



**AMANDA-CLEARCREEK
LOCAL SCHOOL DISTRICT**

FAIRFIELD COUNTY

SINGLE AUDIT

For the Fiscal Year Ended June 30, 2000

J. L. UHRIG & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANT

**78 North Plaza Blvd.
Chillicothe, Ohio 45601**



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OFFICE OF THE AUDITOR

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Board of Education
Amanda-Clearcreek Local School District
414 N. School St.
Amanda, OH 43012

We have reviewed the independent auditor's report of the Amanda-Clearcreek Local School District, Fairfield County, prepared by J. L. Uhrig & Associates, for the audit period July 1, 1999 through June 30, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

January 24, 2001

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Amanda-Clearcreek Local School Board of Education

List of Principal Officials

June 30, 2000

BOARD OF EDUCATION	
Charles Estel	President
Dennis Cramer	Vice President
Virginia Marshall	Member
Randall Miller	Member
Don Sharp	Member

TREASURER
Patricia Williard

ADMINISTRATION	
Gary Friedt	Superintendent
David Minnix	High School Principal
Jon Saxton	Asst. High School Principal
James B. Dick	Amanda Elementary School Principal
Jeffrey Geist	Clearcreek Elementary Principal

Independent Auditor's Report

Board of Education
Amanda-Clearcreek Local School District
414 North School Street
Amanda, Ohio 43012

We have audited the accompanying financial statements of Amanda-Clearcreek Local School District (the District) as of and for the year ended June 30, 2000. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2000, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 30, 2000 on our consideration of the District's internal control over structure and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

J. L. Uhrig & Associates

J. L. UHRIG & ASSOCIATES
Certified Public Accountant

November 30, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS

**Amanda-Clearcreek Local School District
 Combined Balance Sheet
 All Fund Types and Account Groups
 June 30, 2000**

	Governmental Fund Types			Proprietary Fund Types		Fiduciary	Account Groups		Totals	
	General	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	(Memorandum Only)
Assets and Other Debits:										
Equity in Pooled Cash and Investments	\$ 1,313,061	215,884	152,376	5,513,342	71,388	65,959	149,948	0	0	\$ 7,481,958
Cash with Fiscal Agent	0	0	1,629	0	0	21,405	0	0	0	23,034
Restricted Asset-Cash and Cash Equivalents	106,457	0	0	0	0	0	0	0	0	106,457
Taxes Receivable	1,699,681	37,000	297,137	187,000	0	0	0	0	0	2,220,818
Interfund Receivables	6,739	0	0	0	0	0	0	0	0	6,739
Due from Other Funds	0	0	0	0	0	0	3,583	0	0	3,583
Intergovernmental Receivables	1,350	0	0	0	12,474	0	0	0	0	13,824
Accounts Receivable	24,237	2,177	0	0	61	0	1,033	0	0	27,508
Supplies Inventory	32,225	0	0	0	1,208	0	0	0	0	33,433
Inventory for Resale	0	0	0	0	4,433	0	0	0	0	4,433
Prepaid Items	0	0	0	0	0	215,054	0	0	0	215,054
Fixed Assets (Net of Accumulated Depreciation)	0	0	0	0	81,103	0	0	7,129,040	0	7,210,143
Amount Available in Debt Service Fund	0	0	0	0	0	0	0	0	170,165	170,165
Amount to be Provided for Retirement of General Long Term Debt	0	0	0	0	0	0	0	0	4,862,413	4,862,413
Total Assets and Other Debits	\$ 3,183,750	255,061	451,142	5,700,342	170,667	302,418	154,564	7,129,040	5,032,578	\$ 22,379,562

(Continued)

Amanda-Clearcreek Local School District
Combined Balance Sheet
All Fund Types and Account Groups, Continued
June 30, 2000

	Governmental Fund Types				Proprietary Fund Types		Fiduciary	Account Groups		Totals
	General	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	(Memorandum Only)
Liabilities:										
Interfund Payables	\$ 0	6,739	0	0	0	0	0	0	0	\$ 6,739
Due to Other Funds	3,298	170	0	0	115	0	0	0	0	3,583
Intergovernmental Payable	120,611	352	0	0	4,041	0	3,583	0	72,790	201,377
Accounts Payable	47,144	13,260	0	111,326	145	48,899	7,454	0	0	228,228
Claims Payable	0	0	0	0	0	86,905	0	0	0	86,905
Matured Bonds Payable	0	0	1,629	0	0	0	0	0	0	1,629
Accrued Salaries and Benefits	649,648	33,321	0	0	24,091	0	0	0	0	707,060
Deferred Revenue	1,587,823	34,659	279,348	174,236	3,212	0	0	0	0	2,079,278
Due to Others	0	0	0	0	0	0	133,587	0	0	133,587
General Obligation Bonds Payable	0	0	0	0	0	0	0	0	4,457,000	4,457,000
Compensated Absences Payable	35,127	0	0	0	5,418	0	0	0	502,788	543,333
Total Liabilities	2,443,651	88,501	280,977	285,562	37,022	135,804	144,624	0	5,032,578	8,448,719
Fund Equity and Other Credits:										
Investment in General Fixed Assets	0	0	0	0	0	0	0	7,129,040	0	7,129,040
Retained Earnings	0	0	0	0	133,645	166,614	0	0	0	300,259
Fund Balances:										
Reserved For Inventory	32,225	0	0	0	0	0	0	0	0	32,225
Reserved for Encumbrances	193,034	40,248	0	608	0	0	883	0	0	234,773
Reserved for Budget Stabilization	106,457	0	0	0	0	0	0	0	0	106,457
Reserved for Future Appropriation	111,858	2,341	17,789	12,764	0	0	0	0	0	144,752
Unreserved Fund Balance	296,525	123,971	152,376	5,401,408	0	0	9,057	0	0	5,983,337
Total Fund Equity	740,099	166,560	170,165	5,414,780	0	0	9,940	0	0	6,469,319
Total Fund Equity and Other Credits	740,099	166,560	170,165	5,414,780	133,645	166,614	9,940	7,129,040	0	13,930,843
Total Liabilities, Fund Equity, and Other Credits	\$ 3,183,750	255,061	451,142	5,700,342	170,667	302,418	154,564	7,129,040	5,032,578	\$ 22,379,562

See Accompanying Notes to the General Purpose Financial Statements.

