



**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2010



Dave Yost • Auditor of State

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

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**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2010**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Disbursements
<u>U.S. DEPARTMENT OF Agriculture</u>				
<i>Passed Through Ohio Department of Education</i>				
Nutrition Cluster:				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program		10.555	\$40,435	\$40,435
Cash Assistance				
School Breakfast Program		10.553	39,150	39,150
National School Lunch Program		10.555	230,216	230,216
Special Milk Program for Children		10.556	658	658
Total Nutrition Cluster			<u>310,459</u>	<u>310,459</u>
Total U.S. Department of Agriculture			<u>310,459</u>	<u>310,459</u>
<u>U.S. DEPARTMENT OF Education</u>				
<i>Passed Through Ohio Department of Education</i>				
Special Education Cluster:				
Special Education_Grants to States Program		84.027	483,786	496,087
Special Education_Preschool Grants		84.173	10,532	10,532
ARRA - Special Education_Grants to States Program		84.391	534,361	504,795
ARRA - Special Education_Preschool Grants		84.392	19,413	19,413
Total Special Education Cluster			<u>1,048,092</u>	<u>1,030,828</u>
Title I Cluster:				
Title I Grants to Local Education Agencies Program		84.010	222,554	224,020
ARRA - Title I Grants to Local Educational Agencies		84.389	49,291	50,440
Total Title I Grants Cluster			<u>271,844</u>	<u>274,460</u>
Safe and Drug-Free Schools and Communities				
State Grants Program		84.186	5,908	5,908
Education Technology State Grants Program				
		84.318	2,233	645
Improving Teacher Quality State Grants Program				
		84.367	78,512	67,096
ARRA - State Fiscal Stabilization Fund				
		84.394	308,609	268,149
Total U.S. Department of Education			<u>1,715,199</u>	<u>1,647,085</u>
Total			<u>\$2,025,658</u>	<u>\$1,957,544</u>

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

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the Big Walnut Local School District's (the District's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

NOTE C – FOOD DONATION PROGRAM

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Big Walnut Local School District
Delaware County
PO Box 218
70 N. Walnut St.
Galena, OH 43021

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Big Walnut Local School District, Delaware County, Ohio, (the District) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 22, 2011. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Government's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2010-01.

We also noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated February 22, 2011.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of management, audit committee, the Board of Education, and federal awarding agencies and pass-through entities, and others within the District. We intend it for no one other than these specified parties.



Robert R. Hinkle, CPA
Chief Deputy Auditor

February 22, 2011



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, AND ON THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE

Big Walnut Local School District
Delaware County
PO Box 218
70 N. Walnut Street
Galena, Ohio 43021

To the Board of Education:

Compliance

We have audited the compliance of Big Walnut Local School District, Delaware 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 could directly and materially affect each of Big Walnut Local School District's major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. 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 included in the Comptroller General of the United States' *Government Auditing Standards*; 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 reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe 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 Big Walnut Local School District, Delaware County, Ohio, complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the 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 directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

We also noted a matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated February 22, 2011.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Big Walnut Local School District, Delaware County, Ohio (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated February 22, 2011. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Robert R. Hinkle, CPA
Chief Deputy Auditor

February 22, 2011

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Title VI-B Special Education (IDEA B): CFDA # 84.027, 84.391 Nutrition Cluster: CFDA # 10.553, 10.555, 10.556
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2010
(Continued)**

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

FINDING NUMBER 2010-01

Expenditures Exceeding Appropriations - Material Noncompliance

Ohio Revised Code § 5705.41(B) prohibits a subdivision or taxing unit from expending money unless it has been appropriated. The legal level of budgetary control for the School District is the fund level, and the level at which the Board of Education adopts the original appropriation measure.

Budgetary expenditures exceeded appropriations for the year ended June 30, 2010 at the fund level as follows:

<u>Fund</u>	<u>Fund Name</u>	<u>Appropriation Amount</u>	<u>Total Expenditures</u>	<u>Variance</u>
002	Bond Retirement	\$2,985,544	\$4,493,603	(\$1,508,059)

Failure to have adequate appropriation authority in place at the time of expenditure may result in expenditures exceeding available resources, and can result in deficit spending.

The Treasurer should not certify the availability of funds and should deny payment requests exceeding appropriations. The Treasurer may request the Board of Education to approve increased expenditure levels by increasing appropriations and amending estimated resources, if necessary

Officials' Response:

We have procedures in place that would allow the Treasurer to periodically review expenditures in order to determine whether appropriation adjustments are necessary; however, during the 2010 fiscal year the district employed three different treasurers who were not equally familiar with district's specific practices causing these variances to occur.

The most significant variance occurred as a result of issuing new bonds in the amount of \$20 million dollars in December 2009. The related debt service for this bond issue was not originally appropriated in October 2009 and should have been appropriated upon issuance in December 2009. However, the transition of leadership from a new treasurer, to an interim treasurer to another new treasurer contributed to the oversight of not posting an appropriation adjustment.

The necessary tax dollars required to service the debt were collected by the county auditor while due to a clerical oversight the budget allocation simply had not been adjusted in the Uniform School Accounting System. We do not expect this type of oversight to be repeated in the future.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None.

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2010**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2009-001	Material Noncompliance – Ohio Rev. Code 5705.41(D) – Prior Certification	Yes	

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2010**

**INTRODUCTORY
SECTION**

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BIG WALNUT LOCAL SCHOOL DISTRICT DELAWARE COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2010

Prepared By:

Treasurer's Office

Felicia Drummey, Treasurer

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BIG WALNUT LOCAL SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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BIG WALNUT LOCAL SCHOOL DISTRICT

70 N. Walnut Street • Galena, OH 43021 • 740.965.3010 • (fax) 740.965.4688

February 22, 2011

To the Citizens and
Board of Education of the
Big Walnut Local School District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Big Walnut Local School District for the fiscal year ended June 30, 2010. This Comprehensive Annual Financial Report contains financial statements, supplemental statements, and statistical information conforming with generally accepted accounting principles as applicable to governmental entities. It provides complete and full disclosure of all material financial aspects of the School District.

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires preparing financial statements in accordance with generally accepted accounting principles and Ohio Revised Code Section 117.38, which requires the School District to file an unaudited annual report with the Auditor of State within one hundred fifty days of fiscal year end. The School District was granted an extension of this filing requirement for the fiscal year ended June 30, 2010.

School District management assumes full responsibility for the completeness and reliability of the information contained in this report based on a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Accountants' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The Auditor of the State of Ohio has issued an unqualified opinion on Big Walnut Local School District's financial statements for the fiscal year ended June 30, 2010. The Independent Accountants' Report is located at the front of the financial section of this report.

Profile of the School District

Big Walnut Local School District is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state and federal guidelines.

The School District was established in 1951. The School District is the 160th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by one hundred twenty-four classified employees, one hundred eighty-seven certified employees (one hundred seventy-nine teachers and eight others) and seventeen administrative employees who provide services to 2,979 students and other community members. The School District currently operates three elementary schools, a middle school, and a high school.

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board of Education of the School District.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board of Education for all financial operations, investments, and custody of all School District funds and assets. The Treasurer also serves as Secretary to the Board of Education.

Annually, the School District approves a temporary budget prior to the start of the fiscal year and a permanent budget before October 1st. The annual budget serves as the foundation of the School District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

Local Economy

The School District encompasses one hundred ten square miles in Delaware County, in central Ohio. The County is located approximately ten miles north of Columbus, the State capital. This central location is strategically positioned for the future development of business and industry.

Delaware County is a suburban community in central Ohio with a relatively low unemployment rate. The unemployment rate for December 2010 of 6.4 percent was the lowest in Ohio. The July 1, 2009, estimated population of Delaware County, according to the U.S. Census, was 168,708. Delaware County remains the fastest growing county in Ohio.

Long-Term Financial Planning

The School District has four bargaining units. Current contracts with the Big Walnut Education Association, the Big Walnut Professional Support Staff, and the OAPSE Local 524 provides for a 3 percent base salary increase for fiscal years 2010 and 2011. The Ohio Education Association has agreed to a freeze on the base for fiscal year 2012, thereby extending the contract to June 30, 2012. The administrative staff has received no increase in compensation for fiscal years 2010 and 2011. The current two-year contract with the OAPSE Local 696 provides for 2 percent increases annually and is scheduled to expire on June 30, 2011.

During fiscal year 2011, the School District will benefit from the collection of revenue on the Sunbury Meadows Community Development Authority. The Community Development Authority is an additional 4 mill charge levied upon new construction within the Authority. The charge will continue for twenty years from the date of first collection. Projected revenue for fiscal year 2011 is \$13,700.

At least semi-annually, the Board of Education approves a five-year financial forecast. The current five-year forecast illustrates that expenses are predicted to outpace revenues for all five years without the addition of revenue. After two failed attempts, the Board of Education was successful in passing a five-year 7.5 mill emergency levy in November 2010 that will generate approximately \$4,900,000 annually. Collections began in January 2011. The first distribution is expected in March 2011 for approximately half of the annual amount.

Relevant Financial Policies

In an effort to move toward program-based budgeting, the School District has adopted a modified zero-based budgeting approach, replacing the past practice of incremental or formula budgeting. Pure zero-based budgeting calls for administrators and principals to evaluate their needs anew each year and to make budget requests by answering the question “What do I need to achieve desired results”? While School District needs will always exceed available resources, the most critical needs to achieve results are funded. Expenditure levels are still monitored on a per pupil basis to achieve equity among buildings.

Another issue the School District is encountering is House Bill 66. In June 2005, House Bill 66 was signed and put into law. This bill phases out the tangible personal property tax for school districts. This may affect future planning of the School District’s budget because the School District could lose in excess of \$3 million of its General Fund budget in fiscal years 2014 through 2019 if State reimbursement for the loss of this tax is not continued. This reimbursement is due to begin phasing out in 2013.

Major Initiatives

The School District achieved a rating of Excellent on the State Report Card. This was the 5th year in a row that the School District has received an excellent rating from the Ohio Department of Education. The School District has also established a Development Committee to study current facilities, improve enrollment projections, and to make recommendations on the future facility needs of the School District.

The Development Committee studied student enrollment and current facilities during fiscal year 2008. Based on recommendations of the Development Committee, the Board of Education placed a 2.9 mill, \$30 million bond levy on the November 2008 ballot which was approved by the voters. The successful passage allowed the School District to open General Rosecrans Elementary school in the fall of 2010 and a new middle school will open in the fall of 2011. The School District’s current middle school will then be used to house grades 5 and 6. This building initiative will allow the School District to deal with growth projected in the next five years. Given the slowed economic development, construction of new homes has stalled as well as enrollment resulting in budget constraints that required Harrison Street Elementary School to be temporarily closed in the fall of 2010.

Awards and Acknowledgements

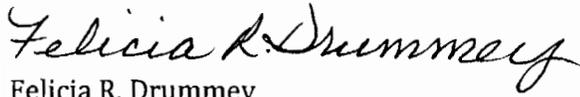
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Big Walnut Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. The Certificate 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, a government 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. We believe our current report continues to conform to the Certificate of Achievement requirements and we are submitting it to the GFOA for consideration.

Sincere gratitude goes to the Big Walnut Board of Education, Diana Butts, James Hildreth, Allison Fagan, Pam Lillie, and Verna Hines where the commitment to excellence begins, for their support in granting funds for this project. Special acknowledgment is extended to the Auditor of State's Local Government Services Section as well as the staff of the Treasurer's Office for their efforts and contributions in the preparation of this Comprehensive Annual Financial Report.

Respectfully submitted,



Felicia R. Drummey
Treasurer



Steve Mazzi
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Big Walnut Local School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

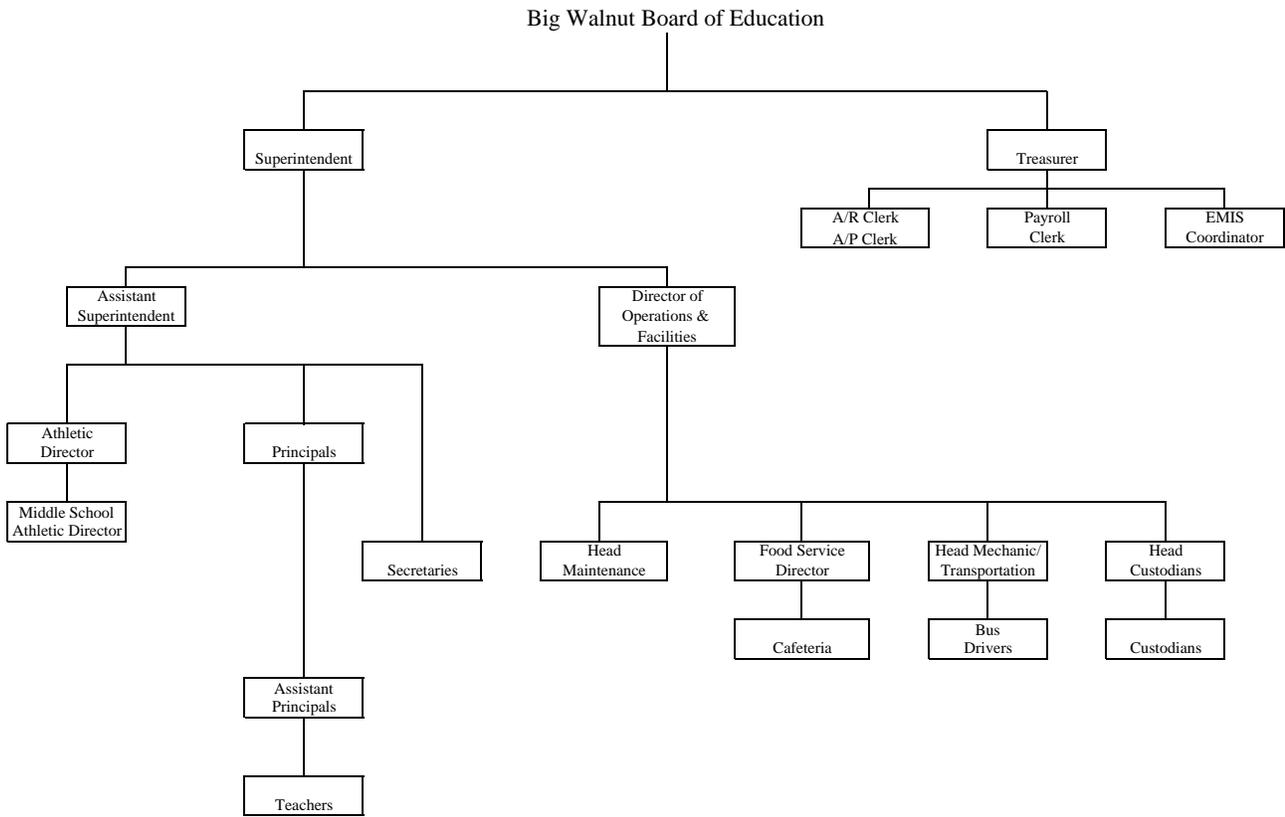
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

BIG WALNUT LOCAL SCHOOL DISTRICT ORGANIZATIONAL CHART



BIG WALNUT LOCAL SCHOOL DISTRICT

PRINCIPAL OFFICIALS

JUNE 30, 2010

ELECTED OFFICIALS

President, Board of Education Diana Butts
Vice President, Board of Education..... James Hildreth
Board Member Allison Fagan
Board Member Pamula Lillie
Board Member Verna Hines

APPOINTED OFFICIALS

Superintendent Steve Mazzi
Treasurer Felicia Drummey

ADMINISTRATIVE STAFF

Assistant Superintendent..... Gary Barber
Director of Operations and Facilities..... James Szabo
Principal, High School..... Steve Fujii
Assistant Principal, High School Brad Felkey
Assistant Principal, High School Penny Sturtevant
Principal, Middle School Angie Pollock
Assistant Principal, Middle School..... Jay Walker
Principal, Big Walnut Elementary Peggy McMurry
Principal, Harrison Street Elementary Lynn Kaszynski
Principal, Hylan Souders Elementary Joe Jude
Athletic Director Steve Glesenkamp
Special Education Director Karen Hall
Curriculum Director..... Patricia Martell
Technology Coordinator Wayne Thompson

**FINANCIAL
SECTION**



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Big Walnut Local School District
Delaware County
PO Box 218
70 N. Walnut Street
Galena, Ohio 43021

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Big Walnut Local School District, Delaware County, Ohio (the District), as of and for the year ended June 30, 2010, 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 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, each major fund, and the aggregate remaining fund information of Big Walnut Local School District, Delaware County, Ohio, as of June 30 2010, and the respective changes in financial position thereof and the 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 February 22, 2011, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include Management's discussion and analysis, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provides additional analysis and is not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules is management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Robert R. Hinkle, CPA
Chief Deputy Auditor

February 22, 2011

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

The discussion and analysis of Big Walnut Local School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. 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 basic financial statements and notes to enhance their understanding of the School District's financial performance.

Highlights

Highlights for fiscal year 2010 are as follows:

In total, net assets increased \$860,084, or 11 percent from the prior fiscal year. This increase can largely be attributed to an increase in property tax revenue (due to new construction and a full year of collection on the new bond levy) and additional grant resources obtained through the American Recovery and Reinvestment Act.

General revenues were \$28,586,593, or 89 percent of total revenues, and reflect the School District's substantial dependence on local taxes and State funding.

The School District's five-year forecast, approved by the Board of Education at least semi-annually, illustrates that expenses are predicted to outpace revenues for fiscal years 2012 through 2015, with a deficit General Fund fund balance projected again for fiscal year 2015.

During fiscal year 2010, the School District issued \$20 million in general obligation bonds for constructing, renovating, and improving the School District's facilities. In addition, the School District issued approximately \$1 million in general obligation refunding bonds to retire bonds previously issued in fiscal year 1998.

On November 2, 2010, the voters of the School District approved a 7.5 mill emergency levy for a period of five years. The levy is anticipated to generate approximately \$4.9 million annually. Collections on the levy began in January 2011.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand Big Walnut Local School District as a financial whole, or as an entire operating entity.

The statement of net assets and the 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 a greater 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 most significant funds, with all other nonmajor funds presented in total in a single column. For Big Walnut Local School District, the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund are the most significant funds.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

Reporting the School District as a Whole

The statement of net assets and the statement of activities reflect how the School District did financially during fiscal year 2010. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

These 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 whether the financial position of the School District as a whole has increased or decreased from the prior fiscal year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Nonfinancial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the statement of net assets and the statement of activities, all of the School District activities are reported as governmental activities, including instruction, support services, non-instructional services, and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund financial statements provide detailed information about the School District's major funds. While the School District uses many funds to account for its financial transactions, the fund financial statements focus on the School District's most significant funds. The School District's major funds are the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund.

Governmental Funds - All of the School District's programs are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year end for spending in future periods. These funds are reported using 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 less financial resources that can be spent in the near future to finance educational programs.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

The School District as a Whole

Table 1 provides a summary of the School District's net assets for fiscal year 2010 and fiscal year 2009:

	Table 1 Net Assets		
	2010	Governmental Activities 2009	Change
<u>Assets</u>			
Current and Other Assets	\$40,129,764	\$30,597,696	\$9,532,068
Capital Assets, Net	36,275,006	25,440,462	10,834,544
Total Assets	<u>76,404,770</u>	<u>56,038,158</u>	<u>20,366,612</u>
<u>Liabilities</u>			
Current and Other Liabilities	18,852,408	17,702,136	(1,150,272)
Long-Term Liabilities	48,704,474	30,348,218	(18,356,256)
Total Liabilities	<u>67,556,882</u>	<u>48,050,354</u>	<u>(19,506,528)</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	9,138,600	8,781,299	357,301
Restricted	2,564,286	2,146,043	418,243
Unrestricted (Deficit)	(2,854,998)	(2,939,538)	84,540
Total Net Assets	<u>\$8,847,888</u>	<u>\$7,987,804</u>	<u>\$860,084</u>

A review of the above table demonstrates several significant changes from the prior fiscal year. During fiscal year 2010, the School District issued \$20 million in general obligation bonds for facilities improvements (this was part of an overall \$30 million bond issue - \$10 million issued in fiscal year 2009). The increase in long-term liabilities reflects this additional debt obligation. A portion of these proceeds remained unspent as of fiscal year end which contributed to the increase in current and other assets (cash and cash equivalents). Ongoing construction during the fiscal year is reflected in the increases in both net capital assets as well as current and other liabilities (outstanding contract and retainage amounts not yet paid as of fiscal year end). Also, the School District received additional grant resources in fiscal year 2010 as a result of the American Recovery and Reinvestment Act. These resources also contributed to the increase in current and other assets and to the increase in restricted net assets.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

Table 2 reflects the change in net assets for fiscal year 2010 and fiscal year 2009.

