



**LAKOTA LOCAL SCHOOL DISTRICT
BUTLER COUNTY**

SINGLE AUDIT

FOR THE FISCAL YEAR ENDED JUNE 30, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO



LAKOTA LOCAL SCHOOL DISTRICT
WEST CHESTER, OHIO

GENERAL PURPOSE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

LAKOTA LOCAL SCHOOL DISTRICT
West Chester, Ohio

General Purpose Financial Statements
for the Year ended June 30, 2000

Board of Education

Sandy Wheatley – President
Joan Powell – Vice-President
Jeffrey Jones – Member
Susan McLaughlin – Member
Dan Warncke – Member

Superintendent of Schools

Kathleen Klink

Issued By

Treasurer's Office

Alan R. Hutchinson
CFO/Treasurer

Lakota Local School District, Ohio
General Purpose Financial Statements

For Year Ended June 30, 2000

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Lakota Local School District, Ohio
General Purpose Financial Statements

For Year Ended June 30, 2000

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General Purpose Financial Statements

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FINANCIAL SECTION



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INDEPENDENT ACCOUNTANTS' REPORT

Lakota Local School District
Butler County
5030 Tylersville Road
West Chester, OH 45069

To the Board of Education:

We have audited the accompanying general-purpose financial statements of Lakota Local School District, Butler County, Ohio (the District), as of and for the fiscal year ended June 30, 2000, as listed in the table of contents. 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2001, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Lakota Local School District, Butler County, Ohio, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the statistical section of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

April 26, 2001

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Lakota Local School District, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 June 30, 2000

GOVERNMENTAL FUND TYPES

ASSETS AND OTHER DEBITS:	General	Special Revenue	Debt Service	Capital Projects
Assets				
Equity in pooled cash and investments	\$11,216,459	\$1,325,476	\$3,222,083	\$3,272,759
Cash with fiscal agent	0	0	0	117,162
Restricted cash	2,466,584	0	0	0
Receivables:				
Taxes	46,834,422	0	7,921,458	0
Accounts	218,101	103,045	0	0
Interfund receivable	306,724	0	0	0
Inventory held for resale	0	0	0	0
Fixed assets (net, where applicable, of accumulated depreciation)	0	0	0	0
Other debits				
Amount available in Debt Service Fund for retirement of general obligation bonds	0	0	0	0
Amount to be provided from general government resources	0	0	0	0
TOTAL ASSETS AND OTHER DEBITS	<u>61,042,290</u>	<u>1,428,521</u>	<u>11,143,541</u>	<u>3,389,921</u>
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
Liabilities				
Accounts payable	620,159	139,608	0	35,667
Accrued wages and benefits	9,846,293	18,434	0	0
Compensated absences payable	702,835	0	0	0
Interfund payable	0	84,253	0	0
Deferred revenue	44,630,670	0	7,524,564	0
Due to students	0	0	0	0
Retainage payable	0	0	0	117,162
Capital leases payable	0	0	0	0
Bonds payable	0	0	0	0
Total liabilities	<u>55,799,957</u>	<u>242,295</u>	<u>7,524,564</u>	<u>152,829</u>
Fund Equity and other credits:				
Investment in general fixed assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained earnings:				
Unreserved	0	0	0	0
Fund balances:				
Reserved:				
Reserved for property taxes	2,203,752	0	396,894	0
Reserved for encumbrances	316,823	136,826	0	1,463,471
Reserved for set-aside	2,466,584	0	0	0
Unreserved:				
Undesignated	255,174	1,049,400	3,222,083	1,773,621
Total fund equity and other credits	<u>5,242,333</u>	<u>1,186,226</u>	<u>3,618,977</u>	<u>3,237,092</u>
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	<u>\$61,042,290</u>	<u>\$1,428,521</u>	<u>\$11,143,541</u>	<u>\$3,389,921</u>

See accompanying notes

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Totals (Memorandum Only)
\$1,358,447	\$1,840,334	\$345,003	\$0	\$0	\$22,580,561
0	0	0	0	0	117,162
0	0	0	0	0	2,466,584
0	0	0	0	0	54,755,880
1,015	0	166,967	0	0	489,128
0	0	0	0	0	306,724
43,007	0	0	0	0	43,007
654,345	0	0	114,236,108	0	114,890,453
0	0	0	0	3,618,977	3,618,977
0	0	0	0	76,079,603	76,079,603
<u>2,056,814</u>	<u>1,840,334</u>	<u>511,970</u>	<u>114,236,108</u>	<u>79,698,580</u>	<u>275,348,079</u>
28,621	29,034	48,996	0	0	902,085
161,272	0	0	0	569,447	10,595,446
12,774	0	0	0	2,844,005	3,559,614
396	3,143	218,932	0	0	306,724
29,416	0	0	0	0	52,184,650
0	0	168,328	0	0	168,328
0	0	0	0	0	117,162
0	0	0	0	1,596,061	1,596,061
0	0	0	0	74,689,067	74,689,067
<u>232,479</u>	<u>32,177</u>	<u>436,256</u>	<u>0</u>	<u>79,698,580</u>	<u>144,119,137</u>
0	0	0	114,236,108	0	114,236,108
1,295,844	0	0	0	0	1,295,844
528,491	1,808,157	0	0	0	2,336,648
0	0	0	0	0	2,600,646
0	0	0	0	0	1,917,120
0	0	0	0	0	2,466,584
0	0	75,714	0	0	6,375,992
<u>1,824,335</u>	<u>1,808,157</u>	<u>75,714</u>	<u>114,236,108</u>	<u>0</u>	<u>131,228,942</u>
<u>\$2,056,814</u>	<u>\$1,840,334</u>	<u>\$511,970</u>	<u>\$114,236,108</u>	<u>\$79,698,580</u>	<u>\$275,348,079</u>

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Lakota Local School District, Ohio
 Combined Statement of Revenues, Expenditures
 And Changes in Fund Balances
 All Governmental Fund Types and Expendable Trust Fund
 For The Fiscal Year Ended June 30, 2000

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
Taxes	\$40,636,659	\$0	\$5,102,276	\$0	\$0	\$45,738,935
Intergovernmental	32,198,954	1,674,657	931,590	473,752	0	35,278,953
Investment revenue	1,423,587	23,565	0	121,335	3,757	1,572,244
Tuition and fees	90,103	0	0	0	0	90,103
Extracurricular activities	20,235	1,205,504	0	0	0	1,225,739
Other revenues	1,135,148	626,757	45	1,813,772	23,911	3,599,633
Total revenues	75,504,686	3,530,483	6,033,911	2,408,859	27,668	87,505,607
Expenditures:						
Current:						
Instruction:						
Regular	41,388,128	572,466	0	56,660	0	42,017,254
Special	5,801,329	183,202	0	0	0	5,984,531
Vocational	240,986	2,123	0	0	0	243,109
Other	194,243	55,635	0	0	0	249,878
Support services:						
Pupil	4,194,333	1,269,883	0	0	0	5,464,216
Instructional Staff	4,323,451	255,553	0	40,709	170	4,619,883
Board of Education	8,714	0	0	0	0	8,714
Administration	7,130,132	5,443	60,283	0	0	7,195,858
Fiscal	1,435,177	0	12,257	0	0	1,447,434
Business	316,922	0	0	0	0	316,922
Operations and maintenance	7,566,261	13,729	0	532,700	0	8,112,690
Pupil Transportation	5,786,291	14,372	0	0	0	5,800,663
Central	1,268,535	65,722	0	0	0	1,334,257
Operation of non-instructional services	3,381	3,027	0	0	0	6,408
Extracurricular activities	1,498,775	754,737	0	0	10,050	2,263,562
Capital outlay	781,574	73,250	0	848,714	0	1,703,538
Debt Service:						
Principal retirement	0	0	4,474,347	0	0	4,474,347
Interest and fiscal charges	28,379	0	4,375,385	0	0	4,403,764
Total Expenditures	81,966,611	3,269,142	8,922,272	1,478,783	10,220	95,647,028
Excess of revenues over (under) expenditures	(6,461,925)	261,341	(2,888,361)	930,076	17,448	(8,141,421)
Other financing sources (uses):						
Proceeds of sale of fixed assets	22,318	0	0	0	0	22,318
Proceeds of capital leases	632,470	0	0	0	0	632,470
Proceeds of bonds	0	0	0	1,240,000	0	1,240,000
Operating transfers in	391,000	50,000	0	0	0	441,000
Operating transfers (out)	0	(50,000)	0	(391,000)	0	(441,000)
Total other financing sources (uses)	1,045,788	0	0	849,000	0	1,894,788
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(5,416,137)	261,341	(2,888,361)	1,779,076	17,448	(6,246,633)
Fund balance, July 1	10,658,470	924,885	6,507,338	1,458,016	58,266	19,606,975
Fund balance, June 30	\$5,242,333	\$1,186,226	\$3,618,977	\$3,237,092	\$75,714	\$13,360,342

See accompanying notes

Lakota Local School District, Ohio
 Combined Statement of Revenues, Expenditures
 And Changes in Fund Balances
 Budget and Actual (Non-GAAP Budgetary Basis)
 All Governmental Fund Types
 For The Fiscal Year Ended June 30, 2000

	General			Special Revenue			Debt Service		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:									
Taxes	\$45,293,890	\$45,975,581	\$681,691	\$0	\$0	\$0	\$8,025,207	\$8,481,031	\$455,824
Intergovernmental	31,568,353	32,198,953	630,600	2,023,655	1,525,339	(498,316)	857,795	931,590	73,795
Interest	1,000,000	1,343,599	343,599	8,210	23,565	15,355	0	0	0
Tuition & fees	50,000	90,164	40,164	0	0	0	0	0	0
Extracurricular activities	0	20,235	20,235	1,127,755	1,263,020	135,265	0	0	0
Other revenues	544,672	1,048,060	503,388	595,625	626,678	31,053	0	45	45
Total revenues	78,456,915	80,676,592	2,219,677	3,755,245	3,438,602	(316,643)	8,883,002	9,412,666	529,664
Expenditures:									
Current:									
Instruction:									
Regular	41,788,102	40,687,851	1,100,251	926,171	605,201	320,970	0	0	0
Special	5,853,371	5,679,483	173,888	236,046	171,026	65,020	0	0	0
Vocational	249,166	238,340	10,826	2,123	2,123	0	0	0	0
Other	196,410	192,005	4,405	67,092	67,047	45	0	0	0
Support services									
Pupil	4,501,940	4,124,322	377,618	1,611,817	1,386,346	225,471	0	0	0
Instructional staff	4,275,568	4,182,520	93,048	447,128	276,275	170,853	0	0	0
Board of Education	37,309	31,294	6,015	0	0	0	0	0	0
Administration	6,945,296	6,721,603	223,693	35,499	5,685	29,814	0	0	0
Fiscal	1,884,085	1,468,550	415,535	0	0	0	0	0	0
Business	297,068	295,209	1,859	0	0	0	0	0	0
Operation and maintenance	8,406,644	7,684,208	722,436	20,208	19,053	1,155	0	0	0
Pupil transportation	5,834,327	5,805,809	28,518	29,504	14,804	14,700	0	0	0
Central	1,326,550	1,223,933	102,617	81,342	54,661	26,681	0	0	0
Operation of non-instructional services	3,700	3,513	187	4,286	3,077	1,209	0	0	0
Extracurricular activities	1,525,541	1,464,083	61,458	912,054	821,314	90,740	0	0	0
Capital outlay	281,959	281,446	513	73,250	73,250	0	0	0	0
Debt Service:									
Principal retirement	0	0	0	0	0	0	4,474,347	4,474,347	0
Interest and fiscal charges	0	0	0	0	0	0	4,530,386	4,435,668	94,718
Total expenditures	83,407,036	80,084,169	3,322,867	4,446,520	3,499,862	946,658	9,004,733	8,910,015	94,718
Excess of revenues over (under) expenditures	(4,950,121)	592,423	5,542,544	(691,275)	(61,260)	630,015	(121,731)	502,651	624,382
Other financing sources (uses):									
Proceeds of sale of fixed assets	20,000	22,318	2,318	0	0	0	0	0	0
Proceeds of bonds	0	0	0	0	0	0	0	0	0
Advances in	279,856	279,855	(1)	0	84,253	84,253	0	0	0
Advances (out)	(307,678)	(306,723)	955	(12,450)	(12,351)	99	0	0	0
Operating transfers in	391,000	391,000	0	35,000	50,000	15,000	0	0	0
Operating transfers (out)	(30,584)	(30,584)	0	(50,000)	(50,000)	0	0	0	0
Total other financing sources (uses)	352,594	355,866	3,272	(27,450)	71,902	99,352	0	0	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(4,597,527)	948,289	5,545,816	(718,725)	10,642	729,367	(121,731)	502,651	624,382
Fund balance, July 1	11,960,341	11,960,341	0	1,045,456	1,045,456	0	2,617,349	2,617,349	0
Fund balance, June 30	7,362,814	12,908,630	5,545,816	326,731	1,056,098	729,367	2,495,618	3,120,000	624,382

See accompanying notes

Capital Projects		
Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$26,000	\$20,819	(\$5,181)
473,752	473,752	0
64,000	90,869	26,869
0	0	0
0	0	0
1,813,772	1,813,772	0
2,377,524	2,399,212	21,688

482,542	58,035	424,507
886	0	886
0	0	0
0	0	0
0	0	0
190,177	40,819	149,358
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
1,542,251	1,533,848	8,403
0	0	0
0	0	0
0	0	0
2,475,754	1,318,989	1,156,765
0	0	0
0	0	0

4,691,610	2,951,691	1,739,919
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(2,314,086)	(552,479)	1,761,607
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0	0	0
1,249,647	1,249,647	0
0	0	0
(246,104)	(246,104)	0
0	0	0
(391,000)	(391,000)	0
612,543	612,543	0

(1,701,543)	60,064	1,761,607
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1,777,786	1,777,786	0
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76,243	1,837,850	1,761,607
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Lakota Local School District, Ohio
 Combined Statement of Revenues, Expenses
 And Changes in Retained Earnings
 All Proprietary Fund Types
 For The Fiscal Year Ended June 30, 2000

	PROPRIETARY FUND TYPES		
	Enterprise	Internal Service	Totals (Memorandum Only)
Operating Revenues:			
Tuition and fees	\$0	\$132,410	\$132,410
Sales	2,837,080	0	2,837,080
Charges for Services	885,500	0	885,500
Other revenues	2,086	7,353,456	7,355,542
Total operating revenues	<u>3,724,666</u>	<u>7,485,866</u>	<u>11,210,532</u>
Operating Expenses:			
Salaries and Wages	1,062,304	89,455	1,151,759
Fringe Benefits	207,905	12,890	220,795
Purchased Services	129,701	0	129,701
Materials and supplies	2,812,872	3,138	2,816,010
Depreciation	136,513	0	136,513
Other operating expenses	36,991	6,617,986	6,654,977
Total operating expenses	<u>4,386,286</u>	<u>6,723,469</u>	<u>11,109,755</u>
Operating income (loss)	<u>(661,620)</u>	<u>762,397</u>	<u>100,777</u>
Non-operating revenues:			
Federal donated commodities	142,865	0	142,865
Operating grants	252,575	0	252,575
Investment revenue	55,026	0	55,026
Total non-operating revenues	<u>450,466</u>	<u>0</u>	<u>450,466</u>
Net Income (loss)	(211,154)	762,397	551,243
Retained Earnings, July 1	827,927	0	827,927
Prior Period Adjustment	(88,282)	0	(88,282)
Retained Earnings, July 1 - Restated	739,645	1,045,760	1,785,405
Retained Earnings, June 30	<u>\$528,491</u>	<u>\$1,808,157</u>	<u>\$2,336,648</u>

See accompanying notes

Lakota Local School District, Ohio
 Combined Statement Of Cash Flows
 All Proprietary Fund Types
 For The Fiscal Year Ended June 30, 2000

	PROPRIETARY FUND TYPES		Totals (Memorandum Only)
	Enterprise	Internal Service	
Cash flows from operating activities:			
Cash received from tuition and fees	\$0	\$149,834	\$149,834
Cash received from charges for services	886,571	7,336,032	8,222,603
Cash received from sales	2,838,420	0	2,838,420
Cash payments to suppliers for goods and services	(2,905,461)	(1,882)	(2,907,343)
Cash payments to employees for services	(1,409,225)	(102,345)	(1,511,570)
Cash payments for other operating expenses	0	(6,599,324)	(6,599,324)
Net cash provided by (used for) operating activities	(589,695)	782,315	192,620
Cash flows from noncapital financing activities:			
Cash received from other funds	396	3,143	3,539
Operating grants received	289,600	0	289,600
Net cash provided by noncapital financing activities	289,996	3,143	293,139
Cash flows from capital and related financing activities			
Acquisition of capital assets	(7,770)	0	(7,770)
Net cash used for capital and related financing activities	(7,770)	0	(7,770)
Cash flows from investing activities:			
Interest on investments	55,026	0	55,026
Net cash provided by investing activities	55,026	0	55,026
Net increase in cash and cash equivalents	(252,443)	785,458	533,015
Cash and cash equivalents, July 1	1,610,890	1,054,876	2,665,766
Cash and cash equivalents, June 30	\$1,358,447	\$1,840,334	\$3,198,781
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	(661,620)	762,397	100,777
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	136,513	0	136,513
Donated commodities used	142,865	0	142,865
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	37,243	0	37,243
(Increase) decrease in inventory held for resale	9,700	0	9,700
Increase (decrease) in accounts payable	(125,186)	19,918	(105,268)
Increase (decrease) in accrued wages and benefits	(35,255)	0	(35,255)
Increase (decrease) in compensated absences	(103,761)	0	(103,761)
Increase (decrease) in deferred revenue	9,806	0	9,806
Total Adjustments	71,925	19,918	91,843
Net cash provided by (used for) operating activities	(\$589,695)	\$782,315	\$192,620
Non-cash transactions			
Enterprise Fund:			
Non-cash donation of inventory held for resale (food service)		\$142,865	

See accompanying notes

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Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended June 30, 2000

Note 1. Description of the District

The District was chartered in 1957 by the Ohio State Legislature. The original District was a consolidation of the Liberty Township District and the Union Township District into the Liberty-Union School District. The name of the District was changed to the Lakota Local School District in 1970. Today, the School District operates under current standards prescribed by the Ohio State Board of Education as provided in Division D § 3301.07 and §119.01 of the Ohio Revised Code.