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
All Governmental Fund Types and Similar Fiduciary Funds
Year Ended June 30, 2000

	Governmental Fund Types				Fiduciary	Totals (Memorandum) (Only)
	General	Special Revenue	Debt Service	Capital Projects	Fund Types Expendable Trust	
REVENUES:						
Taxes	\$ 1,655,378	25,094	172,340	124,972	0	\$ 1,977,784
Tuition	77,639	0	0	0	0	77,639
Earnings on Investments	161,679	0	0	129,198	0	290,877
Extracurricular Activities	0	194,353	0	0	0	194,353
Classroom Materials and Fees	46,550	0	0	0	0	46,550
Miscellaneous	55,998	9,644	11,003	0	18,221	94,866
Revenue from State Sources						
Unrestricted Grants-in-Aid	5,366,932	50,000	18,372	103,109	0	5,538,413
Restricted Grants-in-Aid	111,961	119,017	0	1,316,798	0	1,547,776
Revenue for/on Behalf of District	2,741	0	0	0	0	2,741
Revenue from Federal Sources						
Restricted Grants-in-Aid	0	293,865	0	0	0	293,865
Total Revenue	<u>7,478,878</u>	<u>691,973</u>	<u>201,715</u>	<u>1,674,077</u>	<u>18,221</u>	<u>10,064,864</u>
EXPENDITURES:						
Instruction						
Regular	3,531,146	169,125	0	21,529	0	3,721,800
Special	482,974	352,204	0	0	0	835,178
Vocational	304,682	2,402	0	0	0	307,084
Other	9,905	0	0	0	0	9,905
Supporting Services						
Pupils	275,607	0	0	0	2,404	278,011
Instructional Staff	220,931	11,676	0	0	17,714	250,321
Board of Education	36,709	0	0	0	0	36,709
Administration	694,643	2,594	0	0	0	697,237
Fiscal Services	176,901	0	0	3,469	0	180,370
Business	28,510	7,622	0	0	0	36,132
Operation & Maintenance-Plant	600,378	345	0	262,905	0	863,628
Pupil Transportation	673,265	0	0	0	0	673,265
Food Service Operations	0	0	0	0	51	51
Extracurricular Activities						
Academic & Subject Oriented	13,443	0	0	0	0	13,443
Occupation Oriented Activities	1,308	0	0	0	1,980	3,288
Sports Oriented	132,442	150,144	0	0	0	282,586
Co-Curricular Activities	9,432	0	0	0	0	9,432
Capital Outlay						
Other Facility Acquisition & Construction	97,344	0	0	554,576	0	651,920
Debt Service						
Repayment of Debt	0	0	0	4,562,863	0	4,562,863
Total Expenditures	<u>7,289,620</u>	<u>696,112</u>	<u>0</u>	<u>5,405,342</u>	<u>22,149</u>	<u>13,413,223</u>
Excess of Revenues Over (Under) Expenditures	189,258	(4,139)	201,715	(3,731,265)	(3,928)	(3,348,359)
Other Financing Sources and Uses:						
Sale of Bonds	0	0	0	4,417,000	0	4,417,000
Sale of Fixed Assets	2,123	0	0	0	0	2,123
Transfer-In	0	0	0	145,863	0	145,863
Sale of Notes	0	0	0	4,417,000	0	4,417,000
Transfer-Out	0	0	(145,863)	0	0	(145,863)
Total Other Financing Sources and Uses	<u>2,123</u>	<u>0</u>	<u>(145,863)</u>	<u>8,979,863</u>	<u>0</u>	<u>8,836,123</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditure and Other Uses	191,381	(4,139)	55,852	5,248,598	(3,928)	5,487,764
Increase in Inventory	13,629	0	0	0	0	13,629
Beginning Fund Balance	535,089	170,699	114,313	166,182	13,868	1,000,151
Ending Fund Balance	<u>\$ 740,099</u>	<u>166,560</u>	<u>170,165</u>	<u>5,414,780</u>	<u>9,940</u>	<u>\$ 6,501,544</u>

See Accompanying Notes to the General Purpose Financial Statements.

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Basis)
All Governmental Fund Types and Similar Fiduciary Funds
Year Ended June 30, 2000

	General Fund			Special Revenue Funds		
	Revised		Variance	Revised		Variance
	Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
Revenues:						
Taxes	\$ 1,632,871	1,632,841	(30)	22,753	22,753	\$ 0
Tuition	74,736	74,736	0	0	0	0
Earnings on Investment	176,409	164,414	(11,995)	0	0	0
Extracurricular Activities	0	0	0	195,118	195,128	10
Classroom Materials and Fees	46,383	46,383	0	0	0	0
Miscellaneous	30,700	30,700	0	14,483	14,483	0
State Unrestricted Grants-in-Aid	5,366,932	5,366,932	0	50,000	50,000	0
State Restricted Grants-in-Aid	111,961	111,961	0	119,017	119,017	0
Revenue for/on Behalf of District	1,391	1,391	0	0	0	0
Federal Restricted Grants-in-Aid	0	0	0	293,865	293,865	0
Total Revenue	7,441,383	7,429,358	(12,025)	695,236	695,246	10
Expenditures:						
Regular Instruction	3,567,984	3,520,264	47,720	212,027	193,261	18,766
Special Instruction	487,993	485,724	2,269	404,173	361,285	42,888
Vocational Instruction	308,480	304,709	3,771	2,402	2,402	0
Other Instruction	51,879	20,477	31,402	0	0	0
Support Services-Pupils	278,406	275,404	3,002	0	0	0
Support Services-Instructional Staff	232,927	217,693	15,234	17,675	12,386	5,289
Support Services-Board of Education	54,261	42,081	12,180	0	0	0
Support Services-Administration	734,310	713,619	20,691	4,109	2,726	1,383
Fiscal Services	191,049	178,779	12,270	0	0	0
Support Services-Business	28,438	28,438	0	7,622	7,622	0
Operation & Maintenance-Plant	660,848	648,523	12,325	345	345	0
Support Services-Transportation	857,261	840,951	16,310	0	0	0
Support Services-Central/Community	0	0	0	9,789	0	9,789
Academic & Subject Oriented	14,069	13,213	856	0	0	0
Occupation Oriented Activities	2,000	2,000	0	0	0	0
Sports Oriented	133,036	130,536	2,500	210,029	160,632	49,397
Co-Curricular Activities	8,112	7,097	1,015	0	0	0
Building Acquisition & Construction	137,480	123,032	14,448	0	0	0
Repayment of Debt	0	0	0	0	0	0
Total Expenditures	7,748,533	7,552,540	195,993	868,171	740,659	127,512
Excess of Revenue Over (Under) Expenditures	(307,150)	(123,182)	183,968	(172,935)	(45,413)	127,522
Other Financing Sources (Uses):						
Other Financing Sources	0	0	0	0	0	0
Sale of Bonds	0	0	0	0	0	0
Sale of Fixed Assets	1,851	1,851	0	0	0	0
Sale of Notes	0	0	0	0	0	0
Advances-In	136,201	136,201	0	6,732	6,732	0
Refund of Prior Years Expenditures	21,299	21,299	0	0	0	0
Advances-Out	(6,732)	(6,732)	0	0	0	0
Total Other Financing Sources (Uses)	152,619	152,619	0	6,732	6,732	0
Excess of Revenues & Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(154,531)	29,437	183,968	(166,203)	(38,681)	127,522
Beginning Fund Balance	778,786	778,786	--	175,178	175,178	--
Prior Year Carry Over Encumbrances	369,570	369,570	--	28,939	28,939	--
Ending Fund Balance	\$ 993,825	1,177,793	183,968	37,914	165,436	\$ 127,522