Table 2
Change in Net Assets

	Governmental Activities		Change
	2010	2009	
<u>Revenues</u>			
Program Revenues			
Charges for Services	\$1,181,433	\$1,387,042	(\$205,609)
Operating Grants, Contributions, and Interest	2,222,925	1,338,135	884,790
Capital Grants and Contributions	0	19,360	(19,360)
Total Program Revenues	<u>3,404,358</u>	<u>2,744,537</u>	<u>659,821</u>
General Revenues			
Property Taxes Levied for General Purposes	12,632,397	11,433,389	1,199,008
Property Taxes Levied for Debt Service Purposes	3,017,525	2,649,715	367,810
Income Taxes Levied for General Purposes	4,418,135	4,346,558	71,577
Grants and Entitlements	7,851,550	7,350,791	500,759
Interest	102,607	286,958	(184,351)
Gifts and Donations	150,323	28,643	121,680
Miscellaneous	414,056	158,125	255,931
Total General Revenues	<u>28,586,593</u>	<u>26,254,179</u>	<u>2,332,414</u>
Total Revenues	<u>31,990,951</u>	<u>28,998,716</u>	<u>2,992,235</u>
<u>Expenses</u>			
Instruction			
Regular	13,227,046	12,618,709	(608,337)
Special	2,410,093	3,749,804	1,339,711
Vocational	308,959	368,712	59,753
Support Services			
Pupils	1,428,226	1,236,627	(191,599)
Instructional Staff	1,830,485	1,215,386	(615,099)
Board of Education	132,398	236,519	104,121
Administration	2,624,405	2,560,097	(64,308)
Fiscal	829,078	895,813	66,735
Business	257,499	281,761	24,262
Operation and Maintenance of Plant	2,181,680	2,197,437	15,757
Pupil Transportation	2,035,825	1,925,545	(110,280)
Central	13,076	29,416	16,340
Non-Instructional Services	1,202,563	1,161,952	(40,611)
Extracurricular Activities	715,823	776,510	60,687
Interest and Fiscal Charges	1,933,711	1,117,813	(815,898)
Total Expenses	<u>31,130,867</u>	<u>30,372,101</u>	<u>(758,766)</u>
Increase (Decrease) in Net Assets	860,084	(1,373,385)	2,233,469
Net Assets Beginning of Year	<u>7,987,804</u>	<u>9,361,189</u>	<u>(1,373,385)</u>
Net Assets End of Year	<u>\$8,847,888</u>	<u>\$7,987,804</u>	<u>\$860,084</u>

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

Program revenues, which are primarily represented by tuition and fees, charges for extracurricular activities, food service sales, and restricted intergovernmental revenues, represented almost 11 percent of total revenues for fiscal year 2010, somewhat greater than the prior fiscal year. Although there was a decrease in charges for services due to tuition receipts from other school districts being less than prior year collections, this was more than made up for by the increase in operating grants and contributions. This increase is the result of additional grant resources obtained through the American Recovery and Reinvestment Act (ARRA) for the Title I, Title VI-B, and Early Childhood Education programs.

The primary sources of general revenues are property taxes, income taxes, and unrestricted State resources (generally State foundation monies). The increase in property taxes is due to a combination of additional taxes based on new property development within the School District and a full year of collections on the bond levy approved by voters in November 2008. The increase in unrestricted grants and entitlements is due, in part, to additional State Fiscal Stabilization Fund (SFSF) resources (also part of the federal stimulus program). The decrease in interest revenue is a reflection of the poor economic trend of the past year and very poor interest rates.

Expenses increased a modest 2.5 percent from the prior fiscal year; however, there were several changes of note. The decrease in the special instruction program is largely due to changes in account codes that required the reclassification of some teachers from special instruction to regular instruction classes and from moving some aides, previously paid from the special instruction program to the instructional staff program. In addition, there were three individuals who left through retirement or reduction in force. A portion of the increases in the regular instruction, pupils, and instructional staff support programs can also be attributed to the additional ARRA and SFSF resources received and the provision of those additional services.

As expected, the School District's major program expense continues to be for instruction, which accounts for 51 percent of all expenses. The instruction category, however, does not include all activities associated with educating students as pupils, instructional staff, and pupil transportation costs have a significant role in delivering education. These programs represent 17 percent of total expenses.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted state entitlements.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2010	2009	2010	2009
Instruction				
Regular	\$13,227,046	\$12,618,709	\$13,016,018	\$12,202,391
Special	2,410,093	3,749,804	737,163	2,886,925
Vocational	308,959	368,712	298,240	358,073
Support Services				
Pupils	1,428,226	1,236,627	1,417,005	1,222,707
Instructional Staff	1,830,485	1,215,386	1,830,485	1,215,386
Board of Education	132,398	236,519	132,398	236,519

(continued)

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

Table 3
Governmental Activities
(continued)

	Total Cost of Services		Net Cost of Services	
	2010	2009	2010	2009
Support Services (continued)				
Administration	\$2,624,405	\$2,560,097	\$2,619,781	\$2,554,292
Fiscal	829,078	895,813	829,078	895,813
Business	257,499	281,761	257,499	281,761
Operation and Maintenance of Plant	2,181,680	2,197,437	2,181,680	2,197,437
Pupil Transportation	2,035,825	1,925,545	1,969,811	1,906,185
Central	13,076	29,416	13,076	29,416
Non-Instructional Services	1,202,563	1,161,952	(12,962)	(30,198)
Extracurricular Activities	715,823	776,510	503,526	553,044
Interest and Fiscal Charges	1,933,711	1,117,813	1,933,711	1,117,813
Total Expenses	<u>\$31,130,867</u>	<u>\$30,372,101</u>	<u>\$27,726,509</u>	<u>\$27,627,564</u>

As demonstrated again in the above table, general revenues are relied upon to bear the burden of the costs of programs provided by the School District. In fiscal year 2010, general revenues provided for 89 percent of the costs of programs provided. Only a very few of the School District's programs receive a significant amount of program revenues to offset their costs. One of these programs is special instruction which provides for 69 percent of program costs through program revenues, much of this in the form of operating grants restricted for special instruction purposes. American Recovery and Reinvestment grant monies provided additional resources for this program in fiscal year 2010. All of the non-instructional services program was provided for through program revenues. This is primarily due to cafeteria sales, and state and federal subsidies and donated commodities for food service. In addition, this program includes resources received and spent on behalf of the parochial school located within the School District. Approximately 30 percent of extracurricular activities expenses are covered by program revenues. This is the result of music and athletic fees, ticket sales, and gate receipts.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. For the General Fund, there was a 78 percent decrease in fund balance leading to a much larger deficit in fiscal year 2010. Although revenues increased over \$1.1 million and the School District was able to cut expenditures by more than \$1 million, the School District spent more than it received during the fiscal year resulting in cash carryover spending.

Fund balance increased 21 percent in the Bond Retirement debt service fund as bond proceeds and the amount of taxes and related revenues collected exceeded current fiscal year principal and interest requirements. The Building capital projects fund reflects a significant increase in fund balance due to the receipt of \$20,000,000 in bond proceeds during the fiscal year.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

General Fund Budgeting Highlights

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

During fiscal year 2010, the School District amended its General Fund budget as needed. For revenues, the primary change from the original budget to the final budget was due to a conservative estimate for the receipt of property taxes. Conservative estimates for property taxes, State provided resources (generally State foundation payments), and interest revenues reflect the most significant changes from the final budget to actual revenues. For expenditures, changes from the original budget to the final budget and from the final budget to actual expenditures were not significant.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2010, the School District had \$36,275,006 invested in capital assets (net of accumulated depreciation). The most significant additions for fiscal year 2010 included the purchase of a bus garage, including the land, continued construction on the facility improvements, and a new bus. There were no disposals. For further information regarding the School District's capital assets, refer to Note 10 to the basic financial statements.

Debt

The School District's outstanding debt at June 30, 2010, consisted of general obligation bonds, in the amount of \$47,123,545, and capital leases, in the amount of \$55,030. The School District's long-term obligations also include compensated absences.

During fiscal year 2010, the School District issued \$20 million in general obligation bonds for constructing, renovating, and improving School District facilities, \$10 million was issued for twenty-eight years and \$10 million was issued for fifteen years. In addition, the School District issued \$1,050,626 in refunding general obligation bonds to fully retire bonds previously issued in 1998. The refunding bonds were issued for a six year period.

For further information regarding the School District's long-term obligations, refer to Notes 17 and 18 to the basic financial statements.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

Current Issues

The School District's five-year forecast submitted to the Ohio Department of Education in May 2010 revealed that the School District would have to request an advance of fiscal year 2011 property tax revenues into fiscal year 2010 in order to minimize the General Fund's deficit balance for the fiscal year. This forecast projects that the School District will have less than a \$1 million cash balance at the end of fiscal year 2011 after implementing approximately \$3.8 million in cost saving measures in fiscal year 2011. These cuts include the reduction of forty-two staff, three administrative positions, and several teaching, aides, and transportation positions as well as the use of one-time federal money through the American Recovery and Reinvestment Act. The annual expenditures will only decrease by approximately \$2 million due to the 3 percent increase in salaries and salary driven fringe benefits of the remaining staff. The primary reason for the School District's current financial situation is the effect the economy has had, and will continue to have, on the School District's revenues. Due to declining revenue, the Board of Education decided to place a \$4.9 million five-year emergency operating levy on the November 2010 ballot that was approved by the voters.

The Big Walnut Education Association (BWEA), the Big Walnut Professional Support Staff, and the OAPSE Local 524 negotiations resulted in salary increases of 3 percent each for fiscal years 2010 and 2011. The BWEA has agreed to extend the current contract period one year to June 30, 2012, with no increase to the base pay. The administrative staff will forgo any raises in fiscal years 2010 and 2011 due to the dwindling budget. The OAPSE Local 696 negotiated a two-year contract with annual 2 percent salary increases. Currently, the OAPSE Local 696 contract is set to expire on June 30, 2011.

The Board of Education placed a 2.9 mill \$30 million bond levy on the November 2008 ballot which was approved by the voters. The successful passage allowed the School District will open a 4th elementary, General Rosecrans, in the fall of 2010 and the new middle school will open in the fall of 2011. The School District's current middle school will then be used to house grades 5 and 6. This initiative will allow the School District to deal with growth projected in the next five years. Given the slowed economy, development construction of new homes and enrollment has stalled resulting in budget constraints that required Harrison Street Elementary School to be temporarily closed in the fall of 2010. To date, the School District has issued \$30 million in general obligation bonds for the construction of these new facilities.

The School District is engaged in the development of GIS mapping data. This data will allow the School District to more accurately predict growth, assist in the efficient use of capital investments, and be used in the planning of future capital investment.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Felicia Drummey, Treasurer, Big Walnut Local School District, PO Box 218, 70 North Walnut Street, Galena, Ohio 43201.

Big Walnut Local School District
Statement of Net Assets
June 30, 2010

	Governmental Activities
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$21,963,094
Cash and Cash Equivalents with Fiscal Agent	9,919
Accounts Receivable	151,696
Accrued Interest Receivable	66,766
Intergovernmental Receivable	347,200
Due from External Party	22,087
Income Taxes Receivable	2,076,843
Inventory Held for Resale	10,626
Materials and Supplies Inventory	3,573
Property Taxes Receivable	15,114,244
Unamortized Issuance Costs	363,716
Nondepreciable Capital Assets	12,445,074
Depreciable Capital Assets, Net	23,829,932
 Total Assets	 76,404,770
<u>Liabilities</u>	
Accounts Payable	194,861
Contracts Payable	1,499,850
Accrued Wages and Benefits Payable	2,601,593
Intergovernmental Payable	1,045,265
Matured Bonds and Interest Payable	9,919
Accrued Interest Payable	156,392
Deferred Revenue	13,131,045
Retainage Payable	213,483
Long-Term Liabilities	
Due Within One Year	1,499,178
Due in More Than One Year	47,205,296
 Total Liabilities	 67,556,882
<u>Net Assets</u>	
Invested in Capital Assets, Net of Related Debt	9,138,600
Restricted For	
Debt Service	1,669,886
Capital Projects	267,664
Set Asides	112,378
Other Purposes	514,358
Unrestricted (Deficit)	(2,854,998)
 Total Net Assets	 \$8,847,888

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2010

	Program Revenues	
Expenses	Charges for Services	Operating Grants, Contributions, and Interest
<u>Governmental Activities</u>		
Instruction		
Regular	\$13,227,046	\$106,812
Special	2,410,093	77,742
Vocational	308,959	0
Support Services		
Pupils	1,434,134	0
Instructional Staff	1,830,485	0
Board of Education	132,398	0
Administration	2,624,405	4,624
Fiscal	829,078	0
Business	257,499	0
Operation and Maintenance of Plant	2,175,772	0
Pupil Transportation	2,035,825	0
Central	13,076	0
Non-Instructional Services	1,202,563	782,811
Extracurricular Activities	715,823	209,444
Interest and Fiscal Charges	1,933,711	0
Total Governmental Activities	<u>\$31,130,867</u>	<u>\$1,181,433</u>

General Revenues

Property Taxes Levied for General Purposes
Property Taxes Levied for Debt Service Purposes
Income Taxes Levied for General Purposes
Grants and Entitlements not Restricted to Specific Programs
Interest
Gifts and Donations
Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year - Restated (Note 3)

Net Assets End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Assets

Governmental
Activities

(\$13,016,018)
(737,163)
(298,240)

(1,422,913)
(1,830,485)
(132,398)
(2,619,781)
(829,078)
(257,499)
(2,175,772)
(1,969,811)
(13,076)
12,962
(503,526)
(1,933,711)

(27,726,509)

12,632,397
3,017,525
4,418,135
7,851,550
102,607
150,323
414,056

28,586,593

860,084

7,987,804

\$8,847,888

Big Walnut Local School District
Balance Sheet
Governmental Funds
June 30, 2010

	General	Bond Retirement	Building	Other Governmental	Total
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	(\$370,862)	\$2,002,824	\$19,909,411	\$421,721	\$21,963,094
Cash and Cash Equivalents with Fiscal Agent	0	9,919	0	0	9,919
Accounts Receivable	151,563	0	0	133	151,696
Accrued Interest Receivable	66,766	0	0	0	66,766
Interfund Receivable	4,395	0	0	0	4,395
Intergovernmental Receivable	4,224	0	0	342,976	347,200
Due from External Party	22,087	0	0	0	22,087
Income Taxes Receivable	2,076,843	0	0	0	2,076,843
Inventory Held for Resale	0	0	0	10,626	10,626
Materials and Supplies Inventory	0	0	0	3,573	3,573
Property Taxes Receivable	12,321,679	2,792,565	0	0	15,114,244
Total Assets	\$14,276,695	\$4,805,308	\$19,909,411	\$779,029	\$39,770,443
<u>Liabilities and Fund Balances</u>					
<u>Liabilities</u>					
Accounts Payable	\$67,230	\$0	\$96,166	\$31,465	\$194,861
Contracts Payable	0	0	1,499,850	0	1,499,850
Accrued Wages and Benefits Payable	2,426,550	0	0	175,043	2,601,593
Interfund Payable	0	0	0	4,395	4,395
Intergovernmental Payable	979,408	0	0	65,857	1,045,265
Matured Bonds and Interest Payable	0	9,919	0	0	9,919
Deferred Revenue	11,453,434	2,502,238	0	327,252	14,282,924
Retainage Payable	0	0	213,483	0	213,483
Total Liabilities	14,926,622	2,512,157	1,809,499	604,012	19,852,290
<u>Fund Balances</u>					
Reserved for Property Taxes	1,265,398	290,327	0	0	1,555,725
Reserved for Textbooks	112,378	0	0	0	112,378
Reserved for Bus Purchase	27,131	0	0	0	27,131
Reserved for Encumbrances	3,830	0	12,645,478	41,127	12,690,435
Unreserved, Reported in					
General Fund (Deficit)	(2,058,664)	0	0	0	(2,058,664)
Special Revenue Funds	0	0	0	133,890	133,890
Debt Service Fund	0	2,002,824	0	0	2,002,824
Capital Projects Fund	0	0	5,454,434	0	5,454,434
Total Fund Balances (Deficit)	(649,927)	2,293,151	18,099,912	175,017	19,918,153
Total Liabilities and Fund Balances	\$14,276,695	\$4,805,308	\$19,909,411	\$779,029	\$39,770,443

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
 Reconciliation of Total Governmental Fund Balances
 to Net Assets of Governmental Activities
 June 30, 2010

Total Governmental Fund Balances		\$19,918,153
<p>Amounts reported for governmental activities on the statement of net assets are different because of the following:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		36,275,006
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:		
Accounts Receivable	173,687	
Intergovernmental Receivable	327,119	
Accrued Interest Receivable	5,064	
Income Taxes Receivable	218,535	
Property Taxes Receivable	427,474	
		1,151,879
Unamortized issuance costs are deferred charges which do not provide current financial resources and, therefore, are not reported in the funds.		363,716
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued Interest Payable	(156,392)	
General Obligation Bonds Payable	(47,123,545)	
Compensated Absences Payable	(1,525,899)	
Capital Leases Payable	(55,030)	
		(48,860,866)
Net Assets of Governmental Activities		\$8,847,888

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2010

	General	Bond Retirement	Building	Other Governmental	Total
<u>Revenues</u>					
Property Taxes	\$12,699,531	\$3,048,839	\$0	\$0	\$15,748,370
Income Taxes	4,378,961	0	0	0	4,378,961
Intergovernmental	7,201,503	418,171	0	2,128,774	9,748,448
Interest	97,543	0	0	21	97,564
Tuition and Fees	272,375	0	0	0	272,375
Extracurricular Activities	1,139	0	0	208,172	209,311
Charges for Services	10,631	0	0	782,811	793,442
Gifts and Donations	23,452	0	0	2,508	25,960
Miscellaneous	81,794	296,816	0	16,469	395,079
Total Revenues	24,766,929	3,763,826	0	3,138,755	31,669,510
<u>Expenditures</u>					
Current:					
Instruction					
Regular	12,587,328	0	0	23,683	12,611,011
Special	1,674,794	0	0	757,621	2,432,415
Vocational	299,416	0	0	0	299,416
Support Services					
Pupils	1,165,522	0	0	248,670	1,414,192
Instructional Staff	1,738,232	0	0	80,534	1,818,766
Board of Education	132,398	0	0	0	132,398
Administration	2,289,336	0	0	274,928	2,564,264
Fiscal	692,433	48,418	0	87,167	828,018
Business	186,373	0	45,897	24,000	256,270
Operation and Maintenance of Plant	1,871,185	0	0	271,027	2,142,212
Pupil Transportation	1,870,223	0	0	74,864	1,945,087
Central	0	0	13,076	0	13,076
Non-Instructional Services	6,202	0	0	1,167,361	1,173,563
Extracurricular Activities	494,397	0	0	187,069	681,466
Capital Outlay	2,484	0	11,664,613	0	11,667,097
Debt Service:					
Principal Retirement	25,685	2,187,207	0	0	2,212,892
Interest and Fiscal Charges	3,894	1,582,685	200,000	0	1,786,579
Interest on Capital Appreciation Bonds	0	592,793	0	0	592,793
Total Expenditures	25,039,902	4,411,103	11,923,586	3,196,924	44,571,515
Excess of Revenues Under Expenditures	(272,973)	(647,277)	(11,923,586)	(58,169)	(12,902,005)
<u>Other Financing Sources (Uses)</u>					
General Obligation Bonds Issued	0	1,050,626	20,000,000	0	21,050,626
Transfers In	62,790	0	0	74,835	137,625
Transfers Out	(74,835)	0	(62,790)	0	(137,625)
Total Other Financing Sources (Uses)	(12,045)	1,050,626	19,937,210	74,835	21,050,626
Changes in Fund Balances	(285,018)	403,349	8,013,624	16,666	8,148,621
Fund Balances (Deficit) Beginning of Year	(364,909)	1,889,802	10,086,288	158,351	11,769,532
Fund Balances (Deficit) End of Year	(\$649,927)	\$2,293,151	\$18,099,912	\$175,017	\$19,918,153

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to Statement of Activities
 For the Fiscal Year Ended June 30, 2010

Changes in Fund Balances - Total Governmental Funds \$8,148,621

Amounts reported for governmental activities on the statement of activities are different because of the following:

Governmental funds report capital outlays as expenditures.