The District operates under a locally elected five-member board form of government and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. This board controls the District's twenty instructional and support facilities staffed by approximately 640 non-certificated personnel and approximately 1,020 certificated teaching and administrative personnel to provide services to over 14,600 students.

Note 2. Summary of Significant Accounting Policies

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

A. The Reporting Entity

For financial reporting purposes, the District's financial statements include all funds and account groups of the primary government for which the District is financially accountable based on the criteria of financial accountability set forth in GASB Statement 14. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. Potential component units were considered for inclusion in the District's financial statements. Generally, component units are legally separate organizations for which the elected officials of the District are financially accountable. The District would consider an organization to be a component unit if:

1. The District appoints a voting majority of the organization's governing body and (a) is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial burdens on the District; or
2. The organization is fiscally dependent upon the District; or
3. The nature of the relationship between the District and the organization is such that the exclusion from the financial reporting entity would render the financial statements of the District misleading.

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

The District included no component units in the financial statements. However, the District is associated with the Southwestern Ohio Computer Association, a jointly governed organization.

B. Basis of Presentation

The accounts of the District are maintained on the basis of fund and account groups, each of which is considered a separate accounting entity. The operation of each fund is accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The following fund types and account groups are used by the District:

Governmental Funds

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use, and balances of the District's expendable financial resources and the related liabilities (except for those accounted for in proprietary funds) are accounted for through governmental funds. The following are the District's governmental fund types:

General Fund

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

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs as well as for the payment of interest on general obligation notes payable, as required by Ohio law.

Capital Project Funds

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

Proprietary Funds

Proprietary funds are used to account for the District's on going activities that are similar to those most often found in the private sector. The following are the District's proprietary fund types:

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Enterprise Funds

Enterprise funds are used to account for operations a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (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 b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis.

Fiduciary Funds

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

Account Groups

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

General Fixed Assets Account Group

This group of accounts is established to account for all fixed assets of the District other than those accounted for in proprietary funds and trust funds.

General Long-Term Obligations Account Group

This group of accounts is established to account for all long-term obligations of the District except those accounted for in proprietary funds and trust funds.

C. Measurement Focus and Basis of Accounting

Measurement Focus: Governmental funds and expendable trust funds are accounted for on a spending or "current financial resources" measurement focus. Governmental operating statements represent the increases and decreases in net current assets. Their reported fund balances are considered a measure of available resources to spend.

Proprietary funds are accounted for on a cost of services or "economic resources" measurement focus. Proprietary fund income statements represent increases and decreases in net total assets.

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Basis of Accounting: The modified accrual basis of accounting is followed for governmental funds, expendable trust and agency funds. Under this basis of accounting, 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 fiscal year-end. Revenue accrued at the end of the fiscal year included delinquent property taxes, property taxes available for advance, interest, tuition, state and federal grants. Property taxes, measurable and available to the District at June 30, 2000, for advances and delinquent property taxes are recorded as current revenue. Property taxes receivable that are intended to finance fiscal year 2001 operations, have been recorded as deferred revenues. Expenditures are recognized in the period in which the related fund liability is incurred except for interest on long-term debt which is recorded when due.

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.

D. Budgetary Data

Budgetary Basis of Accounting: The District's budgetary process accounts for certain transactions on a basis other than GAAP. The major difference between the budgetary basis and the GAAP basis are:

Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

Expenditures are recorded when encumbered or paid in cash (budgetary), as opposed to when susceptible to accrual (GAAP).

The actual results of operations, compared to the final appropriation, which includes amendments to the original appropriation, for each fund type by expenditure function and revenue by source are presented in the *Combined Statement of Revenues, Expenditures and Changes in Fund Balances Budget-Actual (Non-GAAP Budgetary Basis)*. The reserve for encumbrances is carried forward as part of the budgetary authority for the next year and is included in the revised budget amounts shown in the budget to actual comparison.

The District adopts an annual budget for all fund types. The specific timetable is as follows:

Prior to January 15 of the preceding fiscal year, the Treasurer submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. A public hearing is conducted to obtain taxpayers' comments. The purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the board-adopted budget is filed with the Butler County Budget Commission for tax rate determination.

Prior to April 1, the Board of Education accepts by formal resolution the tax rates as determined by the Budget Commission and receives the commission's Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to June 30,

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure.

On or about July 1, the certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final amended certificate.

By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.) Resolution appropriations by fund must be within the estimated resources as certified by the Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation totals.

Any revisions that alter the total appropriation at the fund level (legal level of control) or must be approved by the Board of Education.

Appropriation amounts are as originally adopted or amended by the Board of Education through the year by supplemental appropriations, which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the board during the fiscal year.

Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level.

E. Encumbrances

Encumbrance accounting is utilized by District funds in the normal course of operations for purchase orders and contract related expenditures. An encumbrance is a reserve on the available spending authority due to a commitment for a future expenditure and does not represent a liability. In order to demonstrate legal compliance for governmental fund types, encumbrances outstanding at fiscal year-end appear as a reserve of the fund balance on a GAAP basis. Encumbrances outstanding at fiscal year-end for all funds appear as the equivalent of expenditures or expenses on a non-GAAP budgetary basis.

F. Cash and Investments

Cash received by the District is deposited in one bank account with individual fund balance integrity maintained throughout. Moneys for all funds are maintained in this account or are temporarily used to purchase short-term cash equivalent investments (maturity date within three months of the date acquired). Under existing Ohio statute, all earnings accrue to the general fund except those specifically related to the food service fund or certain trust funds and also to those funds individually authorized by board resolution. Except for money market investments, investments are reported at fair value, which is based on quoted market prices. Investment

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

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. Investment earnings are allocated to these funds based on the actual earnings of the investment. Investment income earned during the fiscal year totaled \$1,627,270.

For purposes of the Statement of Cash Flows (GASB Statement 9) the proprietary fund portion of cash and investments is considered to be liquid because their portion of the cash and investment pool can be accessed without prior notice or penalty.

G. Inventory

Inventories are stated at the lower of cost or market value, using the first in/first out (FIFO) method and are determined by physical count. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. The proprietary fund inventories are expensed when used rather than when purchased.

H. Fixed Assets

General Fixed Assets Account Group - General fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the general fixed assets account group. Donated fixed assets are recorded at their fair market values as of the date donated. Construction interest costs are not capitalized. No depreciation is recognized for assets in the general fixed assets account group. The District does not possess any infrastructure.

Proprietary Funds - Vehicles, property, plant, and equipment reflected in the proprietary funds are stated at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date donated. Depreciation has been provided, where appropriate, on a straight-line basis over the following estimated useful lives:

<u>Asset Life (years)</u>	
Furniture, fixtures, and equipment	5 to 20
Vehicles	6

I. Intergovernmental Revenues

In governmental funds, entitlements (to the extent they are intended to finance items in the current fiscal year) and non-reimbursable grants are recorded as a receivable and a revenue when they are measurable and available. Reimbursement type grants are recorded as a receivable and revenues when the related expenditures are incurred. Grants for proprietary fund operations are recognized as revenue when measurable and earned.

J. Compensated Absences

Compensated absences are recorded as compensated absences payable on the financial

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

statements. The criteria for determining vested vacation and sick leave components are derived from negotiating agreements and state laws. In summary, the components of vesting are as follows:

<u>Vacation</u>	<u>Certificated</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How earned	not eligible	20-23 days	10-20 days for each service year depending on length of service
Maximum accumulation	not applicable	30 days unless special permission granted	30-60 days
Vested	not applicable	as earned	as earned
Termination entitlement	not applicable	30 days maximum	paid upon termination
<u>Sick Leave</u>			
How earned	1 ¼ days per month of employment (15 days per year)	1 ¼ days per month of employment (15 days per year)	1 ¼ days per month of employment (15 days per year)
Maximum accumulation	220 days	230 days	220 days
Vested	as earned	as earned	as earned
Termination entitlement	per contract	per contract	per contract

For governmental funds, accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of its respective governmental fund. Amounts of accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term obligations account group. Accumulated vacation and sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to the employee.

In accordance with GASB Statement 16, a liability should be accrued for earned and unpaid vacation and sick leave at the salary rate in effect at the balance sheet date if both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

2. It is probable that the employer will compensate the employees for benefits through paid time off or some other means such as cash payments at termination or retirement.

Salary related payments are not applicable to the District.

K. 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 resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term obligations account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

L. Fund Balance Reserves

The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available spendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation, in future periods. Fund equity reserves are established for encumbrances, property taxes (recognized as revenue but not available for appropriation under Ohio law) and budgetary set-asides required under Ohio Law.

M. Interfund Transactions

During the course of normal operations the District has numerous transactions between funds. The most significant include:

Routine transfers of resources from one fund to another fund through which resources to be expended are recorded as operating transfers.

Reimbursements from one fund to another fund are treated as expenditures or expenses in the reimbursing fund and as a reduction in expenditures or expenses in the reimbursed fund.

N. 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.

O. Memorandum Only Total Columns

Total columns on the general-purpose financial statements are captioned (Memorandum Only) to

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

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. This data is not comparable to a consolidation. Interfund eliminations have not been made in the aggregation of these data.

P. Proprietary Fund Accounting

In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the District applies all GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

Note 3. Fund Balance Deficits

Fund balances at fiscal year-end, included the following individual fund deficits (includes accrual entries):

<u>Fund</u>	<u>Deficit</u>
Title VIB – Special Revenue	\$10,925
Drug Free School – Special Revenue	\$2,716
EHA Pre-school – Special Revenue	\$5,386

The deficit fund balance resulted from expenditures made in excess of available revenues, as permitted by the agreement with the grantor agencies, whose fiscal years do not coincide with the fiscal year of the District.

Note 4. Equity in Pooled Cash and Investments

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

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

State legislation permits interim moneys to be deposited or invested in the following securities:

- a. 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;
- b. Bonds, notes, debentures, or any other obligations or securities issued by any federal governmental 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

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentality's;

- c. 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;
- d. Bonds and other obligations of the State of Ohio;
- e. No-load money market mutual funds consisting exclusively of obligations described in division a or b of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- f. The State Treasury Asset Reserve of Ohio (STAR Ohio) investment pool;
- g. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
- h. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the school District and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

At year-end, the carrying amount of the District's deposits was \$2,186,837. The bank balance of deposits was \$2,282,811, of which \$200,000 was covered by federal depository insurance. Any remaining bank balance would be covered according to Chapter 135, Uniform Depository Act, of the Ohio Revised Code, which authorizes pledging of pooled securities in lieu of pledging specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public moneys deposited in the financial institution, provided that at all times the total value of the securities so pledged is at least equal to 110% of the total amount of public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance. This entire amount is defined by GASB Statement No. 3 as uncollateralized because the pooled securities are not in the District's name.

Investments

The District's investments are categorized to give an indication of the level of risk assumed by

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

the entity at year-end. Category 1 includes investments that are issued 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 broker or dealer or by its trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer or by its trust department or agent, but not in the District's name.

Considering the above criteria, the District's deposits and investments at fiscal year-end, are classified as follows:

	<u>Unclassified</u>	<u>Category 3</u>	<u>Carrying/Fair Value</u>
Money Market Mutual Fund (1)	2,095,281	0	2,095,281
U.S. Agency Notes	0	16,618,921	16,618,921
STAR Ohio (1)	<u>4,263,268</u>	<u>0</u>	<u>4,263,268</u>
Totals	<u>\$6,358,549</u>	<u>\$16,618,921</u>	<u>\$22,977,470</u>

(1) The District's investment in the money market mutual fund and STAR Ohio are not categorized because it is not evidenced by securities that exist in physical or book form.

During the year the District invested in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's quoted share price at year-end.

Restricted Pooled Cash and Investments. Restricted pooled cash and investments in the general fund represents cash 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.

Note 5. Property Taxes

Property taxes include amounts levied against real, public utility, and tangible personal (business) property. The assessed values, by property classification, upon which taxes collected in 2000 were based are as follows:

Tangible personal	\$218,272,770
Public utilities and real estate	<u>1,470,277,860</u>
Total assessed property value	<u>\$1,688,550,630</u>

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Property taxes collected in 2000 were levied in April, 1999 on the assessed values as of January 1, 1999, the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. A revaluation of real property is required to be completed no less than every six years, with a statistical update every third year. The most recent revaluation was completed in January 1997.

Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 27% of true value (as defined). In 2000, each business was eligible to receive a \$10,000 exemption in assessed value that was reimbursed by the state.

Real property taxes are payable annually or semiannually. If paid annually, payment was due on the second Thursday in February. If paid semiannually, the first payment (at least 1/2 of the amount billed) was due on the second Thursday in February, with the remainder due on the second Thursday in July.

The County Auditor remits portions of the taxes collected to all taxing Districts with periodic settlements of real and public utility property taxes in February and August and tangible personal property taxes in June and October. The District records billed, but uncollected, property taxes as a receivable at their estimated net realizable value.

Accrued property taxes receivable represent outstanding delinquent taxes, and real property, personal property, and public utility taxes which are measurable at June 30, 2000. Property taxes available for advance at June 30 are included as a receivable and tax revenue as of June 30, 2000. All other property tax receivables are recorded with an offset credit to deferred revenue because, although measurable, they are intended to finance the next fiscal year's operations.

Note 6. Receivables

Receivables at June 30, 2000, consisted of taxes, accounts receivable, 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 year guarantee of federal funds.