See Accompanying Notes to the General Purpose Financial Statements

(Continued)

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Basis)
All Governmental Fund Types and Similar Fiduciary Funds- Continued
Year Ended June 30, 2000

	Debt Service Funds			Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$ 154,551	154,551	0	123,944	123,944	\$ 0
Tuition	0	0	0	0	0	0
Earnings on Investment	0	0	0	152,498	129,198	(23,300)
Extracurricular Activities	0	0	0	0	0	0
Classroom Materials and Fees	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
State Unrestricted Grants-in-Aid	18,372	18,372	0	103,109	103,109	0
State Restricted Grants-in-Aid	0	0	0	1,316,798	1,316,798	0
Revenue for/on Behalf of District	0	0	0	0	0	0
Federal Restricted Grants-in-Aid	0	0	0	0	0	0
Total Revenue	172,923	172,923	0	1,696,349	1,673,049	(23,300)
Expenditures:						
Regular Instruction	0	0	0	27,926	21,879	6,047
Special Instruction	0	0	0	0	0	0
Vocational Instruction	0	0	0	0	0	0
Other Instruction	0	0	0	0	0	0
Support Services-Pupils	0	0	0	0	0	0
Support Services-Instructional Staff	0	0	0	0	0	0
Support Services-Board of Education	0	0	0	0	0	0
Support Services-Administration	0	0	0	0	0	0
Fiscal Services	0	0	0	5,000	3,469	1,531
Support Services-Business	0	0	0	0	0	0
Operation & Maintenance-Plant	0	0	0	282,536	282,436	100
Support Services-Transportation	0	0	0	0	0	0
Support Services-Central/Community	0	0	0	0	0	0
Academic & Subject Oriented	0	0	0	0	0	0
Occupation Oriented Activities	0	0	0	0	0	0
Sports Oriented	0	0	0	0	0	0
Co-Curricular Activities	0	0	0	0	0	0
Building Acquisition & Construction	0	0	0	564,376	467,191	97,185
Repayment of Debt	0	0	0	4,562,863	4,562,863	0
Total Expenditures	0	0	0	5,442,701	5,337,838	104,863
Excess of Revenue Over (Under) Expenditures	172,923	172,923	0	(3,746,352)	(3,664,789)	81,563
Other Financing Sources (Uses):						
Other Financing Sources	11,003	11,003	0	0	0	0
Sale of Bonds	0	0	0	4,417,000	4,417,000	0
Sale of Fixed Assets	0	0	0	0	0	0
Sale of Notes	0	0	0	4,417,000	4,417,000	0
Advances-In	0	0	0	0	0	0
Refund of Prior Years Expenditures	0	0	0	0	0	0
Advances-Out	0	0	0	(136,201)	(136,201)	0
Total Other Financing Sources (Uses)	11,003	11,003	0	8,697,799	8,697,799	0
Excess of Revenues & Other Financing Sources Over (Under) Expenditures	183,926	183,926	0	4,951,447	5,033,010	81,563
Beginning Fund Balance	114,313	114,313	--	20,860	20,860	--
Prior Year Carry Over Encumbrances	0	0	--	312,803	312,803	--
Ending Fund Balance	\$ 298,239	298,239	0	5,285,110	5,366,673	\$ 81,563

See Accompanying Notes to the General Purpose Financial Statements

(Continued)

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Non-GAAP Basis)
All Governmental Fund Types and Similar Fiduciary Funds- Continued
Year Ended June 30, 2000

	Expendable Trust Funds			Totals (Memorandum Only)		
	Revised	Actual	Variance	Revised	Actual	Variance
	Budget		Favorable (Unfavorable)	Budget		Favorable (Unfavorable)
Revenues:						
Taxes	\$ 0	0	0	1,934,119	1,934,089	\$ (30)
Tuition	0	0	0	74,736	74,736	0
Earnings on Investment	0	0	0	328,907	293,612	(35,295)
Extracurricular Activities	0	0	0	195,118	195,128	10
Classroom Materials and Fees	0	0	0	46,383	46,383	0
Miscellaneous	18,221	18,221	0	63,404	63,404	0
State Unrestricted Grants-in-Aid	0	0	0	5,538,413	5,538,413	0
State Restricted Grants-in-Aid	0	0	0	1,547,776	1,547,776	0
Revenue for/on Behalf of District	0	0	0	1,391	1,391	0
Federal Restricted Grants-in-Aid	0	0	0	293,865	293,865	0
Total Revenue	18,221	18,221	0	10,024,112	9,988,797	(35,315)
Expenditures:						
Regular Instruction	620	0	620	3,808,557	3,735,404	73,153
Special Instruction	0	0	0	892,166	847,009	45,157
Vocational Instruction	0	0	0	310,882	307,111	3,771
Other Instruction	0	0	0	51,879	20,477	31,402
Support Services-Pupils	2,974	2,650	324	281,380	278,054	3,326
Support Services-Instructional Staff	24,325	18,350	5,975	274,927	248,429	26,498
Support Services-Board of Education	0	0	0	54,261	42,081	12,180
Support Services-Administration	0	0	0	738,419	716,345	22,074
Fiscal Services	0	0	0	196,049	182,248	13,801
Support Services-Business	0	0	0	36,060	36,060	0
Operation & Maintenance-Plant	325	0	325	944,054	931,304	12,750
Support Services-Transportation	0	0	0	857,261	840,951	16,310
Support Services-Central/Community	0	0	0	9,789	0	9,789
Academic & Subject Oriented	0	0	0	14,069	13,213	856
Occupation Oriented Activities	3,820	1,980	1,840	5,820	3,980	1,840
Sports Oriented	0	0	0	343,065	291,168	51,897
Co-Curricular Activities	0	0	0	8,112	7,097	1,015
Building Acquisition & Construction	0	0	0	701,856	590,223	111,633
Repayment of Debt	0	0	0	4,562,863	4,562,863	0
Total Expenditures	32,064	22,980	9,084	14,091,469	13,654,017	437,452
Excess of Revenue Over (Under) Expenditures	(13,843)	(4,759)	9,084	(4,067,357)	(3,665,220)	402,137
Other Financing Sources (Uses):						
Other Financing Sources	0	0	0	11,003	11,003	0
Sale of Bonds	0	0	0	4,417,000	4,417,000	0
Sale of Fixed Assets	0	0	0	1,851	1,851	0
Sale of Notes	0	0	0	4,417,000	4,417,000	0
Advances-In	0	0	0	142,933	142,933	0
Refund of Prior Years Expenditures	0	0	0	21,299	21,299	0
Advances-Out	0	0	0	(142,933)	(142,933)	0
Total Other Financing Sources (Uses)	0	0	0	8,868,153	8,868,153	0
Excess of Revenues & Other Financing Sources Over (Under) Expenditures and Other Financing Uses:	(13,843)	(4,759)	9,084	4,800,796	5,202,933	402,137
Beginning Fund Balance	12,472	12,472	--	1,101,609	1,101,609	--
Prior Year Carry Over Encumbrances	1,396	1,396	--	712,708	712,708	--
Ending Fund Balance	\$ 25	\$ 9,109	\$ 9,084	\$ 6,615,113	\$ 7,014,250	\$ 402,137

See Accompanying Notes to the General Purpose Financial Statements.