However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current fiscal year:

Nondepreciable Capital Assets	10,381,313	
Depreciable Capital Assets	997,283	
Depreciation	<u>(544,052)</u>	10,834,544

Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:

Property Taxes	(98,448)	
Income Taxes	39,174	
Intergovernmental	323,153	
Interest	5,064	
Tuition and Fees	(93,695)	
Gifts and Donations	127,216	
Miscellaneous	<u>18,977</u>	321,441

Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net assets.

General Obligation Bonds	2,187,207	
Capital Leases	<u>25,685</u>	2,212,892

Bond proceeds are reported as other financing sources in the governmental funds but the issuance increases long-term liabilities on the statement of net assets. (21,050,626)

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net assets. Premiums and discounts are reported as revenues and expenditures when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities.

Accrued Interest Payable	(67,405)	
Annual Accretion on Capital Appreciation Bonds	(93,719)	
Payment of Accretion on Capital Appreciation Bonds	592,793	
Amortization of Premium	35,141	
Amortization of Discount	<u>(288)</u>	466,522

Issuance costs are reported as an expenditure when paid in the governmental funds but are amortized over the life of the debt on the statement of activities. (20,861)

(continued)

Big Walnut Local School District
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to Statement of Activities
For the Fiscal Year Ended June 30, 2010
(continued)

Compensated absences do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>(\$52,449)</u>
Change in Net Assets of Governmental Activities	<u><u>\$860,084</u></u>
See Accompanying Notes to the Basic Financial Statements	

Big Walnut 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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		(Under)
<u>Revenues</u>				
Property Taxes	\$12,437,634	\$11,646,484	\$12,067,448	\$420,964
Income Taxes	4,511,000	4,119,307	4,117,391	(1,916)
Intergovernmental	7,026,897	7,000,897	7,201,503	200,606
Interest	50,000	12,000	167,495	155,495
Tuition and Fees	312,400	264,700	272,375	7,675
Extracurricular Activities	14,530	1,280	1,139	(141)
Charges for Services	4,000	4,000	10,631	6,631
Gifts and Donations	202,492	24,992	23,452	(1,540)
Miscellaneous	12,500	12,500	54,158	41,658
Total Revenues	24,571,453	23,086,160	23,915,592	829,432
<u>Expenditures</u>				
Current:				
Instruction				
Regular	12,352,308	12,502,857	12,419,194	83,663
Special	1,999,768	1,915,775	1,889,257	26,518
Vocational	319,577	322,977	316,569	6,408
Support Services				
Pupils	1,120,119	1,167,246	1,143,031	24,215
Instructional Staff	1,443,606	1,564,177	1,544,991	19,186
Board of Education	166,536	139,287	124,234	15,053
Administration	2,292,029	2,382,593	2,269,425	113,168
Fiscal	674,551	687,187	673,516	13,671
Business	122,709	198,807	187,831	10,976
Operation and Maintenance of Plant	1,929,035	1,939,527	1,863,467	76,060
Pupil Transportation	1,810,165	1,855,551	1,805,825	49,726
Central	4,600	5,700	6,202	(502)
Extracurricular Activities	515,081	504,103	485,024	19,079
Capital Outlay	2,331	2,484	2,484	0
Total Expenditures	24,752,415	25,188,271	24,731,050	457,221
Excess of Revenues Under Expenditures	(180,962)	(2,102,111)	(815,458)	1,286,653
<u>Other Financing Sources (Uses)</u>				
Refund of Prior Year Expenditures	0	0	51,121	51,121
Transfers In	100,000	177,290	62,790	(114,500)
Transfers Out	0	0	(74,835)	(74,835)
Total Other Financing Sources (Uses)	100,000	177,290	39,076	(138,214)
Changes in Fund Balance	(80,962)	(1,924,821)	(776,382)	1,148,439
Fund Balance Beginning of Year	305,436	305,436	305,436	0
Prior Year Encumbrances Appropriated	202,304	202,304	202,304	0
Fund Balance (Deficit) End of Year	\$426,778	(\$1,417,081)	(\$268,642)	\$1,148,439

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2010

Assets

Equity in Pooled Cash and Cash Equivalents	<u><u>\$98,621</u></u>
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Liabilities

Undistributed Assets	\$10,659
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Due to Students	<u>87,962</u>
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Total Liabilities	<u><u>\$98,621</u></u>
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See Accompanying Notes to the Basic Financial Statements

Note 1 - Description of the School District and Reporting Entity

Big Walnut Local School District (the “School District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state and federal guidelines.

The School District was established in 1951. The School District serves an area of approximately one hundred ten square miles and is located in Delaware County. The School District is the 160th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by one hundred twenty-four classified employees, one hundred eighty-seven certified employees (one hundred seventy-nine teachers and eight others), and seventeen administrative employees who provide services to 2,979 students and other community members. The School District currently operates three elementary schools, a middle school, and a high school.

Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to insure 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 Big Walnut Local 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. There are no component units of the Big Walnut Local School District.

The following activity is included within the School District’s reporting entity:

Within the School District boundaries, Genoa Christian Academy is operated as a private school. Current state legislation provides funding to this parochial school. The monies are received and disbursed on behalf of the parochial school by the Treasurer of the School District, as directed by the parochial school. This activity is reflected in a special revenue fund for financial reporting purposes by the School District.

The School District participates in four jointly governed organizations and an insurance pool, and is associated with a related organization. These organizations are the Tri-Rivers Educational Computer Association, Delaware Area Career Center, Village of Sunbury Community Park Joint Recreation Board, Metropolitan Educational Council, Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan, and the Sunbury Community Library. These organizations are presented in Notes 22, 23, and 24 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The basic financial statements of Big Walnut 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 activities provided they do not conflict with or contradict GASB pronouncements. Following are the more significant of the School District's accounting policies.

A. Basis of Presentation

The School District's basic financial statements consist of government-wide financial 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. These statements usually distinguish between those activities of the School District that are governmental activities (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges). However, the School District has no business-type activities.

The statement of net assets presents the financial condition of the governmental activities of the School District at fiscal 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. 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 and grants, contributions, and interest 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 governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

During the fiscal 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 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 fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into two categories, governmental and fiduciary.

Note 2 - Summary of Significant Accounting Policies (continued)

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 School District's three major funds are the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund.

General Fund - The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond Retirement Fund - The Bond Retirement Fund is used to account for the accumulation of resources for and the payment of principal and interest on general obligation bonds.

Building Fund - The Building Fund is used to account for improvements to the three elementary schools, the middle school, and a portion of the high school addition. In addition, this fund accounts for construction of a new elementary school and a middle school.

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

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 not available to support the School District's own programs. The School District did not have any trust funds in fiscal year 2010. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for various staff-related and student-managed activities and payroll withholdings and deductions.

C. Measurement Focus

Government-Wide Financial Statements

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

Note 2 - Summary of Significant Accounting Policies (continued)

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 are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects 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 fund financial statements for governmental funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; fiduciary funds use the accrual basis of accounting. Differences in the accrual and 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 Nonexchange 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means 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, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the fiscal year in which the income is earned. 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 fiscal year when the resources are required to be used or the fiscal 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 the 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 both measurable and available at fiscal year end: property taxes available as an advance, income taxes, grants, interest, tuition, student fees, and charges for services.

Note 2 - Summary of Significant Accounting Policies (continued)

Deferred Revenues

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

Property taxes for which there was an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, are 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 are reported as deferred revenue.

Expenses/Expenditures

On the accrual basis, 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 governmental funds.

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The alternative tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of budgetary control is at the fund level for all funds. Budgetary allocations at the function and object level within all funds are made by the School District Treasurer.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources requested by the School District prior to fiscal year end.

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

Note 2 - Summary of Significant Accounting Policies (continued)

F. Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds 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”.

Cash and cash equivalents held for the School District by The Delaware County Bank and Trust, who services the School District’s bond/coupon account, are included on the financial statements as “Cash and Cash Equivalents with Fiscal Agent”.

During fiscal year 2010, the School District invested in federal agency securities, commercial paper, mutual funds, and STAR Ohio. Investments are reported at fair value, which is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price, which is the price the investment could be sold for on June 30, 2010.

The Board of Education has allocated interest earnings according to State statutes. Interest revenue credited to the General Fund during fiscal year 2010 was \$97,543, which includes \$88,045 assigned from other School District funds.

Investments of the School District’s 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 equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of administrative supplies and donated and purchased food.

H. Capital Assets

All of the School District’s capital assets are general capital assets generally resulting from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements.

All capital assets are capitalized at cost and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their fair market value on the date donated. The School District maintains a capitalization threshold of ten thousand dollars. 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 capitalized.

Note 2 - Summary of Significant Accounting Policies (continued)

All 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:

Description	Useful Lives
Land Improvements	15 - 40 years
Buildings and Building Improvements	20 - 100 years
Furniture, Fixtures, and Equipment	5 - 40 years
Vehicles	10 - 12 years

I. Interfund Assets/Liabilities

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “Interfund Receivables/Payables”. Interfund balances within governmental activities are eliminated on the statement of net assets.

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

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide 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, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

Note 2 - Summary of Significant Accounting Policies (continued)

L. Unamortized Issuance Costs, Premiums, and Discounts

On government-wide financial statements, issuance costs, premiums, and discounts are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Issuance costs are recorded as deferred charges and are generally paid from debt proceeds. Bond premiums are presented as an addition to the face amount of bonds payable. Bond discounts are presented as a reduction of the face amount of bonds payable.

On the governmental fund financial statements, issuance costs and bond premiums and discounts are recognized in the period when the debt is issued.

M. 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 balance of any borrowing 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 resources restricted for food service operations, music and athletic programs, and federal and state grants.

The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Fund Balance Reserves

The School District reserves those portions of fund balance 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 which is available for appropriation in future periods. Fund balance reserves have been established for property taxes, textbooks, bus purchase, and encumbrances. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

O. Interfund Transactions

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

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.

Note 3 - Change in Accounting Principles and Restatement of Net Assets

A. Change in Accounting Principles

For fiscal year 2010, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", and Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. It requires governments to measure derivative instruments, with the exception of synthetic guaranteed investment contracts that are fully benefit-responsive, at fair value in the economic resources measurement focus financial statements. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). The requirements in this statement will allow more agent employers to use the alternative measurement method to produce actuarially based information for financial reporting and clarify that OPEB measures reported by agent multiple-employer OPEB plans and the participating employers should be determined at the same minimum frequency and as of a common date to improve the consistency of reporting with regard to funded status and funding progress information. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any changes to the financial statements.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 3 - Change in Accounting Principles and Restatement of Net Assets (continued)

B. Restatement of Net Assets

In fiscal year 2010, the School District changed the accounting treatment applied to the receivable for payment in lieu of taxes. Based on guidance from GASB, this receivable is presently considered a non-exchange transaction and a one year receivable is being recorded. In prior years, this was considered an exchange transaction and the entire receivable was recognized in the initial year.

	Governmental Activities
Net Assets at June 30, 2009	\$8,099,497
Payment in Lieu of Taxes Receivable	(111,693)
Restated Net Assets at June 30, 2009	\$7,987,804

Note 4 - Accountability and Compliance

A. Accountability

At June 30, 2010, the following funds had deficit fund balances:

Fund Type/Fund	Deficit
General Fund	\$649,927
Special Revenue Funds	
Education Management	
Information Systems	5,408
Miscellaneous State Grants	1,548
Title VI-B	38,652
Title I	19,325

The deficit fund balances resulted from adjustments for accrued liabilities.

B. Compliance

The following funds had appropriations in excess of estimated resources plus available balances for the fiscal year ended June 30, 2010.

Fund	Estimated Resources plus Available Balances	Appropriations	Excess
General Fund	\$23,771,190	\$25,188,271	\$1,417,081
Special Revenue Funds			
Miscellaneous State Grants	8,556	16,059	7,503
Fiscal Stabilization	311,000	319,201	8,201

The Treasurer will review budgetary activity to ensure that appropriations are within estimated resources.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 4 - Accountability and Compliance (continued)

The following funds had expenditures plus encumbrances in excess of appropriations for the fiscal year ended June 30, 2010.

Fund	Appropriations	Expenditures Plus Encumbrances	Excess
Special Revenue Funds			
Auxillary Services	\$149,231	\$154,670	\$5,439
Education Management Information Systems	80,130	80,148	18
Debt Service Fund			
Bond Retirement	2,985,544	4,493,603	1,508,059

The Treasurer will monitor budgetary transactions to ensure that expenditures are within amounts appropriated.

Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - 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 the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

The adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund are as follows:

Changes in Fund Balance	
GAAP Basis	(\$285,018)
<u>Increase (Decrease) Due To:</u>	
Revenue Accruals:	
Accrued FY 2009, Received in Cash FY 2010	2,315,913
	(continued)

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 5 - Budgetary Basis of Accounting (continued)

Changes in Fund Balance

Accrued FY 2010, Not Yet Received in Cash	(\$3,186,618)
Expenditure Accruals:	
Accrued FY 2009, Paid in Cash FY 2010	(3,157,277)
Accrued FY 2010, Not Yet Paid in Cash	3,473,188
Cash Adjustments:	
Unrecorded Cash Activity FY 2009	(31,285)
Unrecorded Cash Activity FY 2010	101,774
Encumbrances Outstanding at Fiscal Year End (Budget Basis)	(7,059)
Budget Basis	<u><u>(\$776,382)</u></u>

Note 6 - Deposits and Investments

Monies held by the School District are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the School District treasury. Active 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 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 or deposit accounts including, but not limited to, passbook accounts.

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

Interim monies held by the School District may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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 obligation or security 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;

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 6 - Deposits and Investments (continued)

3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Bankers' acceptances and commercial paper if training requirements have been met.

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.

Investments

As of June 30, 2010, the School District had the following investments:

	Total	Less Than Six Months	Six Months to One Year	One Year to Two Years	More Than Two Years
Negotiable Certificates of Deposit	\$10,776,490	\$4,000,072	\$3,206,418	\$3,320,000	\$250,000
Federal Home Loan Bank Bonds	2,503,125	2,503,125	0	0	0
Federal Home Loan Bank Notes	2,014,380	0	2,014,380	0	0
Federal Home Loan Mortgage Corporation Notes	1,011,200	0	0	1,011,200	0
Commercial Paper	3,998,800	3,998,800	0	0	0
Mutual Funds	1,184,514	1,184,514	0	0	0
STAR Ohio	6,183	6,183	0	0	0
Total	<u>\$21,494,692</u>	<u>\$11,692,694</u>	<u>\$5,220,798</u>	<u>\$4,331,200</u>	<u>\$250,000</u>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the School District. The School District's policy indicates that it will attempt to minimize the effect of market value fluctuations by (1) maintaining adequate liquidity so that current obligations can be met without a sale of securities; (2) diversification of maturities; and (3) diversification of assets.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 6 - Deposits and Investments (continued)

The negotiable certificates of deposit are insured by the FDIC. The Federal Home Loan Bank Bonds, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Corporation Notes, and mutual funds carry a rating of Aaa by Moody's. The Commercial Paper carries a rating of P-1 by Moody's. STAR Ohio carries a rating of AAA by Standard and Poor's. The School District's policy indicates that credit risk will be minimized by (1) diversifying assets by issuer; (2) ensuring that required minimum credit quality ratings exist prior to the purchase of commercial paper, bankers' acceptances, and corporate medium term notes; and (3) maintaining adequate collateralization of certificates of deposit. Ohio law requires that commercial paper must be rated in the highest qualification established by two nationally recognized standard rating services, mutual funds must be rated, at the time of purchase, in the highest category by at least one nationally recognized standard rating service, and STAR Ohio must maintain the highest rating provided by at least one nationally recognized standard rating service.

The School District places no limit on the amount of its interim monies it may invest in a particular security. The following table indicates the percentage of each investment to the School District's total portfolio.

	Fair Value	Percentage of Portfolio
Federal Home Loan Bank	\$4,517,505	42.15%
Federal Home Loan Mortgage Corporation	1,011,200	9.43
Commercial Paper	3,998,800	37.31

Note 7 - Receivables

Receivables at June 30, 2010, consisted of accounts (student fees and billings for user charged services), accrued interest, interfund, intergovernmental, due from external party, income taxes, and property taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except income taxes and property taxes, are expected to be collected within one year. Income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
General Fund	
Tuition	\$4,224
Other Governmental Funds	
Auxillary Services	11,901
Title VI-B	105,521
Title I	210,633
Title II-A	14,921
Total Other Governmental Funds	342,976
Total Intergovernmental Receivables	\$347,200

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 8 - Income Taxes

The School District levies a voted tax of .75 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 2000, for a five-year period. In May 2006, voters approved the tax as a continuing tax. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

Note 9 - Property Taxes

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

Property taxes include amounts levied against all real property, public utility property, and tangible personal (used in business) property located in the School District. Real property tax revenues received in calendar year 2010 represent the collection of calendar year 2009 taxes. Real property taxes received in calendar year 2010 were levied after April 1, 2009, on the assessed values as of January 1, 2009, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2010 represent the collection of calendar year 2009 taxes. Public utility real and tangible personal property taxes received in calendar year 2010 became a lien on December 31, 2008, were levied after April 1, 2009, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in calendar year 2010 (other than public utility property) represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The School District receives property taxes from Delaware 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, 2010, are available to finance fiscal year 2010 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 9 - Property Taxes (continued)

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of June 30, 2010, and for which there was 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 was levied to finance current fiscal year operations and is reflected 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, 2010, was \$1,265,398 in the General Fund and \$290,327 in the Bond Retirement debt service fund. The amount available as an advance at June 30, 2009, was \$633,315 in the General Fund and \$169,313 in the Bond Retirement debt service fund.

Collectible delinquent property taxes have been recorded as a receivable and revenue on a full accrual basis. On a modified accrual basis, the revenue has been deferred.