A summary of the principal items of receivables follows:

<u>Fund</u>	<u>Type of Receivable</u>	<u>Amount</u>
General	Taxes	\$46,834,422
Special Revenue	Accounts	103,045
Debt Service	Taxes	7,921,458
Enterprise	Accounts	1,015

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Note 7. Fixed Assets

The following is a summary of the changes in the general fixed assets account group during the fiscal year:

	Balance <u>July 1</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30</u>
Land and improvements	\$5,448,874	\$ 0	\$ 0	\$5,448,874
Buildings and bldg. Improvements	91,440,361	0	0	91,440,361
Furniture and equipment	<u>16,357,718</u>	<u>989,155</u>	<u>0</u>	<u>17,346,873</u>
Totals	<u>\$113,246,953</u>	<u>\$989,155</u>	<u>\$ 0</u>	<u>\$114,236,108</u>

The following is a summary of proprietary fund fixed assets at fiscal year-end:

Furniture and equipment	\$ 1,803,470
Less: accumulated depreciation	<u>(1,149,125)</u>
	<u>\$ 654,345</u>

Note 8. Capitalized Leases

During 2000, the District entered into a new lease for copier equipment with a present value of \$632,470. The District had other lease agreements at the beginning of fiscal 2000. The terms of each lease agreement provide options to purchase the equipment. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, *Accounting for Leases*, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service in the combined financial statements for the governmental funds.

The following is a schedule of the future minimum lease payments required under these capital leases and the present value of the net minimum lease payments at June 30, 2000:

2001	\$ 893,093
2002	397,000
2003	234,636
2004	234,636
2005	<u>58,659</u>
Total minimum lease payments	\$1,818,024
Less: amounts representing interest	<u>221,963</u>
Present value of future minimum lease payments	<u>\$1,596,061</u>

Note 9. Long-Term Debt

General Obligation Bonds. The District issues general obligation bonds to provide funds for the acquisition and construction of equipment and facilities. General obligation bonds are District

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

obligations that pledge the full faith and credit of the school District. Accordingly, such unmatured obligations of the school District are accounted for in the general long-term obligation account group. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund.

The following is a description of the District's outstanding bonds as of fiscal year-end:

Purpose	Interest Rate	Issue Date	Maturity Date	Balance July 1	Issued	Retired	Balance June 30
Freedom, Link Renovations	6.125%	3/1/87	12/1/09	1,375,000	0	125,000	1,250,000
Ninth Grade Building	7.315%	12/1/89	12/1/12	220,000	0	220,000	0
Heritage Additions and Renovations	7.118%	7/1/90	12/1/12	1,020,000	0	340,000	680,000
Two New Elementaries Renovations	5.671%	12/1/92	12/1/15	5,640,000	0	710,000	4,930,000
Freedom, New Elementaries Renovations	5.870%	2/1/93	12/1/15	6,630,000	0	390,000	6,240,000
Refunding Woodland, Shawnee	5.752%	3/1/93	12/1/12	5,561,622	0	489,347	5,072,275
Refunding Ninth Grade Heritage	6.248%	1/1/94	12/1/12	5,705,957	0	170,000	5,535,957
Two New High Schools	6.211%	5/1/94	12/1/17	30,130,000	0	1,550,000	28,580,000
Refunding New High Schools	5.242%	6/1/98	12/1/17	19,125,835	0	85,000	19,040,835
Various Purpose Long-Term Bonds	4.519%	6/1/99	6/1/05	2,515,000	0	395,000	2,120,000
Remainder of H.S. Debt	4.800%	8/1/99	12/1/04	0	1,240,000	0	1,240,000
				<u>\$77,923,414</u>	<u>\$1,240,000</u>	<u>\$4,474,347</u>	<u>\$74,689,067</u>

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending	Principal	Interest	Total
2001	\$4,714,338	\$2,440,783	\$7,155,121
2002	4,934,456	2,337,877	7,272,333
2003	5,169,388	2,231,733	7,401,121
2004	5,469,094	2,118,384	7,587,478
2005 and thereafter	<u>54,401,791</u>	<u>20,332,448</u>	<u>74,734,239</u>
	<u>\$74,689,067</u>	<u>\$29,461,225</u>	<u>\$104,150,292</u>

Changes in Long-Term Obligations. During the fiscal year-end, the following changes occurred in liabilities reported in the general long-term obligations account group. Compensated absences will be paid from the fund from which the employee is paid.

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

	Balance <u>July 1</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30</u>
Compensated absences	\$ 2,890,098	\$2,844,005	\$ 2,890,098	\$ 2,844,005
Accrued wages and benefits	671,015	569,447	671,015	569,447
General obligation debt	77,923,414	1,240,000	4,474,347	74,689,067
Capital leases	<u>963,591</u>	<u>632,470</u>	<u>0</u>	<u>1,596,061</u>
	<u>\$82,448,118</u>	<u>\$5,285,922</u>	<u>\$ 8,035,460</u>	<u>\$79,698,580</u>

Note 10. Segment Information-Enterprise Funds

Enterprise Funds - The table below summarizes the more significant financial data relating to the enterprise funds of the District for the fiscal year-end.

	<u>Food Service</u>	<u>Uniform Supplies</u>	<u>Adult Education</u>	<u>Total</u>
Operating revenues	\$2,839,166	\$884,700	\$800	\$3,724,666
Operating expenses (before depreciation)	3,493,859	755,914	0	4,249,773
Depreciation	136,513	0	0	136,513
Operating income (loss)	(791,206)	128,786	800	(661,620)
Operating grants and other non-operating revenue	450,466	0	0	450,466
Net income (loss)	(340,740)	128,786	800	(211,154)
Net working capital	865,419	175,451	3,122	1,043,992
Total Assets	1,857,966	195,726	3,122	2,056,814
Total Liabilities	212,204	20,275	0	232,479
Total Equity	1,645,762	175,451	3,122	1,824,335

Note 11. Contributed Capital

Contributed capital is recorded in proprietary funds that have received capital contributions from other funds. The status of contributed capital is as follows:

<u>Source</u>	<u>Food Service Fund</u>
Contributed capital, July 1	\$1,295,844
Additions	<u>0</u>
Contributed capital, June 30	<u>\$1,295,844</u>

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Note 12. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Below is a schedule of insurance coverage carried by the District:

Coverage	Company	Limits	Deductible
Fleet	Indiana Insurance Company	\$ 1,000,000 per occurrence	\$ 500 collision/pd
Property	Indiana Insurance Company	172,507,382 blanket coverage	1,000 per loss
General liability	Indiana Insurance Company	1,000,000 per occurrence/ 2,000,000 aggregate	
Liability umbrella	Indiana Insurance Company	20,000,000 aggregate	
Errors and omissions	Indiana Insurance Company	1,000,000 aggregate	2,500 per loss
Crime theft	Indiana Insurance Company	varies per building	
Employee dishonesty	Cincinnati Insurance Company	3,000 per occurrence	

The government established a limited risk management program for workers' compensation in 1993. Premiums are treated as quasi-external transactions that are paid into the workers' compensation fund by all the other funds and are available to pay claims, claim reserves and administrative costs of the program. All surplus retained earnings will be retained in the fund to cover any future catastrophe losses.

Note 13. Defined Benefit Pension Plans

School Employees Retirement System

The school District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing, multiple-employer, 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. That 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 school District is required to contribute 14 percent. For fiscal year 2000, 10.5 percent was the portion to fund pension obligations. The contribution rates are not determined actuarially, but are established by SERS' Retirement Board within the rates allowed by state statute. The adequacy of the contribution rates is determined annually. The school District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$1,850,112, \$1,716,264, and \$1,426,610, respectively. The District has contributed 50 percent for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$925,056 represents the unpaid contribution for fiscal year 2000, and is recorded as a liability within the respective funds and the general long-term debt account group.

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

State Teachers Retirement System

The school 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. That 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 school 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 school District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$6,388,476, \$5,763,960, and \$5,075,760, respectively. The District has contributed 83 percent for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$1,086,041 represents the unpaid contribution for fiscal year 2000, and is recorded as a liability within the respective funds.

Note 14. 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 non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the systems based on authority granted by state statute. Both systems are on a pay-as-you-go basis.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit as well as 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 this fiscal year, employer contributions to fund health care benefits were 6.30% of covered payroll, an increase from 4.98% for fiscal year 1999. 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 added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 1999, were \$126,380,984 and the target level was \$189.9 million. At June 30, 1999, SERS had net assets available for payment of health care benefits of \$160.3 million. SERS has approximately 51,000 participants currently receiving health care benefits. For the District, the amount to fund health care benefits, including the surcharge, equaled \$616,704 during the 2000 fiscal year.

The STRS Board has statutory authority over how much, if any of the health care costs will be absorbed

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year 2000, the Board allocated employer contributions equal to eight percent of covered payroll to the health care reserve fund. For the District, this amount equaled \$1,597,119 during fiscal 2000.

STRS pays health care benefits from the health care reserve fund. The balance in the fund was \$2,783 million at June 30, 1999. For the year ended June 30, 2000, net health care costs paid by STRS were \$249,929,000 and STRS had 95,796 eligible benefit recipients.

Note 15. Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance or retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. A reconciliation of the nature and amounts of the adjustments necessary to convert the GAAP financial statements to the budgetary basis follows:

**Reconciliation of Excess of Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses from
GAAP Basis to Budgetary Basis**

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Project Funds
GAAP basis	(\$5,416,137)	\$261,341	(\$2,888,361)	\$1,779,076
Net adjustment for revenue				
Accruals	4,819,291	(7,628)	3,378,755	0
Net adjustment for expenditure accruals	1,861,958	(106,245)	12,257	(255,541)
Encumbrances	<u>(316,823)</u>	<u>(136,826)</u>	<u>0</u>	<u>(1,463,471)</u>
Budgetary basis	<u>\$ 948,289</u>	<u>\$ 10,642</u>	<u>\$502,651</u>	<u>\$ 60,064</u>

Note 16. Contingent Liabilities

The District receives significant financial assistance from numerous federal, state and local 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 are 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 effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at fiscal year-end.

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Note 17. Jointly Governed Organizations

Pursuant to an interlocal agreement authorized by state statute, the District participates in the Southwestern Ohio Computer Association (SWOCA) which is a computer consortium. SWOCA is an association of public school Districts within the boundaries of Warren, Preble, and Butler counties and involves all cities that have school Districts within these counties.

The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member Districts.

SWOCA is governed by a board of directors consisting of one representative from each of the participating members. The District paid SWOCA a fee for services provided during the year. Financial information may be obtained from Mike Crumley at the Butler County Joint Vocational School, 3603 Hamilton-Middletown Road, Hamilton, Ohio.

Note 18. State 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 Ohio General Assembly 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 School District. During the fiscal year ended June 30, 2000, the District received \$26,691,561 of school foundation support for its general fund.

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 School District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under this program and on its financial operations.

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Note 19. Statutory Reserves

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

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

	<u>Textbook Reserve</u>	<u>Capital Acquisition Reserve</u>	<u>Budget Stabilization Reserve</u>	<u>Totals</u>
Set-aside Cash Balance, Beginning of Year	\$ 0	\$ 516,342	\$751,633	\$1,267,975
Current Year Set-aside Requirement	1,699,546	1,699,546	627,273	4,026,365
Current Year Offsets	0	(1,240,000)	0	(1,240,000)
Qualifying Disbursements	<u>(739,173)</u>	<u>(848,583)</u>	<u>0</u>	<u>(1,587,756)</u>
Total	<u>\$ 960,373</u>	<u>\$ 127,305</u>	<u>\$1,378,906</u>	<u>\$2,466,584</u>
Total Restricted Assets, End of Year				<u>\$2,466,584</u>

Note 20. Prior Period Adjustments

The beginning fixed asset balance of the general fixed asset account group and the beginning retained earnings balance of the food service enterprise fund have been adjusted for corrections to the fixed asset detail as follows:

	<u>Enterprise Fund</u>	<u>General Fixed Assets Account Group</u>
Balance previously stated, June 30, 1999	\$827,927	\$116,329,440
Prior period adjustment	<u>(88,282)</u>	<u>(3,082,487)</u>
As restated, July 1, 1999	<u>\$739,645</u>	<u>\$113,246,953</u>

Lakota Local School District, Ohio
Notes to the General Purpose Financial Statements (continued)

Note 21. Pending Litigation

The District is involved in a lawsuit. Although the outcome of this lawsuit is not presently determinable, in the opinion of the District, this matter will not have a material adverse affect on the financial condition of the District.

District management estimates that all other potential claims, not covered by insurance of the District, resulting from all other litigation would not materially affect the financial statements of the District.

Note 22. Compliance

The District did not comply with state law regarding certain procedures related to purchase orders.

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COMBINING FINANCIAL STATEMENTS

AND

INDIVIDUAL FUND

AND

ACCOUNT GROUPS

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GENERAL FUND

The General Fund is used to account for all activities of the district not included in other specified funds. This includes, but is not limited to, general instruction, pupil services, operations and maintenance of buildings and grounds, pupil transportation, and the administration of District functions.

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SPECIAL REVENUE FUNDS

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

Public School Support

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

Other Grants

To account for proceeds of specific revenue sources, except for state and Federal grants, that are legally restricted to expenditures for specified purposes. These grants include:

Toshiba Grant
Wellness Grant
Davies Foundation Grant
Neediest Kids of All Grant
Early Childhood Mini Grant
Parents and Problem Solving Grant
Cinergy Planning Grant
Wal-Mart Teacher of the Year Grant

Venture Capital

To account for state funds which are provided for staff development.

Athletic Fund

To account for those student activity programs which have student participation in the activity, but do not have student management of the programs.

Teacher Development Grant

To account for state funds which are provided for staff development for certificated employees.

Peer Assistance and Review

To account for State Funds which are provided to supplement a student peer assistance and review program for conflict management.

Management Information System

To account for state funds, which are provided to assist the district in implementing a staff, student, and financial reporting system as, mandated by the Omnibus Education Reform Act of 1989.

School Net Professional Development

To account for state funds which are provided for staff development in the area of technology.

Textbook Subsidy

To account for state funds to purchase instructional materials used to support proficiency test objectives.

Ohio Reads

To account for state funds, which are designated reading.

Alternative School Grant

To account for state funds, which are provided for the alternative school grant program.

Miscellaneous State Grants

To account for state funds which are designated for specific purposes. Two particular programs are for environmental awareness and adult education.

Eisenhower Grant

To account for the training of teachers in new techniques and methodologies in the areas of mathematics and science.

Title VI-B

To account for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

Title I

To account for services provided to meet special educational needs of educationally deprived children.

Title VI

To account for programs for the at-risk students; instruction materials to improve the quality of instruction; programs of professional development; programs to enhance personal excellence of students and student achievement.

Emergency Immigrant Education Program

To account for Federal Funds designed to assist eligible immigrant children enrolled in public schools.

Drug Free Schools

To account for the establishment, operation and improvement of programs for drug abuse prevention, early intervention, rehabilitation referral and education in schools.

EHA Preschool

To account for programs for preschool handicapped children.

Telecommunications Grant

To account for Federal Funds for updating or replacing telecommunications equipment. The funds are reimbursed to the district for prior expenditures incurred in prior years and expended to the originating fund. This fund is also used to account for E-Rate funds paid directly to the vendor.

Miscellaneous Federal Grants

To account for federal funds which are designated for specific purposes. One particular program is for the development of a School to Work model curriculum for grades kindergarten through adult.