Amanda-Clearcreek Local School District
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings
All Proprietary Fund Types
Year Ended June 30, 2000

	Proprietary Fund Types		Totals (Memorandum Only)
	Enterprise Funds	Internal Service Funds	
Operating Revenues:			
Food Service	\$ 283,616	0	\$ 283,616
Charges for Services	<u>0</u>	<u>580,100</u>	<u>580,100</u>
Total Operating Revenue	283,616	580,100	863,716
Operating Expenses:			
Personal Services - Salary	151,083	0	151,083
Employee Benefits	39,836	0	39,836
Purchased Services	0	593,571	593,571
Supplies and Materials	171,714	0	171,714
Other Services	0	0	0
Depreciation	<u>1,333</u>	<u>0</u>	<u>1,333</u>
Total Operating Expenses	<u>363,966</u>	<u>593,571</u>	<u>957,537</u>
Operating Income (Loss)	(80,350)	(13,471)	(93,821)
Non-Operating Revenues:			
Earnings on Investment	2,494	0	2,494
State Restricted Grants-In-Aid	3,909	0	3,909
Federal Unrestricted Grants-in-Aid	82,077	0	82,077
Federal Restricted Grants-In-Aid	<u>25,315</u>	<u>0</u>	<u>25,315</u>
Total Non-Operating Revenues	<u>113,795</u>	<u>0</u>	<u>113,795</u>
Net Income	33,445	(13,471)	19,974
Beginning Retained Earnings	<u>100,200</u>	<u>180,085</u>	<u>280,285</u>
Retained Earnings at End of Year	<u>\$ 133,645</u>	<u>166,614</u>	<u>\$ 300,259</u>

See Accompanying Notes to the General Purpose Financial Statements.

**Amanda-Clearcreek Local School District
 Combined Statement of Cash Flows
 All Proprietary Fund Types
 Year Ended June 30, 2000**

	Proprietary Fund Types		Totals
	Enterprise Funds	Internal Service Funds	(Memorandum) (Only)
Cash Flows from Operating Activities:			
Operating Income (Loss)	\$ (80,350)	(13,471)	\$ (93,821)
Adjustment to Reconcile Operating Loss			
To Net Cash Provided by Operating Activities:			
Depreciation	1,333	0	1,333
Net (Increase) Decrease in Assets:			
Accounts Receivable	(52)	2	(50)
Intergovernmental Receivable	(299)	0	(299)
Prepaid Items	0	(12,598)	(12,598)
Inventory	1,858	0	1,858
Net Increases (Decreases) in Liabilities:			
Due to Other Funds	115	0	115
Intergovernmental Payable	(10,140)	0	(10,140)
Accounts Payable	145	48,899	49,044
Deferred Revenue	(1,186)	0	(1,186)
Claims Payable	0	18,106	18,106
Accrued Wages and Benefits	155	0	155
Compensated Absences	236	0	236
Total Adjustments	<u>(7,835)</u>	<u>54,409</u>	<u>46,574</u>
Net Cash Provided by Operating Activities	(88,185)	40,938	(47,247)
Cash Flows from Noncapital Activities:			
Earnings on Investments	2,494	0	2,494
Grants from State Sources	3,909	0	3,909
Grants from Federal Sources	82,077	0	82,077
Federal Commodities	<u>25,315</u>	<u>0</u>	<u>25,315</u>
Net Cash Provided by Noncapital Activities	113,795	0	113,795
Cash Flow from Capital Financing Activities:			
Acquisition of Capital Assets	<u>(8,435)</u>	<u>0</u>	<u>(8,435)</u>
Net Cash Used In Capital Financing Activities	(8,435)	0	(8,435)
Net Increase in Cash & Cash Equivalents	17,175	40,938	58,113
Cash and Cash Equivalents at Beginning of Year	<u>54,213</u>	<u>46,426</u>	<u>100,639</u>
Cash and Cash Equivalents at End of Year	<u>\$ 71,388</u>	<u>87,364</u>	<u>\$ 158,752</u>

See Accompanying Notes to the General Purpose Financial Statements.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies

The financial statements of the Amanda-Clearcreek Local School District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

The District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a local district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under an elected Board of Education (5 members) and is responsible for the provision of public education to residents of the District.

Average daily membership (ADM) as of October 1, 1999, was 1,518. The District employed 100 certified employees and 63 classified employees. The District is supervised by the Fairfield County Educational Service Center, a separate entity.

The District provides regular, vocational and special instruction. The District also provides support services for the pupils, instructional staff, general and school administration, business and fiscal services, facilities acquisitions and construction services, operation and maintenance of plant, student transportation, food services, extracurricular activities and non-programmed services.

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities and functions for which the district is financially accountable. This report includes all activities considered by management to be part of the District by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

Section 2100 indicates that the reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity.

It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Management believes the financial statements included in this report represent all of the funds of the District over which the Board of Education is financially accountable.

B. Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types

Governmental funds are those through which most governmental functions typically are financed. Governmental Fund Types are accounted for on a flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their operating statements present sources (revenues and other financing sources) and uses (expenditures and other financing uses) of "available spendable resources" during the period.

General Fund - This 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 District for any purpose provided it is expended or transferred according to the bylaws of the District and the laws of the State of Ohio.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

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

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

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

Proprietary Fund Types

Proprietary funds are used to account for the District's ongoing activities which are similar to those found in the private sector. The following are the proprietary fund types:

Enterprise Funds - These funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds - These funds account for the financing of services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. The following are the fiduciary fund types:

Expendable Trust Funds - These funds account for resources, including both principal and earnings, which must be expended according to the provision of a trust agreement. Expendable trust funds are accounted for in essentially the same manner as governmental funds.

Agency Funds - These funds are purely custodial and thus do not involve measurement of results of operations.

Account Groups

Account Groups are financial reporting devices to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not affect expendable available financial resources. The following are the account groups:

General Fixed Assets Account Group - This account group is used to account for all of the District's fixed assets other than those accounted for in the Proprietary funds.

General Long-Term Debt Account Group - This account group is used to account for all of the District's long-term obligations other than those accounted for in the Proprietary Funds.

