

LEBANON CITY SCHOOL DISTRICT

LEBANON, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2000

*Prepared by:
Mary Beth Kemmer, Treasurer*



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street,
1st Floor
Columbus, Ohio 43215
Telephone 614-466-4514
800-282-0370
Facsimile 614-728-7398
www.auditor.state.oh.us

Lebanon City School District
645 Oak Street
Lebanon, Ohio 45036

We have reviewed the Independent Auditor's Report of the Lebanon City School District, Warren County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 1999 through June 30, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

December 30, 2000

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**LEBANON CITY SCHOOL DISTRICT, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the Fiscal Year Ended June 30, 2000

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Lebanon City Schools

645 Oak Street • Lebanon, Ohio 45036-1634
Phone (513) 932-9470 • Fax (513) 932-5906

December 14, 2000

TO THE CITIZENS AND BOARD OF EDUCATION OF THE LEBANON CITY SCHOOL DISTRICT:

We are pleased to present the eighth Comprehensive Annual Financial Report (CAFR) of the Lebanon City School District (District) for the fiscal year ended June 30, 2000. This report financial statements, supplemental statements, and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 1999-2000 fiscal year.

Responsibility for the accuracy, completeness, and fairness of the report rests with the District. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB).

This report has been divided into three sections:

The Introductory Section includes this transmittal letter, the GFOA Certificate of Achievement, the ASBO Certificate of Excellence, the list of principal officials, and the District's organizational chart.

The Financial Section includes the unqualified opinion of our independent auditors, Plattenburg and Associates, Inc., the general purpose financial statements, and the combining and individual fund and account group statements and schedules.

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

This report includes all funds and account groups of the District. The District provides a full range of traditional and non-traditional educational programs, services, and facilities. These include elementary and secondary curriculum offerings at the general, college preparatory, and vocational levels; a broad range of co-curricular and extra-curricular activities; special education programs; and facilities and community recreation facilities.

DESCRIPTION OF THE DISTRICT

The District serves an area of 81.9 square miles in the central part of Warren County, encompassing the City of Lebanon and portions of 3 other cities and 8 townships. Located approximately 35 miles northeast of the City of Cincinnati and 30 miles south of the City of Dayton, Lebanon is a desirable location for many families who work in either or both metropolitan areas.

During the 1999-2000 school year, the District served 4,456 students enrolled in 3 elementary schools, 1 intermediate school, 1 middle school, and 1 high school. This enrollment increased 51 students from the 1998-99 school year. The preliminary enrollment for the 2000-2001 school year was 4,496, an increase of 40 students.

ORGANIZATION OF THE DISTRICT

The Board of Education of the Lebanon City School District is a five-member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board: (1) serves as the taxing authority, contracting body and policy maker; (2) ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars; and (3) approves the annual appropriation resolution.

The current Board members, their terms and years on the Board are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mrs. Katherine Poitinger	Jan. 1999 - Dec. 2003	4 ½
Mr. Orville Robinson	Jan. 1998 - Dec. 2001	2 ½
Mr. Paul Brewer	Jan. 2000 - Dec. 2003	½
Mr. Norman Dreyer II	Jan. 1998 - Dec. 2001	2 ½
Ms. Donna Behymer	Jan. 2000 - Dec. 2003	½

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Mr. James W. Sears was appointed Superintendent effective August 12, 1999.

The Treasurer is the chief financial officer of the District and is directly responsible to the Board for all financial operations, investments, custody of all District funds and assets, and serves as Secretary to the Board. Mrs. Mary Beth Kemmer was appointed Treasurer effective February 16, 2000.

ECONOMIC CONDITION AND OUTLOOK

The entire Lebanon City School District continued to experience growth during the 1998-99 year. The primary township, Turtlecreek, continued to experience large residential construction growth. The outlook for Turtlecreek Township and the 7 other townships is very positive, as continued residential construction is expected with 8 residential subdivisions in various stages of development. In addition to the City of Lebanon, the townships are also actively pursuing companies to develop an industrial base in the community.

The economic condition and outlook for the City of Lebanon is very positive, as can be measured by the significant new construction experienced in the past decade. Evidence of this new construction is the increase in the number and value of building permits issued since 1990.

<u>Year</u>	<u>Residential Construction</u>		<u>Commercial Construction</u>	
	<u>Number of Permits</u>	<u>Value</u>	<u>Number of Permits</u>	<u>Value</u>
1990	100	\$3,156,492	58	\$11,417,957
1991	136	6,022,968	45	3,054,711
1992	192	8,198,299	42	4,575,812
1993	228	10,892,924	32	2,374,595
1994	192	8,573,264	49	22,151,935
1995	284	17,677,894	82	11,362,500
1996	351	20,637,230	78	6,356,055
1997	291	19,110,569	80	13,093,658
1998	267	15,298,503	82	16,028,448
1999	321	20,556,607	89	22,130,622

As the table demonstrates, new construction in the City of Lebanon remained strong during 1999. During 1999, 321 new residential units were in various stages of development. Also, commercial development was strong with a Kroger Grocery Superstore under construction and continued industrial park growth.

The Golden Lamb Inn the oldest hotel in Ohio continued to be the primary attraction in downtown Lebanon. The Inn, which dates back to 1803, has a guest list, which includes Mark Twain, Charles Dickens, and ten U.S. Presidents. The Apple Festival and Christmas Festival, featuring the candlelight horse parade, also are main attractions to Lebanon. All of this added to the growth of Lebanon as a destination for those seeking good food and entertainment in a rural atmosphere.

The Lebanon community is expected to continue to grow, as more people become aware of its many conveniences. The City of Lebanon addresses the growth by maintaining the uniqueness of the historical downtown while encouraging industrial and commercial development.

EMPLOYEE RELATIONS

The Board employs 449.87 full-time equivalent (FTE) employees. Of the Board's current employees, 306.82 FTE are certificated by the Ohio Department of Education serving as classroom teachers, education specialists, and administrators, all of whom have at least a bachelor's degree and 118 of whom hold advanced degrees. The number of FTE increased 25.20 from 1999-00, showing the District's commitment to keeping class sizes as low as possible to deliver a quality education.

The starting salary for a teacher with a bachelor's degree for the 1999-2000 school year was \$26,125, and the maximum salary for a teacher with a master's degree and 30 years longevity was \$57,214. Certificated teachers and education specialists are represented by the Lebanon Education Association (LEA) which is a labor organization affiliated with the Ohio Education Association. The current labor agreement expires August 31, 2002.

The 143.05 FTE classified employees are represented by the Ohio Association of Public School Employees, Chapter 511 (OAPSE) which is a labor organization affiliated with the American Federation of State, County and Municipal Employees (AFSCME). The current labor agreement also expires August 31, 2002.

MAJOR INITIATIVES FOR THE YEAR

Current Focus - Report Cards, Literacy

This spring, the state issued a 1999 School District Report Card grading each school district in Ohio according to 27 standards. Most of these standards are proficiency scores for grades four, six, and nine. According to the state standards, Lebanon ranks as a “continuous improvement” district accomplishing 21 of the 27 standards. The results reveal that Lebanon Schools improved from meeting 15 to meeting 21 of the 27 goals. The District will work toward improving some of the weaker areas such as the fourth grade proficiency scores, especially math and science.

The District is working to address those areas through the continued implementation of the District’s five-year Strategic Plan. The district revised the Fourth through Twelfth Business/Technology course of study as well as the Ninth through Twelfth Family Living/Consumer Science course of study. In addition, curriculum alignment studies were completed and revisions initiated on the Science & Social Studies courses of study. The Lebanon City Schools continues to focus on literacy. In May 2000 the LCS was recipient of the Reading Excellence Act Grant from the State of Ohio. We were awarded \$734,116, the largest grant ever received by LCS, to implement researched-based reading practices in our primary buildings.

The report card, in addition to listing test scores, also provides a district profile that compares Lebanon with similar districts in Ohio and state averages. Lebanon schools are below average in the amount of local, state, and federal funding received while ranking above average in enrollment and median household income. In addition, the District ranks below the average spent on administration costs, building operations, staff support, pupil support, instruction costs and per pupil spending.

Department Focus - North Central Accreditation

All six of our schools are currently accredited by the North Central Commission of Schools. The Lebanon City Schools have been selected to participate in a nationwide pilot program for the transitions model from the North Central Commission of Schools. This model will encourage our schools to evaluate how our students make the transition between grades, between schools, and between school to work. By evaluating our students at this level, we will be able to begin to educate the students in a way that will enable them to be successful in life.

FINANCIAL INFORMATION

The District’s accounting system is organized on a “fund” basis. Each fund and account group is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, more fully described in the notes to the financial statements, provides for a modified accrual basis of accounting for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, Expendable Trust Fund, and Agency Funds, and for a full accrual basis for all other funds.

Internal Controls

The management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with (GAAP). The internal controls are designed to provide reasonable, but not absolute, assurance that

these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

Federal and State Assistance

As a recipient of federal and state financial assistance, the District is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management of the District.

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function and object of expenditure within an individual fund. The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriation balances are reviewed prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

General Fund

The following tables present the amount of revenues by source, including other financing sources, and expenditures by function, including other financing uses, for the General Fund for the fiscal year ended June 30, 2000 and the percentage of increases and decreases in relation to prior year revenues and expenditures.

Revenues by Source and Other Financing Sources

	2000 Fiscal	1999 Fiscal	Percent of Total	Difference from 1999	Percent Change
Taxes	\$11,302,538	\$9,188,807	48.30%	\$2,113,731	23.00%
Intergovernmental	11,469,372	10,654,313	49.01%	815,059	7.65%
Investment	422,709	363,858	1.81%	58,851	16.17%
Tuition and Fees	81,967	161,894	0.35%	(79,927)	(49.37%)
Other Revenue	123,509	158,845	0.53%	(35,336)	(22.25%)
Total	\$23,400,095	\$20,527,717	100.00%	\$2,872,378	13.99%

The District's 13.99% increase in revenues and 7.65% increase in intergovernmental is largely attributed to the new construction and enrollment growth throughout the district. The 23.00% increase in taxes reflects one half collection from the levy passed in November 1999.

Expenditures by Function and Other Financing Uses

	2000 Fiscal	1999 Fiscal	Percent of Total	Difference from 1999	Percent Change
<hr/>					
Instruction					
Regular	\$10,897,572	\$10,481,150	50.69%	\$416,422	3.97%
Special	985,286	1,004,530	4.58%	(19,244)	(1.92%)
Other Instruction	217,674	236,461	1.02%	(18,787)	(7.95%)
Support Services					
Pupils	987,007	923,111	4.59%	63,896	6.92%
Instructional	1,449,419	1,003,996	6.74%	445,423	44.37%
Board of Education	81,505	35,645	0.38%	45,860	128.66%
Administration	1,801,156	1,793,433	8.38%	7,723	0.43%
Fiscal	506,087	534,601	2.35%	(28,514)	(5.33%)
Business	141,429	128,993	0.66%	12,436	9.64%
	1,571,910	1,551,876	7.31%	20,034	1.29%
Maintenance/Operations					
Pupil Transportation	2,258,200	1,457,646	10.50%	800,554	54.92%
Central	159,938	122,304	0.74%	37,634	30.77%
Non-Instructional Services	3,518	991	0.02%	2,527	254.99%
Extracurricular Activities	416,946	379,515	1.94%	37,431	9.86%
Capital Outlay	22,500	0	0.10%	22,500	100.00%
Total	<u>\$21,500,147</u>	<u>\$19,654,252</u>	100.00%	\$1,845,895	9.39%

The District's 9.39% increase in expenditures is due to the continuing student enrollment growth of the District and the spending of money to meet the additional needs. Additional personnel were hired in all areas to address the needs to continue to provide a quality education to the students.

Special Revenue Funds

Special Revenue Funds account for funds that derive revenue primarily from grants and entitlements restricted by law to expenditures for specific purposes. The fund balance for all Special Revenue Funds decreased \$44,467 during the 2000 fiscal year.

Capital Projects Funds

Capital Projects Funds account for the purchase of equipment and the financing of major improvement projects. The Capital Projects Funds ended the 2000 fiscal year with a fund balance of \$802,115.

Enterprise Funds

The District's two Enterprise Funds are the Food Service Fund and the Uniform School Supplies Fund. These funds are similar in nature to profit-making activities found in the private sector and are managed accordingly. The District's Enterprise Funds operated in 2000 with \$1,068,065 in total revenues and transfers in and recorded a net profit of \$46,458.

Internal Service Funds

The District's two Internal Service Funds are the Employee Benefits Self-Insurance Fund and the Warren County Juvenile Detention Center Fund. In fiscal year 2000, these programs operated at a \$210,745 combined loss.

Debt Administration

The District has three debt issues outstanding at June 30, 2000. The first issue is \$7,375,000 of general obligation bonds issued for the construction of a new grades 4-5 elementary building and an 8-classroom addition to the high school. The bonds were issued on August 15, 1992 at an interest rate of 4.65%. The amount of outstanding bonds at June 30, 2000 is \$1,185,000. This issue will be retired on December 1, 2000.

The second issue is a \$1,440,000 general obligation bond issued for renovations made under the House Bill 264 program. The bonds were issued on May 15, 1995 at an interest rate of 5.25%. The amount of outstanding bonds at June 30, 2000 is \$950,000. This issue will be retired on December 1, 2005.

The third issue is a \$290,000 general obligation bond issued for school bus purchases. The bonds were issued on June 1, 1997 at an interest rate of 5.20%. The amount of outstanding bonds at June 30, 2000 is \$156,000. This issue will be retired on April 15, 2003.

Cash Management

The District operates a cash management program designed to provide safety, liquidity, and yield, in that order. Funds are invested in overnight savings accounts, certificates of deposit, in the Ohio State Treasurer's Investment Pool (Star Ohio), or in United States Government bills or notes. The amount of investment income in fiscal year 2000 for all District funds was \$596,691. A more detailed description of the District's investment functions is provided in Note 4 to the financial statements.

Risk Management

The District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss, and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio. The maximum deductible amount for these coverages is \$500 per loss incurred.

The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The District joined a group rating program with other schools in southwestern Ohio in an effort to control these costs.

The District has elected to provide employee medical/surgical and dental benefits through a self-insurance program. A third-party administrator, Harrington Benefit Services located in Dayton, Ohio, reviews and pays all claims. Michael Insurance Planning serves as consultant to the District in selecting the third-party administrator and setting premium levels and coverage levels. The employees share the cost of the monthly premium with the Board, and the premium shared cost varies depending on the terms of the union contract.

OTHER INFORMATION

Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Plattenburg and Associates, Inc. conducted the District's audit for fiscal year 2000. The Auditor's report on the District's general purpose financial statements, and combining and individual fund statements and schedules is included in the financial section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1999. The Certificate of Achievement is the highest form of recognition for excellence in state and local government reporting, and the award was the fifth for the District. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting a governmental unit must publish a Comprehensive Annual Financial Report, the contents of which are easily readable, efficiently organized, and conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The District believes our current report conforms to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence on Financial Reporting for the fiscal year ended June 30, 1999 to the District. The award was the fifth for the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 1999 substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after extensive review of the report by an expert panel of certified public accountants and practicing school business officials. The District believes our current report conforms to the ASBO's principles and standards, and we are submitting it to ASBO to determine its eligibility for a certificate.

The GFOA also awarded an Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended June 30, 1999 to the District. The award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In fact, the District is the first school district in Ohio and second district in the nation to receive the award.

Acknowledgments

The preparation and publication of the 2000 Comprehensive Annual Financial Report of the Lebanon City School District was made possible by the combined efforts of the entire Treasurer's office staff. Sincere appreciation is extended to Mr. Richard Taylor for his exceptional individual efforts in preparing this report. Finally, this report would not have been possible without the support, commitment, and leadership of the Board of Education to continue the pursuit of excellence in financial reporting.

