 4: Math	40.4%	58.6%
Reading	48.5%	66.3%
Writing	65.6%	78.3%
Citizenship	43.2%	60.9%
Science	48.3%	58.9%
Grade 6: Math	38.3%	69.9%
Reading	55.6%	65.0%
Writing	81.1%	85.8%
Citizenship	65.9%	69.9%
Science	59.2%	65.8%
Grade 9: Math	70.7%	81.2%
Reading	89.6%	86.9%
Writing	86.6%	88.2%
Citizenship	84.1%	81.2%
Science	72.8%	74.8%
<u>Student Demographics: Racial Ethnic Data Percentages</u>		
White	99.4%	
Black	0.3%	
Hispanic	0.1%	
Asian	0.1%	
American Indian, Alaskan	0.0%	
Multi-Racial	0.1%	

Source: Ohio Department of Education, EMIS District Profile

THIS PAGE INTENTIONALLY LEFT BLANK



**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

**BROWN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 15, 2004**