C. Measurement Focus/Basis of Accounting

The modified accrual basis of accounting is followed for Governmental and Expendable Trust Funds. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. Under the basis of accounting:

- 1) Only current assets and current liabilities are generally included on their balance sheets.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

- 2) Operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.
- 3) Revenues are recognized when they become both measurable and available to finance expenditures for the current period, which for the District is 60 days after year end.
 - a) Revenue accrued at the end of the year may include grants, fines, fees, interest and tuition.
 - b) Property taxes measurable as of June 30, 2000 and delinquent property taxes, whose availability is indeterminate, and are not intended to finance fiscal year 2000 operations, have been recorded as deferred revenues.
- 4) Expenditures are recognized in the period in which the fund liability is incurred with the following exceptions: general long term obligation principal and interest are reported only when due; the current costs of accumulated unpaid vacation and sick leave are reported in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

The Proprietary Funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred. Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

Agency fund assets and liabilities are recognized on the modified accrual basis of accounting.

D. Budget and Budgetary Accounting

All governmental and proprietary fund types are subject to annual expenditures budgets. The Board follows the procedures outlined below in establishing the expenditure budget data reported in the general purpose financial statements:

- 1) A Tax Budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by January 20 of each year, for the fiscal year commencing the following July 1st. The Board of Education normally adopts the Tax Budget at its regular board meeting in January.
- 2) The County Budget Commission certifies its actions to the District by March 1st. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. During the month of July, this certificate is amended to include any unencumbered balances from the preceding fiscal year.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

- 3) An annual appropriation measure must be passed by the Board of Education by October 1st of each year for the period July 1st to June 30th. Unencumbered appropriations lapse at year-end and the encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated. The Board of Education usually adopts three month temporary appropriations at its regular board meeting in June. The Annual Appropriation Resolution is usually adopted at the October regular board meeting. The appropriation measure may be amended or supplemented during the year as new information becomes available. Individual building and/or departments may transfer funds within their budgets upon review and approval of the Board of Education. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund at the object level.
- 4) The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual results of operations are presented in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual (Non-GAAP Basis--All Governmental Fund Types" in accordance with the budget basis of accounting.

The major differences between the budgetary basis of accounting and GAAP are that:

- a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- b) Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis);
- c) Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance for governmental fund types and as note disclosures in the proprietary fund types (GAAP basis); and
- d) For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Encumbrances - As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of funds are recorded as the equivalent of expenditures on the budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

E. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet. During fiscal year 2000, investments were limited to a NOW account, certificates of deposit and STAR Ohio..

Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

Under existing Ohio statutes all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. For the District, all investment earnings accrue to the General Fund and Enterprise Fund as authorized by board resolution. Interest revenue credited during the fiscal year amounted to \$293,371.

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

F. Taxes Receivable

The financial statements reflect taxes receivable as of June 30, 2000. GAAP permits the recognition of revenue from any property tax assessment in the fiscal period levied, provided the funds are "available." "Available" means then due, or past due and receivable within the current period or expected to be collected soon thereafter. While these taxes have been assessed, the majority are not due at June 30, 2000 and accordingly have been recorded as deferred revenue in the accompanying financial statements. Taxes that become delinquent remain recorded in deferred revenue until they are determined to be uncollectible.

G. Inventories

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventories are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of the governmental fund type inventories are recorded as expenditures when purchased (purchase method) rather than when consumed. Reported inventories in these funds are equally offset by a fund balance reserve which indicates they are unavailable for appropriation.

Inventories of proprietary funds consist of donated food, purchased food, and general supplies, and are expended when used.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

H. Prepaid Items

For governmental funds, payments made to vendors for services that will benefit periods beyond June 30, 2000, are recognized under the nonallocation method. The nonallocation method of prepayments and deferrals is consistent with the basic governmental concept that only expendable financial resources are reported by a specific governmental fund. Payments for the prepaid items or deferrals are fully recognized as an expenditure in the year of payment. Under the nonallocation method no asset for the prepayment or deferral is created, and no expenditure allocation to future accounting periods is required.

For proprietary funds, prepaid items represent insurance premiums that have been overpaid. These assets are recognized using the allocation method and will be recovered through future premium reductions.

I. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The District does not possess any infrastructure.

The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend asset lives, are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment and vehicles in the proprietary fund types is computed using the straight-line method over an estimated useful life (five to twenty years) of the assets.

J. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis and entitlements, are recorded as receivables and revenues when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and become measurable.

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

Entitlements:

General Fund

State Foundation Program

School Bus Funding

Special Revenue Funds

Educational Management Information Systems

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

Capital Projects Funds

School Net Grant
Classroom Facilities

Non-Reimbursable Grants:

Special Revenue Funds

DPPF
DPIA
Data Communications
E-Rate Funding
Ohio Reads
Title I
Title VI
Title VI-B
Title VI-R
Tech Prep
Textbook Subsidy
Professional Development
Miscellaneous State and Federal Grants

Reimbursable Grants:

General Fund

Driver Education Reimbursement
Vocational Education Reimbursement
Tutor Reimbursement

Proprietary Funds

National School Lunch Program
Government Donated Commodities

Grants and entitlements amounted to approximately 72% of the District's governmental fund type operating revenue during the 2000 fiscal year.

K. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds." Short-term interfund loans are classified as "interfund receivables/payables." At June 30, 2000, the District had \$6,739 in "Interfund Receivables/Payables" and \$3,583 in "Due to/from Other Funds."

L. Advances to Other Funds

Non-current portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation. At June 30, 2000 the District had no long-term interfund loans.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

M. Compensated Absences

The District accounts for compensated absences in accordance with GASB Statement No. 16. Sick leave and other compensated absences with similar characteristics are accrued as a liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments, as well as other employees who are expected to become eligible in the future to receive such payments.

To calculate the liability, these accumulations are reduced to the maximum amount allowed as a termination payment. Accruals for those employees who are expected to become eligible in the future are based on assumptions concerning the probability that individual employees or class or group of employees will become eligible to receive termination payments. All employees projected to be eligible were included in the calculation of the long-term compensated absences accrual amount.

Vacation leave and other compensated absences with similar characteristics are accrued as a liability as the benefits are earned by the employees if both of the following conditions are met: 1.) The employees' rights to receive compensation are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee; and 2.) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

For governmental funds, the District records a liability for accumulated unused vacation and sick leave when earned. The current portion of these unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid.

The remainder is reported in the general long-term debt account group. In proprietary funds, compensated absences are expensed when earned with the amount reported as a fund liability.

N. Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. The assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expended and closed to unreserved retained earnings at year end. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. At June 30, 2000, the District had no contributed capital.

O. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 1. Summary of Significant Accounting Policies (continued)

P. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Q. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. A fund balance reserve has also been established.

R. Fund Balance Reserves

Reserved Fund Balances indicate that portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund Balances are reserved for encumbrances, supplies inventory, budget reserve (stabilization) and future appropriation.