Lakota Local School District, Ohio
 Combining Balance Sheet
 All Special Revenue Funds
 June 30, 2000

	Public School Support	Other Grants	Venture Capital	Athletic Fund
Assets				
Equity in pooled cash and cash equivalents	\$324,007	\$84,112	\$12,052	\$573,122
Receivables:				
Accounts	14,111	3,105	0	1,374
Total Assets	<u><u>338,118</u></u>	<u><u>87,217</u></u>	<u><u>12,052</u></u>	<u><u>574,496</u></u>
Liabilities				
Accounts payable	48,622	17,748	581	32,321
Accrued wages	0	0	0	0
Interfund payable	0	3,104	0	0
Total liabilities	<u><u>48,622</u></u>	<u><u>20,852</u></u>	<u><u>581</u></u>	<u><u>32,321</u></u>
Fund balances:				
Reserved:				
Reserved for encumbrances	39,166	6,273	214	50,923
Unreserved:				
Undesignated	250,330	60,092	11,257	491,252
Total fund equity (deficit)	<u><u>289,496</u></u>	<u><u>66,365</u></u>	<u><u>11,471</u></u>	<u><u>542,175</u></u>
Total liabilities and fund equity	<u><u>\$338,118</u></u>	<u><u>\$87,217</u></u>	<u><u>\$12,052</u></u>	<u><u>\$574,496</u></u>

<u>Teacher Development</u>	<u>Peer Assistance and Review</u>	<u>Management Information System</u>	<u>School Net Professional Development</u>	<u>Textbook Subsidy</u>	<u>Ohio Reads</u>	<u>Alternative School Grant</u>
\$9,032	\$0	\$851	\$8,050	\$44,728	\$39,716	\$109,700
0	0	0	0	0	0	0
<u>9,032</u>	<u>0</u>	<u>851</u>	<u>8,050</u>	<u>44,728</u>	<u>39,716</u>	<u>109,700</u>
2,419	0	0	0	5,334	16,027	4,088
0	0	0	0	0	0	0
0	0	0	0	0	11,660	0
<u>2,419</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,334</u>	<u>27,687</u>	<u>4,088</u>
3,886	0	0	0	0	5,700	284
2,727	0	851	8,050	39,394	6,329	105,328
<u>6,613</u>	<u>0</u>	<u>851</u>	<u>8,050</u>	<u>39,394</u>	<u>12,029</u>	<u>105,612</u>
<u>\$9,032</u>	<u>\$0</u>	<u>\$851</u>	<u>\$8,050</u>	<u>\$44,728</u>	<u>\$39,716</u>	<u>\$109,700</u>

CONTINUED

Lakota Local School District, Ohio
 Combining Balance Sheet
 All Special Revenue Funds
 June 30, 2000

	Miscellaneous State Grants	Eisenhower Grant	Title VI B	Title I
Assets				
Equity in pooled cash and cash equivalents	\$32,218	\$19,850	\$3,947	\$2,617
Receivables:				
Accounts	0	4,780	53,765	22,574
Total Assets	<u>32,218</u>	<u>24,630</u>	<u>57,712</u>	<u>25,191</u>
Liabilities				
Accounts payable	2,098	5,834	0	0
Accrued wages	0	0	9,770	2,581
Interfund payable	0	7,187	58,867	0
Total liabilities	<u>2,098</u>	<u>13,021</u>	<u>68,637</u>	<u>2,581</u>
Fund balances:				
Reserved:				
Reserved for encumbrances	7,242	5,827	3,949	0
Unreserved:				
Undesignated	22,878	5,782	(14,874)	22,610
Total fund equity (deficit)	<u>30,120</u>	<u>11,609</u>	<u>(10,925)</u>	<u>22,610</u>
Total liabilities and fund equity	<u>\$32,218</u>	<u>\$24,630</u>	<u>\$57,712</u>	<u>\$25,191</u>

<u>Title VI</u>	<u>Emergency Immigrant Education Program</u>	<u>Drug Free Schools</u>	<u>EHA Pre-School</u>	<u>Telecommunications Grant</u>	<u>Miscellaneous Federal Grants</u>	<u>Totals</u>
\$37,618	\$7,139	\$1,066	\$3,435	\$0	\$12,216	\$1,325,476
0	0	0	0	3,336	0	103,045
<u>37,618</u>	<u>7,139</u>	<u>1,066</u>	<u>3,435</u>	<u>3,336</u>	<u>12,216</u>	<u>1,428,521</u>
1,090	148	347	2,738	0	213	139,608
0	0	0	6,083	0	0	18,434
0	0	3,435	0	0	0	84,253
<u>1,090</u>	<u>148</u>	<u>3,782</u>	<u>8,821</u>	<u>0</u>	<u>213</u>	<u>242,295</u>
12,170	810	91	0	0	291	136,826
24,358	6,181	(2,807)	(5,386)	3,336	11,712	1,049,400
<u>36,528</u>	<u>6,991</u>	<u>(2,716)</u>	<u>(5,386)</u>	<u>3,336</u>	<u>12,003</u>	<u>1,186,226</u>
<u>\$37,618</u>	<u>\$7,139</u>	<u>\$1,066</u>	<u>\$3,435</u>	<u>\$3,336</u>	<u>\$12,216</u>	<u>\$1,428,521</u>

Lakota Local School District, Ohio
Combining Statement of Revenues, Expenditures
And Changes in Fund Balances
All Special Revenue Funds
For The Fiscal Year Ended June 30, 2000

	Public School Support	Other Grants	Venture Capital	Athletic Fund	Teacher Development
Revenues:					
Intergovernmental	\$0	\$123,206	\$50,000	\$0	\$65,805
Interest	0	0	0	23,565	0
Extracurricular activities	502,194	0	0	703,310	0
Other revenues	204,084	46,155	0	376,348	0
Total revenues	706,278	169,361	50,000	1,103,223	65,805
Expenditures:					
Current:					
Instruction:					
Regular	0	87,537	20,308	0	26,358
Special	0	0	0	0	0
Vocational	0	2,123	0	0	0
Other	0	0	0	0	0
Support services:					
Pupil	649,016	2,600	0	0	0
Instructional Staff	816	6,878	28,913	0	49,696
Administration	1,022	3,000	316	0	0
Operations and maintenance	0	1,195	0	0	0
Pupil transportation	0	510	0	0	0
Central	0	13,602	0	0	0
Operation of non-instructional services	0	0	0	0	0
Extracurricular activities	1,814	0	0	752,923	0
Capital outlay	0	0	0	0	0
Total Expenditures	652,668	117,445	49,537	752,923	76,054
Excess of revenues over (under) expenditures	53,610	51,916	463	350,300	(10,249)
Other financing sources (uses):					
Operating transfers in	0	0	0	50,000	0
Operating transfers (out)	0	0	0	(50,000)	0
Total other financing sources (uses)	0	0	0	0	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	53,610	51,916	463	350,300	(10,249)
Fund balance, July 1	235,886	14,449	11,008	191,875	16,862
Fund balance, June 30	\$289,496	\$66,365	\$11,471	\$542,175	\$6,613

<u>Peer Assistance and Review</u>	<u>Management Information System</u>	<u>School Net Professional Development</u>	<u>Textbook Subsidy</u>	<u>Ohio Reads</u>	<u>Alternative School Grant</u>	<u>Miscellaneous State Grants</u>
\$0	\$40,243	\$7,000	\$0	\$106,811	\$110,000	\$74,992
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>40,243</u>	<u>7,000</u>	<u>0</u>	<u>106,811</u>	<u>110,000</u>	<u>74,992</u>
0	0	0	215,260	85,407	3,878	19,270
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	1,683
0	0	0	0	0	0	0
0	0	0	0	9,375	0	13,116
0	0	0	0	0	510	97
0	0	0	0	0	0	12,434
0	0	0	0	0	0	0
11,106	40,561	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>11,106</u>	<u>40,561</u>	<u>0</u>	<u>215,260</u>	<u>94,782</u>	<u>4,388</u>	<u>46,600</u>
<u>(11,106)</u>	<u>(318)</u>	<u>7,000</u>	<u>(215,260)</u>	<u>12,029</u>	<u>105,612</u>	<u>28,392</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(11,106)	(318)	7,000	(215,260)	12,029	105,612	28,392
11,106	1,169	1,050	254,654	0	0	1,728
<u>\$0</u>	<u>\$851</u>	<u>\$8,050</u>	<u>\$39,394</u>	<u>\$12,029</u>	<u>\$105,612</u>	<u>\$30,120</u>

CONTINUED

Lakota Local School District, Ohio
 Combining Statement of Revenues, Expenditures
 And Changes in Fund Balances
 All Special Revenue Funds
 For The Fiscal Year Ended June 30, 2000

	Eisenhower Grant	Title VI B	Title I	Title VI	Emergency Immigrant Education Program
Revenues:					
Intergovernmental	\$44,978	\$509,693	\$211,045	\$98,019	\$7,139
Interest	0	0	0	0	0
Extracurricular activities	0	0	0	0	0
Other revenues	0	0	0	170	0
Total revenues	<u>44,978</u>	<u>509,693</u>	<u>211,045</u>	<u>98,189</u>	<u>7,139</u>
Expenditures:					
Current:					
Instruction:					
Regular	28,248	0	0	0	6,420
Special	0	14,137	169,065	0	0
Vocational	0	0	0	0	0
Other	14,540	0	20,243	15,339	546
Support services:					
Pupil	0	497,643	0	0	0
Instructional Staff	33,534	11,233	0	81,842	0
Administration	0	0	0	0	0
Operations and maintenance	0	0	0	0	0
Pupil transportation	0	13,862	0	0	0
Central	0	0	0	0	0
Operation of non-instructional services	0	0	2,684	0	0
Extracurricular activities	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total Expenditures	<u>76,322</u>	<u>536,875</u>	<u>191,992</u>	<u>97,181</u>	<u>6,966</u>
Excess of revenues over (under) expenditures	<u>(31,344)</u>	<u>(27,182)</u>	<u>19,053</u>	<u>1,008</u>	<u>173</u>
Other financing sources (uses):					
Operating transfers in	0	0	0	0	0
Operating transfers (out)	0	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(31,344)</u>	<u>(27,182)</u>	<u>19,053</u>	<u>1,008</u>	<u>173</u>
Fund balance, July 1	42,953	16,257	3,557	35,520	6,818
Fund balance, June 30	<u>\$11,609</u>	<u>(\$10,925)</u>	<u>\$22,610</u>	<u>\$36,528</u>	<u>\$6,991</u>

<u>Drug Free Shools</u>	<u>EHA Pre-School</u>	<u>Telecommunications Grant</u>	<u>Miscellaneous Federal Grants</u>	<u>Totals</u>
\$60,719	\$40,366	\$35,913	\$88,728	\$1,674,657
0	0	0	0	23,565
0	0	0	0	1,205,504
0	0	0	0	626,757
<u>60,719</u>	<u>40,366</u>	<u>35,913</u>	<u>88,728</u>	<u>3,530,483</u>
4,121	164	0	75,495	572,466
0	0	0	0	183,202
0	0	0	0	2,123
900	0	0	2,384	55,635
70,317	50,307	0	0	1,269,883
0	0	0	20,150	255,553
0	0	0	498	5,443
0	0	0	100	13,729
0	0	0	0	14,372
0	0	0	453	65,722
0	0	0	343	3,027
0	0	0	0	754,737
0	0	73,250	0	73,250
<u>75,338</u>	<u>50,471</u>	<u>73,250</u>	<u>99,423</u>	<u>3,269,142</u>
<u>(14,619)</u>	<u>(10,105)</u>	<u>(37,337)</u>	<u>(10,695)</u>	<u>261,341</u>
0	0	0	0	50,000
0	0	0	0	(50,000)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(14,619)	(10,105)	(37,337)	(10,695)	261,341
11,903	4,719	40,673	22,698	924,885
<u>(\$2,716)</u>	<u>(\$5,386)</u>	<u>\$3,336</u>	<u>\$12,003</u>	<u>\$1,186,226</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Public School Support Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Extracurricular activities	\$442,950	\$490,288	\$47,338
Other revenues	173,300	202,185	28,885
Total revenues	<u>616,250</u>	<u>692,473</u>	<u>76,223</u>
Expenditures:			
Current:			
Instruction:			
Regular	2,600	0	2,600
Other	307	307	0
Support services:			
Pupil	870,655	721,356	149,299
Instructional Staff	1,725	1,016	709
Administration	3,500	915	2,585
Total Expenditures	<u>878,787</u>	<u>723,594</u>	<u>155,193</u>
Excess of revenues over (under) expenditures	<u>(262,537)</u>	<u>(31,121)</u>	<u>231,416</u>
Fund balance, July 1	267,340	267,340	0
Fund balance, June 30	<u>\$4,803</u>	<u>\$236,219</u>	<u>\$231,416</u>