Sincerely,

Mrs. Mary Beth Kemmer, Treasurer

Mr. James W. Sears, Superintendent

**LEBANON CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICIALS**

ELECTED OFFICIALS

President, Board of Education.....	Mr. Norman Dreyer II
Vice President, Board of Education.....	Mr. Orville Robinson
Board Member.....	Mr. Paul Brewer
Board Member.....	Mrs. Katherine Poitinger
Board Member.....	Mrs. Donna Behymer

ADMINISTRATIVE OFFICIALS

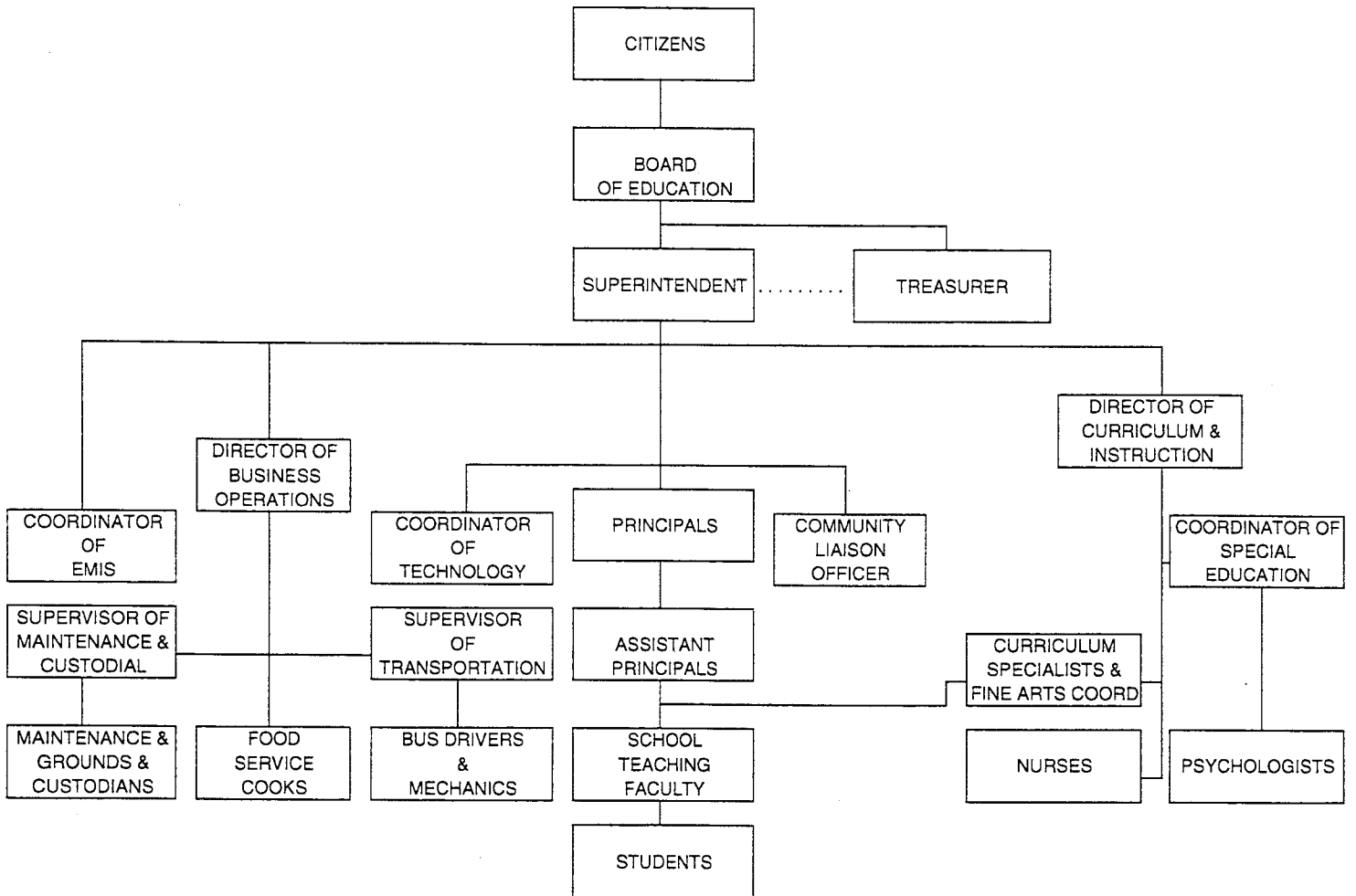
Superintendent.....	Mr. James W. Sears
Treasurer.....	Mrs. Mary Beth Kemmer
Director of Curriculum, Instruction, Special Education.....	Mrs. Peggy McClusky
Director of Business Operations.....	Mr. R. Stuart Long
Supervisor of Maintenance.....	Mr. James Cooper
Supervisor of Transportation.....	Mr. Doug Keiter
Coordinator of Technology.....	Mr. David Scoville
Community Liaison Officer	Ms. Carole Dorn

OFFICE OF THE TREASURER

Treasurer.....	Mrs. Mary Beth Kemmer
Assistant Treasurer.....	Mr. Richard Taylor
Payroll Specialist.....	Ms. Linda Givens
Accounting Specialist.....	Mrs. Pandora Henderson
Payroll Assistant.....	Mrs. Terri Lenos
Secretary/Accounting Specialist.....	Mrs. Lori Kesner

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LEBANON CITY SCHOOL DISTRICT ORGANIZATIONAL CHART



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

LEBANON CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 1999

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

Sam Deering
President

Don L. Huger
Executive Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lebanon City School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1999

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



Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

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Independent Auditors' Report

October 27, 2000

Board of Education
Lebanon City School District
Lebanon, Ohio

We have audited the accompanying general purpose financial statements of the Lebanon City School District (the District), as of and for the 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In accordance with *Governmental Auditing Standards*, we have also issued a report dated October 27, 2000 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 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 of the District. 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.

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


Plattenburg & Associates, Inc.
Certified Public Accountants

GENERAL PURPOSE FINANCIAL STATEMENTS

The following general purpose financial statements, along with notes to general purpose financial statements, present an overview of the District's financial position at June 30, 2000 and the results of operations and cash flows of its proprietary and non-expendable funds for the year then ended.

LEBANON CITY 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	\$6,110,956	\$505,994	\$1,512,513	\$700,905
Restricted equity in pooled cash	336,290	0	0	0
Receivables:				
Taxes	10,391,100	0	0	794,790
Accounts	10,871	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	16,849,217	505,994	1,512,513	1,495,695
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
Liabilities				
Accounts payable	213,159	25,400	0	5,469
Accrued wages and benefits	1,897,671	68,395	0	0
Compensated absences payable	69,760	0	0	0
Deferred revenue	8,986,935	0	0	688,111
Undistributed Monies	0	0	0	0
Due to students	0	0	0	0
Claims payable	0	0	0	0
General obligations bonds payable	0	0	0	0
Total liabilities	11,167,525	93,795	0	693,580
Fund Equity and other credits:				
Contributed capital	0	0	0	0
Investment in general fixed assets	0	0	0	0
Retained earnings:				
Unreserved	0	0	0	0
Fund balances:				
Reserved:				
Reserved for property taxes	1,404,165	0	0	106,679
Reserved for endowments	0	0	0	0
Reserved for encumbrances	291,520	31,419	0	14,336
Reserved for set-aside	336,290	0	0	0
Unreserved:				
Undesignated	3,649,717	380,780	1,512,513	681,100
Total fund equity and other credits	5,681,692	412,199	1,512,513	802,115
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	16,849,217	505,994	1,512,513	1,495,695

See accompanying notes

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	Fixed Assets	Long-Term Obligations	
\$57,656	\$838,664	\$233,565	\$0	\$0	\$9,960,253
0	0	0	0	0	336,290
0	0	0	0	0	11,185,890
1,056	122,215	0	0	0	134,142
17,024	0	0	0	0	17,024
57,540	2,573	0	21,582,247	0	21,642,360
0	0	0	0	1,512,513	1,512,513
0	0	0	0	2,397,007	2,397,007
<u>133,276</u>	<u>963,452</u>	<u>233,565</u>	<u>21,582,247</u>	<u>3,909,520</u>	<u>47,185,479</u>
8,543	0	6,312	0	0	258,883
28,378	18,577	0	0	90,270	2,103,291
35,057	0	0	0	1,528,250	1,633,067
9,210	0	0	0	0	9,684,256
0	0	9,710	0	0	9,710
0	0	70,133	0	0	70,133
0	255,554	0	0	0	255,554
0	0	0	0	2,291,000	2,291,000
<u>81,188</u>	<u>274,131</u>	<u>86,155</u>	<u>0</u>	<u>3,909,520</u>	<u>16,305,894</u>
29,439	0	0	0	0	29,439
0	0	0	21,582,247	0	21,582,247
22,649	689,321	0	0	0	711,970
0	0	0	0	0	1,510,844
0	0	9,312	0	0	9,312
0	0	0	0	0	337,275
0	0	0	0	0	336,290
0	0	138,098	0	0	6,362,208
<u>52,088</u>	<u>689,321</u>	<u>147,410</u>	<u>21,582,247</u>	<u>0</u>	<u>30,879,585</u>
<u>\$133,276</u>	<u>\$963,452</u>	<u>\$233,565</u>	<u>\$21,582,247</u>	<u>\$3,909,520</u>	<u>\$47,185,479</u>

LEBANON CITY 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			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	\$11,302,538	\$0	\$495,333	\$846,526
Intergovernmental	11,469,372	782,178	73,512	95,982
Investment	422,709	1,601	106,721	29,580
Tuition and fees	81,967	24,058	0	0
Extracurricular activities	0	352,932	0	0
Other revenues	123,509	115,422	0	0
Total revenues	23,400,095	1,276,191	675,566	972,088
Expenditures:				
Current:				
Instruction:				
Regular	10,897,572	352,839	0	96,497
Special	985,286	382,729	0	0
Other	217,674	0	0	0
Support services:				
Pupil	987,007	56,378	0	0
Instructional Staff	1,449,419	53,475	0	66,226
Board of Education	81,505	0	0	0
Administration	1,801,156	46,191	383	1,731
Fiscal	506,087	0	8,321	11,612
Business	141,429	0	0	0
Operations and maintenance	1,571,910	0	0	380,877
Pupil Transportation	2,258,200	0	0	1,501
Central	159,938	34,383	0	3,155
Operation of non-instructional services	3,518	124,376	0	0
Extracurricular activities	416,946	270,896	0	0
Capital outlay	22,500	0	0	282,924
Debt Service:				
Principal retirement	0	0	1,362,000	0
Interest and fiscal charges	0	0	146,705	0
Total Expenditures	21,500,147	1,321,267	1,517,409	844,523
Excess of revenues over (under) expenditures	1,899,948	(45,076)	(841,843)	127,565
Other financing sources (uses):				
Proceeds of sale of fixed assets	10,515	0	0	0
Operating transfers in	0	609	163,732	0
Operating transfers (out)	(194,429)	0	0	0
Total other financing sources (uses)	(183,914)	609	163,732	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	1,716,034	(44,467)	(678,111)	127,565
Fund balance, July 1	3,965,658	456,666	2,190,624	674,550
Fund balance, June 30	\$5,681,692	\$412,199	\$1,512,513	\$802,115

See accompanying notes

FIDUCIARY FUND TYPE	Totals (Memorandum Only)
Expendable Trust	
\$0	\$12,644,397
0	12,421,044
18	560,629
0	106,025
0	352,932
13,765	252,696
<u>13,783</u>	<u>26,337,723</u>
0	11,346,908
412	1,368,427
0	217,674
0	1,043,385
0	1,569,120
0	81,505
0	1,849,461
0	526,020
0	141,429
0	1,952,787
0	2,259,701
0	197,476
0	127,894
6,200	694,042
0	305,424
0	1,362,000
0	146,705
<u>6,612</u>	<u>25,189,958</u>
<u>7,171</u>	<u>1,147,765</u>
0	10,515
0	164,341
0	(194,429)
<u>0</u>	<u>(19,573)</u>
7,171	1,128,192
1,871	7,289,369
<u>\$9,042</u>	<u>\$8,417,561</u>

LEBANON CITY 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		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Taxes	\$10,571,000	\$10,489,580	(\$81,420)	\$0	\$0	\$0
Intergovernmental	11,527,623	11,469,372	(58,251)	916,571	823,126	(93,445)
Interest	300,000	423,569	123,569	1,800	1,601	(199)
Tuition & fees	90,000	77,509	(12,491)	26,450	24,058	(2,392)
Extracurricular activities	0	0	0	321,799	352,931	31,132
Other revenues	85,000	123,078	38,078	86,117	115,422	29,305
Total revenues	22,573,623	22,583,108	9,485	1,352,737	1,317,138	(35,599)
Expenditures:						
Current:						
Instruction:						
Regular	11,297,811	11,018,651	279,160	461,009	364,154	96,855
Special	1,044,202	1,001,183	43,019	474,879	379,605	95,274
Other	220,513	217,674	2,839	0	0	0
Support services:						
Pupil	1,132,613	1,099,872	32,741	69,161	55,889	13,272
Instructional staff	1,538,644	1,415,822	122,822	87,337	54,270	33,067
Board of Education	82,542	81,768	774	0	0	0
Administration	1,993,120	1,921,447	71,673	53,543	47,540	6,003
Fiscal	557,874	540,491	17,383	0	0	0
Business	155,644	148,694	6,950	0	0	0
Operation and maintenance	1,807,295	1,792,404	14,891	0	0	0
Pupil transportation	2,342,018	2,093,170	248,848	0	0	0
Central	187,934	184,463	3,471	54,840	51,392	3,448
Operation of Non-Instructional services	3,580	3,566	14	167,995	134,032	33,963
Extracurricular activities	430,436	419,969	10,467	315,283	295,106	20,177
Capital outlay	75,000	75,000	0	0	0	0
Debt Service:						
Principal retirement	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0
Total expenditures	22,869,226	22,014,174	855,052	1,684,047	1,381,988	302,059
Excess of revenues over (under) expenditures	(295,603)	568,934	864,537	(331,310)	(64,850)	266,460
Other financing sources (uses):						
Proceeds from sale of fixed assets	10,000	10,515	515	0	0	0
Operating transfers in	0	0	0	0	609	609
Operating transfers out	(263,288)	(194,429)	68,859	0	0	0
Advances in	10,000	0	(10,000)	0	0	0
Total other financing sources (uses)	(243,288)	(183,914)	59,374	0	609	609
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(538,891)	385,020	923,911	(331,310)	(64,241)	267,069
Fund balance, July 1 (includes prior year encumbrances appropriated)	5,557,547	5,557,547	0	515,218	515,218	0
Fund balance, June 30	\$5,018,656	\$5,942,567	\$923,911	\$183,908	\$450,977	\$267,069