The reserve for future appropriation represents the amount of the property taxes available for advance and recognized as revenue. The District is prohibited by law from appropriating the advance, since it was not received, for the current fiscal year. The unreserved portions of fund equity reflected for the Governmental Funds are available for use within the specific purposes of those funds.

S. Memorandum Only - Total Columns

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

T. 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.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 2. Budgetary Basis of Accounting

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

	Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Governmental Fund Types and Expendable Trust Funds				
	Governmental Fund Types				
	General Fund	Special Revenue	Debt Service	Capital Projects	Expendable Trust
GAAP Basis	\$ 191,381	(4,139)	55,852	5,248,598	\$ (3,928)
Increase (Decrease):					
Due to Revenues:					
Net Adjustments to Revenue Accruals	(23,063)	3,273	(17,789)	(1,028)	0
Due to Expenditures:					
Net Adjustments to Expenditure Accruals	(262,920)	(44,547)	1	67,504	(831)
Due to Other Sources/Uses	124,039	6,732	0	(136,201)	0
Budget Basis	<u>\$ 29,437</u>	<u>(38,681)</u>	<u>38,064</u>	<u>5,178,873</u>	<u>\$ (4,759)</u>

Note 3. Accountability and Compliance

Pursuant to Section 117.11(A) of the Revised Code, independent auditors performed tests of compliance with various provisions of local, state and/or federal laws, as appropriate.

Note 4. Cash and Investments

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the 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 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 accounts, including passbook accounts.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 4. Cash and Investments (continued)

with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public money deposited with the institution.

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

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

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 District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 4. Cash and Investments (continued)

Deposits: At year end, the carrying amount of the District's deposits was \$7,548,523 and the bank balance was \$7,697,393. Of the bank balance:

1. \$101,656 was covered by Federal Depository Insurance Corporation (FDIC); and
2. \$7,658,663 was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

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

	Category			Reported Amount	Fair Value
	1	2	3		
STAR Ohio	\$ 0	0	0	\$ 62,926	\$ 62,926
Total Investments	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 62,926</u>	<u>\$ 62,926</u>

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

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

	Cash	Investments
GASB Statement No. 9	\$ 7,611,449	\$ 0
Investments:		
STAR Ohio	(62,926)	62,926
Total Cash and Cash Equivalents	<u>\$ 7,548,523</u>	<u>\$ 62,926</u>

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 5. Property Tax

Property taxes are levied, assessed and collected on a calendar year basis. They include amounts levied against all real, public utility, and tangible personal property located in the District. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the Fairfield County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation for the District was completed in 1995, an update was done in 1999. The next revaluation is scheduled for 2001. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31, (although the Fairfield County Auditor usually files for an extension in sending out tax bills so payment is then due by February 14th). If paid semi-annually, the first payment is usually due February 14, with the remainder payable June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before December 31 of that calendar year. Tangible personal property used in business (except for public utilities) is currently assessed for taxation purposes at 25% of its true value. Amounts paid by multi-county taxpayers may pay annually or semi-annually, the first payment is due April 30, with the remainder payable by September 28.

Public utility real and public utility personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Real property is assessed at 35% of market value and personal property is assessed at 100% of market value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The Fairfield County Treasurer collects property tax on behalf of the District. The Fairfield County Auditor remits the collected taxes to the District. Tax settlements are made each March and August for real property taxes and each June and October for personal property.

Taxes available for advance and recognized as revenue, but not received by the District prior to June 30, are reflected as a reservation of fund balance. The District is prohibited by law from appropriating the property taxes recognized as revenue in accordance with Ohio Revised Code Section 5705.35 since an advance of tax revenue was not received by the end of the fiscal year.

The full tax rate at the fiscal year ended June 30, 2000 for operations was \$30.30 per \$1,000 of assessed valuation and \$3.00 per \$1,000 of assessed valuation for permanent improvements. The assessed values of real and tangible personal property on which the fiscal year 2000 taxes were collected were as follows:

Real Property-Commercial/Industrial	\$ 2,905,420
Real Property-Residential/Agricultural	76,200,220
Real Property-Minerals	70,430
Personal Property-General	3,471,789
Personal Property-Public Utilities	4,609,630
Total Assessed Value	<u>\$ 87,257,489</u>

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 6. Receivables

Receivables at June 30, 2000 consisted of taxes, accounts (miscellaneous), and intergovernmental grants and entitlements. 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 guarantee of Federal funds.

A summary of the principal items of Intergovernmental Receivables follows:

General Fund:	
Driver Education	\$ 1,350
Total General Fund	1,350
Enterprise Fund:	
State and Federal Subsidy	12,474
Grand Total	\$ 13,824

Note 7. Fixed Assets

The following is a summary of the proprietary funds property, plant and equipment at June 30, 2000:

Furniture and Equipment	\$ 171,244
Less: Accumulated Depreciation	(90,141)
Net Fixed Assets	\$ 81,103

The following is a summary of changes in the General Fixed Assets Account Group during the fiscal year 2000:

	General Fixed Assets June 30, 1999	Additions	Deletions	General Fixed Assets June 30, 2000
Land and Improvements	\$ 652,246	50,000	0	\$ 702,246
Buildings	2,238,656	501,817	0	2,740,473
Construction in Progress	76,784	0	76,784	0
Furniture and Equipment	2,443,380	116,483	37,663	2,522,200
Vehicles	1,190,230	201,871	227,980	1,164,121
Total General Fixed Assets	\$ 6,601,296	870,171	342,427	\$ 7,129,040

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 8. Defined Benefit Pension Plans

A. State Teachers Retirement System

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

Plan members are required to contribute 9.3 percent of their annual covered salary and the District is required to contribute 14 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The District's contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$563,040, \$511,008, and \$482,736, respectively; 83 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$93,840 representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds.

B. School Employees Retirement System

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

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$160,176, \$162,144, and \$160,380, respectively; 44 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$99,487 representing the unpaid contribution for fiscal year 2000, including the surcharge, is recorded as a liability within the respective funds and the general long-term obligations account group.

C. Social Security

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System /State Teachers Retirement System. As of June 30, 2000, all members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 9. Postemployment Benefits

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

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 1999, the STRS Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$321,737 for fiscal year 2000. STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Health Care Reserve Fund was \$2.783 million at June 30, 1999 (the latest information available). For the year ended June 30, 1999, net health care costs paid by STRS were \$249,929,000 and STRS had 95,796 eligible benefit recipients.

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

For the fiscal year ended June 30, 1999, employer contributions to fund health care benefits were 6.3 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay has been established at \$12,400. The surcharge rate added to the unallocated portion of the 14 percent employer contribution rate provides for maintenance of the asset target level for the health care fund. For the District, this amount equaled \$91,478 during the 2000 fiscal year.

The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 1999, (the latest information available) were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999, the Retirement System's net assets available for payment of health care benefits was \$188.0 million. The number of participants currently receiving health care benefits is approximately 51,000.