The assessed values upon which fiscal year 2010 taxes were collected are:

	2009 Second- Half Collections		2010 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$626,884,490	97.45%	\$638,340,020	97.45%
Public Utility Personal	16,386,590	2.55	16,671,790	2.55
Total Assessed Value	<u>\$643,271,080</u>	<u>100.00%</u>	<u>\$655,011,810</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$35.34		\$34.51	

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance at 6/30/09	Additions	Reductions	Balance at 6/30/10
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$1,587,698	\$175,200	\$0	\$1,762,898
Construction in Progress	476,063	10,206,113	0	10,682,176
Total Nondepreciable Capital Assets	<u>2,063,761</u>	<u>10,381,313</u>	<u>0</u>	<u>12,445,074</u>

(continued)

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 10 - Capital Assets (continued)

	Balance at 6/30/09	Additions	Reductions	Balance at 6/30/10
Governmental Activities (continued)				
Depreciable Capital Assets				
Land Improvements	\$652,117	\$0	\$0	\$652,117
Buildings and Building Improvements	26,534,966	922,419	0	27,457,385
Furniture, Fixtures, and Equipment	405,430	0	0	405,430
Vehicles	2,269,133	74,864	0	2,343,997
Total Depreciable Capital Assets	<u>29,861,646</u>	<u>997,283</u>	<u>0</u>	<u>30,858,929</u>
Less Accumulated Depreciation				
Land Improvements	(97,838)	(25,123)	0	(122,961)
Buildings and Building Improvements	(4,786,125)	(329,462)	0	(5,115,587)
Furniture, Fixtures, and Equipment	(225,667)	(34,549)	0	(260,216)
Vehicles	(1,375,315)	(154,918)	0	(1,530,233)
Total Accumulated Depreciation	<u>(6,484,945)</u>	<u>(544,052)</u>	<u>0</u>	<u>(7,028,997)</u>
Depreciable Capital Assets, Net	<u>23,376,701</u>	<u>453,231</u>	<u>0</u>	<u>23,829,932</u>
Governmental Activities, Capital Assets, Net	<u>\$25,440,462</u>	<u>\$10,834,544</u>	<u>\$0</u>	<u>\$36,275,006</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$218,470
Special	31,040
Vocational	9,543
Support Services:	
Pupils	4,003
Instructional Staff	697
Administration	15,433
Fiscal	88
Operation and Maintenance of Plant	37,808
Pupil Transportation	158,910
Non-Instructional Services	33,703
Extracurricular Activities	34,357
Total Depreciation Expense	<u>\$544,052</u>

Note 11 - Interfund

At June 30, 2010, the General Fund had an interfund receivable, in the amount of \$4,395, from other governmental funds to alleviate deficit cash balances.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 12 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2010, the School District contracted for the following insurance coverage.

Coverage provided by Ohio Casualty Insurance:

Buildings and Contents	\$67,817,435
Auto Liability	1,000,000
General Liability	
Each Occurrence	1,000,000
Aggregate	2,000,000
Umbrella	3,000,000

Coverage provided by The Netherlands Insurance Company:

Builder's Risk	12,500,000
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Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in insurance coverage from the prior fiscal year. In fiscal year 2010, the School District added builder's risk insurance due to building construction.

The School District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. The intent of the Plan 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 Plan. The third party administrator, Sheakley Uniservice, Inc., reviews each participants' claims experience and determines the rating tier for that participant. A common premium rate is applied to all participants in a given rating tier. Each participant pays its workers' compensation premium to the State based on the rate for their rating tier rather than its individual rate. Sheakley Uniservice, Inc. provides administrative, cost control, and actuarial services to the Plan.

Note 13 - Contractual Commitments

The School District has several outstanding contracts for professional services. The following amounts remain on these contracts as of June 30, 2010:

Vendor	Contract Amount	Amount Paid as of 6/30/10	Outstanding Balance
Converse Electric	\$948,100	\$92,436	\$855,664
Fanning Howey Associates, Inc.	1,027,905	340,361	687,544
Farnham Equipment Co.	192,614	0	192,614
Fire Guard, Inc.	139,900	124,919	14,981
Gaylor, Inc.	2,055,400	1,683,788	371,612
H&A Mechanical, Inc.	877,000	104,551	772,449
Louis R Polster Co.	285,795	26,743	259,052

(continued)

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 13 - Contractual Commitments (continued)

Vendor	Contract Amount	Amount Paid as of 6/30/10	Outstanding Balance
Robertson Construction Service	\$11,305,229	\$8,030,659	\$3,274,570
Stonecreek Interior Systems	303,700	300,663	3,037
Trucco Construction, Inc.	925,500	343,213	582,287
TS Randall Company, LLC	419,400	46,080	373,320
Turner Construction Co.	399,521	270,201	129,320
Vulcan Fire Protection, Inc.	93,470	12,837	80,633

Note 14 - Defined Benefit Pension Plans

A. State Teachers Retirement System

Plan Description - The School District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to the State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit Plan (DBP), a Defined Contribution Plan (DCP), and a Combined Plan (CP). The DBP offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service or on an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DCP 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 fifty and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The CP offers features of both the DBP and the DCP. In the CP, 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 DBP. The DBP portion of the CP payment is payable to a member on or after age sixty; the DCP portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DBP or CP 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 DCP who become disabled are entitled only to their account balance. If a member of the DCP dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Note 14 - Defined Benefit Pension Plans (continued)

Funding Policy - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the STRS Ohio 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 contribution for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 was \$1,512,512, \$1,557,762, and \$1,451,066 respectively; 84 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008. Contributions to the DCP and CP for fiscal year 2010 were \$99,628 made by the School District and \$71,163 made by the plan members.

B. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer public employee retirement 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 stand-alone financial report that may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salary and the School District was 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 2010, 12.78 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 by the SERS Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contribution for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009, and 2008 was \$459,979, \$357,280, and \$320,975 respectively; 8 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2010, three of the Board of Education members have selected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 15 - Postemployment Benefits

A. State Teachers Retirement System

Plan Description - The School District contributes to a cost-sharing multiple-employer defined benefit Health Care Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the Defined Benefit or Combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. The Plan is included in STRS Ohio's financial report which may be obtained by calling (888) 227-7877 or by visiting the STRS Ohio Web site at www.strsoh.org.

Funding Policy - Ohio law authorizes STRS Ohio to offer the Health Care Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions. For fiscal year 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contribution for health care for the fiscal years ended June 30, 2010, 2009, and 2008 was \$124,011, \$122,926, and \$114,587 respectively; 84 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

B. School Employees Retirement System

Plan Description - The School District contributes to two cost-sharing multiple-employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for classified retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians fees through several types of plans including HMO's, PPO's, and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each fiscal year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For fiscal year 2010, .46 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount. For fiscal year 2010, the surcharge amount was \$77,281.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility, and retirement status.

The School District's contribution for health care for the fiscal years ended June 30, 2010, 2009, and 2008 was \$16,556, \$163,508, and \$146,471 respectively; 8 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 15 - Postemployment Benefits (continued)

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For fiscal year 2010, this actuarially required allocation was .76 percent of covered payroll. The School District's contribution for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 was \$27,354, \$29,479, and \$23,127 respectively; 8 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

Note 16 - Other Employee Benefits

A. Compensated Absences

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

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of two hundred forty days for teachers, administrators, support staff, and food service employees, and two hundred sixty days for maintenance, custodial, and transportation employees. Upon retirement, payment is made for one-fourth of accrued but unused sick leave credit to a maximum of sixty days for teachers, administrators, support staff, and food service employees and sixty-five days for maintenance, custodial, and transportation employees.

B. Health Care Benefits

The School District offers employee medical benefits through Medical Mutual of Ohio. Depending upon the plan chosen, the employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. The School District offers life insurance to all employees through Met Life. Dental insurance is offered to all employees through Delta Dental.

Note 17 - Long-Term Obligations

Changes in the School District's long-term obligations during fiscal year 2010 were as follows:

	Balance at 6/30/09	Additions	Reductions	Balance at 6/30/10	Amounts Due Within One Year
Governmental Activities					
General Long-Term Obligations					
Refunding School Improvement Bonds FY 1998					
Term Bonds 5.1%	\$1,055,000	\$0	\$1,055,000	\$0	\$0
Capital Appreciation Bonds 19.5-23%	129,948	0	42,214	87,734	32,796
Accretion on Capital Appreciation Bonds	1,733,016	38,482	527,786	1,243,712	0

(continued)

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 17 - Long-Term Obligations (continued)

	Balance at 6/30/09	Additions	Reductions	Balance at 6/30/10	Amounts Due Within One Year
Governmental Activities (continued)					
Refunding School Improvement					
Bonds FY 2004					
Serial Bonds 2-3.7%	\$3,660,000	\$0	\$680,000	\$2,980,000	\$670,000
Bond Premium	152,078	0	28,255	123,823	0
School Facilities Construction					
and Improvement Bonds FY 2005					
Term Bonds 4.5-5%	9,305,000	0	0	9,305,000	0
Serial Bonds 2.5-3.65%	1,870,000	0	0	1,870,000	25,000
Capital Appreciation Bonds					
3.19%	384,993	0	384,993	0	0
Accretion on Capital					
Appreciation Bonds	59,281	5,726	65,007	0	0
Bond Premium	178,642	0	5,949	172,693	0
School Facilities Construction					
and Improvement Bonds FY 2009					
Term Bonds 4.5-5%	4,960,000	0	0	4,960,000	0
Serial Bonds 2.5-3.65%	4,930,000	0	25,000	4,905,000	25,000
Capital Appreciation Bonds					
3.19%	109,926	0	0	109,926	0
Accretion on Capital					
Appreciation Bonds	6,321	28,638	0	34,959	0
Bond Premium	374,905	0	937	373,968	0
Bond Discount	(115,057)	0	(288)	(114,769)	0
Refunding School Improvement					
Bonds FY 2010					
Serial Bonds 2-2.5%	0	910,000	0	910,000	275,000
Capital Appreciation Bonds 25%	0	140,626	0	140,626	0
Accretion on Capital					
Appreciation Bonds	0	20,873	0	20,873	0
School Facilities Construction					
and Improvement Bonds (Group C)					
FY 2010					
Term Bonds 6.125-6.375%	0	10,000,000	0	10,000,000	0
School Facilities Construction					
and Improvement Bonds					
(Group D) FY 2010					
Term Bonds 1.650%	0	10,000,000	0	10,000,000	340,000
Total General Long-Term					
Obligations	<u>28,794,053</u>	<u>21,144,345</u>	<u>2,814,853</u>	<u>47,123,545</u>	<u>1,367,796</u>
Compensated Absences	1,473,450	174,071	121,622	1,525,899	108,394
Capital Leases	80,715	0	25,685	55,030	22,988
Total Governmental Activities					
Long-Term Obligations	<u>\$30,348,218</u>	<u>\$21,318,416</u>	<u>\$2,962,160</u>	<u>\$48,704,474</u>	<u>\$1,499,178</u>

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 17 - Long-Term Obligations (continued)

FY 1998 Refunding School Improvement Bonds - On December 4, 1997, the School District issued bonds, in the amount of \$4,993,809, to refund bonds previously issued for improving and constructing school buildings and facilities and constructing a library. The refunding bond issue included serial, term, and capital appreciation bonds, in the original amount of \$3,775,000, \$1,055,000, and \$183,809, respectively. The bonds were issued for an eighteen fiscal year period, with final maturity in fiscal year 2016. The term bonds were fully retired in fiscal year 2010, with the proceeds of the fiscal year 2010 refunding school improvement bonds.

As of June 30, 2010, the refunded bonds were fully retired.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds mature in fiscal years 2009 through 2013. The maturity amount of the bonds is \$2,535,000. For fiscal year 2010, \$38,482 was accreted and \$570,000 was retired for a total bond value of \$1,331,446 at fiscal year end.

FY 2004 Refunding School Improvement Bonds - On November 12, 2003, the School District issued bonds, in the amount of \$4,404,981, to refund bonds previously issued for improving and constructing school buildings and facilities. The refunding bond issue included serial and capital appreciation bonds, in the original amount of \$3,970,000 and \$434,981, respectively. The bonds were issued for an eleven fiscal year period, with final maturity in fiscal year 2015. The bonds are being retired through the Bond Retirement debt service fund.

As of June 30, 2010, \$2,435,000 of the refunded bonds was still outstanding.

The serial bonds are subject to prior redemption on or after December 1, 2013, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the original principal amount redeemed plus accrued interest to the redemption date.

FY 2005 School Facilities Construction and Improvement Bonds - On December 29, 2004, the School District issued \$12,999,993 in voted general obligation bonds for constructing a bus maintenance facility, an addition to the high school, and renovating and improving school facilities. The bond issue included serial, term, and capital appreciation bonds, in the original amount of \$3,310,000, \$9,305,000, and \$384,993, respectively. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2033. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2019, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2017	\$395,000
2018	415,000

The remaining principal, in the amount of \$440,000, will be paid at stated maturity on December 1, 2019.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 17 - Long-Term Obligations (continued)

The bonds maturing on December 1, 2022, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2020	\$460,000
2021	485,000

The remaining principal, in the amount of \$505,000, will be paid at stated maturity on December 1, 2022.

The bonds maturing on December 1, 2025, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2023	\$530,000
2024	560,000

The remaining principal, in the amount of \$585,000, will be paid at stated maturity on December 1, 2025.

The bonds maturing on December 1, 2029, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2026	\$615,000
2027	645,000
2028	670,000

The remaining principal, in the amount of \$700,000, will be paid at stated maturity on December 1, 2029.

The bonds maturing on December 1, 2032, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2030	\$735,000
2031	765,000

The remaining principal, in the amount of \$800,000, will be paid at stated maturity on December 1, 2032.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds matured and were fully retired in fiscal year 2010. The maturity amount of the bonds was \$450,000.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 17 - Long-Term Obligations (continued)

FY 2009 School Facilities Construction and Improvement Bonds - On April 1, 2009, the School District issued \$9,999,926 in voted general obligation bonds for constructing, renovating, and improving school facilities, and acquiring land. The bond issue included serial, term, and capital appreciation bonds, in the original amount of \$4,930,000, \$4,960,000, and \$109,926, respectively. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2037. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2033, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2029	\$520,000
2030	545,000
2031	575,000
2032	600,000

The remaining principal, in the amount of \$630,000, will be paid at stated maturity on December 1, 2033.

The bonds maturing on December 1, 2036, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2034	\$665,000
2035	695,000

The remaining principal, in the amount of \$730,000, will be paid at stated maturity on December 1, 2036.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years 2017 and 2018. The maturity amount of the bonds is \$660,000. For fiscal year 2010, \$28,638 was accreted on the capital appreciation bonds for a total value of \$144,885 at fiscal year end.

FY 2010 Refunding School Improvement Bonds - On December 1, 2009, the School District issued current refunding general obligation bonds, in the amount of \$1,050,626, to refund the remaining balance of the FY 1998 Refunding School Improvement Bonds. The refunding bond issue includes serial and capital appreciation bonds, in the amount of \$910,000 and \$140,626, respectively. The bonds were issued for a six fiscal year period, with final maturity in fiscal year 2016. The bonds are being retired through the Bond Retirement debt service fund.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years 2015 and 2016. The maturity amount of the bonds is \$485,000. For fiscal year 2010, \$20,873 was accreted on the capital appreciation bonds for a total value of \$161,499 at fiscal year end.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 17 - Long-Term Obligations (continued)

FY 2010 School Facilities Construction and Improvement Bonds (Group C) - On December 1, 2009, the School District issued \$10,000,000 in voted general obligation bonds for constructing, renovating, and improving school facilities, and acquiring land. The bond issue consists of term bonds, in the amount of \$10,000,000. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2038. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2029, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2025	\$275,000
2026	290,000
2027	305,000
2028	330,000

The remaining principal, in the amount of \$350,000, will be paid at stated maturity on December 1, 2029.

The bonds maturing on December 1, 2037, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2030	\$370,000
2031	390,000
2032	420,000
2033	1,270,000
2034	1,360,000
2035	1,450,000
2036	1,540,000

The remaining principal, in the amount of \$1,650,000, will be paid at stated maturity on December 1, 2037.

The bonds are subject to prior redemption on or after December 1, 2019, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The bonds are subject to extraordinary optional redemption, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date in the event that the Build America payments from the federal government cease or are in an amount less than 35 percent of the corresponding interest payable on the bonds.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 17 - Long-Term Obligations (continued)

FY 2010 School Facilities Construction and Improvement Bonds (Group D) - On December 1, 2009, the School District issued \$10,000,000 in voted general obligation bonds for constructing, renovating, and improving school facilities, and acquiring land. The bond issue consists of term bonds, in the amount of \$10,000,000. The bonds were issued for a fifteen fiscal year period, with final maturity in fiscal year 2025. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2024, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2010	\$340,000
2011	75,000
2012	85,000
2013	425,000
2014	525,000
2015	680,000
2016	695,000
2017	710,000
2018	720,000
2019	920,000
2020	935,000
2021	945,000
2022	965,000
2023	985,000

The remaining principal, in the amount of \$995,000, will be paid at stated maturity on December 1, 2024.

As of June 30, 2010, the School District had unspent bond proceeds, in the amount of \$17,832,248.

Compensated absences will be paid from the General Fund and the Food Service special revenue fund. Capital leases will be paid from the General Fund.

The School District's overall debt margin was \$14,475,467 with an unvoted debt margin of \$638,340 at June 30, 2010.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 17 - Long-Term Obligations (continued)

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2010, were as follows:

Fiscal Year Ending June 30,	General Obligation Bonds				
	Serial	Term	Capital Appreciation	Interest	Total
2011	\$995,000	\$340,000	\$32,796	\$2,371,324	\$3,739,120
2012	825,000	75,000	28,957	2,324,908	3,253,865
2013	960,000	85,000	25,981	2,247,089	3,318,070
2014	1,415,000	425,000	0	1,757,578	3,597,578
2015	935,000	525,000	107,779	1,954,790	3,522,569
2016-2020	1,745,000	4,975,000	142,773	8,692,526	15,555,299
2021-2025	1,930,000	7,365,000	0	6,825,586	16,120,586
2026-2030	1,860,000	5,285,000	0	5,238,363	12,383,363
2031-2035	0	9,125,000	0	3,174,594	12,299,594
2036-2038	0	6,065,000	0	528,575	6,593,575
	<u>\$10,665,000</u>	<u>\$34,265,000</u>	<u>\$338,286</u>	<u>\$35,115,333</u>	<u>\$80,383,619</u>

Note 18 - Capital Leases - Lessee Disclosure

The School District has entered into capitalized leases for equipment. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures on the statement of revenues, expenditures, and changes in fund balances for the governmental funds. Principal payments in fiscal year 2010 were \$25,685.

	Governmental Activities
Equipment	\$129,090
Less Accumulated Depreciation	(74,654)
Total June 30, 2010	<u>\$54,436</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2010.

Fiscal Year	Principal	Interest
2011	\$22,988	\$2,244
2012	28,467	1,140
2013	3,575	41
	<u>\$55,030</u>	<u>\$3,425</u>

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 19 - Set Asides

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 the end of the fiscal year or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year end. These amounts must be carried forward and used for the same purposes in future years.

The following cash basis information identifies the changes in the fund balance reserves for textbooks and capital improvements during fiscal year 2010.

	Textbooks	Capital Improvements
Balance June 30, 2009	(\$60,500)	\$0
Current Year Set Aside Requirement	456,428	456,428
Qualifying Expenditures	(283,550)	(456,428)
Balance June 30, 2010	\$112,378	\$0
Amount Carried Forward to Fiscal Year 2011	\$112,378	\$0

Note 20 - Interfund Transfers

During fiscal year 2010, the General Fund made transfers to other governmental funds, in the amount of \$74,835, to subsidize operations in other funds. The Building capital projects fund made transfers to the General Fund, in the amount of \$62,790, for land acquisition.

Note 21 - Management Plan

For fiscal year 2010, the School District's General Fund had a decrease in fund balance of \$285,018. Projected revenues and expenditures for fiscal year 2011 indicate these financial difficulties will not be completely eliminated during fiscal year 2011.