See accompanying notes

Debt Service			Capital Projects			Totals (Memorandum Only)		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$565,000	\$567,658	\$2,658	\$772,000	\$788,887	\$16,887	\$11,908,000	\$11,846,125	(\$61,875)
67,000	73,512	6,512	85,000	95,982	10,982	12,596,194	12,461,992	(134,202)
60,000	106,721	46,721	6,000	29,580	23,580	367,800	561,471	193,671
0	0	0	0	0	0	116,450	101,567	(14,883)
0	0	0	0	0	0	321,799	352,931	31,132
0	0	0	0	0	0	171,117	238,500	67,383
<u>692,000</u>	<u>747,891</u>	<u>55,891</u>	<u>863,000</u>	<u>914,449</u>	<u>51,449</u>	<u>25,481,360</u>	<u>25,562,586</u>	<u>81,226</u>
0	0	0	228,942	123,903	105,039	11,987,762	11,506,708	481,054
0	0	0	0	0	0	1,519,081	1,380,788	138,293
0	0	0	0	0	0	220,513	217,674	2,839
0	0	0	0	0	0	1,201,774	1,155,761	46,013
0	0	0	66,276	66,226	50	1,692,257	1,536,318	155,939
0	0	0	0	0	0	82,542	81,768	774
2,000	383	1,617	1,731	1,731	0	2,050,394	1,971,101	79,293
13,000	8,321	4,679	11,612	11,612	0	582,486	560,424	22,062
0	0	0	0	0	0	155,644	148,694	6,950
0	0	0	561,677	408,150	153,527	2,368,972	2,200,554	168,418
0	0	0	52,783	1,501	51,282	2,394,801	2,094,671	300,130
0	0	0	6,998	3,386	3,612	249,772	239,241	10,531
0	0	0	0	0	0	171,575	137,598	33,977
0	0	0	0	0	0	745,719	715,075	30,644
0	0	0	300,297	281,645	18,652	375,297	356,645	18,652
1,362,000	1,362,000	0	0	0	0	1,362,000	1,362,000	0
146,706	146,705	1	0	0	0	146,706	146,705	1
<u>1,523,706</u>	<u>1,517,409</u>	<u>6,297</u>	<u>1,230,316</u>	<u>898,154</u>	<u>332,162</u>	<u>27,307,295</u>	<u>25,811,725</u>	<u>1,495,570</u>
<u>(831,706)</u>	<u>(769,518)</u>	<u>62,188</u>	<u>(367,316)</u>	<u>16,295</u>	<u>383,611</u>	<u>(1,825,935)</u>	<u>(249,139)</u>	<u>1,576,796</u>
0	0	0	0	0	0	10,000	10,515	515
241,052	163,732	(77,320)	0	0	0	241,052	164,341	(76,711)
0	0	0	0	0	0	(263,288)	(194,429)	68,859
0	0	0	0	0	0	10,000	0	(10,000)
<u>241,052</u>	<u>163,732</u>	<u>(77,320)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(2,236)</u>	<u>(19,573)</u>	<u>(17,337)</u>
(590,654)	(605,786)	(15,132)	(367,316)	16,295	383,611	(1,828,171)	(268,712)	1,559,459
<u>2,118,299</u>	<u>2,118,299</u>	<u>0</u>	<u>664,804</u>	<u>664,804</u>	<u>0</u>	<u>8,855,868</u>	<u>8,855,868</u>	<u>0</u>
<u>\$1,527,645</u>	<u>\$1,512,513</u>	<u>(\$15,132)</u>	<u>\$297,488</u>	<u>\$681,099</u>	<u>\$383,611</u>	<u>\$7,027,697</u>	<u>\$8,587,156</u>	<u>\$1,559,459</u>

LEBANON CITY SCHOOL DISTRICT, OHIO

Combined Statement of Revenues, Expenses

And Changes in Retained Earnings/Fund Balance

All Proprietary Fund Types and Non-Expendable Trust Fund

For The Fiscal Year Ended June 30, 2000

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	Totals (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
Operating Revenues:				
Tuition and fees	\$0	\$122,079	\$0	\$122,079
Sales	825,855	0	0	825,855
Charges for Services	211,550	1,261,621	0	1,473,171
Interest revenue	98	28,360	7,604	36,062
Other revenues	474	0	108,357	108,831
Total revenues	1,037,977	1,412,060	115,961	2,565,998
Operating Expenses:				
Salaries and Wages	399,802	142,370	0	542,172
Fringe Benefits	74,712	18,172	0	92,884
Purchased Services	559,665	208,105	0	767,770
Materials and supplies	242,030	5,853	0	247,883
Depreciation	5,174	275	0	5,449
Claims	0	1,248,030	0	1,248,030
Other operating expenses	0	0	6,450	6,450
Total operating expenses	1,281,383	1,622,805	6,450	2,910,638
Operating income (loss)	(243,406)	(210,745)	109,511	(344,640)
Non-operating revenues:				
Federal donated commodities	45,656	0	0	45,656
Operating grants	214,120	0	0	214,120
Total non-operating revenues	259,776	0	0	259,776
Income (loss) before operating transfers	16,370	(210,745)	109,511	(84,864)
Operating transfers in	30,088	0	0	30,088
Net income (loss)	46,458	(210,745)	109,511	(54,776)
Retained Earnings/Fund Balance, July 1	(23,809)	900,066	28,857	905,114
Retained Earnings/Fund Balance, June 30	\$22,649	\$689,321	\$138,368	\$850,338

See accompanying notes

LEBANON CITY SCHOOL DISTRICT, OHIO
 Combined Statement Of Cash Flows
 All Proprietary Fund Types and Non-Expendable Trust Fund
 For The Fiscal Year Ended June 30, 2000

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	Totals (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
Cash flows from operating activities:				
Cash received from tuition and fees	\$0	\$5,738	\$0	\$5,738
Cash received from charges for services	0	0	0	0
Cash received from sales	1,037,405	0	0	1,037,405
Cash received from miscellaneous sources	572	1,407,923	116,333	1,524,828
Cash payments to suppliers for goods and services	(766,289)	(214,233)	0	(980,522)
Cash payments to employees for services	(494,113)	(166,793)	0	(660,906)
Cash payments for claims	0	(1,216,925)	0	(1,216,925)
Cash payments for other operating expenses	0	0	(6,450)	(6,450)
Net cash provided by (used for) operating activities	(222,425)	(184,290)	109,883	(296,832)
Cash flows from noncapital financing activities:				
Operating grants received	213,064	0	0	213,064
Miscellaneous revenue	30,088	0	0	30,088
Net cash provided by noncapital financing activities	243,152	0	0	243,152
Cash flows from capital and related financing activities				
Acquisition of capital assets	0	(824)	0	(824)
Net cash used for capital and related financing activities	0	(824)	0	(824)
Net increase in cash and cash equivalents	20,727	(185,114)	109,883	(55,328)
Cash and cash equivalents, July 1	36,929	1,023,778	28,485	1,089,192
Cash and cash equivalents, June 30	57,656	838,664	138,368	1,033,864

continued

LEBANON CITY SCHOOL DISTRICT, OHIO
 Combined Statement Of Cash Flows
 All Proprietary Fund Types and Non-Expendable Trust Fund
 For The Fiscal Year Ended June 30, 2000
 (Continued)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	Totals (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	<u>(243,406)</u>	<u>(210,745)</u>	<u>109,511</u>	<u>(344,640)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	5,174	0	0	5,174
Donated commodities used	45,656	0	0	45,656
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	0	(122,215)	372	(121,843)
(Increase) decrease in intergovernmental receivable	0	5,673	0	5,673
(Increase) decrease in interfund receivable	0	118,143	0	118,143
(Increase) decrease in materials and supplies inventory	4,956	0	0	4,956
Increase (decrease) in accounts payable	(15,206)	0	0	(15,206)
Increase (decrease) in claims payable	0	31,105	0	31,105
Increase (decrease) in accrued wages and benefits	(10,414)	(3,575)	0	(13,989)
Increase (decrease) in compensated absences	2,301	0	0	2,301
Increase (decrease) in interfund payable	<u>(11,486)</u>	<u>(2,676)</u>	<u>0</u>	<u>(14,162)</u>
Total Adjustments	<u>20,981</u>	<u>26,455</u>	<u>372</u>	<u>47,808</u>
Net cash provided by (used for) operating activities	<u><u>(222,425)</u></u>	<u><u>(184,290)</u></u>	<u><u>109,883</u></u>	<u><u>(296,832)</u></u>

See accompanying notes

LEBANON CITY SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 1 - DESCRIPTION OF THE SCHOOL

The Lebanon City School District (District) was originally chartered in 1851 by the Ohio State Legislature. In 1853, State Laws were enacted to create local Boards of Education. Today, the District operates under current standards prescribed by the Ohio State Board of Education as provided in Division (D) of Section 3301.07 and Section 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 six instructional facilities, staffed by 160.6 FTE classified personnel and 281.6 FTE certificated teaching and administrative personnel to provide services to students and other community members.

In terms of enrollment, the District is the 2nd largest in Warren County among 8 districts and 87th largest in the State of Ohio among 611 districts. It currently operates three elementary schools (K-3), one intermediate school (4-5), one middle school (6-8), and one high school (9-12).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform with generally accepted accounting principles (GAAP) for local governmental units prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

A. The Reporting Entity

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

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

The District is a participating member of the Southwestern Ohio Computer Association (SWOCA), a three-county consortium of school districts. SWOCA provides data processing services needed by participating school districts. The Butler County Joint Vocational School District serves as the fiscal agent.

The District is not involved in the budgeting or management of the Warren County Career Center. The school district is a separate body politic and corporate, established by the Ohio Revised Code.

B. Basis of Presentation - Fund Accounting

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

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources.

For financial statement presentation purposes, the various funds of the District are grouped as follows:

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 current liabilities, except those accounted for in proprietary or fiduciary funds, are accounted for through governmental funds. The governmental fund category includes:

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 are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes;

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; and

Capital Projects 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 and trust funds).

Proprietary Funds

Proprietary funds are used to account for the District's ongoing activities, which are similar to those found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the District's business and quasi-business activities, where net income and capital maintenance are measured, are accounted for through proprietary funds.

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the Board of Education is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the Board of Education 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 account for the financing of services provided by one department or agency to another department or agency of the District or to other governmental units on a cost-reimbursement basis.

Fiduciary Funds

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

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

Nonexpendable Trust Funds account for trust principal, which may not be expended. Only interest earned on the principal may be used for trust operations. Nonexpendable trust funds are accounted for in essentially the same manner as proprietary funds.

Agency Funds are purely custodial, thus 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 account group is established to account for all fixed assets of the District, other than those accounted for in the proprietary or trust funds.

General Long-Term Debt Account Group - This account group is established to account for all long-term obligations of the District other than those accounted for in the proprietary or trust funds.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary and non-expendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary and nonexpendable trust funds' operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The District considers revenues available if they are collected within sixty days after fiscal year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: investment earnings, tuition, grants and entitlements (if intended to finance current year operations), property taxes available for advance, and student fees.

The District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. The portion of property taxes that is measurable at June 30, 2000 but intended to finance fiscal year 2000 operations, has been recorded as deferred revenue. Delinquent property taxes, whose availability is indeterminable and which are intended to finance fiscal year 2001 operations, have been recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities

in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

The accrual basis of accounting is utilized for reporting purposes by the proprietary and nonexpendable trust funds. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. There were no unbilled service charges receivable at year end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

With respect to proprietary activities, the District has adopted GASB 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Units That Use Proprietary Fund Accounting". The District has elected to apply all applicable GASB pronouncements, as well as Financial Accounting Standards Board pronouncements and Accounting Principles Board Opinions issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements.

D. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated.

Tax Budget:

Prior to January 15, the Superintendent and Treasurer submit 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. Public hearings are publicized and conducted to obtain taxpayers' comments. The express 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 Warren County Budget Commission for rate determination.

Estimated Resources:

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, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year do not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include unencumbered cash balances from the preceding year. 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 statements reflect the amounts in the final Amended Certificate issued during fiscal year 2000.

Appropriations:

Upon receipt from the County Auditor of an Amended Official Certificate of Estimated Resources based on the final assessed values and tax rates, or a certificate stating no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The Appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation, or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which, appear in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, including the Debt Service Fund, consistent with statutory provisions.

Encumbrances:

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

Lapsing of Appropriations:

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

Budgetary Basis of Accounting

While the District is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) - All Governmental Fund Types and Expendable Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Non-GAAP Budgetary Basis) - All Proprietary Fund Types and Nonexpendable Trust Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as noted disclosures in the proprietary fund types (GAAP Basis); and
4. For proprietary funds the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type.

**Excess (Deficiency) of Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses**

Governmental Fund Types and Expendable Trust Funds

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
GAAP Basis	\$1,716,034	(\$44,467)	(\$678,111)	\$127,565
Net Adjustment for Revenue Accruals	(816,987)	40,947	72,325	(57,639)
Net Adjustment for Expenditure Accruals	(9,348)	(5,703)	0	(33,826)
Encumbrances	<u>(504,679)</u>	<u>(55,018)</u>	<u>0</u>	<u>(19,805)</u>
Budget Basis	<u>\$385,020</u>	<u>(\$64,241)</u>	<u>(\$605,786)</u>	<u>\$16,295</u>

E. Cash and Cash Equivalents

Cash received by the District is pooled for investment purposes in one of three bank accounts with individual fund cash balance integrity maintained through the District's financial records. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term investments. During fiscal year 2000 investments were limited to overnight accounts, certificates of deposit, obligations of the U.S. Treasury, and STAR Ohio, the State Treasurer's Investment Pool. These investments are stated at fair value as determined by quoted market prices. Under existing Ohio statutes, all investment earnings accrue to the General Fund, except those specifically related to auxiliary services agency funds, certain trust funds, and those funds individually authorized by Board resolution. Investment income earned in fiscal year 2000 totaled \$596,691.

The District utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the Combined Balance Sheet as “Cash and Cash Equivalents with Fiscal Agents” and represents deposits.

The District set aside funds in the General Fund to establish the Budget Stabilization Reserve required under the provisions of House Bill 412. This reserve is presented on the Combined Balance Sheet as “Restricted Cash and Cash Equivalents” and represents deposits.

For purposes of the Combined Statement of Cash Flows and for presentation on the Combined Balance Sheet, investments with a maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with a maturity greater than three months are considered investments of the fund.

F. Inventory

Inventories of proprietary funds are stated at the lower of cost or market. Cost is determined on a first-in, first-out basis. Inventories of proprietary funds are expensed when used and consist of donated food, purchased food, and school supplies held for resale. Unused commodities at year-end are reported as deferred revenue since title does not pass to the school district until the commodities are used.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2000 are recorded as prepaid items.

H. Fixed Assets and Depreciation

General Fixed Assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and related assets are reported in the General Fixed Assets Account Group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of six hundred dollars.

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

Assets in the General Fixed Assets Account Group are not depreciated. Depreciation of furniture and equipment in the proprietary fund types is computed using the straight-line method over an estimated useful life ranging from 8-20 years.

I. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available.

Entitlements are recorded as receivables and revenues in the period they are intended to finance. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and become measurable.

J. Compensated Absences

GASB Statement No. 16 specifies that compensated absences should be accrued as they are earned by employees if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to services already rendered; and
2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the General Long-Term Obligations Account Group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability. Salary-related payments are included, if material.

K. Long-Term Debt

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-Term Obligations Account Group.

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, prepaids, property tax advances, and budgetary set-asides required by Ohio law. Reserves have also been established in the nonexpendable trust fund for contributions, which are not spendable resources.

M. Total Columns on General Purpose Financial Statements

Total columns on the general purpose financial statements are captioned "(Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally

accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

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.

NOTE 3 - FUND DEFICIT

The Title VI B Special Revenue fund had a deficit fund balance of (\$3,898) as of June 30, 2000. The fund deficit resulted from adjustments for accrued liabilities. The General Fund is liable for any deficit in this fund and provides operating transfers when cash is required, not when accruals occur.

NOTE 4--EQUITY IN POOLED CASH AND INVESTMENTS

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

State Statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive Monies - Those monies not required for use within the current two-year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies - Those monies which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested or deposited in the following securities:

Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.

Bonds, notes, debentures, or other obligations of securities issued by any federal governmental agency on the Export Import Bank of Washington.

Repurchase agreements in the securities enumerated above.

Commercial paper notes issued by any corporation for profit that is incorporated under the laws of the United States or any state pursuant to specifications within Ohio Revised Code.

Bankers' acceptances of banks that are members of the federal deposit insurance corporation to which obligations meet specifications within Ohio Revised Code.

Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificate of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including, but not limited to, passbook accounts.

Bonds, and other obligations of the State of Ohio.

The Ohio State Treasurer's investment pool.

At year end the unobligated or carrying amount of the District's deposits was \$4,799. The bank balance of deposits was \$422,013, of which \$216,647 was covered by depository insurance. The remaining bank balance was covered by collateral held by third party trustees pursuant to Section 135.181, Ohio Revised Code, in collateral pools securing all public funds on deposit with specific depository institutions, but not in the District's name.

The District's investments are categorized to give an indication of the level of risk assumed by the entity at year-end. CATEGORY 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. CATEGORY 2 includes uninsured and unregistered investments for which the securities are held by the financial institution's trust department or agent in the District's name. CATEGORY 3 includes uninsured and unregistered investments for which the securities are held by the broker, dealer, or their agent, but not in the District's name.