Note 10. Compensated Absences

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Only administrative and support personnel who are under a full year contract (260 days) are eligible for vacation time. The administrators are generally granted twenty days of vacation per year.

Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 10. Compensated Absences (continued)

The classified personnel accumulate vacation based on the following schedule:

<u>Years Service</u>	<u>Vacation Days</u>
1-9	1 -10 days
10-19	10-15 days
20 and beyond	16-20 days

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave shall accumulate during active employment on a continuous year-to-year basis. Maximum sick leave accumulation for classified employees is 225 days and for certified employees it is 250 days.

For classified employees, retirement severance is paid to each employee retiring from the District at a per diem rate of the annual salary at the time of retirement if the employee has been employed by the District for a minimum of ten consecutive years at the time of retirement. Any employee receiving retirement severance pay shall be entitled to a dollar amount equivalent to one-fourth of all accumulated sick leave credited to that employee up to fifty days. A bonus of twenty days is granted if retirement is by the State Teachers Retirement standards.

Note 11. Risk Management

A. General Risk

The 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. The District has addressed these various types of risk by purchasing a comprehensive insurance policy through commercial carriers. General liability insurance is maintained in the amount of \$2,000,000 for each occurrence and \$5,000,000 in the aggregate.

The District maintains fleet insurance in the amount of \$1,000,000 for any one accident or loss and a rider for volunteers.

The District maintains replacement cost insurance on buildings and contents in the amount of \$19,120,400.

B. Workers' Compensation-Public Entity Risk Pool

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

The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 11. Risk Management (continued)

school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Company provides administrative, cost control and actuarial services to the GRP.

C. Health Insurance

The District has established an internal service "self-insurance" fund, in conjunction with a formalized risk management program, in an effort to minimize risk exposure and control claims and premium costs.

This self-insurance fund was established February, 1997 for the purpose of accumulating balances sufficient to self-insure basic medical, dental, vision, and prescription drug coverage and permit excess umbrella coverage for claims over a pre-determined level. Board and employee premium contributions are determined by negotiated agreement. Amounts are paid into this fund from the General Fund, Lunchroom Fund, and certain Special Revenue Funds (Grants). Claims payments are made on an as-incurred basis, thus no "reserve" remains with the insurance carrier.

Expenses for claims are recorded as other expenses when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using expected future investment assumptions as determined by the third party administrator. These liabilities are reported at their present value of \$86,905 at June 30, 2000. A summary of changes in self-insurance claims for the year ended June 30, 2000 follows:

	FY 2000	FY1999
Claim Liabilities at July 1	\$ 68,799	\$ 24,592
Incurred Claims	539,470	492,264
Claims Paid	<u>(521,364)</u>	<u>(448,057)</u>
Claim Liabilities at June 30	<u>\$ 86,905</u>	<u>\$ 68,799</u>

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 11. Risk Management (continued)

Monies are provided from each fund based on a per-employee charge and are recorded as charges for services in the Self-Insurance Fund and as an expenditure in the disbursing fund.

The following is a summary of payments made to the Self-Insurance Fund:

Total Contributed by Funds	\$ 462,261
Fiscal Agent Fee	864
Employee Contributions	<u>116,975</u>
Total Contributions	<u><u>\$ 580,100</u></u>

Note 12. Notes and Long-Term Debt

As of June 30, 2000, the District had no outstanding short term obligations. During the fiscal year 2000, the District issued and retired \$4,417,000 of bond anticipation notes in the Capital Projects Fund.

A summary of changes in long-term obligations for the year ended June 30, 2000, are as follows:

	Balance			Balance
	July 1, 1999	Additions	Deletions	June 30,2000
Intergovernmental Payable	\$ 65,607	72,790	65,607	\$ 72,790
General Obligation Bonds Payable	80,000	4,417,000	40,000	4,457,000
Compensated Absences Payable	463,015	502,788	463,015	502,788
	<u>\$ 608,622</u>	<u>4,992,578</u>	<u>568,622</u>	<u>\$ 5,032,578</u>

Of the outstanding general obligation bonds, \$40,000 relates to a 1976 project, for which bonds were issued for the purpose of constructing an addition and equipping elementary schools and the high school building and improving the site thereof. These bonds mature December 2000, and are in full compliance with the general laws of the State of Ohio, particularly Sections 133.01 to 133.48, inclusive, of the Revised Code and Section 133.09 thereof.

The annual maturities of the general obligation bonds as of June 30, 2000, and related interest payments are as follows:

	Principal	Interest	Payment
FY2001	40,000	2,600	42,600
	<u>\$ 40,000</u>	<u>2,600</u>	<u>\$ 42,600</u>

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 12. Notes and Long-Term Debt (continued)

New Issue

General Obligation Bonds were issued by the District on March 15, 2000 in the amount of \$4,417,000 for the purpose of the constructing a K-12 facility. These bonds were issued for a period of 22 years at a rate of 5.45%, mature December 1, 2022, and are in full compliance with the general laws of the State of Ohio, particularly Sections 133.01 to 133.48, inclusive, of the Revised Code and Section 133.09 thereof.

These bonds were issued to provide a partial cash match for the classroom facilities assistance program of \$24,738,919 that the District was approved for through the State Department of Education. As a requirement of the classroom facilities assistance program, the District was required to pass a 4.3 mill levy to the District's residents. The 4.3 mill levy, of which .5 mill must be set aside and used for facilities maintenance, will be in effect for twenty-two years.

The annual maturities of the general obligations bonds as of June 30, 2000, and related interest payments are as follows:

	Principal	Interest	Payment
FY2001	\$ 52,000	298,899	\$ 350,899
FY2002	100,000	243,325	343,325
FY2003	105,000	238,709	343,709
FY2004	120,000	233,417	353,417
FY2005	125,000	227,536	352,536
FY2006 and Thereafter	3,915,000	2,375,883	6,290,883
	<u>\$ 4,417,000</u>	<u>3,617,769</u>	<u>\$ 8,034,769</u>

Note 13. Interfund Transactions

At June 30, 2000, the District had short-term interfund loans which are classified as "interfund receivables/payables." An analysis of interfund balances is as follows:

	Receivables	Payables
General Fund	\$ 6,739	\$ 0
Special Revenue Fund	0	6,739
	<u>\$ 6,739</u>	<u>\$ 6,739</u>

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 14. Jointly Governed Organizations

Metropolitan Educational Council (MEC) - MEC is a not-for-profit educational council whose primary purpose and objective is to contribute to the educational services available to school districts in Franklin County and surrounding areas by cooperative action membership. The governing board consists of a representative from each of the Franklin County districts. Districts outside of Franklin County are associate members and each county selects a single district to represent them on the governing board. MEC is its own fiscal agent. The District does not have an ongoing financial interest in or ongoing financial responsibility for MEC. MEC provides computer services to the District.