We were very fortunate, however, to have passed a 7.5 mill emergency levy on November 2, 2010, that will generate approximately \$4.9 million in annual revenue for the next five years. The School District will receive one-half of the annual amount of \$2.45 million in fiscal year 2011 and full collection of \$4.9 million in fiscal 2012. The additional revenue generated by the passage of the emergency levy is the primary method that will allow us to avoid a projected deficit in fiscal year 2012.

Another method to avoid financial difficulties is our slow and strategic plan to restore staff and operations. Over the last two years we have implemented a series of budget reductions totaling more than \$5 million and forty-two staff positions. Until we learn more about State funding in the next bi-annual budget, the only positions to be restored in the 2011/2012 school year are art, music, and physical education. Restoration of art, music, and physical education was promised to the residents upon levy passage. This represents eleven staff positions and an estimated increase to the budget of \$1.25 million. Other staff positions are under consideration for recall in 2012 but will not be acted upon until we know the proposed level of State funding and the overall economy improves.

Note 21 - Management Plan (continued)

The guiding principle for our decisions is to make the levy income last four to five years while providing thirty to sixty days of cash on hand at June 30th to meet July obligations. The administrative team is also modeling other decision paths using the five-year forecast to determine affordability and sustainability of different strategic plan options.

Under the current plan that restores art, music, and physical education, we will have \$3.7 million available in 2011 and \$3.5 million unreserved fund balance in 2012. As of January 31, 2011, we have a General Fund cash balance of \$1.238 million.

Note 22 - Jointly Governed Organizations

A. Tri-Rivers Educational Computer Association

The School District is a participant in the Tri-Rivers Educational Computer Association (TRECA), which is a computer consortium. TRECA is an association of public school districts within the boundaries of Delaware, Knox, Marion, Morrow, Muskingum, and Wyandot 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 TRECA consists of one representative from each county elected by majority vote of all charter member school districts within each county, one representative from the city school districts, and the superintendent from the Tri-Rivers Joint Vocational School. During fiscal year 2010, the School District paid \$63,893 to TRECA for various services. Financial information can be obtained from TRECA, 100 Executive Drive, Marion, Ohio 43302.

B. Delaware Area Career Center

The Delaware Area Career Center is a distinct political subdivision of the State of Ohio which provides vocational education. The Career Center operates under the direction of a Board consisting of one representative from each of the ten participating school district's Boards of Education. The Board possesses its own budgeting and taxing authority. The degree of control exercised by the School District is limited to its representation on the Board. Financial information can be obtained from the Delaware Area Career Center, 4565 Columbus Pike Road, Delaware, Ohio 43015.

C. Village of Sunbury Community Park Joint Recreation Board

The School District and the Village of Sunbury participate in a Joint Recreation Board created under the provisions of Ohio Revised Code Sections 755.12 to 755.18. The Joint Recreation Board consists of one representative from each of the participants and one member at large. The member at large shall be a resident of the Village and the School District and be appointed by both parties. The Village has agreed to commit approximately twenty-one acres of land and the School District has committed \$1.4 million to the development of the park. Financial information can be obtained from the Village of Sunbury, P.O. Box 508, Sunbury, Ohio, 43074.

Note 22 - Jointly Governed Organizations (continued)

D. Metropolitan Educational Council

The Metropolitan Educational Council (MEC) is a purchasing cooperative made up of one hundred seventy school districts, libraries, and related agencies in thirty-seven counties. The purpose of the MEC is to obtain prices for quality merchandise and services commonly used by the participants. The governing board of the MEC consists of one representative from each member. All members must pay all fees, charges, or other assessments as established by the MEC. Financial information can be obtained from the Metropolitan Educational Council, 2100 Citygate Drive, Columbus, Ohio 43219.

Note 23 - Insurance Pool

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 (OASBO) Workers' Compensation Group Rating Plan (Plan) was established through the Ohio Association of School Business Officials as an insurance purchasing pool. The Plan's business and affairs are conducted by the five member OASBO Board of Directors. Each year, the participants pay an enrollment fee to the Plan to cover the costs of administering the program.

Note 24 - Related Organization

The Sunbury Community Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by the Board of Trustees appointed by the Big Walnut Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the School District for operational subsidies. Although the School District serves as the taxing authority, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Sunbury Community Library, 44 Burrer Drive, Sunbury, Ohio 43704.

Note 25 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2010.

B. Litigation

The School District is a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The School District Board of Education is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the School District.

Note 26 - Subsequent Event

On November 2, 2010, the voters approved a 7.5 mill emergency levy for a five year period. The levy will generate approximately \$4,900,000 annually. Collections began on January 1, 2011.

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of the School District's nonmajor special revenue funds:

Food Service

To account for the School District's food service operations.

High School Navigator Technology

To account for registration fees for a training conference hosted by Big Walnut Middle School math teachers. Monies were used to purchase materials for the conference.

Public School Support

To account for donations and miscellaneous revenues. Expenditures include costs for field trips, assemblies, and other activities.

High School Multi-Handicapped

To account for donations to provide for a multi-handicapped unit room.

Athletic and Music

To account for gate receipts and other revenues from athletic events and all costs (except for supplemental coaching contracts) of the School District's athletic and music programs.

Auxiliary Services

To account for resources provided for services and materials for students attending non-public schools within the School District.

Education Management Information Systems

To account for resources provided for hardware and software development or for other costs associated with the management information system.

Network Connectivity

To account for resources which provide for the installation and ongoing support of data communication links connecting public school buildings to the statewide network and to the internet.

SchoolNet Professional Development

To account for resources used for training teachers and the administration on different levels of computer programs.

Miscellaneous State Grants

To account for resources from various State grants to be used for purposes outlined by the grant.

(continued)

**Nonmajor Special Revenue Funds
(continued)**

Title VI-B

To account for Federal resources used to assist the School District in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Fiscal Stabilization

To account for Federal resources used to help stabilize local budgets in order to minimize and avoid reductions in education and other essential services.

Title II-D

To account for Federal resources used to provide programs of professional development and to purchase equipment to enhance the technology of the School District.

Title I

To account for Federal resources used to assist the School District in meeting the special needs of educationally deprived children.

Title IV-A

To account for Federal resources which provide education on a safe and drug free school.

Early Childhood Special Education

To account for Federal resources which support the improvement and expansion of services for handicapped children ages three to five.

Title II-A

To account for Federal resources used to hire additional classroom teachers in grades 1 through 3 so that the number of students per teacher will be reduced.

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010

	Food Service	High School Navigator Technology	Public School Support	High School Multi- Handicapped
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$191,404	\$448	\$21,940	\$893
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Inventory Held for Resale	10,626	0	0	0
Materials and Supplies Inventory	3,573	0	0	0
Total Assets	\$205,603	\$448	\$21,940	\$893
<u>Liabilities and Fund Balances</u>				
<u>Liabilities</u>				
Accounts Payable	\$1,182	\$0	\$600	\$0
Accrued Wages and Benefits Payable	67,345	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	49,161	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	117,688	0	600	0
<u>Fund Balances</u>				
Reserved for Encumbrances	0	0	189	0
Unreserved (Deficit)	87,915	448	21,151	893
Total Fund Balances (Deficit)	87,915	448	21,340	893
Total Liabilities and Fund Balances	\$205,603	\$448	\$21,940	\$893

(continued)

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(continued)

	Athletic and Music	Auxiliary Services	Education Management Information Systems	Network Connectivity
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$75,023	\$23,166	\$0	\$1,432
Accounts Receivable	133	0	0	0
Intergovernmental Receivable	0	11,901	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Total Assets	\$75,156	\$35,067	\$0	\$1,432
<u>Liabilities and Fund Balances</u>				
<u>Liabilities</u>				
Accounts Payable	\$3,917	\$3,771	\$0	\$0
Accrued Wages and Benefits Payable	0	2,400	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	1,050	2,457	5,408	0
Deferred Revenue	133	0	0	0
Total Liabilities	5,100	8,628	5,408	0
<u>Fund Balances</u>				
Reserved for Encumbrances	2,948	12,146	0	0
Unreserved (Deficit)	67,108	14,293	(5,408)	1,432
Total Fund Balances (Deficit)	70,056	26,439	(5,408)	1,432
Total Liabilities and Fund Balances	\$75,156	\$35,067	\$0	\$1,432

Miscellaneous State Grants	Title VI-B	Fiscal Stabilization	Title II-D	Title I	Title II-A
\$0	\$55,253	\$40,460	\$1,696	\$0	\$10,006
0	0	0	0	0	0
0	105,521	0	0	210,633	14,921
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$0</u>	<u>\$160,774</u>	<u>\$40,460</u>	<u>\$1,696</u>	<u>\$210,633</u>	<u>\$24,927</u>
\$0	\$935	\$19,739	\$996	\$325	\$0
0	88,026	0	0	17,272	0
1,548	0	0	0	2,847	0
0	4,944	0	0	2,837	0
0	105,521	0	0	206,677	14,921
<u>1,548</u>	<u>199,426</u>	<u>19,739</u>	<u>996</u>	<u>229,958</u>	<u>14,921</u>
300	7,236	8,158	200	64	9,886
(1,848)	(45,888)	12,563	500	(19,389)	120
<u>(1,548)</u>	<u>(38,652)</u>	<u>20,721</u>	<u>700</u>	<u>(19,325)</u>	<u>10,006</u>
<u>\$0</u>	<u>\$160,774</u>	<u>\$40,460</u>	<u>\$1,696</u>	<u>\$210,633</u>	<u>\$24,927</u>

(continued)

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010
(continued)

	Total
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$421,721
Accounts Receivable	133
Intergovernmental Receivable	342,976
Inventory Held for Resale	10,626
Materials and Supplies Inventory	3,573
Total Assets	\$779,029
<u>Liabilities and Fund Balances</u>	
<u>Liabilities</u>	
Accounts Payable	\$31,465
Accrued Wages and Benefits Payable	175,043
Interfund Payable	4,395
Intergovernmental Payable	65,857
Deferred Revenue	327,252
Total Liabilities	604,012
<u>Fund Balances</u>	
Reserved for Encumbrances	41,127
Unreserved (Deficit)	133,890
Total Fund Balances (Deficit)	175,017
Total Liabilities and Fund Balances	\$779,029

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010

	Food Service	High School Navigator Technology	Public School Support	High School Multi- Handicapped
<u>Revenues</u>				
Intergovernmental	\$295,791	\$0	\$0	\$0
Interest	21	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	782,811	0	0	0
Gifts and Donations	0	0	2,008	0
Miscellaneous	273	0	16,196	0
Total Revenues	1,078,896	0	18,204	0
<u>Expenditures</u>				
Current:				
Instruction				
Regular	0	0	0	0
Special	0	0	0	0
Support Services				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	22,270	0
Fiscal	0	0	0	0
Business	24,000	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Non-Instructional Services	1,052,419	0	0	0
Extracurricular Activities	0	0	0	0
Total Expenditures	1,076,419	0	22,270	0
Excess of Revenues Over (Under) Expenditures	2,477	0	(4,066)	0
<u>Other Financing Sources</u>				
Transfers In	0	0	0	0
Changes in Fund Balances	2,477	0	(4,066)	0
Fund Balances (Deficit) Beginning of Year	85,438	448	25,406	893
Fund Balances (Deficit) End of Year	\$87,915	\$448	\$21,340	\$893

(continued)

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010
(continued)

	Athletic and Music	Auxiliary Services	Education Management Information Systems	Network Connectivity
<u>Revenues</u>				
Intergovernmental	\$0	\$136,902	\$5,313	\$11,432
Interest	0	0	0	0
Extracurricular Activities	208,172	0	0	0
Charges for Services	0	0	0	0
Gifts and Donations	500	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	208,672	136,902	5,313	11,432
<u>Expenditures</u>				
Current:				
Instruction				
Regular	0	0	0	0
Special	0	0	0	0
Support Services				
Pupils	0	0	0	0
Instructional Staff	0	0	0	10,000
Administration	1,050	0	0	0
Fiscal	0	5,000	81,842	0
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Non-Instructional Services	0	114,942	0	0
Extracurricular Activities	187,069	0	0	0
Total Expenditures	188,119	119,942	81,842	10,000
Excess of Revenues Over (Under) Expenditures	20,553	16,960	(76,529)	1,432
<u>Other Financing Sources</u>				
Transfers In	0	0	74,835	0
Changes in Fund Balances	20,553	16,960	(1,694)	1,432
Fund Balances (Deficit) Beginning of Year	49,503	9,479	(3,714)	0
Fund Balances (Deficit) End of Year	<u>\$70,056</u>	<u>\$26,439</u>	<u>(\$5,408)</u>	<u>\$1,432</u>

SchoolNet Professional Development	Miscellaneous State Grants	Title VI-B	Fiscal Stabilization	Title II-D	Title I
\$0	\$5,000	\$992,661	\$308,609	\$2,233	\$260,384
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
0	5,000	992,661	308,609	2,233	260,384
0	6,822	0	16,861	0	0
0	0	448,471	0	0	279,205
0	0	242,762	0	0	0
42	3,147	0	0	1,641	0
0	0	251,608	0	0	0
0	0	0	0	0	325
0	0	0	0	0	0
0	0	0	271,027	0	0
0	0	74,864	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
42	9,969	1,017,705	287,888	1,641	279,530
(42)	(4,969)	(25,044)	20,721	592	(19,146)
0	0	0	0	0	0
(42)	(4,969)	(25,044)	20,721	592	(19,146)
42	3,421	(13,608)	0	108	(179)
\$0	(\$1,548)	(\$38,652)	\$20,721	\$700	(\$19,325)

(continued)

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010
(continued)

	Title IV-A	Early Childhood Special Education	Title II-A	Total
<u>Revenues</u>				
Intergovernmental	\$5,908	\$29,945	\$74,596	\$2,128,774
Interest	0	0	0	21
Extracurricular Activities	0	0	0	208,172
Charges for Services	0	0	0	782,811
Gifts and Donations	0	0	0	2,508
Miscellaneous	0	0	0	16,469
			0	
Total Revenues	<u>5,908</u>	<u>29,945</u>	<u>74,596</u>	<u>3,138,755</u>
<u>Expenditures</u>				
Current:				
Instruction				
Regular	0	0	0	23,683
Special	0	29,945	0	757,621
Support Services				
Pupils	5,908	0	0	248,670
Instructional Staff	0	0	65,704	80,534
Administration	0	0	0	274,928
Fiscal	0	0	0	87,167
Business	0	0	0	24,000
Operation and Maintenance of Plant	0	0	0	271,027
Pupil Transportation	0	0	0	74,864
Non-Instructional Services	0	0	0	1,167,361
Extracurricular Activities	0	0	0	187,069
Total Expenditures	<u>5,908</u>	<u>29,945</u>	<u>65,704</u>	<u>3,196,924</u>
Excess of Revenues Over (Under) Expenditures	0	0	8,892	(58,169)
<u>Other Financing Sources</u>				
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>74,835</u>
Changes in Fund Balances	0	0	8,892	16,666
Fund Balances (Deficit) Beginning of Year	<u>0</u>	<u>0</u>	<u>1,114</u>	<u>158,351</u>
Fund Balances (Deficit) End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$10,006</u>	<u>\$175,017</u>

Big Walnut Local School District
Combining Statements - Agency Funds

Agency funds are used to account for assets held by the School District as an agent for individuals, private organizations, other governments, and/or other funds.

Agency Funds

High School Advanced Placement

To account for student fees to take an advanced placement test.

Teachers

To account for resources collected from vending machines for teachers to purchase flowers, balloons, etc. for various personal events.

Student Activities

To account for student activity programs which have student participation in the activity and student involvement in the management of the program.

Local Professional Development Committee (LPDC)

To account for resources collected from teachers to pay for license renewals.

Payroll

To account for the School District's payroll and withholdings.

Big Walnut Local School District
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2010

	High School Advanced Placement	Teachers	Student Activities	LPDC	Payroll	Total
<u>Assets</u>						
Equity in Pooled Cash and Cash Equivalents	\$1,682	\$7,073	\$87,962	\$1,885	\$19	\$98,621
<u>Liabilities</u>						
Undistributed Assets	\$1,682	\$7,073	\$0	\$1,885	\$19	\$10,659
Due to Students	0	0	87,962	0	0	87,962
	\$1,682	\$7,073	\$87,962	\$1,885	\$19	\$98,621

Big Walnut Local School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2010

	Balance at 6/30/09	Additions	Reductions	Balance at 6/30/10
<u>High School Advanced Placement</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$365	\$1,317	\$0	\$1,682
<u>Liabilities</u>				
Undistributed Assets	\$365	\$1,317	\$0	\$1,682
<u>Teachers</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$7,706	\$0	\$633	\$7,073
<u>Liabilities</u>				
Undistributed Assets	\$7,706	\$0	\$633	\$7,073
<u>Student Activities</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$103,397	\$0	\$15,435	\$87,962
<u>Liabilities</u>				
Due to Students	\$103,397	\$0	\$15,435	\$87,962
<u>LPDC</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,120	\$765	\$0	\$1,885
<u>Liabilities</u>				
Undistributed Assets	\$1,120	\$765	\$0	\$1,885
<u>Payroll</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$27	\$0	\$8	\$19
<u>Liabilities</u>				
Undistributed Assets	\$27	\$0	\$8	\$19
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$112,615	\$2,082	\$16,076	\$98,621
<u>Liabilities</u>				
Undistributed Assets	\$9,218	\$2,082	\$641	\$10,659
Due to Students	103,397	0	15,435	87,962
	\$112,615	\$2,082	\$16,076	\$98,621

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**INDIVIDUAL FUND SCHEDULES
OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Original Budget	Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$12,437,634	\$11,646,484	\$12,067,448	\$420,964
Income Taxes	4,511,000	4,119,307	4,117,391	(1,916)
Intergovernmental	7,026,897	7,000,897	7,201,503	200,606
Interest	50,000	12,000	167,495	155,495
Tuition and Fees	312,400	264,700	272,375	7,675
Extracurricular Activities	14,530	1,280	1,139	(141)
Charges for Services	4,000	4,000	10,631	6,631
Gifts and Donations	202,492	24,992	23,452	(1,540)
Miscellaneous	12,500	12,500	54,158	41,658
Total Revenues	24,571,453	23,086,160	23,915,592	829,432
<u>Expenditures</u>				
Current:				
Instruction				
Regular				
Salaries	8,480,130	8,652,311	8,633,845	18,466
Fringe Benefits	3,023,281	3,024,463	3,020,579	3,884
Purchased Services	545,136	544,637	497,702	46,935
Materials and Supplies	273,546	261,681	247,560	14,121
Capital Outlay	30,215	19,765	19,508	257
Total Regular	12,352,308	12,502,857	12,419,194	83,663
Special				
Salaries	1,089,427	1,066,936	1,063,309	3,627
Fringe Benefits	460,125	517,040	510,320	6,720
Purchased Services	428,875	316,767	304,857	11,910
Materials and Supplies	16,181	13,782	9,614	4,168
Capital Outlay	5,160	1,250	1,157	93
Total Special	1,999,768	1,915,775	1,889,257	26,518
Vocational				
Salaries	222,154	223,480	223,480	0
Fringe Benefits	86,097	86,971	83,077	3,894
Purchased Services	11,326	12,526	10,012	2,514
Total Vocational	319,577	322,977	316,569	6,408
Total Instruction	14,671,653	14,741,609	14,625,020	116,589