Based on the above criteria, the District's investments at June 30, 2000 are classified as follows:

	Category			Carrying Value/Fair Value
	<u>1</u>	<u>2</u>	<u>3</u>	
Repurchase Agreement	\$ 0	\$ 0	\$183,784	\$ 183,784
STAR Ohio	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,107,961</u>
Total	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$183,784</u>	<u>\$10,291,745</u>

(1) The District's investments in the Ohio State Treasurer's pool are not categorized because they are not evidenced by securities that exist in physical or book entry 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 allow 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.

Ohio Revised Code Chapter 135, Uniform Depository Act, 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 monies 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 all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

NOTE 5 - PROPERTY TAXES

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

Tangible and Public Utility Personal	\$58,064,668
Real Estate	<u>388,957,480</u>
Total Assessed Property Value	<u>\$447,022,148</u>

Real property taxes collected in 2000 were levied in January 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 1998. Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 25% of true value (as defined). In 2000, each business was eligible to receive a \$10,000 exemption in assessed value, which was reimbursed by the State.

Real property taxes are payable annually or semi-annually. In 2000, if paid annually, payment was due by February 8th. If paid semi-annually, the first payment (at least ½ billed) was due February 8th with the remainder due on July 12th.

NOTE 6 - RECEIVABLES

Receivables at June 30, 2000 consisted of taxes and accounts receivable. 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>Taxes</u>	<u>Accounts</u>
General	\$10,391,100	\$10,871
Debt Service	0	0
Capital Projects	794,790	0
Enterprise	0	1,056
Internal Service	0	<u>122,215</u>
Totals	<u>\$11,185,890</u>	<u>\$134,142</u>

NOTE 7 - FIXED ASSETS

A summary of the Proprietary Funds' fixed assets at June 30, 2000, follows:

	<u>Enterprise</u>	<u>Internal Service</u>
Furniture and Equipment	\$ 168,221	\$2,936
Less accumulated depreciation	<u>(110,681)</u>	<u>(363)</u>
Net Fixed Assets	<u>\$ 57,540</u>	<u>\$2,573</u>

A summary of the changes in general fixed assets during fiscal year 2000 follows:

	<u>Balance June 30, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2000</u>
Land	\$ 975,486	\$ 0	\$ 0	\$ 975,486
Buildings	14,693,839	341,985	0	15,035,824
Furniture and Equipment	<u>5,543,362</u>	<u>373,520</u>	<u>345,945</u>	<u>5,570,937</u>
Totals	<u>\$21,212,687</u>	<u>\$715,505</u>	<u>\$345,945</u>	<u>\$21,582,247</u>

NOTE 8 - 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. During fiscal year 2000, the District contracted with Nationwide Insurance Company for general liability insurance with a \$2,000,000 single occurrence limit and a \$5,000,000 aggregate with a \$1,000 deductible.

Property is protected by Indiana Insurance and holds a \$500 deductible. The bus fleet and maintenance vehicles are insured by Indiana Insurance with a \$500 deductible and a \$1,000,000 limit per occurrence.

The Ohio Casualty Insurance Company maintains a \$10,000 position bond for the Board President and Superintendent. The Ohio Casualty Insurance Company maintains a \$50,000 position bond for the Director of Operations. The Ohio Casualty Insurance Company maintains a \$1,000,000 performance bond for the Treasurer and a \$25,000 position bond for the five other employees in the Treasurer's Office. The Ohio Casualty Insurance Company holds a \$10,000 blanket bond for all other employees.

There were no significant reductions in insurance coverage from coverage in the prior year.

Settlements have not exceeded insurance coverage in any of the last five fiscal years.

The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The District provides life insurance and accidental death and dismemberment coverage to all employees. The life insurance is \$40,000 for certified and administrative staff and \$25,000 for

non-certified staff. Medical Life, a division of Community Mutual, is the life insurance carrier for the District.

The District has elected to provide employee medical/surgical and dental benefits through a self-insurance program. The District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. This plan provides a medical/surgical plan with a \$100 single and \$200 family deductible and then 20% of the next \$2,000 is payable by the employee. A third party administrator, Harrington Benefit Services (formerly BenePlan Strategies) located in Dayton, Ohio, reviews and pays all claims. The District purchases stop-loss coverage of \$50,000 per individual claim.

The District and employees pay into the Employee Benefits Self-Insurance Internal Service Fund \$559.82 for family coverage or \$226.36 for individual coverage per month, which represents the entire premium required. The premium is paid by the fund that pays the salary for the employee and is based on historical cost information.

In an effort to curb health care spending, a Preferred Provider Organization (PPO) medical plan was established. This provides a network of physicians and hospitals the employees may elect to utilize to reduce their out-of-pocket expenditures on health care. With this plan, the District and employees pay into the Employee Benefits Self-Insurance Internal Service Fund \$376.79 for family coverage or \$144.92 for individual coverage per month, which represents the entire premium required. Dental coverage is also provided on a self-insured basis by the District with Harrington Benefits Services serving as the third-party administrator. Premiums for this coverage are \$55.31 for family coverage or \$21.27 for individual coverage. The District is responsible for payment of all claim amounts in excess of the employee payment percentages established in the plan document.

The liability for unpaid claims cost of \$224,449 reported in the Employee Benefits Self-Insurance Fund at June 30, 2000, is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. Changes in the Fund's claims liability amount in 1999 and 2000 were:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claim</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
Fiscal Year 1999	\$199,672	\$1,249,248	\$1,224,471	\$224,449
Fiscal Year 2000	224,449	1,283,361	1,252,244	255,554

NOTE 9 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan 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% of their annual covered salary, and the District is required to contribute 14%; 9.02% was the portion to fund pension obligations. The contribution rates are not determined actuarially, but are established by SERS's Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The District's contributions to SERS during the years ending June 30, 2000, 1999, and 1998 were \$386,394, \$461,136 and \$427,512, respectively; 50.0% has been contributed for fiscal year 2000 and 100% for the fiscal year 1999 and 1998. \$161,244 representing the unpaid contribution for fiscal year 2000 is recorded as a liability within the respective funds and the general long-term debt account group.

B. State Teachers Retirement System

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple-employer defined benefit pension plan 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% of their annual covered salary, and the District is required to contribute 14%; 10.5% was the portion to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The District's contributions to STRS during the years ending June 30, 2000, 1999, and 1998 were \$1,714,632, \$1,637,248 and \$1,416,768, respectively; 83.3% has been contributed for fiscal year 2000 and 100% for the fiscal year 1999 and 1998. \$275,336 representing the unpaid contribution for fiscal year 2000 is recorded as a liability within the respective funds.

NOTE 10 - POSTEMPLOYMENT BENEFITS

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS) and to retired non-certificated 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 System based on authority granted by State statute. Both Systems are funded on a pay-as-you go basis.

The State Teacher Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered

payroll. The Retirement Board allocates employer contributions equal to two percent of covered payroll to the Health Care Reserve Fund. The Health Care Reserve Allocation for the year ended June 30, 2000 will be 8% of covered payroll.

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, 1999, net health care costs paid by STRS were \$249,929,000 and STRS had 95,796 eligible benefit recipients.

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

For this fiscal year, employer contributions to fund health care benefits were 6.30 percent of covered payroll, an increase from 4.98 percent 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 the 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.

NOTE 11 - LONG-TERM DEBT

Long-term obligations activity of the District for the year ended June 30, 2000 was as follows:

	Principal Outstanding <u>June 30, 1999</u>	<u>Additions</u>	<u>Deductions</u>	Principal Outstanding <u>June 30, 2000</u>
General Obligation Bonds:				
Construction of New Building / Addition 1992 4.65%	\$2,370,000	\$ 0	\$1,185,000	\$1,185,000
House Bill 264 Renovation 1995 5.25%	1,080,000	0	130,000	950,000
School Bus Acquisition Bonds 1998 5.20%	203,000	0	47,000	156,000
Pension Obligations	158,830	0	68,560	90,270
Compensated Absences	<u>1,409,588</u>	<u>118,662</u>	<u>0</u>	<u>1,528,250</u>
Total General Long-Term Obligations	<u>\$5,221,418</u>	<u>\$118,662</u>	<u>\$1,430,560</u>	<u>\$3,909,520</u>

General obligation bonds will be paid from the Debt Service Fund. Compensated absences will be paid from the fund from which the person is paid.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2000 are as follows:

Fiscal Year Ending			
June 30	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	1,375,000	82,047	1,457,047
2002	197,000	44,390	241,390
2003	209,000	33,733	242,733
2004	160,000	22,575	182,575
2005	170,000	13,913	183,913
2006	<u>180,000</u>	<u>4,725</u>	<u>184,725</u>
Total	<u>\$2,291,000</u>	<u>\$201,383</u>	<u>\$2,492,383</u>

NOTE 12 - CONTRIBUTED CAPITAL

Changes to the Enterprise Fund's contributed capital for the year ended June 30, 2000 are as follows:

	<u>Balance June 30, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2000</u>
Furniture and Equipment	<u>\$29,439</u>	<u>\$0</u>	<u>\$0</u>	<u>\$29,439</u>

NOTE 13 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The District maintains two Enterprise funds to account for the operations of food service and uniform school supplies. The table below reflects in a summarized format the more significant financial data relating to the Enterprise Funds of the District as of, and for the fiscal year ended, June 30, 2000.

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Total Enterprise Funds</u>
Operating Revenues	\$825,953	\$212,024	\$1,037,977
Operating Expenses Before Depreciation	1,084,844	191,365	1,276,209
Depreciation	5,174	0	5,174
Operating (Loss)	(264,065)	20,659	(243,406)
Donated Commodities	45,656	0	45,656
Operating Grants	214,120	0	214,120
Operating Transfers In	29,408	680	30,088
Net Income (Loss)	25,119	21,339	46,458

Net Working Capital	(54,273)	48,821	(5,452)
Total Assets	75,912	57,364	133,276
Total Fund Equity (Deficit)	3,267	48,821	52,088
Encumbrances at June 30, 2000	292	15,186	15,478

NOTE 14 - JOINTLY-GOVERNED ORGANIZATIONS

A. Southwestern Ohio Computer Association

Southwestern Ohio Computer Association (SWOCA) is a jointly-governed organization among a three-county consortium of school districts. The jointly-governed 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. Each of the governments of these schools supports SWOCA based upon a per pupil charge dependent upon the software package utilized. SWOCA is governed by a Board of Directors consisting of the Superintendents and Treasurers of member school districts. The degree of control exercised by any participating school district is limited to its representation on the Board. The Board consists of one representative from each of the participating 29 school districts. Financial information can be obtained from Michael Crumley, Director, 3603 Hamilton-Middletown Road, Hamilton, Ohio 45011.

B. Warren County Career Center

The Warren County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each participating school district's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Warren County Career Center is not part of the District, and its operations are not included as part of the reporting entity. The District does not provide any funding to the Warren County Career Center. Financial information can be obtained from Evelyn Sellman, Treasurer, 3525 North State Route 48, Lebanon, Ohio 45036.

NOTE 15 - CONTINGENCIES

Grants:

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2000.

NOTE 16 - UNCERTAINTIES

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 that system. Declared unconstitutional was the State's "school foundation program", which provides significant amount of monetary support to this District. During the fiscal year-ended June 30, 2000, the School District received \$10,190,368 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, 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 legislation will have on its future State funding under this program (these programs) and on its financial operations.

NOTE 17 – STATUTORY RESERVES

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

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>	<u>Total</u>
Balance, 7/1/99	\$ 0	\$ 0	\$245,992	\$ 245,992
Required Set-Aside	511,305	511,305	90,298	1,112,908
Qualifying Expenditures	(511,305)	0	0	(511,305)
Offset Credits	<u>0</u>	<u>(511,385)</u>	<u>0</u>	<u>(511,305)</u>
Balance, 6/30/00	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$336,290</u>	<u>\$ 336,290</u>

Qualifying expenditures for textbook activity during the year were \$555,139, which exceeded the required set-aside reserve. Offset credits for capital activity were \$782,543, which exceeded the required set-aside reserve.

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GENERAL FUND

The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred to the general laws of the State of Ohio.

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$10,571,000	\$10,489,580	(\$81,420)
Intergovernmental	11,527,623	11,469,372	(58,251)
Interest	300,000	423,569	123,569
Tuition and fees	90,000	77,509	(12,491)
Other revenues	85,000	123,078	38,078
Total revenues	22,573,623	22,583,108	9,485
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	8,393,014	8,393,014	0
Fringe benefits	2,000,710	1,861,866	138,844
Purchased services	298,001	190,128	107,873
Materials and supplies	442,127	416,978	25,149
Capital outlay	163,139	155,845	7,294
Other expenditures	820	820	0
Total regular	11,297,811	11,018,651	279,160
Special:			
Salaries and wages	790,736	790,598	138
Fringe benefits	227,200	188,121	39,079
Purchased services	5,338	2,106	3,232
Materials and supplies	12,233	11,713	520
Capital outlay	8,645	8,645	0
Other expenditures	50	0	50
Total special	1,044,202	1,001,183	43,019
Other:			
Purchased services	220,513	217,674	2,839
Total other	220,513	217,674	2,839
Support services:			
Pupil:			
Salaries and wages	822,015	822,015	0
Fringe benefits	197,050	185,747	11,303
Purchased services	99,212	77,956	21,256
Materials and supplies	10,044	10,026	18
Capital outlay	4,150	4,128	22
Other expenditures	142	0	142
Total pupil	1,132,613	1,099,872	32,741

Continued

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 General Fund (Continued)
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Instructional staff:			
Salary and wages	1,046,417	1,046,417	0
Fringe benefits	290,610	281,798	8,812
Purchased services	114,015	8,873	105,142
Materials and supplies	44,424	39,081	5,343
Capital outlay	38,678	37,384	1,294
Other expenditures	4,500	2,269	2,231
Total instructional staff	1,538,644	1,415,822	122,822
Board of Education:			
Salaries and wages	6,000	6,000	0
Fringe benefits	1,300	902	398
Purchased services	20,283	20,130	153
Materials and supplies	1,405	1,360	45
Other expenditures	53,554	53,376	178
Total board of education	82,542	81,768	774
Administration:			
Salaries and wages	1,166,056	1,166,056	0
Fringe benefits	360,639	360,639	0
Purchased services	239,280	239,158	122
Materials and supplies	15,140	11,735	3,405
Capital outlay	34,955	33,991	964
Other expenditures	177,050	109,868	67,182
Total school administration	1,993,120	1,921,447	71,673
Fiscal:			
Salaries and wages	206,364	202,308	4,056
Fringe benefits	70,950	62,780	8,170
Purchased services	36,027	31,078	4,949
Materials and supplies	7,087	7,087	0
Capital outlay	24,950	24,922	28
Other expenditures	212,496	212,316	180
Total fiscal	557,874	540,491	17,383
Business:			
Salaries and wages	98,624	98,624	0
Fringe benefits	27,250	26,858	392
Purchased services	23,593	20,029	3,564
Materials and supplies	1,652	1,645	7
Capital outlay	2,925	999	1,926
Other expenditures	1,600	539	1,061
Total business	155,644	148,694	6,950
Operations and maintenance:			
Salaries and wages	829,652	829,652	0
Fringe benefits	226,517	226,517	0
Purchased services	612,268	611,846	422
Materials and supplies	126,808	112,480	14,328
Capital outlay	12,050	11,909	141
Total operations and maintenance	1,807,295	1,792,404	14,891

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 General Fund (Continued)
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Pupil transportation:			
Salaries and wages	58,186	58,186	0
Fringe benefits	15,764	14,465	1,299
Purchased services	2,141,893	1,894,509	247,384
Materials and supplies	124,048	124,004	44
Capital outlay	1,027	906	121
Other	1,100	1,100	0
Total pupil transportation	2,342,018	2,093,170	248,848
Central:			
Salaries and wages	40,954	39,702	1,252
Fringe benefits	15,600	14,933	667
Purchased services	123,341	121,789	1,552
Materials and supplies	5,444	5,444	0
Capital outlay	2,595	2,595	0
Total central	187,934	184,463	3,471
Operation of non-instructional services			
Purchased services	2,580	2,578	2
Materials and supplies	1,000	988	12
Total operation of non-instructional services	3,580	3,566	14
Extracurricular activities:			
Salaries and wages	42,700	41,118	1,582
Fringe benefits	7,900	5,866	2,034
Other	2,000	0	2,000
Total academic and subject oriented activities	52,600	46,984	5,616
Sports oriented activities:			
Salaries and wages	293,946	293,946	0
Fringe benefits	59,420	56,014	3,406
Purchased services	3,400	3,235	165
Total sports oriented activities	356,766	353,195	3,571
School and Public Service:			
Salaries and wages	17,700	17,247	453
Fringe benefits	3,370	2,543	827
Total School and Public Service	21,070	19,790	1,280
Total extracurricular activities	430,436	419,969	10,467
Capital Outlay			
Building Improvement Services:			
Capital outlay - new	75,000	75,000	0
Total Building Improvement Services	75,000	75,000	0
Total capital outlay	75,000	75,000	0

Continued

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund (Continued)
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Total expenditures	22,869,226	22,014,174	855,052
Excess of revenues over expenditures	(295,603)	568,934	864,537
Other financing sources (uses):			
Proceeds of sale of fixed assets	\$10,000	\$10,515	515
Advances in	10,000	0	(10,000)
Operating transfers (out)	(263,288)	(194,429)	68,859
Total other financing sources (uses)	(243,288)	(183,914)	59,374
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(538,891)	385,020	923,911
Fund balance, July 1 (includes prior year encumbrances appropriated)	5,557,547	5,557,547	0
Fund balance, June 30	\$5,018,656	\$5,942,567	\$923,911

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for 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 source, other than taxes, generated by individual school buildings. Expenditures include field trips, materials, equipment, and other items to supplement co-curricular and extracurricular programs.