Lakota Local School District, Ohio
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Other Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$147,729	\$120,101	(\$27,628)
Other revenues	46,155	46,155	0
 Total revenues	<u>193,884</u>	<u>166,256</u>	<u>(27,628)</u>
 Expenditures:			
Current:			
Instruction:			
Regular	134,364	88,971	45,393
Vocational	2,123	2,123	0
Support services:			
Pupil	6,058	2,708	3,350
Instructional Staff	13,867	6,853	7,014
Administration	3,100	3,000	100
Operations and maintenance	6,335	6,285	50
Pupil Transportation	510	510	0
Central	39,224	13,394	25,830
 Total Expenditures	<u>205,581</u>	<u>123,844</u>	<u>81,737</u>
 Excess of revenues over (under) expenditures	<u>(11,697)</u>	<u>42,412</u>	<u>54,109</u>
 Other financing sources (uses):			
Advances in	0	3,104	3,104
 Total other financing sources (uses)	<u>0</u>	<u>3,104</u>	<u>3,104</u>
 Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(11,697)</u>	<u>45,516</u>	<u>57,213</u>
 Fund balance, July 1	14,576	14,576	0
 Fund balance, June 30	<u>\$2,879</u>	<u>\$60,092</u>	<u>\$57,213</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Venture Capital Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$75,000	\$50,000	(\$25,000)
Total revenues	<u>75,000</u>	<u>50,000</u>	<u>(25,000)</u>
Expenditures:			
Current:			
Instruction:			
Regular	25,467	20,478	4,989
Support services:			
Instructional Staff	35,269	29,546	5,723
Administration	861	316	545
Total Expenditures	<u>61,597</u>	<u>50,340</u>	<u>11,257</u>
Excess of revenues over (under) expenditures	<u>13,403</u>	<u>(340)</u>	<u>(13,743)</u>
Fund balance, July 1	11,597	11,597	0
Fund balance, June 30	<u><u>\$25,000</u></u>	<u><u>\$11,257</u></u>	<u><u>(\$13,743)</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Athletic Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Investment revenue	\$8,210	\$23,565	\$15,355
Extracurricular activities	619,000	706,927	87,927
Other revenues	376,000	378,168	2,168
 Total revenues	 <u>1,003,210</u>	 <u>1,108,660</u>	 <u>105,450</u>
Expenditures:			
Current:			
Extracurricular activities	912,054	821,314	90,740
 Total Expenditures	 <u>912,054</u>	 <u>821,314</u>	 <u>90,740</u>
 Excess of revenues over (under) expenditures	 <u>91,156</u>	 <u>287,346</u>	 <u>196,190</u>
 Other financing sources (uses):			
Advances (out)	(3,175)	(3,076)	99
Operating transfers in	35,000	50,000	15,000
Operating transfers (out)	(50,000)	(50,000)	0
 Total other financing sources (uses)	 <u>(18,175)</u>	 <u>(3,076)</u>	 <u>15,099</u>
 Excess of revenues and other financing sources over (under) expenditures and other financing uses	 72,981	 284,270	 211,289
 Fund balance, July 1	 205,609	 205,609	 0
 Fund balance, June 30	 <u>\$278,590</u>	 <u>\$489,879</u>	 <u>\$211,289</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Teacher Development Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Revenues:			
Extracurricular activities	\$65,805	\$65,805	\$0
Total revenues	<u>65,805</u>	<u>65,805</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	30,969	28,493	2,476
Support services:			
Instructional Staff	52,193	51,941	252
Total Expenditures	<u>83,162</u>	<u>80,434</u>	<u>2,728</u>
Excess of revenues over (under) expenditures	<u>(17,357)</u>	<u>(14,629)</u>	<u>2,728</u>
Fund balance, July 1	17,357	17,357	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$2,728</u></u>	<u><u>\$2,728</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Peer Assistance and Review Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Other	11,106	11,106	0
Total Expenditures	<u>11,106</u>	<u>11,106</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(11,106)</u>	<u>(11,106)</u>	<u>0</u>
Fund balance, July 1	11,106	11,106	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Management Information Systems Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$40,243	\$40,243	\$0
Total revenues	<u>40,243</u>	<u>40,243</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Central	41,664	40,813	851
Total Expenditures	<u>41,664</u>	<u>40,813</u>	<u>851</u>
Excess of revenues over (under) expenditures	<u>(1,421)</u>	<u>(570)</u>	<u>851</u>
Fund balance, July 1	1,421	1,421	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$851</u></u>	<u><u>\$851</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Schoolnet Professional Development Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$6,000	\$7,000	\$1,000
Total revenues	<u>6,000</u>	<u>7,000</u>	<u>1,000</u>
Expenditures:			
Current:			
Instruction:			
Regular	6,000	0	6,000
Support services:			
Instructional Staff	1,050	0	1,050
Total Expenditures	<u>7,050</u>	<u>0</u>	<u>7,050</u>
Excess of revenues over (under) expenditures	<u>(1,050)</u>	<u>7,000</u>	<u>8,050</u>
Fund balance, July 1	1,050	1,050	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$8,050</u></u>	<u><u>\$8,050</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Textbook Subsidy Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	258,390	218,996	39,394
Total Expenditures	<u>258,390</u>	<u>218,996</u>	<u>39,394</u>
Excess of revenues over (under) expenditures	<u>(258,390)</u>	<u>(218,996)</u>	<u>39,394</u>
Fund balance, July 1	258,390	258,390	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$39,394</u></u>	<u><u>\$39,394</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Ohio Reads Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$195,623	\$106,811	(\$88,812)
Total revenues	<u>195,623</u>	<u>106,811</u>	<u>(88,812)</u>
Expenditures:			
Current:			
Instruction:			
Regular	155,083	91,105	63,978
Support services:			
Pupil	700	0	700
Instructional Staff	39,840	9,375	30,465
Total Expenditures	<u>195,623</u>	<u>100,480</u>	<u>95,143</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>6,331</u>	<u>6,331</u>
Other financing sources (uses):			
Advances in	0	11,660	11,660
Total other financing sources (uses)	<u>0</u>	<u>11,660</u>	<u>11,660</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	17,991	17,991
Fund balance, July 1	0	0	0
Fund balance, June 30	<u>\$0</u>	<u>\$17,991</u>	<u>\$17,991</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Alternative School Grant Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$220,000	\$110,000	(\$110,000)
Total revenues	<u>220,000</u>	<u>110,000</u>	<u>(110,000)</u>
Expenditures:			
Current:			
Instruction:			
Regular	101,340	3,845	97,495
Support services:			
Instructional Staff	93,352	0	93,352
Administration	25,308	827	24,481
Total Expenditures	<u>220,000</u>	<u>4,672</u>	<u>215,328</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>105,328</u>	<u>105,328</u>
Fund balance, July 1	0	0	0
Fund balance, June 30	<u>\$0</u>	<u>\$105,328</u>	<u>\$105,328</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Miscellaneous State Grants Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$74,992	\$74,992	\$0
Total revenues	<u>74,992</u>	<u>74,992</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	31,061	20,257	10,804
Other	1,728	1,683	45
Support services:			
Instructional Staff	26,700	19,370	7,330
Administration	2,200	97	2,103
Operations and maintenance	13,531	12,434	1,097
Pupil Transportation	1,000	0	1,000
Operation of non-instructional services	500	0	500
Total Expenditures	<u>76,720</u>	<u>53,841</u>	<u>22,879</u>
Excess of revenues over (under) expenditures	<u>(1,728)</u>	<u>21,151</u>	<u>(22,879)</u>
Fund balance, July 1	1,728	1,728	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$22,879</u></u>	<u><u>(\$22,879)</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Eisenhower Grant Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$73,585	\$60,444	(\$13,141)
Total revenues	<u>73,585</u>	<u>60,444</u>	<u>(13,141)</u>
Expenditures:			
Current:			
Instruction:			
Regular	29,664	29,664	0
Other	14,540	14,540	0
Support services:			
Instructional Staff	53,504	39,360	14,144
Total Expenditures	<u>97,708</u>	<u>83,564</u>	<u>14,144</u>
Excess of revenues over (under) expenditures	<u>(24,123)</u>	<u>(23,120)</u>	<u>1,003</u>
Other financing sources (uses):			
Advances in	0	7,187	7,187
Advances (out)	(7,467)	(7,467)	0
Total other financing sources (uses)	<u>(7,467)</u>	<u>(280)</u>	<u>7,187</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(31,590)</u>	<u>(23,400)</u>	<u>8,190</u>
Fund balance, July 1	31,590	31,590	0
Fund balance, June 30	<u>\$0</u>	<u>\$8,190</u>	<u>\$8,190</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Title VI B Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$574,013	\$412,337	(\$161,676)
Total revenues	<u>574,013</u>	<u>412,337</u>	<u>(161,676)</u>
Expenditures:			
Current:			
Instruction:			
Special	9,312	4,421	4,891
Support services:			
Pupil	594,374	536,419	57,955
Instructional Staff	26,179	15,375	10,804
Pupil Transportation	27,994	14,294	13,700
Total Expenditures	<u>657,859</u>	<u>570,509</u>	<u>87,350</u>
Excess of revenues over (under) expenditures	<u>(83,846)</u>	<u>(158,172)</u>	<u>(74,326)</u>
Other financing sources (uses):			
Advances in	0	58,867	58,867
Total other financing sources (uses)	<u>0</u>	<u>58,867</u>	<u>58,867</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(83,846)</u>	<u>(99,305)</u>	<u>(15,459)</u>
Fund balance, July 1	99,305	99,305	0
Fund balance, June 30	<u>\$15,459</u>	<u>\$0</u>	<u>(\$15,459)</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Title I Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$229,024	\$171,510	(\$57,514)
Total revenues	229,024	171,510	(57,514)
Expenditures:			
Current:			
Instruction:			
Special	226,734	166,605	60,129
Other	20,243	20,243	0
Operation of non-instructional services	2,684	2,684	0
Total Expenditures	249,661	189,532	60,129
Excess of revenues over (under) expenditures	(20,637)	(18,022)	2,615
Fund balance, July 1	20,637	20,637	0
Fund balance, June 30	<u>\$0</u>	<u>\$2,615</u>	<u>\$2,615</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Title VI Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$130,133	\$137,186	\$7,053
Other revenues	170	170	0
Total revenues	<u>130,303</u>	<u>137,356</u>	<u>7,053</u>
Expenditures:			
Current:			
Instruction:			
Regular	36,529	12,170	24,359
Other	15,338	15,338	0
Support services:			
Instructional Staff	83,264	83,264	0
Total Expenditures	<u>135,131</u>	<u>110,772</u>	<u>24,359</u>
Excess of revenues over (under) expenditures	<u>(4,828)</u>	<u>26,584</u>	<u>31,412</u>
Other financing sources (uses):			
Advances (out)	(1,808)	(1,808)	0
Total other financing sources (uses)	<u>(1,808)</u>	<u>(1,808)</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(6,636)	24,776	31,412
Fund balance, July 1	6,636	6,636	0
Fund balance, June 30	<u>\$0</u>	<u>\$31,412</u>	<u>\$31,412</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Emergency Immigrant Education Program Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$7,139	\$7,139	\$0
Total revenues	<u>7,139</u>	<u>7,139</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	13,484	7,303	6,181
Other	546	546	0
Total Expenditures	<u>14,030</u>	<u>7,849</u>	<u>6,181</u>
Excess of revenues over (under) expenditures	<u>(6,891)</u>	<u>(710)</u>	<u>6,181</u>
Fund balance, July 1	6,891	6,891	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$6,181</u></u>	<u><u>\$6,181</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Drug Free Program Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$73,893	\$60,718	(\$13,175)
Total revenues	<u>73,893</u>	<u>60,718</u>	<u>(13,175)</u>
Expenditures:			
Current:			
Instruction:			
Regular	8,712	6,461	2,251
Other	900	900	0
Support services:			
Pupil	85,067	76,950	8,117
Total Expenditures	<u>94,679</u>	<u>84,311</u>	<u>10,368</u>
Excess of revenues over (under) expenditures	<u>(20,786)</u>	<u>(23,593)</u>	<u>(2,807)</u>
Other financing sources (uses):			
Advances in	0	3,435	3,435
Total other financing sources (uses)	<u>0</u>	<u>3,435</u>	<u>3,435</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(20,786)	(20,158)	628
Fund balance, July 1	20,786	20,786	0
Fund balance, June 30	<u>\$0</u>	<u>\$628</u>	<u>\$628</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Pre-School Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$45,721	\$40,365	(\$5,356)
Total revenues	<u>45,721</u>	<u>40,365</u>	<u>(5,356)</u>
Expenditures:			
Current:			
Instruction:			
Regular	1,963	1,963	0
Support services:			
Pupil	54,963	48,913	6,050
Total Expenditures	<u>56,926</u>	<u>50,876</u>	<u>6,050</u>
Excess of revenues over (under) expenditures	<u>(11,205)</u>	<u>(10,511)</u>	<u>694</u>
Fund balance, July 1	11,205	11,205	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$694</u></u>	<u><u>\$694</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Telecommunications Act Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$37,765	\$37,765	\$0
Total revenues	<u>37,765</u>	<u>37,765</u>	<u>0</u>
Expenditures:			
Capital outlay	73,250	73,250	0
Total Expenditures	<u>73,250</u>	<u>73,250</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(35,485)</u>	<u>(35,485)</u>	<u>0</u>
Fund balance, July 1	35,485	35,485	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Miscellaneous Federal Grants Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$92,795	\$88,728	(\$4,067)
Total revenues	<u>92,795</u>	<u>88,728</u>	<u>(4,067)</u>
Expenditures:			
Current:			
Instruction:			
Regular	90,545	75,495	15,050
Other	2,384	2,384	0
Support services:			
Instructional Staff	20,185	20,175	10
Administration	530	530	0
Operations and maintenance	342	334	8
Central	454	454	0
Operation of non-instructional services	1,102	393	709
Total Expenditures	<u>115,542</u>	<u>99,765</u>	<u>15,777</u>
Excess of revenues over (under) expenditures	<u>(22,747)</u>	<u>(11,037)</u>	<u>11,710</u>
Fund balance, July 1	22,747	22,747	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$11,710</u></u>	<u><u>\$11,710</u></u>

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment. It is also used to account for the accumulation of resources and payment of general obligation notes payable, as required by Ohio Law.

Since there is only one Debt Service Fund and the level of budgetary control is not greater than that presented in the Combined Financial Statements, no additional financial statements are presented here.

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CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the financing and acquisition of construction of major capital facilities, such as new school buildings, additions to existing buildings, or for major renovation projects. The following are descriptions of each Capital Projects Fund.

Permanent Improvement

To account for major improvements or renovations to existing facilities and bus purchases.

Building

To account for the receipts and expenditures related to the 1994 Bond Issue. Expenditures represent the costs of acquiring capital facilities including real property.

School Net

To account for state funds used to purchase technology and infrastructure.

Lakota Local School District, Ohio
 Combining Balance Sheet
 All Capital Projects Funds
 June 30, 2000

	<u>Permanent Improvement</u>	<u>Building</u>	<u>School Net</u>	<u>Totals</u>
Assets:				
Equity in pooled cash and cash equivalents	\$2,238,742	\$452,228	\$581,789	\$3,272,759
Cash with fiscal agent	0	117,162	0	117,162
Total Assets	<u>2,238,742</u>	<u>569,390</u>	<u>581,789</u>	<u>3,389,921</u>
Liabilities:				
Accounts payable	29,900	0	5,767	35,667
Retainage payable	0	117,162	0	117,162
Total liabilities	<u>29,900</u>	<u>117,162</u>	<u>5,767</u>	<u>152,829</u>
Fund balances:				
Reserved:				
Reserved for encumbrances	1,398,727	64,232	512	1,463,471
Unreserved:				
Undesignated	810,115	387,996	575,510	1,773,621
Total fund equity (deficit)	<u>2,208,842</u>	<u>452,228</u>	<u>576,022</u>	<u>3,237,092</u>
Total Liabilities and fund equity	<u>\$2,238,742</u>	<u>\$569,390</u>	<u>\$581,789</u>	<u>\$3,389,921</u>

Lakota Local School District, Ohio
Combining Statement of Revenues, Expenditures
And Changes in Fund Balances
All Capital Projects Funds
For The Fiscal Year Ended June 30, 2000

	<u>Permanent Improvement</u>	<u>Building</u>	<u>School Net</u>	<u>Totals</u>
Revenues:				
Intergovernmental	\$0	\$0	\$473,752	\$473,752
Investment Revenue	90,869	30,466	0	121,335
Other Revenues	1,791,766	22,006	0	1,813,772
Total revenues	<u>1,882,635</u>	<u>52,472</u>	<u>473,752</u>	<u>2,408,859</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	0	56,660	56,660
Support services:				
Instructional staff	0	0	40,709	40,709
Operations and maintenance	532,700	0	0	532,700
Capital outlay	668,033	180,681	0	848,714
Total Expenditures	<u>1,200,733</u>	<u>180,681</u>	<u>97,369</u>	<u>1,478,783</u>
Excess of revenues over (under) expenditures	<u>681,902</u>	<u>(128,209)</u>	<u>376,383</u>	<u>930,076</u>
Other financing sources (uses):				
Operating transfers (out)	0	(391,000)	0	(391,000)
Proceeds of Bonds	0	1,240,000	0	1,240,000
Total other financing sources (uses)	<u>0</u>	<u>849,000</u>	<u>0</u>	<u>849,000</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	681,902	720,791	376,383	1,779,076
Fund balance, July 1	1,526,940	(268,563)	199,639	1,458,016
Fund balance, June 30	<u><u>\$2,208,842</u></u>	<u><u>\$452,228</u></u>	<u><u>\$576,022</u></u>	<u><u>\$3,237,092</u></u>

Lakota Local School District, Ohio
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Permanent Improvement - Capital Projects Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Investment revenue	\$64,000	\$90,869	\$26,869
Other revenues	1,791,766	1,791,766	0
 Total revenues	<u>1,855,766</u>	<u>1,882,635</u>	<u>26,869</u>
 Expenditures:			
Current:			
Support services:			
Pupil Transportation	1,542,251	1,533,848	8,403
Capital outlay	1,795,866	1,065,612	730,254
 Total Expenditures	<u>3,338,117</u>	<u>2,599,460</u>	<u>738,657</u>
 Excess of revenues over (under) expenditures	<u>(1,482,351)</u>	<u>(716,825)</u>	<u>765,526</u>
 Fund balance, July 1	1,526,939	1,526,939	0
 Fund balance, June 30	<u>\$44,588</u>	<u>\$810,114</u>	<u>\$765,526</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Building Capital Projects Fund
 For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$26,000	\$20,819	(\$5,181)
Other revenues	22,006	22,006	0
Total revenues	<u>48,006</u>	<u>42,825</u>	<u>(5,181)</u>
Expenditures:			
Current:			
Support services:			
Capital outlay	679,888	253,377	426,511
Total Expenditures	<u>679,888</u>	<u>253,377</u>	<u>426,511</u>
Excess of revenues over (under) expenditures	<u>(631,882)</u>	<u>(210,552)</u>	<u>421,330</u>
Other financing sources (uses):			
Proceeds of bonds	1,249,647	1,249,647	0
Advances (out)	(246,104)	(246,104)	0
Operating transfers (out)	(391,000)	(391,000)	0
Total other financing sources (uses)	<u>612,543</u>	<u>612,543</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(19,339)	401,991	421,330
Fund balance, July 1	50,236	50,236	0
Fund balance, June 30	<u>\$30,897</u>	<u>\$452,227</u>	<u>\$421,330</u>

Lakota Local School District, Ohio
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 School Net - Capital Projects Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$473,752	\$473,752	\$0
Total revenues	<u>473,752</u>	<u>473,752</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	482,542	58,035	424,507
Special	886	0	886
Support services:			
Instructional Staff	190,177	40,819	149,358
Total Expenditures	<u>673,605</u>	<u>98,854</u>	<u>574,751</u>
Excess of revenues over (under) expenditures	<u>(199,853)</u>	<u>374,898</u>	<u>574,751</u>
Fund balance, July 1	200,611	200,611	0
Fund balance, June 30	<u><u>\$758</u></u>	<u><u>\$575,509</u></u>	<u><u>\$574,751</u></u>

ENTERPRISE FUNDS

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

Food Service

A fund used to account for all revenues and expenses related to the provision of food services of the District.

Uniform School Supply

A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District.

Adult Education

A fund used to account for all revenues and expenses related to the provision of non-credit classes to the general public.