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Support Services				
Pupils				
Salaries	\$516,867	\$520,820	\$521,558	(\$738)
Fringe Benefits	200,347	202,221	201,863	358
Purchased Services	393,740	434,166	410,628	23,538
Materials and Supplies	9,165	10,039	8,982	1,057
Total Pupils	1,120,119	1,167,246	1,143,031	24,215
Instructional Staff				
Salaries	775,098	804,799	810,094	(5,295)
Fringe Benefits	436,586	529,167	498,073	31,094
Purchased Services	123,760	117,714	112,116	5,598
Materials and Supplies	20,662	18,612	18,315	297
Other	87,500	93,885	106,393	(12,508)
Total Instructional Staff	1,443,606	1,564,177	1,544,991	19,186
Board of Education				
Salaries	8,000	8,500	9,200	(700)
Fringe Benefits	39,210	2,031	2,031	0
Purchased Services	84,426	93,856	78,840	15,016
Other	34,900	34,900	34,163	737
Total Board of Education	166,536	139,287	124,234	15,053
Administration				
Salaries	1,504,792	1,500,827	1,500,529	298
Fringe Benefits	649,019	656,033	649,356	6,677
Purchased Services	120,581	209,096	107,847	101,249
Materials and Supplies	9,527	8,527	6,529	1,998
Other	8,110	8,110	5,164	2,946
Total Administration	2,292,029	2,382,593	2,269,425	113,168
Fiscal				
Salaries	267,398	264,579	264,559	20
Fringe Benefits	88,745	92,613	88,149	4,464
Purchased Services	6,868	6,868	5,080	1,788
Materials and Supplies	2,000	2,636	2,680	(44)
Other	309,540	320,491	313,048	7,443
Total Fiscal	674,551	687,187	673,516	13,671

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Business				
Salaries	\$75,134	\$85,686	\$77,021	\$8,665
Fringe Benefits	28,864	47,029	46,771	258
Purchased Services	17,951	18,302	16,792	1,510
Materials and Supplies	0	47,030	47,062	(32)
Other	760	760	185	575
Total Business	122,709	198,807	187,831	10,976
Operation and Maintenance of Plant				
Salaries	696,541	718,614	713,730	4,884
Fringe Benefits	319,891	346,469	344,211	2,258
Purchased Services	795,944	757,184	717,543	39,641
Materials and Supplies	112,659	113,260	84,396	28,864
Capital Outlay	4,000	4,000	3,587	413
Total Operation and Maintenance of Plant	1,929,035	1,939,527	1,863,467	76,060
Pupil Transportation				
Salaries	899,223	960,857	956,890	3,967
Fringe Benefits	518,323	558,861	542,205	16,656
Purchased Services	53,141	52,793	41,116	11,677
Materials and Supplies	328,725	270,526	253,172	17,354
Capital Outlay	10,753	12,514	12,442	72
Total Pupil Transportation	1,810,165	1,855,551	1,805,825	49,726
Central				
Purchased Services	4,600	5,700	6,202	(502)
Total Support Services	9,563,350	9,940,075	9,618,522	321,553
Extracurricular Activities				
Academic and Subject Oriented Activities				
Salaries	97,810	85,720	79,678	6,042
Fringe Benefits	14,700	12,309	10,164	2,145
Purchased Services	0	2,700	2,505	195
Total Academic and Subject Oriented Activities	112,510	100,729	92,347	8,382

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Sport Oriented Activities				
Salaries	\$349,478	\$343,831	\$343,629	\$202
Fringe Benefits	53,093	59,543	49,048	10,495
Total Sport Oriented Activities	402,571	403,374	392,677	10,697
Total Extracurricular Activities	515,081	504,103	485,024	19,079
Capital Outlay				
Building Improvement Services				
Capital Outlay	2,331	2,484	2,484	0
Total Expenditures	24,752,415	25,188,271	24,731,050	457,221
Excess of Revenues Under Expenditures	(180,962)	(2,102,111)	(815,458)	1,286,653
<u>Other Financing Sources (Uses)</u>				
Refund of Prior Year Expenditures	0	0	51,121	51,121
Transfers In	100,000	177,290	62,790	(114,500)
Transfers Out	0	0	(74,835)	(74,835)
Total Other Financing Sources (Uses)	100,000	177,290	39,076	(138,214)
Changes in Fund Balance	(80,962)	(1,924,821)	(776,382)	1,148,439
Fund Balance Beginning of Year	305,436	305,436	305,436	0
Prior Year Encumbrances Appropriated	202,304	202,304	202,304	0
Fund Balance (Deficit) End of Year	\$426,778	(\$1,417,081)	(\$268,642)	\$1,148,439

Big Walnut Local School District
Bond Retirement Debt Service Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Property Taxes	\$3,298,489	\$2,927,825	(\$370,664)
Intergovernmental	352,845	418,171	65,326
Miscellaneous	0	296,816	296,816
	<hr/>	<hr/>	<hr/>
Total Revenues	3,651,334	3,642,812	(8,522)
<u>Expenditures</u>			
Current:			
Support Services			
Fiscal			
Miscellaneous	48,418	48,418	0
	<hr/>	<hr/>	<hr/>
Debt Service:			
Principal Retirement	727,664	2,187,207	(1,459,543)
Interest and Fiscal Charges	1,616,669	1,665,185	(48,516)
Interest on Capital Appreciation Bonds	592,793	592,793	0
	<hr/>	<hr/>	<hr/>
Total Debt Service	2,937,126	4,445,185	(1,508,059)
	<hr/>	<hr/>	<hr/>
Total Expenditures	2,985,544	4,493,603	(1,508,059)
	<hr/>	<hr/>	<hr/>
Excess of Revenues Over (Under) Expenditures	665,790	(850,791)	(1,516,581)
<u>Other Financing Sources</u>			
General Obligation Bonds Issued	0	1,050,626	1,050,626
	<hr/>	<hr/>	<hr/>
Changes in Fund Balance	665,790	199,835	(465,955)
	<hr/>	<hr/>	<hr/>
Fund Balance Beginning of Year	1,720,489	1,720,489	0
	<hr/>	<hr/>	<hr/>
Fund Balance End of Year	\$2,386,279	\$1,920,324	(\$465,955)
	<hr/>	<hr/>	<hr/>

Big Walnut Local School District
Building Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
	\$0	\$0	\$0
<u>Revenues</u>			
<u>Expenditures</u>			
Current:			
Support Services			
Business			
Salaries	91,785	45,897	45,888
Central			
Purchased Services	10,488	7,496	2,992
Total Support Services	102,273	53,393	48,880
Capital Outlay			
Site Acquisition Services			
Capital Outlay	442,937	6,216	436,721
Architecture and Engineering Services			
Purchased Services	1,061,328	1,026,458	34,870
Facilities Acquisition Services			
Purchased Services	1,075,980	985,924	90,056
Capital Outlay	22,877,119	22,264,877	612,242
Total Facilities Acquisition Services	23,953,099	23,250,801	702,298
Building Improvement Services			
Capital Outlay	106,433	104,356	2,077
Total Capital Outlay	25,563,797	24,387,831	1,175,966
Debt Service			
Interest and Fiscal Charges	0	200,000	(200,000)
Total Expenditures	25,666,070	24,641,224	1,024,846
Excess of Revenues			
Under Expenditures	(25,666,070)	(24,641,224)	1,024,846
<u>Other Financing Sources (Uses)</u>			
General Obligation Bonds Issued	20,000,000	20,000,000	0
Other Financing Uses	(212,571)	0	212,571
Transfers Out	(67,176)	(62,790)	4,386
Total Other Financing Sources (Uses)	19,720,253	19,937,210	216,957
Changes in Fund Balance	(5,945,817)	(4,704,014)	1,241,803
Fund Balance Beginning of Year	8,095,034	8,095,034	0
Prior Year Encumbrances Appropriated	2,082,522	2,082,522	0
Fund Balance End of Year	\$4,231,739	\$5,473,542	\$1,241,803

Big Walnut Local School District
Food Service Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$226,100	\$275,558	\$49,458
Interest	25	21	(4)
Charges for Services	790,780	782,811	(7,969)
Miscellaneous	300	273	(27)
Total Revenues	<u>1,017,205</u>	<u>1,058,663</u>	<u>41,458</u>
<u>Expenditures</u>			
Current:			
Support Services			
Business			
Salaries	24,000	24,000	0
Non-Instructional Services			
Salaries	365,042	346,490	18,552
Fringe Benefits	169,911	165,780	4,131
Purchased Services	47,391	32,415	14,976
Materials and Supplies	471,264	437,665	33,599
Other	1,500	1,431	69
Capital Outlay	4,150	2,556	1,594
Total Non-Instructional Services	<u>1,059,258</u>	<u>986,337</u>	<u>72,921</u>
Total Expenditures	<u>1,083,258</u>	<u>1,010,337</u>	<u>72,921</u>
Changes in Fund Balance	(66,053)	48,326	114,379
Fund Balance Beginning of Year	102,926	102,926	0
Prior Year Encumbrances Appropriated	40,152	40,152	0
Fund Balance End of Year	<u>\$77,025</u>	<u>\$191,404</u>	<u>\$114,379</u>

Big Walnut Local School District
High School Navigator Technology Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	448	448	0
Fund Balance End of Year	\$448	\$448	\$0

Big Walnut Local School District
Public School Support Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Gifts and Donations	\$4,500	\$2,008	(\$2,492)
Miscellaneous	21,700	16,196	(5,504)
Total Revenues	26,200	18,204	(7,996)
<u>Expenditures</u>			
Current:			
Support Services			
Administration			
Salaries	400	180	220
Fringe Benefits	175	26	149
Purchased Services	25,969	11,218	14,751
Materials and Supplies	9,600	4,694	4,906
Capital Outlay	7,850	5,741	2,109
Total Expenditures	43,994	21,859	22,135
Changes in Fund Balance	(17,794)	(3,655)	14,139
Fund Balance Beginning of Year	23,574	23,574	0
Prior Year Encumbrances Appropriated	1,832	1,832	0
Fund Balance End of Year	\$7,612	\$21,751	\$14,139

Big Walnut Local School District
High School Multi-Handicapped Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Materials and Supplies	893	0	893
Changes in Fund Balance	(893)	0	893
Fund Balance Beginning of Year	893	893	0
Fund Balance End of Year	\$0	\$893	\$893

Big Walnut Local School District
Athletic and Music Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Extracurricular Activities	\$209,794	\$204,828	(\$4,966)
Gifts and Donations	0	500	500
Miscellaneous	1,000	0	(1,000)
Total Revenues	210,794	205,328	(5,466)
<u>Expenditures</u>			
Current:			
Extracurricular Activities			
Academic and Subject Oriented Activities			
Purchased Services	1,400	501	899
Materials and Supplies	2,200	1,419	781
Total Academic and Subject Oriented Activities	3,600	1,920	1,680
Sport Oriented Activities			
Purchased Services	127,024	116,877	10,147
Materials and Supplies	64,619	49,668	14,951
Capital Outlay	38,288	26,481	11,807
Total Sport Oriented Activities	229,931	193,026	36,905
Total Expenditures	233,531	194,946	38,585
Changes in Fund Balance	(22,737)	10,382	33,119
Fund Balance Beginning of Year	43,440	43,440	0
Prior Year Encumbrances Appropriated	8,170	8,170	0
Fund Balance End of Year	\$28,873	\$61,992	\$33,119

Big Walnut Local School District
Auxiliary Services Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$125,001	\$125,001	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Fiscal			
Purchased Services	5,000	5,000	0
Non-Instructional Services			
Salaries	19,429	19,429	0
Fringe Benefits	2,890	2,867	23
Purchased Services	42,068	42,068	0
Materials and Supplies	58,836	65,024	(6,188)
Capital Outlay	21,008	20,282	726
Total Non-Instructional Services	144,231	149,670	(5,439)
Total Expenditures	149,231	154,670	(5,439)
Changes in Fund Balance	(24,230)	(29,669)	(5,439)
Fund Balance Beginning of Year	4,444	4,444	0
Prior Year Encumbrances Appropriated	32,474	32,474	0
Fund Balance End of Year	\$12,688	\$7,249	(\$5,439)

Big Walnut Local School District
Education Management Information Systems Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$8,000	\$5,313	(\$2,687)
<u>Expenditures</u>			
Current:			
Support Services			
Fiscal			
Salaries	53,100	53,058	42
Fringe Benefits	27,030	27,090	(60)
Total Expenditures	80,130	80,148	(18)
Excess of Revenues Under Expenditures	(72,130)	(74,835)	(2,705)
<u>Other Financing Sources</u>			
Transfers In	75,000	74,835	(165)
Changes in Fund Balance	2,870	0	(2,870)
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$2,870</u>	<u>\$0</u>	<u>(\$2,870)</u>

Big Walnut Local School District
 Network Connectivity Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$10,000	\$11,432	\$1,432
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Purchased Services	10,000	10,000	0
Changes in Fund Balance	0	1,432	1,432
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$1,432</u>	<u>\$1,432</u>

Big Walnut Local School District
SchoolNet Professional Development Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Purchased Services	42	42	0
Changes in Fund Balance	(42)	(42)	0
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	42	42	0
Fund Balance End of Year	\$0	\$0	\$0

Big Walnut Local School District
Miscellaneous State Grants Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$5,000	\$5,000	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Salaries	500	200	300
Purchased Services	9,356	5,769	3,587
Materials and Supplies	1,018	853	165
Total Instruction	10,874	6,822	4,052
Support Services			
Instructional Staff			
Fringe Benefits	135	135	0
Purchased Services	3,400	2,326	1,074
Materials and Supplies	1,650	1,121	529
Capital Outlay			0
Total Support Services	5,185	3,582	1,603
Total Expenditures	16,059	10,404	5,655
Changes in Fund Balance	(11,059)	(5,404)	5,655
Fund Balance Beginning of Year	2,512	2,512	0
Prior Year Encumbrances Appropriated	1,044	1,044	0
Fund Balance End of Year	(\$7,503)	(\$1,848)	\$5,655

Big Walnut Local School District
 Title VI-B Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$1,030,105	\$1,018,147	(\$11,958)
<u>Expenditures</u>			
Current:			
Instruction			
Special Salaries	455,949	447,613	8,336
Support Services			
Pupils			
Purchased Services	268,852	249,949	18,903
Administration			
Salaries	55,993	55,993	0
Fringe Benefits	6,663	6,663	0
Purchased Services	167,416	164,734	2,682
Materials and Supplies	10,506	10,403	103
Total Administration	240,578	237,793	2,785
Pupil Transportation			
Capital Outlay	75,000	74,864	136
Total Support Services	584,430	562,606	21,824
Total Expenditures	1,040,379	1,010,219	30,160
Changes in Fund Balance	(10,274)	7,928	18,202
Fund Balance Beginning of Year	37,989	37,989	0
Fund Balance End of Year	\$27,715	\$45,917	\$18,202

Big Walnut Local School District
Fiscal Stabilization Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$311,000	\$308,609	(\$2,391)
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Purchased Services	21,371	25,019	(3,648)
Support Services			
Operation and Maintenance of Plant			
Purchased Services	297,830	251,288	46,542
Total Expenditures	319,201	276,307	42,894
Changes in Fund Balance	(8,201)	32,302	40,503
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	(\$8,201)	\$32,302	\$40,503

Big Walnut Local School District
 Title II-D Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$4,657	\$2,233	(\$2,424)
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Materials and Supplies	1,456	0	1,456
Support Services			
Instructional Staff			
Salaries	579	0	579
Fringe Benefits	89	0	89
Purchased Services	2,749	1,841	908
Total Support Services	3,417	1,841	1,576
Total Expenditures	4,873	1,841	3,032
Excess of Revenues Over (Under) Expenditures	(216)	392	608
<u>Other Financing Sources</u>			
Transfers In	108	0	(108)
Changes in Fund Balance	(108)	392	500
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	108	108	0
Fund Balance End of Year	<u>\$0</u>	<u>\$500</u>	<u>\$500</u>

Big Walnut Local School District
 Title I Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$442,759	\$271,805	(\$170,954)
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Salaries	199,366	157,326	42,040
Fringe Benefits	63,152	32,989	30,163
Purchased Services	101,933	67,887	34,046
Materials and Supplies	21,010	6,562	14,448
Capital Outlay	12,000	10,045	1,955
Total Expenditures	<u>397,461</u>	<u>274,809</u>	<u>122,652</u>
Changes in Fund Balance	45,298	(3,004)	(48,302)
Fund Balance (Deficit) Beginning of Year	<u>(232)</u>	<u>(232)</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u><u>\$45,066</u></u>	<u><u>(\$3,236)</u></u>	<u><u>(\$48,302)</u></u>

Big Walnut Local School District
 Title IV-A Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$5,908	\$5,908	\$0
<u>Expenditures</u>			
Current:			
Pupils			
Operation and Maintenance of Plant			
Purchased Services	5,908	5,908	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Big Walnut Local School District
Early Childhood Special Education Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$29,945	\$29,945	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Purchased Services	29,945	29,945	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Big Walnut Local School District
 Title II-A Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$93,948	\$78,512	(\$15,436)
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Salaries	18,836	18,475	361
Fringe Benefits	2,153	2,027	126
Purchased Services	60,227	56,479	3,748
Total Expenditures	81,216	76,981	4,235
Excess of Revenues Over Expenditures	12,732	1,531	(11,201)
<u>Other Financing Sources</u>			
Transfers In	3,771	0	(3,771)
Changes in Fund Balance	16,503	1,531	(14,972)
Fund Balance (Deficit) Beginning of Year	(5,116)	(5,116)	0
Prior Year Encumbrances Appropriated	3,705	3,705	0
Fund Balance End of Year	<u>\$15,092</u>	<u>\$120</u>	<u>(\$14,972)</u>

**STATISTICAL
SECTION**

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**Big Walnut Local School District
Statistical Section**

This part of the School District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School Districts’s overall financial health.

Contents	Page
Financial Trends.....	S-2
These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.	
Revenue Capacity	S-10
These schedules contain information to help the reader assess the School District’s most significant local revenue sources.	
Debt Capacity.....	S-20
These schedules present information to help the reader assess the affordability of the School District’s current levels of outstanding debt and the School District’s ability to issue additional debt in the future.	
Demographic and Economic Information.....	S-26
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District’s financial activities take place.	
Operating Information	S-28
These schedules contain service data to help the reader understand how the information in the School District’s financial report relates to the services the School District provides and the activities it performs.	

Source: Unless otherwise noted the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Big Walnut Local School District
Net Assets
Last Five Fiscal Years
(Accrual Basis of Accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Invested in Capital Assets, Net of Related Debt	\$9,138,600	\$8,781,299	\$7,054,170	\$7,865,501
Restricted for				
Debt Service	1,669,886	1,358,370	1,245,230	698,462
Capital Projects	267,664	607,425	1,870,203	445,216
Set Asides	112,378	0	0	128,199
Other Purposes	514,358	180,248	129,858	147,562
Unrestricted (Deficit)	<u>(2,854,998)</u>	<u>(2,939,538)</u>	<u>(938,272)</u>	<u>(102,051)</u>
Total Net Assets	<u>\$8,847,888</u>	<u>\$7,987,804</u>	<u>\$9,361,189</u>	<u>\$9,182,889</u>

Note: Information prior to fiscal year 2006 is not available.