Miscellaneous Local Grants:

To account for the proceeds of specific revenue sources, except for State and Federal grants, that are legally restricted to expenditures for specified purposes.

Venture Capital:

To account for the state monies, which support the school improvement program and to enhance faculty knowledge and experiences.

Athletic:

To account for revenues from athletic events and all costs (except supplemental coaching contracts) of the District's athletic program.

Auxiliary Services:

To account for state funds provided for services and materials to pupils attending non-public schools within the District.

Phonics Demonstration:

To account for state funds provided to train teachers to understand the structure of the sound/symbol system of the English language and to apply this system to classroom instruction.

Professional Development:

To account for state funds provided for continuing education for teachers through seminar training and conferences.

Management Information Systems:

To account for expenditures made in conjunction with the implementation of a system to gather student, staff and financial information to comply with Senate Bill 140.

SchoolNet Professional Development:

To account for state funds to provide regional technology training by SchoolNet and as community learning centers.

SPECIAL REVENUE FUNDS (continued)

Miscellaneous State Grants:

To account for state funds that are legally restricted to expenditures for specified purposes.

Textbooks/Instructional Materials Subsidy:

To account for state funds to provide instruction to students in the following subject areas: reading, writing, mathematics, science and citizenship.

Eisenhower:

To account for federal funds used to expand the awareness of elementary grade teachers in the areas of science and math education through in-service training

Title VI-B:

To account for federal funds used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive alternate service patterns, and provision of full educational opportunities to handicapped children at preschool, elementary and secondary levels.

Ohio Reads Grant:

To account for state funds, which are designated reading.

Title I:

To account for federal funds whose purpose is to provide financial assistance to enable state and local education agencies to meet the special needs of educationally-deprived children.

Title VI:

To account for federal funds, which support the implementation and improvement of a variety of programs, such as computer education, library supplies and materials, training, and staff development.

Public School Preschool:

To account for funds used to assist in paying the cost of preschool programs for three- and four-year olds.

Drug Free Schools:

To account for federal funds used to implement programs to educate and encourage students to live their lives free of drug dependency.

SPECIAL REVENUE FUNDS (continued)

Telecomm Act. FCC E-Rate:

To account for federal funds paid directly to the Districts telecommunications provider. Although the District does not receive these funds directly, they are reimbursed to the district through invoice credits or check reimbursements.

Miscellaneous Federal Grants:

To account for funds that are legally restricted to expenditures for specified purposes.

LEBANON CITY SCHOOL DISTRICT, OHIO
 Combining Balance Sheet
 All Special Revenue Funds
 June 30, 2000

	Public School Support	Miscellaneous Local Grant	Venture Capital East	Athletic Fund
Assets				
Equity in pooled cash and cash equivalents	\$109,999	\$8,437	\$9,240	\$32,801
Total Assets	<u>109,999</u>	<u>8,437</u>	<u>9,240</u>	<u>32,801</u>
Liabilities				
Accounts payable	13,265	144	100	268
Accrued wages and benefits	0	0	0	0
Total liabilities	<u>13,265</u>	<u>144</u>	<u>100</u>	<u>268</u>
Fund balances:				
Reserved:				
Reserved for encumbrances	3,960	170	2,219	17,188
Unreserved:				
Undesignated	92,774	8,123	6,921	15,345
Total fund equity (deficit)	<u>96,734</u>	<u>8,293</u>	<u>9,140</u>	<u>32,533</u>
Total Liabilities and fund equity	<u>\$109,999</u>	<u>\$8,437</u>	<u>\$9,240</u>	<u>\$32,801</u>

Auxiliary Services	Phonics Demonstration	Professional Development	Management Information	SchoolNet Professional Development	Miscellaneous State Grants
\$38,569	\$71	\$7,446	\$916	\$13,543	\$1,000
<u>38,569</u>	<u>71</u>	<u>7,446</u>	<u>916</u>	<u>13,543</u>	<u>1,000</u>
686	0	1,836	0	2,737	0
7,906	0	0	0	0	0
<u>8,592</u>	<u>0</u>	<u>1,836</u>	<u>0</u>	<u>2,737</u>	<u>0</u>
5,208	0	890	0	10	0
24,769	71	4,720	916	10,796	1,000
<u>29,977</u>	<u>71</u>	<u>5,610</u>	<u>916</u>	<u>10,806</u>	<u>1,000</u>
<u>\$38,569</u>	<u>\$71</u>	<u>\$7,446</u>	<u>\$916</u>	<u>\$13,543</u>	<u>\$1,000</u>

Continued

LEBANON CITY SCHOOL DISTRICT, OHIO
 Combining Balance Sheet
 All Special Revenue Funds
 June 30, 2000

	Textbook/ Instructional Materials Subsidy	Eisenhower Grant	Title VI B	Ohio Reads Grant
Assets				
Equity in pooled cash and cash equivalents	\$126,130	\$7,384	\$16,162	\$9,830
Total Assets	<u>126,130</u>	<u>7,384</u>	<u>16,162</u>	<u>9,830</u>
Liabilities				
Accounts payable	0	278	1,156	0
Accrued wages and benefits	0	0	18,904	0
Total liabilities	<u>0</u>	<u>278</u>	<u>20,060</u>	<u>0</u>
Fund balances:				
Reserved:				
Reserved for encumbrances	0	139	161	0
Unreserved:				
Undesignated	126,130	6,967	(4,059)	9,830
Total fund equity (deficit)	<u>126,130</u>	<u>7,106</u>	<u>(3,898)</u>	<u>9,830</u>
Total Liabilities and fund equity	<u>\$126,130</u>	<u>\$7,384</u>	<u>\$16,162</u>	<u>\$9,830</u>

<u>Title I</u>	<u>Title VI</u>	<u>Public School Pre-School</u>	<u>Drug Free Schools</u>	<u>Telecomm FCC E-Rate</u>	<u>Miscellaneous Federal Grant</u>	<u>Totals</u>
\$43,390	\$6,262	\$0	\$8,681	\$4,792	\$61,341	\$505,994
<u>43,390</u>	<u>6,262</u>	<u>0</u>	<u>8,681</u>	<u>4,792</u>	<u>61,341</u>	<u>505,994</u>
1,012	2,117	0	0	0	1,801	25,400
32,666	0	0	0	0	8,919	68,395
<u>33,678</u>	<u>2,117</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,720</u>	<u>93,795</u>
413	1,061	0	0	0	0	31,419
9,299	3,084	0	8,681	4,792	50,621	380,780
<u>9,712</u>	<u>4,145</u>	<u>0</u>	<u>8,681</u>	<u>4,792</u>	<u>50,621</u>	<u>412,199</u>
<u>\$43,390</u>	<u>\$6,262</u>	<u>\$0</u>	<u>\$8,681</u>	<u>\$4,792</u>	<u>\$61,341</u>	<u>\$505,994</u>

LEBANON CITY 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	Miscellaneous Local Grant	Venture Capital East	Athletic Fund
Revenues:				
Intergovernmental	\$0	\$0	\$50,000	\$0
Investment	0	0	0	0
Tuition and fees	24,058	0	0	0
Extracurricular activities	171,538	259	0	181,135
Other revenues	101,184	11,857	0	2,381
Total revenues	296,780	12,116	50,000	183,516
Expenditures:				
Current:				
Instruction:				
Regular	291,211	4,110	43,490	0
Special	0	0	0	0
Support services:				
Pupil	595	0	0	0
Instructional Staff	0	203	943	0
Administration	0	0	0	0
Central	0	0	0	0
Operation of non-instructional services				
Extracurricular activities	11,185	4,556	0	255,155
Total Expenditures	302,991	8,869	44,433	255,155
Excess of revenues over (under) expenditures	(6,211)	3,247	5,567	(71,639)
Other financing sources (uses):				
Operating transfers in	0	0	0	0
Total other financing sources (uses)	0	0	0	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(6,211)	3,247	5,567	(71,639)
Fund balance, July 1	102,945	5,046	3,573	104,172
Fund balance, June 30	\$96,734	\$8,293	\$9,140	\$32,533

<u>Auxiliary Services</u>	<u>Phonics Demonstration</u>	<u>Professional Development</u>	<u>Management Information</u>	<u>SchoolNet Professional Development</u>	<u>Miscellaneous State Grants</u>
\$123,288	\$0	\$20,952	\$12,600	\$10,000	\$1,000
1,601	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>124,889</u>	<u>0</u>	<u>20,952</u>	<u>12,600</u>	<u>10,000</u>	<u>1,000</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	18,074	0	11,039	0
0	0	0	0	0	0
0	0	0	18,555	15,828	0
115,299	0	0	0	0	0
0	0	0	0	0	0
<u>115,299</u>	<u>0</u>	<u>18,074</u>	<u>18,555</u>	<u>26,867</u>	<u>0</u>
9,590	0	2,878	(5,955)	(16,867)	1,000
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
9,590	0	2,878	(5,955)	(16,867)	1,000
20,387	71	2,732	6,871	27,673	0
<u>\$29,977</u>	<u>\$71</u>	<u>\$5,610</u>	<u>\$916</u>	<u>\$10,806</u>	<u>\$1,000</u>

Continued

LEBANON CITY 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

	Textbook/ Instructional Materials Subsidy	Eisenhower Grant	Title VI B	Ohio Reads Grant
Revenues:				
Intergovernmental	\$0	\$4,493	\$164,363	\$20,670
Investment	0	0	0	0
Tuition and fees	0	0	0	0
Extracurricular activities	0	0	0	0
Other revenues	0	0	0	0
Total revenues	<u>0</u>	<u>4,493</u>	<u>164,363</u>	<u>20,670</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	3,188	0	10,840
Special	0	0	104,046	0
Support services:				
Pupil	0	0	30,671	0
Instructional Staff	0	8,877	0	0
Administration	0	0	46,191	0
Central	0	0	0	0
Operation of non-instructional services				
	0	0	4,870	0
Extracurricular activities	0	0	0	0
Total Expenditures	<u>0</u>	<u>12,065</u>	<u>185,778</u>	<u>10,840</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>(7,572)</u>	<u>(21,415)</u>	<u>9,830</u>
Other financing sources (uses):				
Operating transfers in	0	0	0	0
Total other financing sources (uses)	<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>0</u>	<u>(7,572)</u>	<u>(21,415)</u>	<u>9,830</u>
Fund balance, July 1	126,130	14,678	17,517	0
Fund balance, June 30	<u>\$126,130</u>	<u>\$7,106</u>	<u>(\$3,898)</u>	<u>\$9,830</u>

<u>Title I</u>	<u>Title VI</u>	<u>Public School Pre-School</u>	<u>Drug Free Schools</u>	<u>Telecomm FCC E-Rate</u>	<u>Miscellaneous Federal Grant</u>	<u>Totals</u>
\$223,497	\$23,372	\$4,354	\$8,855	\$2,632	\$112,102	\$782,178
0	0	0	0	0	0	1,601
0	0	0	0	0	0	24,058
0	0	0	0	0	0	352,932
0	0	0	0	0	0	115,422
<u>223,497</u>	<u>23,372</u>	<u>4,354</u>	<u>8,855</u>	<u>2,632</u>	<u>112,102</u>	<u>1,276,191</u>
0	0	0	0	0	0	352,839
219,455	0	0	0	0	59,228	382,729
0	9,500	4,354	11,258	0	0	56,378
0	12,103	0	0	0	2,236	53,475
0	0	0	0	0	0	46,191
0	0	0	0	0	0	34,383
3,357	850	0	0	0	0	124,376
0	0	0	0	0	0	270,896
<u>222,812</u>	<u>22,453</u>	<u>4,354</u>	<u>11,258</u>	<u>0</u>	<u>61,464</u>	<u>1,321,267</u>
<u>685</u>	<u>919</u>	<u>0</u>	<u>(2,403)</u>	<u>2,632</u>	<u>50,638</u>	<u>(45,076)</u>
0	609	0	0	0	0	609
<u>0</u>	<u>609</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>609</u>
685	1,528	0	(2,403)	2,632	50,638	(44,467)
9,027	2,617	0	11,084	2,160	(17)	456,666
<u>\$9,712</u>	<u>\$4,145</u>	<u>\$0</u>	<u>\$8,681</u>	<u>\$4,792</u>	<u>\$50,621</u>	<u>\$412,199</u>

LEBANON CITY 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:			
From local sources:			
Extracurricular activities	\$139,250	\$171,538	\$32,288
Tuition and Fees	26,450	24,058	(2,392)
Other local revenues	78,200	101,164	22,964
Total revenues	<u>243,900</u>	<u>296,760</u>	<u>52,860</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	2,600	780	1,820
Fringe benefits	1,100	109	991
Purchased services	104,897	96,416	8,481
Materials and supplies	120,471	98,280	22,191
Capital outlay - new	23,239	16,194	7,045
Other	98,974	88,017	10,957
Total regular instruction	<u>351,281</u>	<u>299,796</u>	<u>51,485</u>
Support services:			
Pupil:			
Materials and supplies	914	595	319
Total Pupil	<u>914</u>	<u>595</u>	<u>319</u>
Extracurricular:			
Purchased services	6,500	4,610	1,890
Materials and supplies	785	625	160
Capital Outlay	250	0	250
Other Operating Expense	11,209	6,208	5,001
Total extracurricular	<u>18,744</u>	<u>11,443</u>	<u>7,301</u>
Miscellaneous:			
Miscellaneous	2,025	2,025	0
Total Miscellaneous	<u>2,025</u>	<u>2,025</u>	<u>0</u>
Total support services	<u>21,683</u>	<u>14,063</u>	<u>7,620</u>
Total expenditures	<u>372,964</u>	<u>313,859</u>	<u>59,105</u>
Excess of revenues over (under) expenditures	(129,064)	(17,099)	111,965
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>109,872</u>	<u>109,872</u>	<u>0</u>
Fund balance, June 30	<u>(\$19,192)</u>	<u>\$92,773</u>	<u>\$111,965</u>

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Miscellaneous Local Grants Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Extracurricular	\$249	\$259	10
Other	4,917	11,857	6,940
Total revenues	5,166	12,116	6,950
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	142	0	142
Materials and supplies	4,086	3,388	698
Capital outlay	600	600	0
Other regular expenses	1,350	500	850
Total regular	6,178	4,488	1,690
Support services:			
Instructional staff:			
Materials and supplies	1,271	236	1,035
Total Instructional Staff	1,271	236	1,035
Extracurricular:			
Purchased services	600	0	600
Materials and supplies	1,916	1,916	0
Capital Outlay	400	0	400
Other extracurricular expenses	2,923	2,678	245
Total Extracurricular	5,839	4,594	1,245
Total expenditures	13,288	9,318	3,970
Excess of revenues over (under) expenditures	(8,122)	2,798	10,920
Fund balance, July 1 (includes prior year encumbrances appropriated)	5,323	5,323	0
Fund balance, June 30	(\$2,799)	\$8,121	\$10,920