Lakota Local School District, Ohio
 Combining Balance Sheet
 All Enterprise Funds
 June 30, 2000

	Food Service	Uniform School Supply	Adult Education	Total
Assets				
Current Assets:				
Equity in pooled cash and cash equivalents	\$1,159,599	\$195,726	\$3,122	\$1,358,447
Receivables:				
Accounts	1,015	0	0	1,015
Inventory held for resale	43,007	0	0	43,007
Total Current Assets	<u>1,203,621</u>	<u>195,726</u>	<u>3,122</u>	<u>1,402,469</u>
Non-current assets:				
Fixed assets (net of accumulated depreciation)	654,345	0	0	654,345
Total Assets	<u><u>1,857,966</u></u>	<u><u>195,726</u></u>	<u><u>3,122</u></u>	<u><u>2,056,814</u></u>
Liabilities				
Current liabilities:				
Accounts payable	8,742	19,879	0	28,621
Accrued wages	161,272	0	0	161,272
Compensated absences payable	12,774	0	0	12,774
Interfund payable	0	396	0	396
Deferred revenue	29,416	0	0	29,416
Total current liabilities	<u>212,204</u>	<u>20,275</u>	<u>0</u>	<u>232,479</u>
Fund equity and other credits				
Contributed capital	1,295,844	0	0	1,295,844
Retained Earnings:				
Unreserved	349,918	175,451	3,122	528,491
Total fund equity and other credits	<u>1,645,762</u>	<u>175,451</u>	<u>3,122</u>	<u>1,824,335</u>
Total Liabilities and fund equity	<u><u>\$1,857,966</u></u>	<u><u>\$195,726</u></u>	<u><u>\$3,122</u></u>	<u><u>\$2,056,814</u></u>

Lakota Local School District, Ohio
Combining Statement of Revenues, Expenses
And Changes in Retained Earnings
All Enterprise Funds
For The Fiscal Year Ended June 30, 2000

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Adult Education</u>	<u>Total</u>
Operating Revenues:				
Sales	\$2,837,080	\$0	\$0	\$2,837,080
Charges for services	0	884,700	800	885,500
Other revenues	2,086	0	0	2,086
Total revenues	<u>2,839,166</u>	<u>884,700</u>	<u>800</u>	<u>3,724,666</u>
Operating Expenses:				
Salaries and Wages	1,062,304	0	0	1,062,304
Fringe Benefits	207,905	0	0	207,905
Purchased Services	129,701	0	0	129,701
Materials and supplies	2,057,104	755,768	0	2,812,872
Depreciation	136,513	0	0	136,513
Other operating expenses	36,845	146	0	36,991
Total operating expenses	<u>3,630,372</u>	<u>755,914</u>	<u>0</u>	<u>4,386,286</u>
Operating income (loss)	<u>(791,206)</u>	<u>128,786</u>	<u>800</u>	<u>(661,620)</u>
Non-operating revenues:				
Federal donated commodities	142,865	0	0	142,865
Investment revenue	55,026	0	0	55,026
Operating grants	252,575	0	0	252,575
Total non-operating revenues	<u>450,466</u>	<u>0</u>	<u>0</u>	<u>450,466</u>
Net Income	(340,740)	128,786	800	(211,154)
Retained Earnings, July 1	778,940	46,665	2,322	827,927
Prior Period Adjustment	(88,282)	0	0	(88,282)
Retained Earnings, July 1 - Restated	690,658	46,665	2,322	739,645
Retained Earnings, June 30	<u>\$349,918</u>	<u>\$175,451</u>	<u>\$3,122</u>	<u>\$528,491</u>

Lakota Local School District, Ohio
 Combining Statement of Cash Flows
 All Enterprise Funds
 For The Fiscal Year Ended June 30, 2000

	Food Service	Uniform School Supply	Adult Education	Totals
Cash flows from operating activities:				
Cash received from other receipts	\$1,071	\$884,700	\$800	\$886,571
Cash received from sales	2,838,420	0	0	2,838,420
Cash payments to suppliers for goods and services	(2,159,295)	(746,166)	0	(2,905,461)
Cash payments to employees for services	(1,409,225)	0	0	(1,409,225)
Net cash provided by (used for) operating activities	(729,029)	138,534	800	(589,695)
Cash flows from noncapital financing activities:				
Cash received from other funds	0	396	0	396
Operating grants received	289,600	0	0	289,600
Net cash provided by noncapital financing activities	289,600	396	0	289,996
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	(7,770)	0	0	(7,770)
Net cash used for capital and related financing activities	(7,770)	0	0	(7,770)
Cash Flows from Investing Activities:				
Investment income received	55,026	0	0	55,026
Net cash provided by investing activities	55,026	0	0	55,026
Net increase in cash and cash equivalents	(392,173)	138,930	800	(252,443)
Cash and cash equivalents, July 1	1,551,772	56,796	2,322	1,610,890
Cash and cash equivalents, June 30	<u>\$1,159,599</u>	<u>\$195,726</u>	<u>\$3,122</u>	<u>\$1,358,447</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	(791,206)	128,786	800	(661,620)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	136,513	0	0	136,513
Donated commodities used	142,865	0	0	142,865
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	37,170	73	0	37,243
(Increase) decrease in inventory held for resale	25	9,675	0	9,700
Increase (decrease) in accounts payable	(125,186)	0	0	(125,186)
Increase (decrease) in accrued wages and benefits	(35,255)	0	0	(35,255)
Increase (decrease) in compensated absences	(103,761)	0	0	(103,761)
Increase (decrease) in deferred revenue	9,806	0	0	9,806
Total Adjustments	62,177	9,748	0	71,925
Net cash provided by (used for) operating activities	(729,029)	\$138,534	\$800	(589,695)
Non-cash transactions				
Enterprise Fund:				
Non-cash donation of inventory held for resale (food service)		\$142,865		

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of services provided by one department of agency to another department of agency on a cost reimbursement basis.

Special Rotary Fund

To account for all revenues and expenses related to field trips for the schools in the district.

Employee Benefits

To account for monies received from other funds as payment for providing medical and dental benefits. Currently, the district participates in a self-funded trust program with the Butler County Health Plan.

Worker's Compensation

To account for monies received from other funds as payment for claims and premium incurred in the retrospectively rated worker's compensation program.

Lakota Local School District, Ohio
 Combining Balance Sheet
 All Internal Service Funds
 June 30, 2000

	<u>Special Rotary</u>	<u>Employee Benefits</u>	<u>Workers Compensation</u>	<u>Total</u>
Assets				
Current Assets:				
Equity in pooled cash and cash equivalents	\$148,094	\$605,543	\$1,086,697	\$1,840,334
Total Current Assets	<u>148,094</u>	<u>605,543</u>	<u>1,086,697</u>	<u>1,840,334</u>
Total Assets	<u><u>148,094</u></u>	<u><u>605,543</u></u>	<u><u>1,086,697</u></u>	<u><u>1,840,334</u></u>
Current Liabilities:				
Accounts payable	8,846	20,188	0	29,034
Interfund payable	<u>3,143</u>	<u>0</u>	<u>0</u>	<u>3,143</u>
Total Current Liabilities	<u>11,989</u>	<u>20,188</u>	<u>0</u>	<u>32,177</u>
Total Liabilities	<u>11,989</u>	<u>20,188</u>	<u>0</u>	<u>32,177</u>
Retained Earnings:				
Unreserved	<u>136,105</u>	<u>585,355</u>	<u>1,086,697</u>	<u>1,808,157</u>
Total retained earnings	<u>136,105</u>	<u>585,355</u>	<u>1,086,697</u>	<u>1,808,157</u>
Total Liabilities and fund equity	<u><u>\$148,094</u></u>	<u><u>\$605,543</u></u>	<u><u>\$1,086,697</u></u>	<u><u>\$1,840,334</u></u>

Lakota Local School District, Ohio
 Combining Statement of Revenues, Expenses
 And Changes in Retained Earnings
 All Internal Service Funds
 For The Fiscal Year Ended June 30, 2000

	<u>Special Rotary</u>	<u>Employee Benefits</u>	<u>Workers Compensation</u>	<u>Total</u>
Operating Revenues:				
Tuition & fees	\$132,410	\$0	\$0	\$132,410
Other revenues	17,424	6,641,178	694,854	7,353,456
Total revenues	<u>149,834</u>	<u>6,641,178</u>	<u>694,854</u>	<u>7,485,866</u>
Operating Expenses:				
Salaries and Wages	89,455	0	0	89,455
Fringe Benefits	12,890	0	0	12,890
Materials and supplies	3,138	0	0	3,138
Other operating expenses	24,255	6,501,189	92,542	6,617,986
Total operating expenses	<u>129,738</u>	<u>6,501,189</u>	<u>92,542</u>	<u>6,723,469</u>
Net Income	20,096	139,989	602,312	762,397
Retained Earnings, July 1	116,009	445,366	484,385	1,045,760
Retained Earnings, June 30	<u>\$136,105</u>	<u>\$585,355</u>	<u>\$1,086,697</u>	<u>\$1,808,157</u>

Lakota Local School District, Ohio
Combining Statement of Cash Flows
All Internal Service Funds
For The Fiscal Year Ended June 30, 2000

	Special Rotary	Employeee Benefits	Workers Compensation	Totals
Cash flows from operating activities:				
Cash received from tuition and fees	\$149,834	\$0	\$0	\$149,834
Cash received from charges for services	0	6,641,178	694,854	7,336,032
Cash payments to suppliers for goods and services	(1,882)	0	0	(1,882)
Cash payments to employees for services	(102,345)	0	0	(102,345)
Cash payments for other operating expenses	(16,665)	(6,490,117)	(92,542)	(6,599,324)
Net cash provided by (used for) operating activities	<u>28,942</u>	<u>151,061</u>	<u>602,312</u>	<u>782,315</u>
Cash flows from noncapital financing activities:				
Cash received from other funds	<u>3,143</u>	<u>0</u>	<u>0</u>	<u>3,143</u>
Net cash provided by noncapital financing activities	<u>3,143</u>	<u>0</u>	<u>0</u>	<u>3,143</u>
Net increase in cash and cash equivalents	32,085	151,061	602,312	785,458
Cash and cash equivalents, July 1	<u>116,009</u>	<u>454,482</u>	<u>484,385</u>	<u>1,054,876</u>
Cash and cash equivalents, June 30	<u>\$148,094</u>	<u>\$605,543</u>	<u>\$1,086,697</u>	<u>\$1,840,334</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	<u>20,096</u>	<u>139,989</u>	<u>602,312</u>	<u>762,397</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Changes in assets and liabilities:				
Increase (decrease) in accounts payable	<u>8,846</u>	<u>11,072</u>	<u>0</u>	<u>19,918</u>
Total Adjustments	<u>8,846</u>	<u>11,072</u>	<u>0</u>	<u>19,918</u>
Net cash provided by (used for) operating activities	<u>\$28,942</u>	<u>\$151,061</u>	<u>\$602,312</u>	<u>\$782,315</u>

TRUST AND AGENCY FUNDS

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

Expendable Trust Funds

General Trust

To account for donations from private individuals or corporations to be used according to the terms of the donation for scholarships. Since there is only one Expendable Trust Fund, no additional Statement of Revenues, Expenditures or Changes in Fund Balance is presented here.

Agency Funds

Retirements Fund

To account for withholdings collected and held for the State Teachers Retirement System and the State Employees Retirement System.

Student Activity Fund

To account for the resources which are collected by and belong to the various student groups.

Lakota Local School District, Ohio
Combining Balance Sheet
All Fiduciary Fund Types
June 30, 2000

	<u>General Trust Expendable Trust</u>	<u>Retirements Agency</u>	<u>Student Activity Agency</u>	<u>Totals</u>
Assets				
Equity in pooled cash and cash equivalents	\$74,033	\$42,681	\$228,289	\$345,003
Receivables:				
Accounts	1,681	164,700	586	166,967
Total Assets	<u>75,714</u>	<u>207,381</u>	<u>228,875</u>	<u>511,970</u>
Liabilities				
Accounts Payable	0	1,246	47,750	48,996
Interfund Payable	0	206,135	12,797	218,932
Due to students	0	0	168,328	168,328
Total liabilities	<u>0</u>	<u>207,381</u>	<u>228,875</u>	<u>436,256</u>
Fund balances:				
Unreserved:				
Undesignated	75,714	0	0	75,714
Total fund equity (deficit)	<u>75,714</u>	<u>0</u>	<u>0</u>	<u>75,714</u>
Total Liabilities and fund equity	<u>\$75,714</u>	<u>\$207,381</u>	<u>\$228,875</u>	<u>\$511,970</u>

Lakota Local School District, Ohio
Statement of Changes In Assets and Liabilities
Agency Fund
For The Fiscal Year Ended June 30, 2000

	Student Activity Fund			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Equity in pooled cash and cash equivalents	\$158,061	\$403,424	\$333,196	\$228,289
Accounts receivable	1,966	586	1,966	586
Total Assets	<u>160,027</u>	<u>404,010</u>	<u>335,162</u>	<u>228,875</u>
Liabilities				
Accounts payable	10,420	47,750	10,420	47,750
Interfund payable	2,162	10,635	0	12,797
Due to students	147,445	81,234	60,351	168,328
Total liabilities	<u>\$160,027</u>	<u>\$139,619</u>	<u>\$70,771</u>	<u>\$228,875</u>

	Retirements Fund			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Equity in pooled cash and cash equivalents	\$88,565	\$8,779,604	\$8,825,488	\$42,681
Accounts receivable	0	164,700	0	164,700
Total Assets	<u>88,565</u>	<u>8,944,304</u>	<u>8,825,488</u>	<u>207,381</u>
Liabilities				
Accounts payable	79	1,246	79	1,246
Interfund payable	19,239	186,896	0	206,135
Due to others	69,247	118,895	188,142	0
Total liabilities	<u>\$88,565</u>	<u>\$307,037</u>	<u>\$188,221</u>	<u>\$207,381</u>

	Total			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Equity in pooled cash and cash equivalents	\$246,626	\$9,183,028	\$9,158,684	\$270,970
Accounts receivable	1,966	165,286	1,966	165,286
Total Assets	<u>248,592</u>	<u>9,348,314</u>	<u>9,160,650</u>	<u>436,256</u>
Liabilities				
Accounts payable	10,499	48,996	10,499	48,996
Interfund payable	21,401	197,531	0	218,932
Due to students	147,445	81,234	60,351	168,328
Due to others	69,247	118,895	188,142	0
Total liabilities	<u>\$248,592</u>	<u>\$446,656</u>	<u>\$258,992</u>	<u>\$436,256</u>

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STATISTICAL SECTION

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Lakota Local School District, Ohio
 General Fund Revenues by Source
 Last Ten Fiscal Years

TABLE I

Fiscal Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Taxes	\$ 18,373,611	\$ 21,804,394	\$ 27,046,040	\$ 28,368,770	\$ 28,393,279	\$ 31,963,428	\$ 35,386,346	\$ 46,291,911	\$ 42,983,537	\$ 40,636,659
Intergovernmental	15,107,609	15,574,462	20,135,561	18,486,610	17,625,203	21,197,594	22,464,910	25,870,273	28,252,764	32,198,954
Interest	572,956	386,573	296,464	288,213	433,043	803,554	1,155,359	1,463,753	1,264,336	1,423,587
Tuition and fees	65,035	206,376	212,767	232,792	280,008	311,671	435,152	391,542	381,159	90,103
Extracurricular activities	-	34,681	42,717	41,808	72,870	299,191	100,737	123,183	129,675	20,235
Other revenues	155,770	105,017	144,686	244,175	223,244	236,059	287,039	644,730	526,446	1,135,148
Total revenues	\$ 34,274,981	\$ 38,111,503	\$ 47,878,235	\$ 47,662,368	\$ 47,027,647	\$ 54,811,497	\$ 59,829,543	\$ 74,785,392	\$ 73,537,917	\$ 75,504,686

Source: Lakota Local School District records.