Note 15. Segment Information for Enterprise Funds

Key financial data for the District's only Enterprise Fund for the year ended June 30, 2000, is as follows:

	Lunchroom Fund
Operating Revenues	\$ 283,616
Operating Expenses:	
Depreciation	(1,333)
Other Expenses	(362,633)
Total Operating Expenses	(363,966)
Operating Loss	(80,350)
Non Operating Revenues and	
Earnings on Investments	2,494
Grants	111,301
Net Income (Loss)	\$ 33,445
Net Working Capital	\$ 52,530
Total Assets	\$ 170,667
Retained Earnings	\$ 133,645

Note 16. Contingencies

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds.

However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2000.

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 16. Contingencies (continued)

B. Litigation

The District is not a party to any legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending at June 30, 2000.

Note 17. School Funding Decision

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional.

The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program," which provides significant amounts of monetary support to the District. During the fiscal year ended June 30, 2000, the District received \$5,216,690 of school foundation support for its general fund.

In addition, the Court declared the classroom facilities program unconstitutional, because, in the Court's opinion, the program had not been sufficiently funded by the State. The classroom facilities program provided money to build schools and furnish classrooms. As of June 30, 2000, the District had received a total of \$1.1 million under this program.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. On May 11, 2000, the Ohio Supreme Court rendered an opinion on this issue. The Court concluded, "...the mandate of the [Ohio] Constitution has not been fulfilled." The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997, decision, however, it found seven "...major areas warrant further attention, study, and development by the General Assembly...", including the State's reliance on local property tax funding, the state's basic aid formula, the school foundation program, as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

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

Amanda-Clearcreek Local School District
Notes to the General Purpose Financial Statements
June 30, 2000

Note 18. Statutory Reserves

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2000, the reserve activity was as follows:

	Textbook Acquisition	Capital Acquisition	Budget Stabilization	Total
Set aside Cash Balance as of June 30, 1999	\$ 0	0	97,052	\$ 97,052
Current Year Set-Aside Requirement	154,264	154,264	9,405	317,933
Current Year Offsets	0	0	0	0
Qualifying Disbursements	(312,436)	(279,961)	0	(592,397)
Total	<u>(158,172)</u>	<u>(125,697)</u>	<u>106,457</u>	<u>(177,412)</u>
Cash Balance Carried Forward to FY2001	<u>\$ 0</u>	<u>0</u>	<u>106,457</u>	
Amount Restricted for Budget Stabilization				<u>\$ 106,457</u>
Total Restricted Assets				<u>\$ 106,457</u>

Although the District had offsets and qualifying disbursements during the year that reduced the set-aside amounts below zero, these amounts may not be used to reduce the set-aside requirement of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year

Note 19. Fund Deficits

Fund Deficits:

Fund balances/retained earnings at June 30, 2000, included the following individual fund deficits:

Special Revenue Fund:

Local Grant	(\$6,911)
DPIA	(\$4,075)

These deficits are the result of adjustments for accrued liabilities. The general fund is liable for any deficits in these funds and provides operating transfers when cash is required, not when accruals occur.

**Amanda-Clearcreek Local School District
Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2000**

Federal Grantor / Pass Through Grantor / Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Expenditures
<u>U.S. Department of Agriculture</u>				
<i>Passed Through Ohio Department of Education:</i>				
Nutrition Cluster:				
National School Lunch Program	04-PU 99	10.555	\$81,139	\$81,139
Total U.S. Department of Agriculture			81,139	81,139
<u>U.S. Department of Education</u>				
<i>Passed Through Ohio Department of Education:</i>				
Title I Grants to Local Educational Agencies	C1-S1 99	84.010	20,884	40,008
Title I Grants to Local Educational Agencies	C1-S1 00	84.010	156,454	117,390
			177,338	157,398
Special Education - Grants to States (IDEA Part B)	6B-SF 99 P	84.027	78,407	139,007
Goals 2000 - State and Local Education Systemic Improvement Grant	G2-S1 99	84.276	0	3,970
Innovative Education Program	C2-S1 99	84.298	1,098	1,098
Innovative Education Program	C2-S1 00	84.298	7,451	5,450
			8,549	6,548
Class Size Reduction	CR-S1 00	84.340	25,829	20,397
Total U.S. Department of Education			290,123	327,320
Total Federal Financial Assistance			\$371,262	\$408,459

Note 1 - Noncash Federal Financial Assistance

During the year ended June 30, 2000, the District received \$20,265 and used \$17,413 in fair value inventory under the Nutrition Cluster - Food Distribution (Commodities) Program, Federal CFDA Number 10.550, that is not reported in the above schedule. At June 30, 2000 the District had no significant food commodities inventory.

Note 2 - Significant Accounting Policies

The District prepares its Schedule of Federal Awards Expenditures on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

J. L. UHRIG & ASSOCIATES

Certified Public Accountant

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Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Education
Amanda-Clearcreek Local School District
414 North School Street
Amanda, Ohio 43012

We have audited the financial statements of the Amanda-Clearcreek Local School District (the District), as of and for the year ended June 30, 2000, and have issued our report thereon dated November 30, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting that we have reported to the management of the District in a separate letter dated November 30, 2000.

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

J. L. Uhrig & Associates

J. L. UHRIG & ASSOCIATES
Certified Public Accountant

November 30, 2000

Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

Board of Education
Amanda-Clearcreek Local School District
414 North School Street
Amanda, Ohio 43012

Compliance

We have audited the compliance of Amanda-Clearcreek Local School District (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2000. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2000.

Internal Control over Compliance

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

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

Board of Education
Amanda-Clearcreek Local School District
Report on Compliance with Requirements Applicable to Each Major
Program and Internal Control over Compliance in Accordance with
OMB Circular A-133

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

J. L. Uhrig & Associates

J. L. UHRIG & ASSOCIATES
Certified Public Accountant

November 30, 2000

**Amanda-Clearcreek Local School District
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2000**

A. SUMMARY OF AUDITOR'S RESULTS

1. Type of Financial Statement Opinion	Unqualified
2. Were there any material internal control weaknesses reported at the financial statement level (GAGAS)?	No
3. Were there any other reportable internal control weaknesses reported at the financial statement level (GAGAS)?	No
4. Was there any material noncompliance reported at the financial statement level (GAGAS)?	No
5. Were there any material internal control weaknesses reported for major federal programs?	No
6. Were there any other reportable internal control weaknesses reported for major federal programs?	No
7. Type of Major Programs' Compliance Opinion	Unqualified
8. Are there any reportable findings under § .510?	No
9. Major Programs (list):	Title I Grants to Local Educational Agencies CFDA #84.010
10. Dollar Threshold: Type A/B Programs	Type A: >\$300,000 Type B: All Other Programs
11. Low Risk Auditee?	Yes

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

There were no findings related to the financial statements required to be reported in accordance with GAGAS.

C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs for federal awards.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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AMANDA-CLEARCREEK LOCAL SCHOOL DISTRICT

FAIRFIELD COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 06, 2001**