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Venture Capital Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$50,000	\$50,000	\$0
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	15,029	15,029	0
Fringe benefits	2,105	2,104	1
Purchased services	19,594	12,816	6,778
Materials and supplies	14,727	14,586	141
Capital outlay	1,308	1,308	0
Total regular	<u>52,763</u>	<u>45,843</u>	<u>6,920</u>
Support services:			
Instructional staff:			
Other instructional expenses	943	943	0
Total instructional staff	<u>943</u>	<u>943</u>	<u>0</u>
Total expenditures	<u>53,706</u>	<u>46,786</u>	<u>6,920</u>
Excess of revenues (under) expenditures	(3,706)	3,214	(6,920)
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>3,706</u>	<u>3,706</u>	<u>0</u>
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$6,920</u></u>	<u><u>(\$6,920)</u></u>

LEBANON CITY 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:			
Extracurricular activities	\$182,300	\$181,135	(\$1,165)
Other local revenues	3,000	2,381	(619)
Total revenues	<u>185,300</u>	<u>183,516</u>	<u>(1,784)</u>
Expenditures:			
Extracurricular activities:			
Sports oriented activities:			
Purchased services	68,405	67,662	743
Materials and supplies	74,419	72,285	2,134
Capital outlay	121,800	117,125	4,675
Other expenditures	26,075	21,980	4,095
Total sports oriented activities	<u>290,699</u>	<u>279,052</u>	<u>11,647</u>
Miscellaneous			
Miscellaneous expenses	8,500	8,500	0
Total Miscellaneous	<u>8,500</u>	<u>8,500</u>	<u>0</u>
Total expenditures	<u>299,199</u>	<u>287,552</u>	<u>11,647</u>
Excess of revenues over (under) expenditures	(113,899)	(104,036)	9,863
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>119,381</u>	<u>119,381</u>	<u>0</u>
Fund balance, June 30	<u><u>\$5,482</u></u>	<u><u>\$15,345</u></u>	<u><u>\$9,863</u></u>

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Auxiliary Services Special Revenue Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Interest	\$1,800	\$1,601	(\$199)
Intergovernmental	115,500	123,288	7,788
Total revenues	117,300	124,889	7,589
Expenditures:			
Current:			
Operation of non-instructional services:			
Salaries and wages	47,000	42,400	4,600
Fringe benefits	10,509	10,509	0
Purchased services	25,531	25,436	95
Materials and supplies	67,233	43,162	24,071
Capital outlay	6,007	3,588	2,419
Total operation of non-instructional services	<u>156,280</u>	<u>125,095</u>	<u>31,185</u>
Miscellaneous:			
Miscellaneous expenses	5,409	5,409	0
Total Miscellaneous	<u>5,409</u>	<u>5,409</u>	<u>0</u>
Total expenditures	161,689	130,504	31,185
Excess of revenues over (under) expenditures	(44,389)	(5,615)	38,774
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>38,289</u>	<u>38,289</u>	<u>0</u>
Fund balance, June 30	<u>(\$6,100)</u>	<u>\$32,674</u>	<u>\$38,774</u>

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Phonics Demonstration Special Revenue
 For the Fiscal Year Ended June 30, 2000

	Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Fringe Benefits	39	0	39
Materials and Supplies	32	0	32
Total regular	<u>71</u>	<u>0</u>	<u>71</u>
Total expenditures	<u>71</u>	<u>0</u>	<u>71</u>
Excess of revenues over (under) expenditures	(71)	0	(71)
Fund balance, July 1	<u>71</u>	<u>71</u>	<u>0</u>
Fund balance (deficit), June 30	<u>\$0</u>	<u>\$71</u>	<u>\$71</u>

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Professional Development Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$20,952	\$20,952	\$0
Total revenues	<u>20,952</u>	<u>20,952</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Instructional staff			
Salaries and wages	6,016	4,664	1,352
Fringe benefits	756	653	103
Purchased Services	12,567	9,562	3,005
Materials and supplies	4,798	4,538	260
Total instructional staff	<u>24,137</u>	<u>19,417</u>	<u>4,720</u>
Total expenditures	<u>24,137</u>	<u>19,417</u>	<u>4,720</u>
Excess of revenues over (under) expenditures	(3,185)	1,535	4,720
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>3,185</u>	<u>3,185</u>	<u>0</u>
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$4,720</u></u>	<u><u>\$4,720</u></u>

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Management Information Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$13,000	\$12,600	(\$400)
Total revenues	<u>13,000</u>	<u>12,600</u>	<u>(400)</u>
Expenditures:			
Current:			
Support services:			
Central:			
Salaries and wages	15,148	15,148	0
Fringe benefits	3,398	3,398	0
Materials and Supplies	1,052	327	725
Capital outlay	556	365	191
Total central	<u>20,154</u>	<u>19,238</u>	<u>916</u>
Total expenditures	<u>20,154</u>	<u>19,238</u>	<u>916</u>
Excess of revenues over (under) expenditures	(7,154)	(6,638)	516
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>7,555</u>	<u>7,555</u>	<u>0</u>
Fund balance, June 30	<u><u>\$401</u></u>	<u><u>\$917</u></u>	<u><u>\$516</u></u>

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
School Net Professional Development Special Revenue
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$10,000	\$10,000	\$0
Total revenues	10,000	10,000	0
Expenditures			
Current:			
Support Services			
Instructional Staff			
Salaries and wages	16,547	9,547	7,000
Fringe benefits	2,755	1,492	1,263
Total Instructional Staff	19,302	11,039	8,263
Central			
Purchased Services	1,132	224	908
Materials and Supplies	2,932	2,932	0
Capital Outlay	14,461	12,836	1,625
Total Central	18,525	15,992	2,533
Total expenditures	37,827	27,031	10,796
Excess of revenues over (under) expenditures	(27,827)	(17,031)	10,796
Fund balance, July 1 (includes prior year encumbrances appropriated)	27,827	27,827	0
Fund balance, June 30	\$0	\$10,796	\$10,796

LEBANON CITY SCHOOL DISTRICT
 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:			
From local sources:			
Intergovernmental	\$1,000	\$1,000	\$0
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	<u>0</u>	<u>0</u>	<u>0</u>
Total regular instruction	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over (under) expenditures	1,000	1,000	0
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, June 30	<u><u>\$1,000</u></u>	<u><u>\$1,000</u></u>	<u><u>\$0</u></u>

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Textbook/Instructional Materials Subsidy Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular			
Materials and supplies	0	0	0
Total regular	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over (under) expenditures	0	0	0
Fund balance, July 1 (includes prior year encumbrances appropriated)	126,131	126,131	0
Fund balance, June 30	<u><u>\$126,131</u></u>	<u><u>\$126,131</u></u>	<u><u>\$0</u></u>

LEBANON CITY 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	\$14,977	\$4,493	(\$10,484)
Total revenues	<u>14,977</u>	<u>4,493</u>	<u>(10,484)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and supplies	8,100	3,188	4,912
Total regular	<u>8,100</u>	<u>3,188</u>	<u>4,912</u>
Support services:			
Instructional Staff			
Salaries and wages	11,000	3,441	7,559
Fringe benefits	1,846	481	1,365
Purchased services	8,619	5,098	3,521
Total noninstructional	<u>21,465</u>	<u>9,020</u>	<u>12,445</u>
Total expenditures	<u>29,565</u>	<u>12,208</u>	<u>17,357</u>
Excess of revenues over (under) expenditures	(14,588)	(7,715)	6,873
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>14,683</u>	<u>14,683</u>	<u>0</u>
Fund balance, June 30	<u><u>\$95</u></u>	<u><u>\$6,968</u></u>	<u><u>\$6,873</u></u>

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI B Special Revenue
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$198,179	\$179,917	(\$18,262)
Total revenues	<u>198,179</u>	<u>179,917</u>	<u>(18,262)</u>
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and wages	99,253	81,478	17,775
Fringe benefits	25,135	20,314	4,821
Purchased services	788	788	0
Materials and supplies	1,261	1,261	0
Capital outlay - new	200	199	1
Total special instruction	<u>126,637</u>	<u>104,040</u>	<u>22,597</u>
Support services:			
Pupil:			
Salaries and wages	24,756	20,826	3,930
Fringe benefits	3,832	3,254	578
Purchased services	5,670	5,670	0
Capital outlay	400	400	0
Total Pupil	<u>34,658</u>	<u>30,150</u>	<u>4,508</u>
Administration:			
Salaries and wages	41,716	37,858	3,858
Fringe benefits	7,611	6,144	1,467
Purchased services	2,425	1,748	677
Materials and supplies	1,251	1,251	0
Capital outlay	540	540	0
Total administration	<u>53,543</u>	<u>47,541</u>	<u>6,002</u>
Operations and non-instructional services:			
Purchased services	4,870	4,870	0
Total operations and non-instructional services	<u>4,870</u>	<u>4,870</u>	<u>0</u>
Total support services	<u>93,071</u>	<u>82,561</u>	<u>10,510</u>
Total expenditures	<u>219,708</u>	<u>186,601</u>	<u>33,107</u>
Excess of revenues over (under) expenditures	(21,529)	(6,684)	14,845
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>21,529</u>	<u>21,529</u>	<u>0</u>
Fund balance, June 30	<u>\$0</u>	<u>\$14,845</u>	<u>\$14,845</u>

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Ohio Reads Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$35,340	\$20,670	(\$14,670)
Total revenues	35,340	20,670	(14,670)
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	6,323	0	6,323
Fringe benefits	977	0	977
Purchased services	4,950	0	4,950
Supplies and materials	13,790	10,840	2,950
Capital Outlay	3,000	0	3,000
Other Regular	300	0	300
Total regular	29,340	10,840	18,500
Support Services			
Instructional Staff			
Salaries and wages	5,465	0	5,465
Fringe Benefits	535	0	535
Total Instructional Staff	6,000	0	6,000
Total expenditures	35,340	10,840	18,500
Excess of revenues over (under) expenditures	0	9,830	3,830
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance (deficit), June 30	\$0	\$9,830	\$3,830

LEBANON CITY 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	\$270,859	\$248,891	(\$21,968)
Total revenues	270,859	248,891	(21,968)
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and wages	225,455	181,507	43,948
Fringe benefits	45,878	37,503	8,375
Purchased services	5,150	1,853	3,297
Materials and supplies	8,879	4,394	4,485
Capital outlay	2,350	0	2,350
Total special	287,712	225,257	62,455
Support services:			
Noninstructional:			
Salaries and wages	4,140	2,813	1,327
Fringe benefits	157	156	1
Purchased services	150	0	150
Capital Outlay	249	249	0
Total Noninstructional	4,696	3,218	1,478
Miscellaneous:			
Miscellaneous	226	226	0
Total Miscellaneous	226	226	0
Total expenditures	292,634	228,701	63,933
Excess of revenues over (under) expenditures	(21,775)	20,190	41,965
Fund balance, July 1 (includes prior year encumbrances appropriated)	21,775	21,775	0
Fund balance, June 30	\$0	\$41,965	\$41,965

LEBANON CITY 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	\$25,642	\$23,372	(\$2,270)
Total revenues	<u>25,642</u>	<u>23,372</u>	<u>(2,270)</u>
Expenditures:			
Current:			
Support services:			
Pupils:			
Purchased services	9,500	9,500	0
Total pupils	<u>9,500</u>	<u>9,500</u>	<u>0</u>
Instructional Staff:			
Materials and supplies	13,768	13,164	604
Total Instructional Staff	<u>13,768</u>	<u>13,164</u>	<u>604</u>
Operations and non-instructional			
Materials and supplies	2,047	850	1,197
Total operations and non-instructional services	<u>2,047</u>	<u>850</u>	<u>1,197</u>
Total expenditures	<u>25,315</u>	<u>23,514</u>	<u>1,801</u>
Excess of revenues over (under) expenditures	327	(142)	(469)
Other financing (uses):			
Transfers in (out)	0	609	609
Total other financing (uses)	<u>0</u>	<u>609</u>	<u>609</u>
Excess of revenues (under) expenditures and other uses	327	467	140
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>2,617</u>	<u>2,617</u>	<u>0</u>
Fund balance, June 30	<u><u>\$2,944</u></u>	<u><u>\$3,084</u></u>	<u><u>\$140</u></u>

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Public School Pre-School Special Revenue Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$4,354	\$4,354	\$0
Total revenues	<u>4,354</u>	<u>4,354</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Pupil:			
Purchased services	4,354	4,354	0
Total pupil	<u>4,354</u>	<u>4,354</u>	<u>0</u>
Total expenditures	<u>4,354</u>	<u>4,354</u>	<u>0</u>
Excess of revenues over (under) expenditures	0	0	0
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance (deficit), June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Drug Free Schools Special Revenue Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$21,997	\$8,855	(\$13,142)
Total revenues	<u>21,997</u>	<u>8,855</u>	<u>(13,142)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	4,450	0	4,450
Fringe benefits	625	0	625
Purchased services	5,700	0	5,700
Materials and supplies	2,500	0	2,500
Total regular	<u>13,275</u>	<u>0</u>	<u>13,275</u>
Support services:			
Pupil:			
Salaries and wages	10,300	6,250	4,050
Fringe benefits	1,549	959	590
Purchased services	6,070	2,360	3,710
Materials and supplies	1,815	1,721	94
Total pupil	<u>19,734</u>	<u>11,290</u>	<u>8,444</u>
Operations and non-instructional services:			
Materials and supplies	103	0	103
Total operations and non-instructional services	<u>103</u>	<u>0</u>	<u>103</u>
Total expenditures	<u>33,112</u>	<u>11,290</u>	<u>21,822</u>
Excess of revenues over (under) expenditures	(11,115)	(2,435)	8,680
Fund balance, July 1 (includes prior year encumbrances appropriated)	11,115	11,115	0
Fund balance, June 30	<u>\$0</u>	<u>\$8,680</u>	<u>\$8,680</u>

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Telecomm Act FCC E-Rate Special Revenue Fund
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$0	\$2,632	\$2,632
Total revenues	<u>0</u>	<u>2,632</u>	<u>2,632</u>
Expenditures:			
Current:			
Instruction:			
Special:			
Materials and supplies	<u>0</u>	<u>0</u>	<u>0</u>
Total special	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over (under) expenditures	0	2,632	2,632
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>2,160</u>	<u>2,160</u>	<u>0</u>
Fund balance (deficit), June 30	<u><u>\$2,160</u></u>	<u><u>\$4,792</u></u>	<u><u>\$2,632</u></u>

LEBANON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Miscellaneous Federal Grant Special Revenue Fund

For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$134,772	\$112,102	(\$22,670)
Total revenues	<u>134,772</u>	<u>112,102</u>	<u>(22,670)</u>
Expenditures:			
Current:			
Instruction:			
Special			
Salaries and wages	48,813	42,061	6,752
Fringe benefits	9,603	8,248	1,355
Purchased services	2,115	0	2,115
Total Special	<u>60,531</u>	<u>50,309</u>	<u>10,222</u>
Instructional staff:			
Salaries and wages	180	180	0
Fringe benefits	25	25	0
Materials and supplies	246	246	0
Total instructional staff	<u>451</u>	<u>451</u>	<u>0</u>
Total expenditures	<u>60,982</u>	<u>50,760</u>	<u>10,222</u>
Excess of revenues over (under) expenditures	73,790	61,342	(12,448)
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance (deficit), June 30	<u>\$73,790</u>	<u>\$61,342</u>	<u>(\$12,448)</u>

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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.