Lakota Local School District, Ohio
 General Fund Expenditures by Function
 Last Ten Fiscal Years

Fiscal Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
struction:										
Regular	\$ 19,102,460	\$ 19,874,156	\$ 23,542,456	\$ 25,571,580	\$ 26,678,034	\$ 27,208,177	\$ 29,947,276	\$ 34,616,606	\$ 38,616,055	\$ 41,388,128
Special	1,779,251	2,351,620	2,859,581	3,308,790	3,594,532	3,619,215	4,018,337	4,555,155	5,254,505	5,801,329
Vocational	299,022	306,253	294,165	277,627	230,002	166,876	153,735	279,858	246,573	240,986
Other	34,789	25,678	42,562	66,152	54,617	72,455	72,718	104,369	111,550	194,243
pport services:										
Pupil	1,827,914	2,085,662	2,540,235	2,724,110	2,569,588	2,740,019	3,064,287	3,790,504	4,053,907	4,194,333
Instructional staff	1,586,051	1,590,638	2,146,064	2,077,432	2,210,044	2,172,031	2,506,440	3,599,289	3,733,793	4,323,451
General administration	15,746	18,648	30,624	25,344	23,574	27,211	47,924	30,086	32,985	8,714
School administration	3,028,078	3,085,979	3,726,249	3,927,785	4,043,379	3,975,378	4,534,732	5,685,998	6,094,554	7,130,132
Fiscal and business	743,367	921,249	1,031,387	1,024,864	1,130,695	1,143,121	1,293,181	1,269,665	1,558,603	1,752,099
Operations and maintenance	3,446,770	4,063,415	4,296,693	4,780,052	4,519,672	4,767,951	5,308,632	6,926,534	7,640,848	7,566,261
Pupil transportation	3,482,572	3,223,842	3,885,977	3,454,358	3,341,250	3,315,033	4,206,226	5,958,036	5,398,641	5,786,291
Central	155,670	142,458	156,357	193,311	191,361	241,062	400,402	448,627	691,574	1,268,535
perations of non-instructional										
services	2,437	2,323	1,489	2,882	2,125	2,055	2,714	3,602	8,065	3,381
tracurricular activities	501,497	533,928	578,562	631,141	614,102	579,326	739,033	1,191,464	1,310,626	1,498,775
pital outlay	-	-	64,271	-	-	-	-	114,562	104,955	781,574
ebt Service	-	-	-	-	-	-	-	-	-	-
Principal retirement	65,250	67,049	85,276	95,459	106,977	113,594	75,617	100,090	322,399	-
Interest and fiscal charges	35,127	47,182	38,013	26,793	18,060	10,370	53,114	48,055	68,046	28,379
Total expenditures	\$ 36,106,001	\$ 38,340,080	\$ 45,319,961	\$ 48,187,680	\$ 49,328,012	\$ 50,153,874	\$ 56,424,368	\$ 68,722,500	\$ 75,247,679	\$ 81,966,611

Source: Lakota Local School District records.

Table 3

Lakota Local School District, Ohio
 Property Tax Levies and Collections - Real and Public Utility Property
 Last Ten Collection (Calendar) Years

Collection Year	Tax Levied	Current Tax Collections	Percent Collected	Delinquent Collection	Total Tax Collections	Percent of Total Collections to Levy	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Tax Levied
1991	\$ 21,466,147	\$ 21,982,761	102%	\$ 516,614	\$ 22,499,375	105%	\$ 1,128,006	5.3%
1992	25,259,381	26,421,833	105%	1,000,025	27,421,858	109%	1,124,595	4.5%
1993	28,461,002	28,964,681	102%	656,580	29,621,261	104%	1,389,203	4.9%
1994	31,870,422	31,070,948	97%	622,354	31,693,302	99%	1,566,323	4.9%
1995	36,614,197	36,127,859	99%	825,590	36,953,449	101%	2,052,661	5.6%
1996	36,639,929	37,355,369	102%	773,235	38,128,604	104%	1,337,222	3.6%
1997	45,857,910	46,668,235	102%	724,943	47,393,178	103%	1,248,839	2.7%
1998	47,506,385	47,961,592	101%	649,551	48,611,143	102%	1,793,632	3.8%
1999	49,733,189	49,002,544	99%	1,066,729	50,069,273	101%	1,457,548	2.9%
2000	51,603,050	51,384,592	100%	899,725	52,284,317	101%	776,281	1.5%

Source: Butler County Auditor.

Lakota Local School District, Ohio

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

TABLE 4

Collection Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1991	\$ 719,411,530	\$ 2,055,461,514	\$ 87,647,656	\$ 324,620,948	\$ 53,911,250	\$ 61,262,784	\$ 860,970,436	\$ 2,441,345,247
1992	760,571,480	2,173,061,371	91,190,941	350,734,388	60,628,740	68,896,295	912,391,161	2,592,692,055
1993	812,659,050	2,321,883,000	89,862,423	359,449,692	67,702,510	76,934,670	970,223,983	2,758,267,362
1994	938,307,480	2,680,878,514	92,920,863	371,683,452	71,977,400	81,792,500	1,103,205,743	3,134,354,466
1995	1,005,187,730	2,871,964,943	99,294,059	397,176,236	77,924,830	88,550,943	1,182,406,619	3,357,692,122
1996	1,086,266,210	3,103,617,743	104,616,706	418,466,824	73,949,520	84,033,545	1,264,832,436	3,606,118,112
1997	1,189,903,220	3,399,723,486	121,815,238	487,260,952	74,532,500	84,696,023	1,386,250,958	3,971,680,460
1998	1,243,409,780	3,552,599,371	133,868,633	535,474,532	74,264,120	84,391,045	1,451,542,533	4,172,464,949
1999	1,303,927,250	3,725,506,429	136,671,688	546,686,752	78,477,160	89,178,591	1,519,076,098	4,361,371,771
2000	1,470,277,860	4,200,793,885	136,507,980	546,031,920	81,764,790	92,914,534	1,688,550,630	4,839,740,339

Source: Butler County Auditor.

Lakota Local School District, Ohio
 Property Tax Rates - Direct and Overlapping Governments
 Last Ten Calendar Years
 (Per \$1,000 of Assessed Valuation)

Table 5

Tax Year/ Collection Year	COUNTY			CITIES			SCHOOL DISTRICTS						TOWNSHIPS		
	Butler County	Monroe City	Fairfield City	Lakota Local School District		Butler County Joint Vocational School	Unvoted			Union Township	Liberty Township		Liberty Township Monroe		
				General Fund	Bond Fund		General Fund	Excluded	Included						
											General Fund	Bond Fund		General Fund	
1999/2000	8.45 (5.84) (6.36)	7.85 (4.82) (6.61)	4.54 (3.39) (3.50)	43.65 (21.30) (21.21)	5.00 (5.00) (5.00)	1.93 (1.93) (1.93)	6.49 (6.49) (6.49)	6.49 (6.49) (6.49)	6.49 (6.49) (6.49)	10.59 (9.74) (9.44)	9.09 (8.29) (7.68)	0.59 (0.59) (0.59)			
1998/1999	8.44 (6.26) (6.74)	7.85 (5.40) (7.00)	4.54 (3.61) (3.66)	43.65 (22.83) (23.99)	6.00 (6.00) (6.00)	1.93 (1.93) (1.93)	6.49 (6.49) (6.49)	6.49 (6.49) (6.49)	6.49 (6.49) (6.49)	9.59 (8.80) (8.80)	7.59 (7.13) (7.05)	0.59 (0.59) (0.59)			
1997/1998	8.45	7.85	4.54	43.65	6.00	1.93	6.49	6.49	6.49	9.59	7.59	0.59			
1996/1997	8.44	7.85	4.54	43.65	6.10	1.93	6.49	6.49	6.49	9.59	5.59	0.59			
1995/1996	7.44	7.85	4.54	37.15	6.50	1.93	6.49	6.49	6.49	9.59	5.59	0.59			
1994/1995	7.45	7.85	4.54	37.15	8.10	1.93	6.49	6.49	6.49	9.59	4.09	0.59			
1993/1994	7.44	7.85	4.00	37.15	4.50	1.94	6.49	6.49	6.49	9.00	4.09	2.09			
1992/1993	7.45	7.85	4.00	37.15	5.60	1.97	6.49	6.49	6.49	9.00	3.09	2.09			
1991/1992	7.45	7.85	4.00	37.15	4.20	1.97	6.49	6.49	6.49	9.00	3.09	2.09			
1990/1991	7.45	7.85	4.00	31.25	5.25	1.97	6.49	6.49	6.49	9.00	3.09	2.09			

Source: Butler County Auditor - Data is presented on a collection year basis because that is the manner in which the information is maintained by the County Auditor.

Note: Figures in parenthesis reflect "effective" millage for residential/agricultural (upper) and commercial/industrial (lower) for the current collection year only. All other figures reflect voted millage.

Lakota Local School District, Ohio

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

TABLE 6

Year	Population (1)	Total Assessed Value (2)	Gross Bonded Debt (1)	Less Debt Service Fund (1)	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value (%)	Net Bonded Debt Per Capita
1991	47,000	\$ 860,970,436	\$ 25,670,000	\$ 1,260,813	\$ 24,409,187	2.8%	\$ 519
1992	47,000	912,391,161	24,180,000	1,239,673	22,940,327	2.5%	488
1993	47,000	970,223,983	41,565,729	1,567,049	39,998,680	4.1%	851
1994	47,000	1,103,205,743	90,686,686	2,041,499	88,645,187	8.0%	1,886
1995	53,362	1,182,406,619	87,809,686	2,584,092	85,225,594	7.2%	1,597
1996	53,362	1,264,832,436	84,966,686	1,652,342	83,314,344	6.6%	1,561
1997	53,362	1,386,250,958	82,101,686	2,168,285	79,933,402	5.8%	1,498
1998	53,362	1,451,542,533	79,408,414	2,136,837	77,271,577	5.3%	1,448
1999	53,362	1,519,076,098	78,993,414	2,617,349	76,376,065	5.0%	1,431
2000	53,362	1,688,550,630	74,689,067	3,106,964	71,582,103	4.2%	1,341

Source:

(1) District Records

(2) Butler County Auditor

TABLE 7

Lakota Local School District, Ohio
 Computation of Legal Debt Margin
 June 30, 2000

Assessed Valuation of District		<u><u>\$1,688,550,630</u></u>
<hr/>		
Overall Direct Debt Limitation		
Direct debt limitation		
9% of assessed valuation		151,969,557
Amount available in Debt Service Fund		3,931,511
Gross indebtedness	<u>\$74,689,067</u>	
Less: Debt exempt from limitation	<u>\$1,520,000</u>	
Debt subject to 9% limitation		<u>73,169,067</u>
Legal debt margin within 9% limitation		<u><u>\$82,732,001</u></u>
<hr/>		
Unvoted Direct Debt Limitation		
Unvoted debt limitation		
0.1% of assessed valuation		1,688,551
Amount available in Debt Service Fund related to unvoted debt		n/a
Gross indebtedness authorized by the Board	0	
Less: Debt exempt from limitation	<u>0</u>	
Debt subject to 0.1% limitation		<u>0</u>
Legal debt margin within 0.1% limitation		<u><u>\$1,688,551</u></u>
<hr/>		
Energy Conservation Bond Limitation		
Ohio Revised Code Section 133.042		
Debt limitation		
0.9% of assessed valuation		15,196,956
Energy conservation notes authorized by the Board		<u>995,000</u>
Legal debt margin within 0.9% limitation		<u><u>\$14,201,956</u></u>

Source: Lakota Local School District records.

Lakota Local School District, Ohio
 Computation of Direct and Overlapping Debt
 June 30, 2000

TABLE 8

<u>Governmental Unit</u>	<u>Gross General Obligation</u>	<u>Percent Applicable to District (1)</u>	<u>Amount Applicable to District</u>
Direct:			
Lakota Local School District	<u>\$74,689,067</u>	100.00%	<u>\$74,689,067</u>
Overlapping:			
Butler County	30,575,000	28.94%	8,848,405
Union Township	16,655,000	91.30%	15,206,015
Liberty Township	66,858	100.00%	66,858
Fairfield City	8,100,000	1.39%	112,590
Monroe City	5,878,900	5.42%	318,636
Butler County Joint Vocational School	<u>5,295,000</u>	43.42%	<u>2,299,089</u>
Total overlapping:	<u>\$66,570,758</u>		<u>\$26,851,593</u>
Total direct and overlapping debt:	<u><u>\$141,259,825</u></u>		<u><u>\$101,540,660</u></u>

Source: Ohio Municipal Advisory Council.

Lakota Local School District, Ohio
 Ratio of Annual Debt Service Expenditures
 For General Bonded Debt to Total General Fund Expenditures
 Last Ten Fiscal Years

TABLE 9

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Fund Expenditures</u>	<u>Ratio of Debt Service to General Fund Expenditures (%)</u>
1991	\$ 5,512,000	\$ 2,187,689	\$ 7,699,689	36,106,001	21%
1992	1,490,000	1,951,689	3,441,689	38,340,080	9%
1993	7,115,000	2,005,933	9,120,933	45,319,961	20%
1994	9,275,000	2,341,334	11,616,334	48,187,680	24%
1995	2,885,000	5,540,736	8,425,736	49,328,012	17%
1996	2,835,000	5,097,533	7,932,533	50,153,874	16%
1997	2,865,000	4,922,671	7,787,671	56,424,368	14%
1998	22,940,000	4,726,990	27,666,990	68,722,500	40%
1999	4,000,000	4,250,357	8,250,357	75,247,679	11%
2000	4,474,347	4,403,764	9,025,134	81,966,611	11%

Source: Lakota Local School District records.

Lakota Local School District, Ohio
 Demographic Statistics
 Last Ten Fiscal Years

TABLE 10

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>School Enrollment (1)</u>	<u>Unemployment Rate (2)</u>
1991	47,000	9,361	5.9
1992	47,000	10,205	6.6
1993	47,000	10,937	6.5
1994	47,000	11,637	5.3
1995	53,362	12,193	4.2
1996	53,362	12,700	4.2
1997	53,362	13,077	3.5
1998	53,362	13,530	3.4
1999	53,362	14,139	3.7
2000	53,362	14,659	3.3

Sources:

- (1) Lakota Local School District Records
- (2) Butler County Economic Development Department

Lakota Local School District, Ohio
 Construction, Bank Deposits and Property Values
 Last Ten Calendar Years

TABLE 11

<u>Calendar Year</u>	<u>New Construction (1)</u>	<u>Bank Deposits (2) (in Thousands)</u>	<u>Property Values (3)</u>
1991	N/A	\$ 904,381,000	\$ 860,970,436
1992	N/A	724,213,000	912,391,161
1993	54,130,110	711,686,000	970,223,983
1994	56,795,090	737,683,000	1,103,205,743
1995	66,803,340	800,556,000	1,182,406,619
1996	53,128,920	783,398,000	1,264,832,436
1997	59,185,580	815,435,000	1,386,250,958
1998	57,107,950	864,105,000	1,451,542,533
1999	65,176,410	877,325,000	1,519,076,098
2000	N/A	923,585,000	1,688,550,630

N/A - Information not available

Sources:

- (1) Butler County Auditor
2000 not available at the time this report was published.
- (2) Federal Reserve Bank of Cleveland - Amounts are for Butler County (Note: County bank deposits measures total deposits for those banks deemed "domiciled" within a given county.)
- (3) Butler County Auditor, calendar year basis - real property assessed values.

Lakota Local School District, Ohio
 Real and Tangible Personal Property
 Top Ten Principal Taxpayers
 June 30, 2000

TABLE 12

<u>Name of Taxpayer</u>	<u>Total Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
1 Cincinnati Gas & Electric Co. (Cinergy)	\$ 57,586,290	3.4%
2 Cincinnati Bell Telephone	16,260,710	1.0%
3 Shepard Color Company	7,812,770	0.5%
4 Meijer, Inc.	7,742,830	0.5%
5 Dover Corporation	6,731,890	0.4%
6 Security Capital	5,892,050	0.3%
7 Walmart	5,612,310	0.3%
8 Pierre Foods LLC	5,509,410	0.3%
9 Union Station Summit	5,310,570	0.3%
10 Meadow Ridge/Butler	4,788,360	0.3%
All Other Taxpayers	1,565,303,440	92.7%
	<u>\$ 1,688,550,630</u>	<u>100.0%</u>

Source: Butler County Auditor.