<u>2006</u>
\$7,377,670
919,694
0
69,164
233,850
<u>(97,820)</u>
<u>\$8,502,558</u>

Big Walnut Local School District
Changes in Net Assets
Last Five Fiscal Years
(Accrual Basis of Accounting)

	2010	2009	2008	2007
<u>Expenses</u>				
Instruction				
Regular	\$13,227,046	\$12,618,709	\$12,151,170	\$10,766,134
Special	2,410,093	3,749,804	3,293,665	2,952,259
Vocational	308,959	368,712	402,201	380,318
Support Services				
Pupils	1,428,226	1,236,627	1,330,211	1,240,150
Instructional Staff	1,830,485	1,215,386	1,075,658	886,296
Board of Education	132,398	236,519	203,318	184,257
Administration	2,624,405	2,560,097	2,390,141	1,943,266
Fiscal	829,078	895,813	884,013	748,515
Business	257,499	281,761	221,413	251,600
Operation and Maintenance of Plant	2,181,680	2,197,437	2,193,705	1,891,168
Pupil Transportation	2,035,825	1,925,545	1,944,429	1,763,719
Central	13,076	29,416	7,283	57,179
Non-Instructional Services	1,202,563	1,161,952	990,184	958,656
Extracurricular Activities	715,823	776,510	711,089	631,834
Interest and Fiscal Charges	1,933,711	1,117,813	850,009	853,300
Total Expenses	<u>31,130,867</u>	<u>30,372,101</u>	<u>28,648,489</u>	<u>25,508,651</u>
<u>Program Revenues</u>				
Charges for Services				
Regular	106,812	294,260	211,854	188,569
Special	77,742	87,902	51,117	53,857
Administration	4,624	5,805	3,420	0
Non-Instructional Services	782,811	793,208	718,600	656,422
Extracurricular Activities	209,444	205,867	220,158	201,425
Total Charges for Services	<u>1,181,433</u>	<u>1,387,042</u>	<u>1,205,149</u>	<u>1,100,273</u>
Operating Grants, Contributions, and Interest	2,222,925	1,338,135	1,279,558	1,300,892
Capital Grants and Contributions	0	19,360	44,731	22,841
Total Program Revenues	<u>3,404,358</u>	<u>2,744,537</u>	<u>2,529,438</u>	<u>2,424,006</u>
Net Expense	<u>(27,726,509)</u>	<u>(27,627,564)</u>	<u>(26,119,051)</u>	<u>(23,084,645)</u>
<u>General Revenues and Other Changes in Net Assets</u>				
Property Taxes Levied for General Purposes	12,632,397	11,433,389	12,336,291	10,140,434
Property Taxes Levied for Debt Service Purposes	3,017,525	2,649,715	2,018,917	1,889,652
Income Taxes Levied for General Purposes	4,418,135	4,346,558	4,430,022	4,358,466
Grants and Entitlements not Restricted to Specific Programs	7,851,550	7,350,791	6,968,875	6,548,534
Interest	102,607	286,958	347,757	535,992
Gifts and Donations	150,323	28,643	5,553	195,436
Miscellaneous	414,056	158,125	189,936	96,462
Total General Revenues	<u>28,586,593</u>	<u>26,254,179</u>	<u>26,297,351</u>	<u>23,764,976</u>
Changes in Net Assets	<u>\$860,084</u>	<u>(\$1,373,385)</u>	<u>\$178,300</u>	<u>\$680,331</u>

Note: Information prior to fiscal year 2006 is not available.

2006

\$10,640,482
2,310,234
361,900

1,217,465
1,112,190
159,106
1,644,074
708,063
229,590
1,859,258
1,809,895
41,406
810,128
658,180
1,005,545

24,567,516

245,254
0
0
617,845
220,414
1,083,513
1,373,899
21,659

2,479,071

(22,088,445)

11,310,488
2,258,006
4,545,105

6,191,456
664,609
26,653
105,791

25,102,108

\$3,013,663

Big Walnut Local School District
Fund Balances
Governmental Funds
Last Five Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund				
Reserved	\$1,408,737	\$801,898	\$2,212,745	\$2,446,701
Unreserved (Deficit)	<u>(2,058,664)</u>	<u>(1,166,807)</u>	<u>(79,139)</u>	<u>818,705</u>
Total General Fund (Deficit)	<u>(649,927)</u>	<u>(364,909)</u>	<u>2,133,606</u>	<u>3,265,406</u>
All Other Governmental Funds				
Reserved	12,976,932	2,291,217	392,250	1,031,406
Unreserved, Reported in				
Special Revenue Funds (Deficit)	133,890	96,747	64,241	(90,069)
Debt Service Fund	2,002,824	1,720,489	1,107,110	553,922
Capital Projects Fund	<u>5,454,434</u>	<u>8,025,988</u>	<u>1,822,402</u>	<u>1,749,322</u>
Total All Other Governmental Funds	<u>20,568,080</u>	<u>12,134,441</u>	<u>3,386,003</u>	<u>3,244,581</u>
Total Governmental Funds	<u>\$19,918,153</u>	<u>\$11,769,532</u>	<u>\$5,519,609</u>	<u>\$6,509,987</u>

Note: Information prior to fiscal year 2006 is not available

<u>2006</u>
\$3,545,417
<u>189,573</u>
<u>3,734,990</u>
6,145,307
155,890
574,050
<u>2,476,479</u>
<u>9,351,726</u>
<u><u>\$13,086,716</u></u>

Big Walnut Local School District
Changes in Fund Balances
Governmental Funds
Last Five Fiscal Years
(Modified Accrual Basis of Accounting)

	2010	2009	2008	2007
<u>Revenues</u>				
Property Taxes	\$15,748,370	\$13,975,143	\$14,253,531	\$11,930,590
Income Taxes	4,378,961	4,367,830	4,454,107	4,327,411
Intergovernmental	9,748,448	8,715,851	8,278,358	7,851,774
Interest	97,564	287,274	347,757	535,992
Tuition and Fees	272,375	327,724	224,087	301,629
Extracurricular Activities	209,311	206,095	219,930	207,366
Charges for Services	793,442	799,013	722,020	656,287
Gifts and Donations	25,960	46,242	37,851	28,928
Miscellaneous	395,079	158,125	189,936	96,462
Total Revenues	31,669,510	28,883,297	28,727,577	25,936,439
<u>Expenditures</u>				
Current:				
Instruction				
Regular	12,611,011	11,949,498	11,269,817	10,518,030
Special	2,432,415	3,684,912	3,273,814	2,924,910
Vocational	299,416	359,169	416,015	372,096
Support Services				
Pupils	1,408,284	1,222,872	1,324,018	1,234,650
Instructional Staff	1,818,766	1,207,259	957,272	842,513
Board of Education	132,398	236,519	203,318	184,257
Administration	2,564,264	2,485,192	2,446,647	1,912,326
Fiscal	828,018	906,794	895,653	740,005
Business	256,270	290,335	219,046	229,266
Operation and Maintenance of Plant	2,148,120	2,154,632	2,151,577	1,856,934
Pupil Transportation	1,945,087	1,779,954	1,970,238	1,791,030
Central	13,076	29,416	10,425	204,590
Non-Instructional Services	1,173,563	1,125,544	958,385	948,697
Extracurricular Activities	681,466	742,534	679,741	601,644
Capital Outlay	11,667,097	1,985,236	1,329,008	5,750,571
Debt Service:				
Principal Retirement	2,212,892	897,845	1,029,372	995,973
Interest and Fiscal Charges	1,786,579	890,279	712,699	741,649
Interest on Capital Appreciation Bonds	592,793	816,158	0	664,027
Issuance Costs	0	129,000	0	0
Total Expenditures	44,571,515	32,893,148	29,847,045	32,513,168
Excess of Revenues Under Expenditures	(12,902,005)	(4,009,851)	(1,119,468)	(6,576,729)
<u>Other Financing Sources (Uses)</u>				
Bond Anticipation Notes Issued	0	10,000,000	0	0
Current Refunding	0	(10,000,000)	0	0
General Obligation Bonds Issued	21,050,626	9,999,926	0	0
Premium on Bonds Issued	0	374,905	0	0
Discount on Bonds Issued	0	(115,057)	0	0
Inception of Capital Lease	0	0	129,090	0
Transfers In	137,625	163,827	189,961	0
Transfers Out	(137,625)	(163,827)	(189,961)	0
Total Other Financing Sources (Uses)	21,050,626	10,259,774	129,090	0
Changes in Fund Balances	\$8,148,621	\$6,249,923	(\$990,378)	(\$6,576,729)
Debt Service as a Percentage of Noncapital				
Expenditures	13.84%	8.75%	5.98%	9.04%

Note: Information prior to fiscal year 2006 is not available.

2006

\$13,704,069
4,351,442
7,559,035
664,609
179,283
221,494
616,695
29,510
105,791

27,431,928

10,192,517
2,337,477
380,121

1,236,937
862,615
159,106
1,733,322
703,051
236,558
1,846,738
1,862,780
547,164
831,495
628,096
3,894,119

967,234
775,295
692,766
0

29,887,391

(2,455,463)

0
0
0
0
0
0
0
8,790
(8,790)

0

(\$2,455,463)

9.35%

Big Walnut Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial Public Utility			
2010	\$589,584,540	\$48,755,480	\$1,823,828,628	\$16,671,790	\$18,945,216
2009	580,943,790	45,940,700	1,791,098,542	16,386,590	18,621,125
2008	567,913,753	44,036,150	1,748,428,294	15,407,230	17,508,216
2007	548,213,100	41,135,700	1,683,853,714	14,127,090	16,053,511
2006	526,122,170	41,412,640	1,621,528,029	14,765,900	16,779,432
2005	428,144,990	37,973,310	1,331,766,571	14,628,330	16,623,102
2004	410,933,990	37,893,770	1,282,365,029	14,799,900	16,818,068
2003	386,123,210	35,476,310	1,204,570,057	14,381,260	16,342,341
2002	325,677,740	30,089,260	1,016,477,143	11,439,100	12,998,977
2001	312,003,320	28,564,820	973,051,829	15,052,120	17,104,682

Source: Delaware County Auditor

Note: Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax was assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax was phased out beginning in 2006. The assessment percentage was 12.5 percent for 2007, 6.25 for 2008, and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four-year phase out on the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2010 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax is 2010.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property was eliminated.

Tangible Personal Property		Total		Percentage of Total Assessed Value to Total Estimated Actual Value	Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$655,011,810	\$1,842,773,844	35.54%	\$24.40
0	0	643,271,080	1,809,719,667	35.55	24.16
7,288,281	116,612,496	634,645,414	1,882,549,006	33.71	24.83
14,756,290	118,050,320	618,232,180	1,817,957,545	34.01	25.62
19,711,620	105,128,640	602,012,330	1,743,436,101	34.53	24.38
23,781,497	108,097,714	504,528,127	1,456,487,387	34.64	26.02
27,128,658	117,950,687	490,756,318	1,417,133,784	34.63	24.39
27,818,949	115,912,288	463,799,729	1,336,824,686	34.69	24.67
33,000,222	132,000,888	400,206,322	1,161,477,008	34.46	24.44
29,833,823	119,335,292	385,454,083	1,109,491,803	34.74	24.87

Big Walnut Local School District
Property Tax Rates - Direct and All Overlapping Governments
(Per \$1,000 of Assessed Values)
Last Ten Years

Collection Year	2010	2009	2008	2007	2006
Big Walnut Local School District					
Voted Millage					
1976 Current Expense					
Effective Millage Rates					
Residential/Agricultural Real	\$8.9727	\$8.9565	\$8.9565	\$8.9565	\$8.9565
Commercial/Industrial/Public Utility Real	8.9565	9.0211	8.9565	8.9565	8.9565
Tangible/Public Utility Personal	13.9000	13.9000	13.9000	13.9000	13.9000
1985 Current Expense					
Effective Millage Rates					
Residential/Agricultural Real	6.4552	6.4435	6.4435	6.4435	6.4435
Commercial/Industrial/Public Utility Real	6.4435	6.4900	6.4435	6.4435	6.4435
Tangible/Public Utility Personal	10.0000	10.0000	10.0000	10.0000	10.0000
1990 Bond \$16,500,000	1.6800	1.5000	1.7800	2.2500	2.5000
1991 Bond/Library \$1,500,000	0.1800	0.2700	0.2900	0.4900	0.0500
1996 Emergency \$750,000	n/a	n/a	n/a	n/a	n/a
2004 Bond \$13,000,000	1.1000	1.0000	1.2700	1.2600	1.3400
2006 Emergency \$750,000	1.1500	1.1700	1.1900	1.2200	n/a
2008 Bond \$30,000,000	1.9000	2.9000	n/a	n/a	n/a
Total Voted Millage					
Total Effective Voted Millage by Type of Property					
Residential/Agricultural Real	19.5379	19.3400	19.9300	20.6200	19.2900
Commercial/Industrial/Public Utility Real	19.5100	19.4511	19.9300	20.6200	19.2900
Tangible/Public Utility Personal	29.9100	30.7400	28.4300	29.1200	27.7900
Unvoted Millage					
General	4.6000	4.6000	4.6000	4.6000	4.6000
Total Millage					
Total Effective Millage by Type of Property					
Residential/Agricultural Real	24.1379	23.9400	24.5300	25.2200	23.8900
Commercial/Industrial/Public Utility Real	24.1100	24.0511	24.5300	25.2200	23.8900
Tangible/Public Utility Personal	34.5100	35.3400	33.0300	33.7200	32.3900
Delaware County	5.0400	4.2500	4.2500	4.2500	4.2700
Delaware Area Career Center	3.2000	3.2000	3.2000	3.2000	3.2000
Village of Galena	3.7000	3.7000	3.7000	3.7000	3.7000
Village of Sunbury	2.5000	2.5000	2.5000	2.5000	2.5000
Berkshire Township	0.8000	0.8000	0.8000	0.0800	0.0800
Genoa Township	9.4000	9.4000	9.4000	9.4000	9.4000
Harlem Township	10.0000	10.0000	10.0000	10.0000	7.1200
Kingston Township	2.3000	2.3000	2.3000	2.3000	2.3000
Porter Township	2.5000	2.5000	2.5000	2.5000	2.5000
Trenton Township	2.5000	2.5000	2.5000	2.5000	2.5000

2005	2004	2003	2002	2001
\$8.9565	\$8.9565	\$8.9565	\$8.9565	\$8.9565
8.9565	8.9565	8.9565	8.9565	9.1334
13.9000	13.9000	13.9000	13.9000	13.9000
6.4435	6.4435	6.4435	6.4435	6.4435
6.4435	6.4435	6.4435	6.4435	6.5708
10.0000	10.0000	10.0000	10.0000	10.0000
3.3500	3.5000	3.5000	3.2100	3.0000
0.3600	0.1600	0.4000	0.2900	0.3400
n/a	n/a	n/a	n/a	1.9700
1.6600	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
20.7700	19.0600	19.3000	18.9000	20.7100
20.7700	19.0600	19.3000	18.9000	21.0142
29.2700	27.5600	27.8000	27.4000	29.2100
4.6000	4.6000	4.6000	4.6000	4.6000
25.3700	23.6600	23.9000	23.5000	25.3100
25.3700	23.6600	23.9000	23.5000	25.6142
33.8700	32.1600	32.4000	32.0000	33.8100
3.9000	3.9000	3.9000	3.9000	3.9000
3.2000	3.2000	3.2000	3.2000	3.4000
3.7000	3.7000	3.7000	3.7000	3.7000
2.5000	2.5000	2.5000	2.5000	2.5000
0.0800	0.0800	0.0800	0.0800	0.0800
12.1000	12.1000	12.1000	12.1000	12.1000
7.2600	7.3200	6.3200	6.4000	6.4100
2.3000	2.3000	2.3000	2.3000	2.3000
2.5000	2.5000	2.5000	2.5000	2.5000
2.5000	2.5000	2.5000	2.5000	2.5000

(continued)

Big Walnut Local School District
Property Tax Rates - Direct and All Overlapping Governments
(Per \$1,000 of Assessed Values)
Last Ten Years
(continued)

Collection Year	2010	2009	2008	2007	2006
Delaware County 911 District	\$0.4500	\$0.4500	\$0.4500	\$0.4500	\$0.3100
Delaware County Health Department	0.7000	0.7000	0.7000	0.7000	0.7000
Delaware-Morrow Mental Health District	1.0000	1.0000	1.0000	1.0000	1.0000
Preservation Park District	0.6000	0.6000	0.4000	0.4000	0.4000
BST and G Fire Department	2.0000	2.0000	2.0000	2.0000	2.0000
Kingston-Porter Fire District	7.6800	7.6700	7.7000	7.7200	7.6900
Big Walnut LSD Library District	1.0000	n/a	n/a	n/a	n/a

Source: Ohio Department of Taxation

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The basic property rate can be increased only by a majority vote of the School District's residents.

Overlapping rates are those of local and county governments that apply to property owners within the School District. Property tax rates for all overlapping governments are based upon the original voted levy.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is appraised every six years and property values are updated in the third year following each reappraisal.

2005	2004	2003	2002	2001
\$0.3100	\$0.3100	\$0.3100	\$0.3100	\$0.6200
1.0000	0.7000	0.7000	0.7000	0.7000
1.0000	1.0000	1.0000	1.0000	1.0000
0.4000	0.4000	0.4000	0.4000	0.4000
2.0000	2.0000	2.0000	2.0000	2.0000
7.7500	7.7200	7.8200	6.3700	6.3000
n/a	n/a	n/a	n/a	n/a

Big Walnut Local School District
Real Property Tax Levies and Collections
Last Ten Years

Collection Year (1)	Current Tax Levy (2)	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
2009	\$17,405,684	\$16,835,914	96.73%	\$428,385	\$17,264,299	99.19%
2008	15,337,175	14,929,123	97.34	351,766	15,280,889	99.63
2007	15,043,314	14,663,046	97.47	332,649	14,995,695	99.68
2006	14,002,586	13,668,807	97.62	287,046	13,955,853	99.67
2005	12,135,010	11,896,464	98.03	294,735	12,191,199	100.46
2004	11,021,055	10,799,738	97.99	329,283	11,129,021	100.98
2003	10,363,611	10,110,676	97.56	469,714	10,580,390	102.09
2002	8,620,090	8,322,805	96.55	273,363	8,596,168	99.72
2001	9,016,060	8,855,444	98.22	259,000	9,114,444	101.09
2000	9,566,682	9,297,907	97.19	219,744	9,517,651	99.49

Source: Delaware County Auditor

(1) The 2010 information cannot be presented because all collections have not been made by June 30, 2010.

(2) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not identify delinquent collections by tax year.

Big Walnut Local School District
Tangible Personal Property Tax Levies and Collections
Last Ten Years

Collection Year (1)	Current Tax Levy (2)	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
2009	\$24,415	\$4,888	20.02%	\$126,902	\$131,790	539.79%
2008	238,618	150,902	63.24	5,426	156,328	65.51
2007	464,702	478,805	103.03	10,241	489,046	105.24
2006	622,489	651,397	104.64	93,921	745,318	119.73
2005	777,583	789,443	101.53	26,686	816,129	104.96
2004	836,496	821,587	98.22	3,579	825,166	98.65
2003	894,351	809,324	90.49	3,550	812,874	90.89
2002	1,050,879	1,102,603	104.92	146,887	1,249,490	118.90
2001	1,001,347	908,970	90.77	23,234	932,204	93.10
2000	1,040,438	893,148	85.84	85,594	978,742	94.07

Source: Delaware County Auditor

(1) The 2010 information cannot be presented because all collections have not been made by June 30, 2010.

(2) The \$10,000 personal property exemption is included.

Note: The County does not identify delinquent collections by tax year.