LEBANON CITY SCHOOL DISTRICT, OHIO
 Schedule of Revenues, Expenditures
 And Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$565,000	\$567,658	\$2,658
Intergovernmental	67,000	73,512	6,512
Interest	60,000	106,721	46,721
Total revenues	692,000	747,891	55,891
Expenditures:			
Current:			
Support Services:			
Administration			
Other	2,000	383	1,617
Total administration	2,000	383	1,617
Fiscal			
Other	13,000	8,321	4,679
Total fiscal	13,000	8,321	4,679
Total Support Services	15,000	8,704	6,296
Debt Service:			
Principal retirement	1,362,000	1,362,000	0
Interest and fiscal charges	146,706	146,705	1
Total Debt Service	1,508,706	1,508,705	1
Total expenditures	1,523,706	1,517,409	6,297
Excess of revenues over (under) expenditures	(831,706)	(769,518)	62,188
Other financing sources (uses):			
Operating transfers in	241,052	163,732	(77,320)
Total other financing sources (uses)	241,052	163,732	(77,320)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(590,654)	(605,786)	(15,132)
Fund balance, July 1	2,118,299	2,118,299	0
Fund balance, June 30	\$1,527,645	\$1,512,513	(\$15,132)

CAPITAL PROJECTS FUNDS

The Capital Projects 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 or trust Funds). The following are descriptions of each Capital Projects Fund:

Capital Projects:

To account for the District's 2.0 mill, 5-year Permanent Improvement property tax levy passed in 1998.

SchoolNet:

To account for state funds designed to help school districts obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

LEBANON CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

All Capital Projects Funds

June 30, 2000

	<u>Capital Projects</u>	<u>School Net</u>	<u>Totals</u>
Assets:			
Equity in pooled cash and cash equivalents	\$586,556	\$114,349	\$700,905
Receivables:			
Taxes	794,790	0	794,790
Total Assets	<u>\$1,381,346</u>	<u>\$114,349</u>	<u>\$1,495,695</u>
Liabilities:			
Accounts payable	\$5,164	\$305	\$5,469
Deferred revenue	688,111	0	688,111
Total liabilities	<u>693,275</u>	<u>305</u>	<u>693,580</u>
Fund balances:			
Reserved:			
Reserved for property taxes	106,679	0	106,679
Reserved for encumbrances	8,354	5,982	14,336
Undesignated	573,038	108,062	681,100
Total fund equity (deficit)	<u>688,071</u>	<u>114,044</u>	<u>802,115</u>
Total Liabilities and fund equity	<u>\$1,381,346</u>	<u>\$114,349</u>	<u>\$1,495,695</u>

LEBANON CITY 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

	Capital Projects	School Net	Totals
Revenues:			
Taxes	\$846,526	\$0	\$846,526
Intergovernmental	95,982	0	95,982
Investment	29,580	0	29,580
Total revenues	<u>972,088</u>	<u>0</u>	<u>972,088</u>
Expenditures:			
Current:			
Instruction:			
Regular	36,232	60,265	96,497
Support services:			
Instructional staff	66,226	0	66,226
Administration	1,731	0	1,731
Fiscal	11,612	0	11,612
Operations and maintenance	380,877	0	380,877
Pupil transportation	1,501	0	1,501
Central	0	3,155	3,155
Capital outlay	282,924	0	282,924
Total Expenditures	<u>781,103</u>	<u>63,420</u>	<u>844,523</u>
Excess of revenues over (under) expenditures	<u>190,985</u>	<u>(63,420)</u>	<u>127,565</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	190,985	(63,420)	127,565
Fund balance, July 1	497,086	177,464	674,550
Fund balance, June 30	<u>\$688,071</u>	<u>\$114,044</u>	<u>\$802,115</u>

LEBANON CITY SCHOOL DISTRICT, OHIO
Schedule of Revenues, Expenditures
And Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Capital Projects
For the Fiscal Year Ended June 30, 2000

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$772,000	\$788,887	\$16,887
Interest	6,000	29,580	\$23,580
Intergovernmental	85,000	95,982	\$10,982
Total revenues	863,000	914,449	51,449
Expenditures:			
Current:			
Instruction:			
Regular			
Capital outlay	58,467	57,877	590
Total regular	58,467	57,877	590
Support services:			
Instructional Staff			
Capital outlay	66,276	66,226	50
Total pupil	66,276	66,226	50
Administration:			
Other administration expenses	1,731	1,731	0
Total administration	1,731	1,731	0
Fiscal			
Other fiscal expenses	11,612	11,612	0
Total fiscal	11,612	11,612	0
Operations and maintenance:			
Purchased services	525,437	372,000	153,437
Capital outlay	36,241	36,151	90
Total operations and maintenance	561,678	408,151	153,527
Pupil transportation:			
Purchased services	52,785	1,501	51,284
Total pupil transportation	52,785	1,501	51,284
Building Improvement			
Capital outlay	70,000	69,505	495
Total building improvement	70,000	69,505	495
Site Improvement Services:			
Purchased services	37,389	19,338	18,051
Capital outlay - new	192,908	192,800	108
Total site improvement services	230,297	212,138	18,159
Total expenditures	1,052,846	828,741	224,105
Excess of revenues over (under) expenditures	(189,846)	85,708	275,554
Fund balance, July 1 (includes prior year encumbrances appropriated)	487,331	487,331	0
Fund balance, June 30	\$297,485	\$573,039	\$275,554

LEBANON CITY 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	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	6,300	569	5,731
Fringe benefits	950	84	866
Purchased services	4,000	1,857	2,143
Materials and supplies	27,150	22,741	4,409
Capital outlay	132,075	40,776	91,299
Total regular	<u>170,475</u>	<u>66,027</u>	<u>104,448</u>
Support Services:			
Central:			
Purchased services	500	0	500
Materials and supplies	3,000	1,185	1,815
Capital Outlay	3,498	2,201	1,297
Total central	<u>6,998</u>	<u>3,386</u>	<u>3,612</u>
Total Expenditures	<u>177,473</u>	<u>69,413</u>	<u>108,060</u>
Excess of revenues over (under) expenditures	(177,473)	(69,413)	108,060
Fund balance, July 1 (includes prior year encumbrances appropriated)	<u>177,473</u>	<u>177,473</u>	<u>0</u>
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$108,060</u></u>	<u><u>\$108,060</u></u>

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ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the Board of Education is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the Board of Education 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. The following are descriptions of each Enterprise Fund:

Food Service:

To account for all revenues and expenses related to the food service operation for the District.

Uniform School Supplies:

To account for the purchase by students of necessary supplies, materials or other school related items in addition to those items provided for general instruction.

LEBANON CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

All Enterprise Funds

June 30, 2000

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Total</u>
Assets			
Current Assets:			
Equity in pooled cash and cash equivalents	\$292	\$57,364	\$57,656
Receivables:			
Accounts	1,056	0	1,056
Inventory held for resale	17,024	0	17,024
Fixed assets (net of accumulated depreciation)	<u>57,540</u>	<u>0</u>	<u>57,540</u>
 Total Assets	 <u>75,912</u>	 <u>57,364</u>	 <u>133,276</u>
 Liabilities			
Current liabilities:			
Accounts payable	0	8,543	8,543
Accrued wages and benefits	28,378	0	28,378
Compensated absences payable	35,057	0	35,057
Deferred revenue	9,210	0	9,210
 Total Liabilities	 <u>72,645</u>	 <u>8,543</u>	 <u>81,188</u>
 Fund Equity:			
Contributed Capital	29,439	0	29,439
 Retained Earnings:			
Unreserved	<u>(26,172)</u>	<u>48,821</u>	<u>22,649</u>
 Total Fund Equity	 <u>3,267</u>	 <u>48,821</u>	 <u>52,088</u>
 Total Liabilities and fund equity	 <u>\$75,912</u>	 <u>\$57,364</u>	 <u>\$133,276</u>

LEBANON CITY 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 Supplies</u>	<u>Totals</u>
Operating Revenues:			
Interest	\$98	\$0	\$98
Sales	825,855	0	825,855
Charges for services	0	211,550	211,550
Other revenues	0	474	474
Total revenues	<u>825,953</u>	<u>212,024</u>	<u>1,037,977</u>
Operating Expenses:			
Salaries and Wages	399,802	0	399,802
Fringe Benefits	74,712	0	74,712
Purchased Services	559,665	0	559,665
Materials and supplies	50,665	191,365	242,030
Depreciation	5,174	0	5,174
Total operating expenses	<u>1,090,018</u>	<u>191,365</u>	<u>1,281,383</u>
Operating income (loss)	<u>(264,065)</u>	<u>20,659</u>	<u>(243,406)</u>
Non-operating revenues:			
Federal donated commodities	45,656	0	45,656
Operating grants	214,120	0	214,120
Total non-operating revenues	<u>259,776</u>	<u>0</u>	<u>259,776</u>
Income (loss) before operating transfers	(4,289)	20,659	16,370
Operating transfers in	29,408	680	30,088
Net Income	25,119	21,339	46,458
Retained Earnings, July 1	(51,291)	27,482	(23,809)
Retained Earnings, June 30	<u>(\$26,172)</u>	<u>\$48,821</u>	<u>\$22,649</u>

LEBANON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Cash Flows

All Enterprise Funds

For The Fiscal Year Ended June 30, 2000

	Food Service	Uniform School Supplies	Totals
Cash flows from operating activities:			
Cash received from miscellaneous	\$98	\$474	\$572
Cash received from sales	825,855	211,550	1,037,405
Cash payments to suppliers for goods and services	(574,020)	(192,269)	(766,289)
Cash payments to employees for services	(494,113)	0	(494,113)
Net cash provided by (used for) operating activities	<u>(242,180)</u>	<u>19,755</u>	<u>(222,425)</u>
Cash flows from noncapital financing activities:			
Operating grants received	213,064	0	213,064
Miscellaneous	<u>29,408</u>	<u>680</u>	<u>30,088</u>
Net cash provided by noncapital financing activities	<u>242,472</u>	<u>680</u>	<u>243,152</u>
Net increase in cash and cash equivalents	292	20,435	20,727
Cash and cash equivalents, July 1	<u>0</u>	<u>36,929</u>	<u>36,929</u>
Cash and cash equivalents, June 30	<u><u>292</u></u>	<u><u>57,364</u></u>	<u><u>57,656</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>(264,065)</u>	<u>20,659</u>	<u>(243,406)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	5,174	0	5,174
Donated commodities used	45,656	0	45,656
Changes in assets and liabilities:			
(Increase) decrease in materials and supplies inventory	4,956	0	4,956
Increase (decrease) in accounts payable	(14,302)	(904)	(15,206)
Increase (decrease) in accrued wages and benefits	(10,414)	0	(10,414)
Increase (decrease) in compensated absences	2,301	0	2,301
Increase (decrease) in interfund payable	<u>(11,486)</u>	<u>0</u>	<u>(11,486)</u>
Total Adjustments	<u>21,885</u>	<u>(904)</u>	<u>20,981</u>
Net cash provided by (used for) operating activities	<u><u>(\$242,180)</u></u>	<u><u>\$19,755</u></u>	<u><u>(\$222,425)</u></u>

INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of services provided by one department or agency to another department or agency of the District or to another governmental unit on a cost reimbursement basis. The following are descriptions of each Internal Service Fund.

Employee Benefits Self-Insurance:

To account for all premiums received and for all claims and administrative costs paid by the District for employee medical and dental insurance. The Employee Benefits Self-Insurance Fund accounts for monies received from other funds as payment for providing medical and dental insurance. The Employee Benefits Self-Insurance fund reimburses employees who have paid providers, and makes payments for claims, administration, stop-loss coverage and for reinsurance.

Warren County Juvenile Detention Center:

To account for all tuition received from other funds and school districts and for all salaries, fringe benefits, materials, and equipment expenditures incurred by the Warren County Juvenile Detention Center Fund related to services provided to other funds and school districts.

LEBANON CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

All Internal Service Funds

June 30, 2000

	Employee Benefits Self-Insurance	Warren County Juvenile Detention Center	Total
Assets			
Current Assets:			
Equity in pooled cash and cash equivalents	\$732,539	\$106,125	\$838,664
Receivables:			
Accounts	201	122,014	122,215
Fixed assets (net of accumulated)	0	2,573	2,573
Total Assets	<u>732,740</u>	<u>230,712</u>	<u>963,452</u>
Long-term liabilities:			
Accrued wages	0	18,577	18,577
Claims payable	255,554	0	255,554
Total liabilities	<u>255,554</u>	<u>18,577</u>	<u>274,131</u>
Retained Earnings:			
Unreserved	<u>477,186</u>	<u>212,135</u>	<u>689,321</u>
Total retained earnings	<u>477,186</u>	<u>212,135</u>	<u>689,321</u>
Total Liabilities and fund equity	<u>\$732,740</u>	<u>\$230,712</u>	<u>\$963,452</u>

LEBANON CITY 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>Employee Benefits Self-Insurance</u>	<u>Warren County Juvenile Detention Center</u>	<u>Total</u>
Operating Revenues:			
Tuition and fees	\$0	\$122,079	\$122,079
Interest	28,360		28,360
Charges for services	1,261,621	0	1,261,621
Total revenues	<u>1,289,981</u>	<u>122,079</u>	<u>1,412,060</u>
Operating Expenses:			
Salaries and wages	0	142,370	142,370
Fringe benefits	0	18,172	18,172
Purchased services	207,961	144	208,105
Materials and supplies	0	5,853	5,853
Depreciation	0	275	275
Claims	1,248,030	0	1,248,030
Total operating expenses	<u>1,455,991</u>	<u>166,814</u>	<u>1,622,805</u>
Operating income (loss)	<u>(166,010)</u>	<u>(44,735)</u>	<u>(210,745)</u>
Net Income	(166,010)	(44,735)	(210,745)
Retained Earnings, July 1	643,196	256,870	900,066
Retained Earnings, June 30	<u>477,186</u>	<u>212,135</u>	<u>689,321</u>

LEBANON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Cash Flows

All Internal Service Funds

For The Fiscal Year Ended June 30, 2000

	Employee Benefits Self-Insurance	Warren County Juvenile Detention Center	Totals
Cash flows from operating activities:			
Cash received from tuition and fees	\$0	\$5,738	\$5,738
Cash received from miscellaneous sources	1,407,923	0	1,407,923
Cash payments to suppliers for goods and services	(207,961)	(6,272)	(214,233)
Cash payments to employees	0	(166,793)	(166,793)
Cash payments for claims	(1,216,925)	0	(1,216,925)
Net cash provided by (used for) operating activities	<u>(16,963)</u>	<u>(167,327)</u>	<u>(184,290)</u>
Cash flows from capital and related financing activities:			
Acquisitions of fixed assets	<u>0</u>	<u>(824)</u>	<u>(824)</u>
Net cash used for capital and related financing activities	<u>0</u>	<u>(824)</u>	<u>(824)</u>
Net increase in cash and cash equivalents	(16,963)	(168,151)	(185,114)
Cash and cash equivalents, July 1	<u>749,502</u>	<u>274,276</u>	<u>1,023,778</u>
Cash and cash equivalents, June 30	<u><u>732,539</u></u>	<u><u>106,125</u></u>	<u><u>838,664</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>(166,010)</u>	<u>(44,735)</u>	<u>(210,745)</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 Receivables	(201)	(122,014)	(122,215)
(Increase) Decrease in Intergovernmental Receivables	0	5,673	5,673
(Increase) Decrease in Interfund Receivable	118,143	0	118,143
Increase (decrease) in accrued wages	0	(3,575)	(3,575)
Increase (decrease) in Interfund Payable	0	(2,676)	(2,676)
Increase (decrease) in Claims Payable	31,105	0	31,105
Total Adjustments	<u>149,047</u>	<u>(122,592)</u>	<u>26,455</u>
Net cash provided by (used for) operating activities	<u><u>(\$16,963)</u></u>	<u><u>(\$167,327)</u></u>	<u><u>(\$184,290)</u></u>

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. These include an Expendable Trust Fund, Nonexpendable Trust Funds and Agency Funds. The following are descriptions of each Fiduciary Fund:

EXPENDABLE TRUST FUND

Scholarship:

To account for assets held by the District in a trustee capacity with specific agreements as to how the funds will be disbursed.