Enrollment by Grade

	Pre - K	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
1999 - 00	174	1,080	1,141	1,155	1,173	1,257	1,189	1,112	1,163	1,180	1,080	1,146	977	882	14,709
The following are projections:															
2000 - 01	197	1,147	1,181	1,165	1,163	1,194	1,288	1,213	1,163	1,191	1,105	1,217	1,024	976	15,224
2001 - 02	200	1,205	1,171	1,205	1,189	1,227	1,230	1,358	1,239	1,195	1,175	1,203	1,083	1,015	15,695
2002 - 03	200	1,174	1,230	1,195	1,217	1,267	1,281	1,277	1,394	1,270	1,259	1,196	1,108	1,107	16,175
2003 - 04	200	1,183	1,202	1,255	1,228	1,234	1,304	1,307	1,302	1,411	1,250	1,236	1,253	1,214	16,579
2004 - 05	200	1,191	1,209	1,226	1,267	1,240	1,310	1,334	1,338	1,336	1,423	1,244	1,216	1,175	16,709
2005 - 06	200	1,202	1,216	1,230	1,238	1,291	1,277	1,289	1,366	1,357	1,331	1,408	1,228	1,238	16,871
2006 - 07	200	1,270	1,220	1,243	1,243	1,260	1,324	1,302	1,336	1,406	1,341	1,337	1,386	1,250	17,118
2007 - 08	200	1,216	1,234	1,251	1,252	1,262	1,277	1,350	1,319	1,370	1,436	1,334	1,339	1,400	17,240
2008-09	200	1,239	1,241	1,258	1,263	1,271	1,295	1,302	1,377	1,350	1,287	1,436	1,234	1,328	17,081

Sources: Lakota Local School District records.
 EMIS October 1999 data

Lakota Local School District, Ohio
 State Basic Aid and Lakota Per Pupil Cost
 Last Ten Years

Table 14

<u>Year</u>	<u>Proposed State Basic Aid Per Pupil (1) (3)</u>	<u>Percentage Change</u>	<u>Actual State General Fund Aid Per Pupil Received</u>	<u>Percentage Change</u>	<u>Lakota Cost Per Pupil in ADM (2)</u>	<u>Percentage Increase (2)</u>
1999/2000	4,052	5.2%	1,697	-3.9%	6,255	6.9%
1998/1999	3,851	5.1%	1,766	4.7%	5,850	3.5%
1997/1998	3,663	4.7%	1,687	-5.2%	5,650	30.3%
1996/1997	3,500	5.6%	1,779	3.0%	4,337	5.5%
1995/1996	3,315	9.2%	1,727	4.6%	4,109	-2.0%
1994/1995	3,035	5.7%	1,652	-4.4%	4,193	-1.1%
1993/1994	2,871	1.9%	1,728	3.6%	4,241	2.6%
1992/1993	2,817	3.9%	1,669	5.8%	4,135	9.7%
1991/1992	2,710	2.8%	1,578	-5.4%	3,769	-2.5%
1990/1991	2,636	4.2%	1,669	4.7%	3,866	14.2%

Source: School district financial records.

- (1) Actual state revenue increase percent is less than reflected. This chart shows statewide per student allotment which is then adjusted for individual school district characteristics.
- (2) These costs are cited in the annual School Report filed with the Ohio Department of Education and State Auditor's Office each year. They reflect only those expenditures associated with the General Fund school program for 1990/91 to 1996/97. In 1997/98 cost per pupil is based on total funds.
- (3) Increase to state basic aid per pupil are misleading without noting the corresponding increases to the local charge off requirement. For Fiscal Year 1993-1994 and prior the local charge off was 20 mills of local effort. During Fiscal Year 1994-1995 that charge off requirement was increased to 21 mills and for Fiscal Year 1995-1996 it was increased to 22 mi of the local effort. In 1996/97 the charge off was increased to 23 mills.

Lakota Local School District, Ohio
 Educational Statistics
 Last Ten Fiscal Years

Table 15

Graduation Rate (%)		90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00
Students Graduating		94.01	96.49	93.57	87.85	85.57	83.59	89.09	91.84	95.20	90.60
Student Attendance Rate (%)		90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00
All Grades		95.39	95.45	95.72	96.07	95.76	95.50	95.57	95.68	95.30	94.50
Student Dropout Rate (%)		90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00
All Grades		1.55	1.35	1.90	1.83	1.52	1.44	1.65	1.30	**	**
% of College Preparatory		90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00
Students Graduating		63.71	42.08	26.58	25.49	23.24	95.87	64.84	73.80	**	**
ACT Scores		90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98 *	98-99*	99-00*
Lakota High School		22.3	22.4	22.5	22.4	22.7	23.0	22.7	-	-	-
Lakota East High School		-	-	-	-	-	-	-	22.2	22.8	23.1
Lakota West High School		-	-	-	-	-	-	-	22.1	22.5	22.8
National		20.6	20.6	20.7	20.8	20.7	20.9	21.0	21.0	21.0	21.0
Ohio		20.9	20.9	21.0	21.2	21.2	21.3	21.3	21.4	21.4	21.4

* District opened two new high schools to replace the one Lakota High School beginning 1997-98.

** Information was unavailable at the time this report was published.

Lakota Local School District, Ohio
 Certified Staff Statistics
 Last Ten Fiscal Years

Table 16

Teacher Class Size	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00
Pupil/Teacher Ratio	21.35	21.24	23.07	22.46	22.95	23.37	22.91	21.88	19.7	19.7
Teacher Education	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00
Teachers with No Degree	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	0.0%	0.1%	0.1%
Teachers with Bachelors Degree	32.7%	45.7%	46.8%	30.8%	29.1%	30.9%	27.5%	26.5%	22.7%	22.1%
Teachers with Bachelors plus 150 Hours	25.7%	20.7%	20.9%	27.2%	28.2%	29.5%	30.7%	30.4%	27.3%	27.9%
Teachers with Masters Degree	41.6%	33.5%	32.3%	42.0%	42.6%	39.4%	41.7%	43.1%	49.9%	50.8%
Teacher Experience	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00
Average Teachers Experience	11.80	11.80	11.20	11.20	11.40	11.10	12.00	11.90	11.60	11.30

Source: Vital Statistics-Ohio State Department of Education.

**LAKOTA LOCAL SCHOOL DISTRICT
BUTLER COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program	04-PU-00	10.550	\$0	\$152,672	\$0	\$142,865
School Breakfast Program	05-PU-00 05-PU-99	10.553	16,091 <u>2,945</u> 19,036		16,091 <u>2,945</u> 19,036	
National School Lunch Program	03-PU-00 03-PU-99 04-PU-00 04-PU-99	10.555	113,324 44,722 76,632 <u>28,852</u> 263,530		113,324 44,722 76,632 <u>28,852</u> 263,530	
Total U.S. Department of Agriculture - Nutrition Cluster			<u>282,566</u>	<u>152,672</u>	<u>282,566</u>	<u>142,865</u>
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States	6B-SF-99 6B-SF-98	84.027 84.027	375,972 79,957 <u>455,929</u>		372,022 135,670 <u>507,692</u>	
Special Education - Preschool Grants	PG-S1-99 PG-S1-98	84.173 84.173	36,788 3,578 <u>40,366</u>		33,355 14,783 <u>48,138</u>	
Total Special Education Cluster			<u>496,295</u>		<u>555,830</u>	
Grants to Local Educational Agencies (ESEA Title I)	C1-S1-00 C1-S1-99 C	84.010 84.010	168,228 0 <u>168,228</u>		167,081 2,207 <u>169,288</u>	
Emergency Immigration Act 84	EI-S1-00 EI-S1-99	84.162 84.162	7,139 0 <u>7,139</u>		0 6,345 <u>6,345</u>	0
Safe and Drug-Free Schools and Communities: State Grant	DR-S1-00 DR-S1-99 C DR-S1-99	84.186 84.186 84.186	46,425 8,615 <u>5,679</u> 60,719		49,553 7,855 <u>25,565</u> 82,973	
Goals 2000	G2-S8-00 G2-A2-99 G2-S4-98	84.276 84.276 84.276	3,000 8,223 <u>(2,820)</u> 8,403		1,768 8,223 <u>0</u> 9,991	
Eisenhower Professional Development State Grants	MS-S4-00 MS-S1-00 MS-S1-99 MS-S1-98 C	84.281 84.281 84.281 84.281	1,000 24,658 20,246 0 <u>45,904</u>		0 20,328 13,869 23,168 <u>57,365</u>	
Innovative Education Program Strategies	C2-S1-00 C2-S1-99 C2-S1-99 C	84.298 84.298 84.298	70,530 10,102 <u>17,201</u> 97,833		56,910 8,541 <u>16,723</u> 82,174	
Class Size Reduction	CR-S1-00	84.340	85,728		1,801	
Total Department of Education			<u>970,249</u>		<u>949,431</u>	
TOTAL FEDERAL ASSISTANCE			<u>\$1,252,815</u>	<u>\$152,672</u>	<u>\$1,231,997</u>	<u>\$142,865</u>

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

**LAKOTA LOCAL SCHOOL DISTRICT
BUTLER COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
JUNE 30, 2000**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2000, the District had no significant food commodities in inventory.



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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

Lakota Local School District
Butler County
5030 Tylersville Road
West Chester, Ohio 45069

To the Board of Education:

We have audited the financial statements of Lakota Local School District, Butler County, Ohio (the District), as of and for the fiscal year ended June 30, 2000, and have issued our report thereon dated April 26, 2001. 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 Lakota Local School 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2000-10409-001.

We also noted immaterial instances of noncompliance that we have reported to the management of Lakota Local School District in a separate letter dated April, 26, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lakota Local School 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. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the District's ability to record, process, summarize and report financial data consistent with assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings as items 2000-10409-002, 2000-10409-003, and 2000-10409-004.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the management of Lakota Local School District in a separate letter dated April 26, 2001.

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

Jim Petro
Auditor of State

April 26, 2001



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

Lakota Local School District
Butler County
5030 Tylersville Road
West Chester, Ohio 45069

To the Board of Education:

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

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standard 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 the 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 Lakota Local School District, Butler County, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the fiscal year ended June 30, 2000.

Internal Controls Over Compliance

The management of the Lakota Local School District, Butler County, Ohio, 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 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 operations that we consider to be material weaknesses.

We have audited the general-purpose financial statements of the District as of and for the fiscal year ended June 30, 2000, and have issued our report thereon dated April 26, 2001. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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

Jim Petro
Auditor of State

April 26, 2001

**LAKOTA LOCAL SCHOOL DISTRICT
BUTLER COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2000**

1. SUMMARY OF AUDITOR'S RESULTS
--

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported non-compliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Child Nutrition Cluster – CFDA #10.555 ESEA Title I – CFDA #84.010
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$300,000 Type B: all other programs
(d)(1)(ix)	Low Risk Auditee?	Yes

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

FINDING NUMBER 2000-10409-001

Material Noncompliance

Ohio Revised Code, Section 5705.41(D), states that fiscal officers may prepare so-called “blanket” certificates not exceeding \$5,000 against any specific line item account over a period not exceeding 3 months or running beyond the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation. In addition to regular blanket certificates, a subdivision’s fiscal officer may also issue so-called “super blanket” certificates for amounts over \$5,000 for expenditures and contacts from a specific line item appropriation account in a specified fund for most professional services, fuel, oil, food items and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the fiscal year or, in the case of counties, beyond the quarterly spending plan established by the county commissioners. More than one super blanket certificate may be outstanding at one particular time for a particular line item appropriation account.

The District initiated super blanket purchase orders and did not include an amount encumbered when they were opened. Also, certain purchase orders were not closed out as required. We recommend the District comply with legal requirements relating to “blanket” and “superblanket” purchase orders.

FINDING NUMBER 2000-10409-002

Reportable Condition

The District did not prepare accurate or complete cash reconciliations for the audit period for the general investment account and the payroll account. In examining the monthly proof of cash reports prepared by the District for fiscal year 2000, we found that:

- a. After audit adjustments, at June 30, 2000, the District’s adjusted bank cash balance of \$25,180,677 was not reconciled to the District’s book balance of \$25,197,977. As of the date of the District’s most recent reconciliation (January 31, 2001) the adjusted bank balance was approximately \$18,300 less than the book balance.
- b. Certain reconciling items were included in both the District’s records and the bank balances in a prior month but were listed on the proof of cash as reconciling items for a later month.
- c. Certain reconciling items were not supported with documentation.
- d. Reconciling items were not properly described on the reconciliation worksheet. They were labeled as “deposits in transit” when they were corrections and “investment interest not receipted correctly” when there was no backup.
- e. The proof of cash reports prepared by the District did not always foot and crossfoot.
- f. The balance on the proof of cash reports prepared by the District did not always carry forward to the next month.
- g. Many error corrections were not made to the District’s records in a timely manner, but rather were carried on the proof of cash reports prepared by the District.

FINDING NUMBER 2000-10409-002
(Continued)

- h. Some proofs of cash did not include all reconciling items and some reconciling items were included on the investment summary sheets instead. One month the item would be on the reconciliation, another month the item would be on the investment summary.
- i. Escrow money needed to balance the books was included on the proof of cash through October of 1999 and then was removed from the schedule in error.
- j. The District booked \$31,826 more to interest revenue than was earned. We recommend interest revenue be reviewed and monitored.
- k. The District recorded \$142,498 in general fund tax money twice; recorded \$13,038 in fund 002 tax money twice; recorded the associated auditor and treasurer's fees twice; recorded a \$214,176 worker's compensation refund to taxes instead of set aside reserve; and recorded \$9,351 mobile home homestead revenue as taxes instead of intergovernmental revenue. This list is not all inclusive, but includes examples of errors found during testing. Also, transaction descriptions in the system are often missing, misleading, or incorrect.
- l. During the prior audit period, interest expense was recorded in the District's system for \$115,119 more than was actually paid. The prior period financial statements were adjusted for this amount, however, the District's system was never adjusted. The District's system therefore misstates the fund balance by \$115,119. The District's reconciliations did not include this adjustment.
- m. The District did not properly maintain an investment record. Backup documentation was located in several places and was not summarized. Failure to maintain an adequate investment record could lead to the misappropriation of assets, improper reconciling, and the improper receipting of interest revenue. The investment record should include a description of the investment, maturity date, financial institution or broker involved, amount invested, date purchased or redeemed, and any applicable receipt or check numbers. We recommend an investment record including all pertinent information be kept and that the investment record be reviewed monthly by a knowledgeable individual other than the preparer.
- n. The District did not maintain adequate records detailing escrow account transactions. This resulted in incorrect payments to vendors. We recommend the District maintain complete and correct records of all relevant transactions necessary to conduct the business of the District.

Reconciliations are an effective tool to help management determine the completeness of recorded transactions and verify that all recorded transactions have been deposited with the financial institution. We recommend the District properly reconcile their accounts on a monthly basis. Any variances should be immediately investigated and justified. We also recommend that a second individual review and sign off on the reconciliation thereby indicating approval and promoting timeliness of reconciliations. We considered the effects of these matters in forming our opinion on the financial statements.

FINDING NUMBER 2000-10409-003

Reportable Condition

Monitoring and application controls were not always sufficient to enable management to prevent and detect errors and promote retention of appropriate documentation. During the course of the audit the District did not provide supporting documentation for many memo checks. Memo checks were also initiated by the Assistant Treasurer with no approval. Memo checks are used to record expenditures when no actual check is written; for example payroll transfers and correcting entries. We were able to determine that memo checks seemed reasonable by inquiring of employees and checking other records. Without supporting documentation and approval, memo checks could be used to misappropriate assets. We recommend a file be kept that includes documentation adequate to support each memo check or correcting entry and that the Treasurer sign each entry indicating his approval.

FINDING NUMBER 2000-10409-004

Reportable Condition

The District's assets were reappraised as of December 13, 2000. The fixed asset records provided by the District for the period following the appraisal were not sufficient to determine the correct value of fixed assets for the General Fixed Assets Account Group or the Enterprise accounts. The District's fixed asset reports were inaccurate and incomplete. The District's internal reports did not reconcile, the summary of the detail did not tie to the financial statements and the listing of additions and disposals did not tie to backup documentation. We recommend the fixed asset listing be updated annually with additions and disposals backed by appropriate documentation. All items on the listing should have adequate description and should be traceable to a tagged item. The lack of documentation for additions and disposals could result in items being lost or stolen, and could result in disposed items not being removed from the fixed asset listing. We considered the effects of this matter in forming our opinion on the financial statements.

3. FINDINGS FOR FEDERAL AWARDS

None



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LAKOTA LOCAL SCHOOL DISTRICT

BUTLER COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 24, 2001**