Big Walnut Local School District
Principal Taxpayers - Real Property
Current Year and Six Years Ago

Taxpayer	2010	
	Real Property Assessed Valuation	Percentage of Total School District Assessed Valuation (2010 Collection Year)
Northstar, LLC	\$6,192,540	0.97%
American Showa, Inc	2,961,720	0.47
Ohashi Technica USA, Inc	1,872,500	0.29
EPEC, LLC	1,680,810	0.26
Homewood Corporation	1,578,860	0.25
Sunbury Meadows HOA	1,494,150	0.23
Nature Haven Partners	1,481,870	0.23
Sunbury Realty, LLC	1,312,160	0.21
Westerville Mobile Park	1,235,860	0.19
Siemer Land, LLC	1,214,920	0.19
Total	21,025,390	3.29
All Other Taxpayers	617,314,630	96.71
Total Assessed Valuation	<u>\$638,340,020</u>	<u>100.00%</u>

Taxpayer	2004	
	Real Property Assessed Valuation	Percentage of Total School District Assessed Valuation (2004 Collection Year)
NGP Realty Sub, LP	\$3,054,330	0.68%
American Showa, Inc	2,630,710	0.59
EPEC, LLC	1,385,380	0.31
Northstar, LLC	1,352,410	0.30
Ohashi Technica USA, Inc	1,330,010	0.30
Big Walnut Plaza Partnership	1,182,620	0.26
Continental Investments and Property Management	1,163,020	0.26
CFS Properties	1,151,890	0.26
Carter Jones Lumber Company	1,099,780	0.24
Sunbury Mills Development LTD	1,085,010	0.24
Total	15,435,160	3.44
All Other Taxpayers	433,392,600	96.56
Total Assessed Valuation	<u>\$448,827,760</u>	<u>100.00%</u>

Source: Delaware County Auditor

Note: Information prior to 2004 is not available

Big Walnut Local School District
Principal Taxpayers - Public Utility Personal Property
Current Year and Six Years Ago

2010		
Taxpayer	Assessed Valuation	Percentage of Total School District Assessed Valuation (2010 Collection Year)
American Electric Power	\$10,024,060	60.13%
Columbia Gas of Ohio	3,849,570	23.09
Consolidated Electric Cooperative	1,684,010	10.10
Ohio Power Company	788,960	4.73
Suburban Natural Gas Company	128,810	0.77
Dayton Power and Light Company	99,510	0.60
Total	16,574,920	99.42
All Other Taxpayers	96,870	0.58
Total Assessed Valuation	\$16,671,790	100.00%

2004		
Taxpayer	Total Assessed Valuation	Percentage of Total School District Assessed Valuation (2005 Collection Year)
Columbus Southern Power Company	\$7,947,820	53.70%
United Telephone Company of Ohio	2,714,760	18.34
Consolidated Electric Cooperative	1,392,840	9.41
Ohio Power Company	891,380	6.03
Total	12,946,800	87.48
All Other Taxpayers	1,853,100	12.52
Total Assessed Valuation	\$14,799,900	100.00%

Source: Delaware County Auditor

Note: Information prior to 2004 is not available.

Big Walnut Local School District
Ratios of Outstanding Debt by Type
Last Five Fiscal Years

Fiscal Year	General Obligation Bonds	Capital Leases	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
2010	\$47,123,545	\$55,030	\$47,178,575	\$3,190	12.20%
2009	28,794,053	80,715	28,874,768	1,952	7.46
2008	20,043,659	104,718	20,148,377	1,362	5.21
2007	20,915,691	0	20,915,691	1,414	5.41
2006	22,412,906	0	22,412,906	1,515	5.79

Source: School District Records

(1) See Schedule on S-26 for population and personal income.

Note: Information prior to 2006 is not available.

Big Walnut Local School District
Ratio of General Bonded Debt to Estimated Actual Value
and Bonded Debt Per Capita
Last Five Fiscal Years

Fiscal Year	Population (1)	Estimated Actual Value	General Bonded Debt	General Bonded Debt to Estimated Actual Value	General Bonded Debt Per Capita
2010	14,790	\$1,842,773,844	\$47,123,545	2.56%	\$3,186
2009	14,790	1,809,719,667	28,794,053	1.59	1,947
2008	14,790	1,882,549,006	20,043,659	1.06	1,355
2007	14,790	1,817,957,545	20,915,691	1.15	1,414
2006	14,790	1,743,436,101	22,412,906	1.29	1,515

Source: School District Records

(1) National Center for Education Statistics - 2000 U.S. Census Data

Note: Information prior to 2006 is not available.

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Big Walnut Local School District
 Computation of Direct and Overlapping Debt
 June 30, 2010

Political Subdivision	Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Big Walnut Local School District	<u>\$47,178,575</u>	100.00%	<u>\$47,178,575</u>
Delaware County	44,543,300	10.29	4,583,506
Village of Galena	657,600	100.00	657,600
Village of Sunbury	3,186,000	100.00	3,186,000
Delaware Career Center	83,334	12.93	10,775
Kingston-Porter Fire District	<u>20,000</u>	63.57	<u>12,714</u>
Total Overlapping Debt	<u>48,490,234</u>		<u>8,450,595</u>
Total	<u><u>\$95,668,809</u></u>		<u><u>\$55,629,170</u></u>

Source: Delaware County Auditor

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the political subdivision. The valuations used were for the 2010 collection year.

Big Walnut Local School District
 Computation of Legal Debt Margin
 Last Five Fiscal Years

	2010	2009	2008	2007
Total Assessed Valuation	\$655,011,810	\$643,271,080	\$634,645,414	\$618,232,180
Less:				
Public Utility Tangible Personal Property	(16,671,790)	(16,386,590)	(15,407,230)	(14,127,090)
Tangible Personal Property	<u>0</u>	<u>0</u>	<u>(7,288,281)</u>	<u>(14,756,290)</u>
Total Assessed Valuation used to calculate Legal Debt Margin	638,340,020	626,884,490	611,949,903	589,348,800
Overall Debt Limitation - 9 Percent of Assessed Valuation	<u>57,450,602</u>	<u>56,419,604</u>	<u>55,075,491</u>	<u>53,041,392</u>
Gross Indebtedness	45,268,286	26,404,867	17,278,783	18,283,783
Less Fund Balance in Debt Service Fund	<u>2,293,151</u>	<u>1,889,802</u>	<u>1,430,243</u>	<u>898,975</u>
Net Debt Within 9 Percent Limitation	<u>42,975,135</u>	<u>24,515,065</u>	<u>15,848,540</u>	<u>17,384,808</u>
Legal Debt Margin Within 9 Percent Limitation	<u>\$14,475,467</u>	<u>\$31,904,539</u>	<u>\$39,226,951</u>	<u>\$35,656,584</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	25.20%	56.55%	71.22%	67.22%
Unvoted Debt Limitation - .10 Percent of Assessed Valuation	\$638,340	\$626,884	\$611,950	\$589,349
Gross Indebtedness	0	0	0	0
Less Debt Outside Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Debt Within .10 Percent Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal Debt Margin Within .10 Percent Limitation	<u>\$638,340</u>	<u>\$626,884</u>	<u>\$611,950</u>	<u>\$589,349</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%

Source: School District Records

Note: Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.

Information prior to 2006 is not available.

2006
\$602,012,330

(14,765,900)
(19,711,620)
567,534,810

51,078,133
19,279,756
574,050
18,705,706
\$32,372,427
63.38%

\$567,535
0
0
0
\$567,535
100.00%

Big Walnut Local School District
Demographic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Personal Income Per Capita (1)	Delaware County Unemployment Rate (3)
2010	14,790	\$386,817,660	\$26,154	7.60%
2009	14,790	386,817,660	26,154	7.50
2008	14,790	386,817,660	26,154	5.20
2007	14,790	386,817,660	26,154	4.20
2006	14,790	386,817,660	26,154	3.90
2005	14,790	386,817,660	26,154	3.80
2004	14,790	386,817,660	26,154	4.00
2003	14,790	386,817,660	26,154	3.60
2002	14,790	386,817,660	26,154	3.30
2001	14,790	386,817,660	26,154	2.20

Source: (1) National Center for Education Statistics from 2000 U.S. Census Data

(2) Computation of per capita personal income multiplied by population

(3) Ohio Department of Job and Family Services/Ohio Labor Market

Big Walnut Local School District
Principal Employers
Current Year and Nine Years Ago

Employer (1)	2010			2001		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
JP Morgan Chase	8,729	1	9.45%	1,000	1	n/a
Kroger Company	1,762	2	1.91			
Olentangy Local School District	1,721	3	1.86	672	3	n/a
Delaware County	1,105	4	1.20	810	2	n/a
Central Ohio Primary Care	948	5	1.03			
American Showa, Inc	615	6	0.67	375	10	n/a
Grady Memorial Hospital	605	7	0.64	657	4	n/a
Ohio Wesleyan University	600	8	0.64	495	7	n/a
Meijer, Inc	591	9	0.64			
Delaware City School District	550	10	0.60	559	6	n/a
Wal-Mart				465	8	n/a
CIGNA				450	9	n/a
PPG Industries, Inc				563	5	n/a
Total	<u>17,226</u>		<u>18.64</u>	<u>6,046</u>		<u>n/a</u>
Total Employment Within Delaware County	<u>92,400</u>			<u>n/a</u>		

Source: Delaware County Office of Economic Development

Note: Total Employment information for 2001 is not available.

(1) Specific information for the School District is not available, therefore, the information is for Delaware County.

Big Walnut Local School District
School District Employees by Program
Last Nine Fiscal Years

Program	2010	2009	2008	2007	2006
Instruction					
Regular					
Elementary School Classroom Teachers	67.0	68.0	61.0	51.0	56.0
Middle School Classroom Teachers	31.0	34.0	33.0	33.0	32.0
High School Classroom Teachers	45.0	50.0	40.0	41.0	41.0
Special					
Elementary School Classroom Teachers	15.0	19.0	18.0	17.0	15.0
Middle School Classroom Teachers	7.0	8.0	10.0	8.0	8.0
High School Classroom Teachers	9.0	9.0	8.0	7.0	8.0
Vocational					
High School Classroom Teachers	5.0	6.0	6.0	6.0	6.0
Support Services					
Pupils					
Guidance Counselors	6.0	8.0	8.0	6.0	6.0
Librarians	1.0	1.0	1.0	1.0	1.0
Dean of Students	1.0	1.0	2.0	1.0	1.0
Drug Free	0.0	2.0	2.0	2.0	2.0
Athletic Coordinator	1.0	1.0	1.0	1.0	1.0
Social Workers	1.0	1.0	2.0	1.0	1.0
Instructional Staff					
Technology	1.0	1.0	0.0	0.0	0.0
Teaching Assistants	23.0	26.0	23.0	21.0	9.0
Library Assistants	4.0	5.0	5.0	5.0	4.0
Administration					
Elementary School	3.0	3.0	3.0	3.0	3.0
Middle School	2.0	2.0	2.0	2.0	2.0
High School	3.0	3.0	2.0	2.0	2.0
Administration Office	8.0	8.0	6.0	6.0	4.0
Administrator Assistance	3.0	3.0	4.0	3.0	3.0
Secretaries	14.0	13.0	13.0	13.0	13.0
Fiscal					
Fiscal Office	3.0	3.0	3.0	2.0	1.5
EMIS Coordinator	1.0	1.0	1.0	1.0	1.0
Operation and Maintenance of Plant					
Custodians	15.0	17.0	16.0	16.0	13.0
Maintenance	2.0	2.0	2.0	2.0	2.0
Pupil Transportation					
Bus Drivers	28.0	30.0	30.0	31.0	30.0
Bus Aides	2.0	2.0	1.0	0.0	0.0
Bus Mechanics	2.0	2.0	2.0	2.0	2.0
Secretary	1.0	1.0	1.0	1.0	1.0
Non-Instructional Services					
Elementary School Cooks	10.0	10.0	10.0	9.0	8.0
Middle School Cooks	6.0	6.0	6.0	6.0	6.0
High School Cooks	8.0	8.0	8.0	8.0	5.0

Source: School District Records

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

Note: Information prior to 2002 is not available.

n/a - not available

2005	2004	2003	2002
57.0	58.0	64.0	60.0
32.0	33.0	33.0	36.0
41.0	41.0	40.0	39.0
13.0	12.0	10.0	12.0
8.0	7.0	7.0	7.0
8.0	7.0	8.0	7.0
6.0	6.0	6.0	6.0
6.0	n/a	n/a	n/a
1.0	n/a	n/a	n/a
1.0	n/a	n/a	n/a
2.0	n/a	n/a	n/a
1.0	n/a	n/a	n/a
1.0	n/a	n/a	n/a
0.0	n/a	n/a	n/a
6.0	n/a	n/a	n/a
4.0	n/a	n/a	n/a
3.0	n/a	n/a	n/a
2.0	n/a	n/a	n/a
2.0	n/a	n/a	n/a
4.0	n/a	n/a	n/a
3.0	n/a	n/a	n/a
13.0	n/a	n/a	n/a
1.5	n/a	n/a	n/a
1.0	n/a	n/a	n/a
13.5	n/a	n/a	n/a
2.0	n/a	n/a	n/a
30.0	n/a	n/a	n/a
0.0	n/a	n/a	n/a
2.0	n/a	n/a	n/a
1.0	n/a	n/a	n/a
8.0	n/a	n/a	n/a
6.0	n/a	n/a	n/a
5.0	n/a	n/a	n/a

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Big Walnut Local School District
 Per Pupil Cost
 Last Five Fiscal Years
 (Accrual Basis of Accounting)

Fiscal Year	Expenses	Enrollment	Cost Per Pupil	Teaching Staff	Pupil/ Teacher Ratio
2010	\$31,130,867	2,979	\$10,450	179	16.64
2009	30,372,101	2,879	10,550	194	14.84
2008	28,648,489	2,739	10,459	176	15.56
2007	25,508,651	2,779	9,179	163	17.05
2006	24,567,516	2,732	8,993	166.00	16.46

Source: School District Records

Note: Information prior to 2006 is not available.

Big Walnut Local School District
School Building Statistics
Last Nine Fiscal Years

	2010	2009	2008	2007	2006	2005	2004
Big Walnut Elementary							
Total Square Footage	36,700	36,700	36,700	36,700	36,700	36,700	36,700
Enrollment	563	538	442	476	460	430	420
Student Capacity	575	575	575	575	575	575	575
Regular Instruction Classrooms	21	27	20	20	20	20	20
Regular Instruction Teachers	26	27	25	20	21	21	21
Special Instruction Classrooms	4	5	5	9	9	9	9
Special Instruction Teachers	4	5	5	5	5	4	4
Harrison Street Elementary							
Total Square Footage	36,200	36,200	36,200	36,200	36,200	36,200	36,200
Enrollment	335	327	307	318	280	284	281
Student Capacity	475	475	475	475	475	475	475
Regular Instruction Classrooms	18	19	16	16	16	16	16
Regular Instruction Teachers	18	19	16	13	15	15	16
Special Instruction Classrooms	3	6	3	3	3	3	3
Special Instruction Teachers	4	6	6	7	4	4	3
Hylen Souders Elementary							
Total Square Footage	42,493	42,493	42,493	42,493	42,493	42,493	42,493
Enrollment	457	420	420	424	425	413	433
Student Capacity	725	725	725	725	725	725	725
Regular Instruction Classrooms	23	22	20	20	20	20	20
Regular Instruction Teachers	23	22	20	18	20	21	21
Special Instruction Classrooms	4	8	7	7	7	7	7
Special Instruction Teachers	7	8	7	5	6	5	5
Big Walnut Middle School							
Total Square Footage	69,680	69,680	69,680	69,680	69,680	69,680	69,680
Enrollment	660	648	670	652	637	617	619
Student Capacity	660	660	660	660	660	660	660
Regular Instruction Classrooms	29	29	29	29	29	29	29
Regular Instruction Teachers	31	34	33	33	32	32	33
Special Instruction Classrooms	3	3	3	3	3	3	3
Special Instruction Teachers	7	8	10	8	8	8	7
Big Walnut High School							
Total Square Footage	180,000	180,000	180,000	148,000	148,000	148,000	148,000
Enrollment	964	946	900	909	930	877	880
Student Capacity	1,100	1,100	1,100	875	875	875	875
Regular Instruction Classrooms	45	46	46	38	38	38	38
Regular Instruction Teachers	50	56	46	47	47	47	47
Special Instruction Classrooms	8	8	8	5	5	5	5
Special Instruction Teachers	9	9	8	7	8	8	7

Source: School District Records

Note: Information prior to 2002 is not available.

2003	2002
36,700	36,700
414	414
575	575
20	20
24	21
9	9
2	3
36,200	36,200
278	287
475	475
16	16
17	17
3	3
4	4
42,493	42,493
441	433
725	725
20	20
23	22
7	7
4	5
69,680	69,680
638	640
660	660
29	29
33	36
3	3
7	7
148,000	148,000
897	469
875	875
38	38
46	45
5	5
8	7

Big Walnut Local School District
 Full-Time Equivalent Teachers by Education
 Last Eight Fiscal Years

Degree	2010	2009	2008	2007	2006	2005
Bachelor's Degree	19	33	28	19	22	24
Bachelor + 15	27	24	25	31	33	32
Bachelor + 30	24	31	25	28	27	35
Master's Degree	62	61	56	46	47	41
Master's + 15	30	31	27	22	20	19
Master's + 30	<u>17</u>	<u>14</u>	<u>15</u>	<u>17</u>	<u>17</u>	<u>14</u>
Total	<u><u>179</u></u>	<u><u>194</u></u>	<u><u>176</u></u>	<u><u>163</u></u>	<u><u>166</u></u>	<u><u>165</u></u>

Source: School District Records

Note: Information prior to 2003 is not available.

<u>2004</u>	<u>2003</u>
24	32
38	43
33	27
40	40
15	14
<u>14</u>	<u>12</u>
<u>164</u>	<u>168</u>

Big Walnut Local School District
Teacher's Salaries
Last Ten Fiscal Years

Fiscal Year	Minimum Salary (1)	Maximum Salary (2)	Average Salary Comparable Disticts (3)	Statewide Average Salary (3)
2010	\$34,035	\$80,323	\$57,190	\$55,958
2009	32,082	75,714	56,749	54,565
2008	31,072	73,330	52,167	53,410
2007	30,314	70,177	50,985	50,772
2006	29,647	67,299	49,801	49,438
2005	29,066	64,672	47,774	47,659
2004	28,151	62,636	45,038	45,645
2003	27,265	60,664	43,354	73,755
2002	26,091	58,052	n/a	42,995
2001	25,208	56,089	n/a	41,713

Source: School District Records

- (1) Starting teacher with no experience.
- (2) Teacher with Master's Degree and more than 30 years of experience.
- (3) Provided by the Ohio Department of Education.

Note: n/a - not available

Big Walnut Local School District
Enrollment Statistics
Last Nine Fiscal Years

Fiscal Year	Elementary Schools	Middle School	High School	Total
2010	1,355	660	964	2,979
2009	1,285	648	946	2,879
2008	1,169	670	900	2,739
2007	1,218	652	909	2,779
2006	1,165	637	930	2,732
2005	1,127	617	877	2,621
2004	1,134	619	880	2,633
2003	1,133	638	897	2,668
2002	1,134	640	869	2,643

Source: School District Records

Note: Information prior to 2002 is not available

Big Walnut Local School District
 Percentage of Students Who Receive Free and Reduced Lunches
 Last Ten Fiscal Years

District Buildings	2010	2009	2008	2007	2006
Big Walnut Elementary	14.00%	19.00%	15.00%	13.00%	16.00%
Harrison Street Elementary	36.00	20.00	16.00	16.00	18.00
Hylen Souders Elementary	21.00	26.00	14.00	24.00	31.00
Big Walnut Middle School	12.00	19.00	18.00	18.00	17.00
Big Walnut High School	17.00	17.00	14.00	11.00	10.00

Source: School District Records

2005	2004	2003	2002	2001
15.00%	15.00%	18.00%	19.00%	14.00%
21.00	18.00	18.00	18.00	19.00
16.00	21.00	21.00	19.00	20.00
13.00	11.00	13.00	12.00	11.00
8.00	6.00	7.00	7.00	6.00

Big Walnut Local School District
 Attendance and Graduation Rates
 Last Ten Fiscal Years

Fiscal Year	Attendance Rate	State Average	Graduation Rate	State Average
2010	94.90%	94.30%	97.90%	83.00%
2009	95.40	94.30	96.20	84.60
2008	95.40	94.20	95.10	86.90
2007	95.50	94.10	95.10	86.10
2006	95.50	94.10	98.00	86.10
2005	95.70	94.30	94.60	86.20
2004	95.50	94.50	93.30	85.90
2003	95.20	94.50	90.90	84.30
2002	95.20	94.30	93.20	82.70
2001	94.90	93.90	95.00	81.10

Source: Ohio Department of Education, Local Report Cards



Dave Yost • Auditor of State

BIG WALNUT LOCAL SCHOOL DISTRICT

DELAWARE 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
MARCH 15, 2011**