NONEXPENDABLE TRUST FUND

Endowment:

To account for monies or securities, which have been set aside as an investment. The interest revenue is expended for scholarships, but the principal remains intact.

AGENCY FUND

Student Activity:

To account for those student activity programs, which have student participation in the activity and have students involved in the management of the program.

Summer Insurance:

To account for monies withheld from non-certified employees during the school year to offset their share of cost for medical and dental insurance premiums during the summer months while they are on summer break.

LEBANON CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

All Fiduciary Fund Types

June 30, 2000

	Expendable Trust	Nonexpendable Trust	Student Activities Agency	Summer Insurance Agency	Totals
Assets					
Equity in pooled cash and cash equivalents	\$9,042	\$138,368	\$76,445	\$9,710	\$233,565
Total Assets	<u>9,042</u>	<u>138,368</u>	<u>76,445</u>	<u>9,710</u>	<u>233,565</u>
Liabilities					
Accounts payable	0	0	6,312	0	6,312
Due to students	0	0	70,133	0	70,133
Undistributed Monies	0	0	0	9,710	9,710
Total liabilities	<u>0</u>	<u>0</u>	<u>76,445</u>	<u>9,710</u>	<u>86,155</u>
Fund balances:					
Reserved:					
Reserved for endowments	0	9,312	0	0	9,312
Unreserved:					
Undesignated	9,042	129,056	0	0	138,098
Total fund equity (deficit)	<u>9,042</u>	<u>138,368</u>	<u>0</u>	<u>0</u>	<u>147,410</u>
Total Liabilities and fund equity	<u>\$9,042</u>	<u>\$138,368</u>	<u>\$76,445</u>	<u>\$9,710</u>	<u>\$233,565</u>

LEBANON CITY SCHOOL DISTRICT, OHIO

Statement of Changes In Assets and Liabilities

Agency Funds

For The Fiscal Year Ended June 30, 2000

	Student Activities Fund			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Equity in pooled cash and cash equivalents	\$65,986	\$157,077	\$146,618	\$76,445
Total Assets	<u>\$65,986</u>	<u>\$157,077</u>	<u>\$146,618</u>	<u>\$76,445</u>
Liabilities				
Due to students	\$65,986	\$157,077	\$146,618	\$76,445
Total liabilities	<u>\$65,986</u>	<u>\$157,077</u>	<u>\$146,618</u>	<u>\$76,445</u>
				0

	Summer Insurance Fund			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Equity in pooled cash and cash equivalents	\$5,741	(\$5,741)	\$0	\$0
Total Assets	<u>\$5,741</u>	<u>(\$5,741)</u>	<u>\$0</u>	<u>\$0</u>
Liabilities				
Due to students	\$5,741	(\$5,741)	\$0	\$0
Total liabilities	<u>\$5,741</u>	<u>(\$5,741)</u>	<u>\$0</u>	<u>\$0</u>

	Total All Agency Funds			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Equity in pooled cash and cash equivalents	\$71,727	\$151,336	\$146,618	\$76,445
Total Assets	<u>\$71,727</u>	<u>\$151,336</u>	<u>\$146,618</u>	<u>\$76,445</u>
Liabilities				
Due to students	\$71,727	\$151,336	\$146,618	\$76,445
Total liabilities	<u>\$71,727</u>	<u>\$151,336</u>	<u>\$146,618</u>	<u>\$76,445</u>

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GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is used to account for all land and land improvements, building and building improvements, furniture and equipment not used in the operations of the Proprietary Funds. The majority of the District's assets are reflected in the General Fixed Assets Account Group.

LEBANON CITY SCHOOL DISTRICT
Schedule of General Fixed Assets by Source
June 30, 2000

General fixed assets:	
Land and land improvements	\$1,169,261
Buildings and building improvements	14,768,201
Furniture and equipment	5,593,882
Construction in progress	<u>50,903</u>
Total General Fixed Assets	<u><u>\$21,582,247</u></u>
Investment in general fixed assets by source:	
General Fund	\$1,037,372
Special Revenue Funds	492,893
Capital Projects Funds	12,272,203
Expendable Trust Funds	10,147
Agency Funds	4,559
Donations	178,860
Acquisitions Prior to July 1, 1992*	<u>7,586,213</u>
Total General Fixed Assets	<u><u>\$21,582,247</u></u>

* Represents older assets for which fund source cannot practically be obtained.

LEBANON CITY SCHOOL DISTRICT
Schedule of General Fixed Assets
By Function and Type
June 30, 2000

Function	Land and land Improvements	Buildings and building Improvements	Furniture and Equipment	Construction In Progress	Total
Instruction:					
Regular	\$230,060	\$5,683,786	\$2,322,849	\$0	\$8,236,695
Special	0	0	64,373	0	64,373
Total instruction	230,060	5,683,786	2,387,222	0	8,301,068
Support services:					
Pupil	0	0	26,698	0	26,698
Instructional staff	0	0	178,793	50,903	229,696
Board of Education	0	0	3,030	0	3,030
Administration	0	0	177,037	0	177,037
Fiscal	0	0	76,626	0	76,626
Business	0	0	14,291	0	14,291
Operations and maintenance	2,975	7,527	231,920	0	242,422
Pupil transportation	0	24,308	1,708,157	0	1,732,465
Central	0	0	194,985	0	194,985
Total support services	2,975	31,835	2,611,537	50,903	2,697,250
Non-Instructional services	0	0	9,819	0	9,819
Extracurricular activities	0	94,096	291,725	0	385,821
Construction Services	936,226	8,958,484	293,579	0	10,188,289
Total General Fixed Assets	\$1,169,261	\$14,768,201	\$5,593,882	\$50,903	\$21,582,247

LEBANON CITY SCHOOL DISTRICT, OHIO

Schedule of Changes in General Fixed

Assets by Function

For the Fiscal Year Ended June 30, 2000

<u>Function</u>	<u>Balance at July 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at June 30, 2000</u>
Instruction:				
Regular	\$8,080,869	\$170,441	\$14,615	\$8,236,695
Special	56,041	8,332	0	64,373
Total Instruction	<u>8,136,910</u>	<u>178,773</u>	<u>14,615</u>	<u>8,301,068</u>
Support services:				
Pupil	25,106	1,592	0	26,698
Instructional staff	154,546	75,150	0	229,696
Board of Education	3,030	0	0	3,030
Administration	156,417	20,620	0	177,037
Fiscal	65,144	18,300	6,818	76,626
Business	14,291	0	0	14,291
Operations and maintenance	196,142	50,012	3,732	242,422
Pupil transportation	2,053,245	0	320,780	1,732,465
Central	182,314	12,671	0	194,985
Total Support services	<u>2,850,235</u>	<u>178,345</u>	<u>331,330</u>	<u>2,697,250</u>
Non-Instructional services	9,819	0	0	9,819
Extracurricular activities	285,856	99,965	0	385,821
Construction in Progress	<u>9,929,867</u>	<u>258,422</u>	<u>0</u>	<u>10,188,289</u>
Total General Fixed Assets	<u>\$21,212,687</u>	<u>\$715,505</u>	<u>\$345,945</u>	<u>\$21,582,247</u>

LEBANON CITY SCHOOL DISTRICT
 General Fund Revenues By Source
 Last Ten Fiscal Years (1)

TABLE 1

Fiscal Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Taxes	\$4,273,353	\$4,654,352	\$4,880,966	\$5,276,542	\$6,674,473	\$7,844,594	\$8,366,475	\$8,492,596	\$9,188,807	\$11,302,538
Intergovernmental	5,552,455	5,971,761	6,192,902	6,560,268	7,410,115	8,022,558	8,944,101	9,753,882	10,654,313	11,469,372
Interest	229,398	120,352	184,925	185,001	87,497	168,857	258,947	319,569	363,858	422,709
Tuition and Fees	10,300	45,580	85,474	73,599	87,221	8,138	23,049	96,928	161,894	81,967
Other Revenues	138,286	27,180	53,825	62,082	63,544	67,622	53,191	152,969	158,845	123,509
Total Revenues	\$10,203,792	\$10,819,225	\$11,398,092	\$12,157,492	\$14,322,850	\$16,111,769	\$17,645,763	\$18,815,944	\$20,527,717	\$23,400,095

Source: Lebanon City School District Financial Records

(1) Fiscal year 1993 is the first year reported on a GAAP basis. All prior fiscal years are reported on a cash basis.

LEBANON CITY SCHOOL DISTRICT
 General Fund Expenditures by Function
 Last Ten Fiscal Years (1)

TABLE 2

Fiscal Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Regular Instruction	\$5,834,424	\$6,452,004	\$6,952,518	\$7,137,849	\$7,267,645	\$8,050,942	\$9,074,349	\$9,447,680	\$10,481,150	\$10,897,572
Special Instruction	534,113	613,093	814,158	821,989	807,103	830,695	864,330	964,384	1,004,530	985,286
Vocational Instruction	68,502	34,578	35,942	37,448	35	0	0	0	0	0
Other Instruction	20,972	38,433	37,011	28,402	32,448	63,245	85,077	116,920	236,461	217,674
Pupil	500,326	566,559	571,883	615,653	621,576	680,123	714,520	794,923	923,111	987,007
Instructional Staff	314,615	366,481	368,726	401,952	405,437	453,747	648,241	786,587	1,003,996	1,449,419
Board of Education	22,505	22,914	30,692	29,205	24,924	30,021	30,535	38,333	35,645	81,505
Administration	919,620	1,065,244	1,233,049	1,232,700	1,195,089	1,272,240	1,307,847	1,515,813	1,793,433	1,801,156
Fiscal	197,625	268,703	264,410	287,845	333,250	387,569	416,031	482,323	534,601	506,087
Business	29,791	2,718	3,169	3,957	25,048	82,915	99,592	132,144	128,993	141,429
Operations and Maintenance	1,058,029	1,031,199	1,140,145	1,126,983	1,191,445	1,364,460	1,501,384	1,493,647	1,551,876	1,571,910
Pupil Transportation	742,700	900,139	852,575	882,055	922,470	967,301	1,311,953	1,361,744	1,457,646	2,258,200
Central	1,255	39,494	25,131	25,105	26,508	56,894	136,754	91,147	122,304	159,938
Non-Instructional Services	1,861	6,695	5,962	4,670	7,599	6,958	3,766	5,952	991	3,518
Extracurricular Activities	189,472	227,966	244,016	252,847	243,537	273,404	267,657	349,774	379,515	416,946
Capital Outlay	6,767	8,344	0	0	0	4,900	5,050	1,350	0	22,500
Debt Service	0	0	0	2,092	17,662	6,113	0	0	0	0
Total Expenditures	\$10,442,577	\$11,644,564	\$12,579,387	\$12,890,752	\$13,121,776	\$14,531,527	\$16,467,086	\$17,582,721	\$19,654,252	\$21,500,147

Source: Lebanon City School District Financial Records.

(1) Fiscal Year 1993 is the first year reported on a GAAP basis. All prior fiscal years are reported on a cash basis.

LEBANON CITY SCHOOL DISTRICT

Property Tax Levies and Collections - Real and Tangible Personal Property (1)
Last Ten Collection (Calendar) Years

TABLE 3

Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Percent Total Collection As a Percent of Current Levy
1990	\$4,824,909	\$0	4,824,909	\$4,869,417	100.92%	\$0	\$4,869,417	100.92%
1991	\$5,079,209	\$0	5,079,209	\$5,242,019	103.21%	\$0	\$5,242,019	103.21%
1992	\$5,746,625	\$344,843	6,091,468	\$5,585,225	97.19%	\$184,443	\$5,769,668	100.40%
1993	\$6,791,121	\$450,808	7,241,929	\$6,599,781	97.18%	\$317,780	\$6,917,561	101.86%
1994	\$7,534,998	\$398,115	7,933,113	\$7,427,544	98.57%	\$290,941	\$7,718,485	102.44%
1995	\$10,010,886	\$415,007	10,425,893	\$9,764,558	97.54%	\$264,582	\$10,029,140	100.18%
1996	\$10,709,130	\$435,700	11,144,830	\$10,435,163	97.44%	\$304,586	\$10,739,749	100.29%
1997	\$11,753,899	\$447,387	12,201,286	\$11,391,223	96.91%	\$370,332	\$11,761,555	100.07%
1998	\$11,898,841	\$442,536	12,341,377	\$11,546,561	97.04%	\$358,200	\$11,904,761	100.05%
1999	\$12,342,476	\$640,693	12,983,169	\$11,991,433	97.16%	\$376,786	\$12,368,219	100.21%

Source: Warren County Auditor

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

(2) Represents collection year. 2000 information cannot be presented because all collections have not been made by June 30.

(3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

LEBANON CITY SCHOOL DISTRICT
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection (Calendar) Years

TABLE 4

Year (1)	Real Property		Tangible Personal Property		Public Utilities Personal		Total		Ratio (2)
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1991	165,969,220	474,197,771	17,366,250	64,319,444	17,166,500	19,507,386	200,501,970	558,024,601	35.93%
1992	196,968,130	562,766,086	20,063,139	77,165,919	20,185,010	22,937,511	237,216,279	662,869,516	35.79%
1993	199,964,620	571,327,486	19,559,991	78,239,964	22,643,318	25,731,043	242,167,929	675,298,493	35.86%
1994	207,718,010	593,480,029	18,866,154	75,464,616	28,934,920	32,880,591	255,519,084	701,825,236	36.41%
1995	251,283,640	717,953,257	21,631,948	86,527,792	31,032,240	35,263,909	303,947,828	839,744,958	36.20%
1996	267,676,730	764,790,657	23,863,426	95,453,704	29,801,640	33,865,500	321,341,796	894,109,861	35.94%
1997	288,144,380	823,269,657	27,767,713	111,070,852	30,027,200	34,121,818	345,939,293	968,462,327	35.72%
1998	342,775,310	979,358,029	26,982,036	107,928,144	28,547,430	32,440,261	398,304,776	1,119,726,434	35.57%
1999	368,094,830	1,051,699,514	29,967,060	119,868,240	28,631,100	114,524,400	426,692,990	1,286,092,154	33.18%
2000	388,957,480	1,111,307,086	29,590,168	118,360,672	28,474,500	113,898,000	447,022,148	1,343,565,758	33.27%

Source: Warren County Auditor

(1) Represents tax collection year.

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

TABLE 5

Entity	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Lebanon City School District	50.63	50.03	51.13	51.13	51.13	51.13	44.62	45.12	40.90	40.90
Warren County	4.50	5.25	5.00	5.50	7.07	7.07	7.10	7.10	7.10	7.10
Warren County Career Center	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Warren-Clinton Mental Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Lebanon Corporation	7.82	6.32	6.32	6.52	6.62	6.62	6.70	6.80	6.95	7.05
Middletown Corporation	5.11	5.01	4.96	4.96	5.16	5.16	5.18	5.18	5.28	5.28
Mason Corporation	7.32	7.39	1.87	1.89	1.89	1.89	1.90	1.90	1.90	1.90
Clearcreek Township	13.12	11.62	11.62	11.62	11.62	11.62	11.60	11.60	11.60	11.60
Salem Township	6.72	6.72	6.72	6.72	4.72	4.72	5.70	5.70	5.70	5.70
Turtlecreek Township	5.62	5.62	5.62	5.62	5.62	5.62	5.6	5.6	5.6	5.6
Union Township	6.2	6.2	5.2	5.2	6.2	6.2	6.2	6.2	5.2	5.2
Washington Township	4.78	4.78	4.78	4.78	4.78	4.78	3.76	3.76	3.76	3.76
Wayne Township	7.07	7.07	7.07	7.07	7.07	7.07	7.05	5.25	7.95	5.25

TABLE 6

LEBANON CITY SCHOOL DISTRICT
 Ratio of Net General Bonded Debt (Including Notes) to Assessed Value
 And Net Bonded Debt Per Capita
 Last Ten Years

Year	General Obligation Bonded Debt	Assessed Value	District Population	Ratio of Debt to Assessed Value	Net Debt Per Capita
1991	0	200,501,970	21,071	0.00%	\$0
1992	0	237,216,279	21,071	0.00%	\$0
1993	7,375,000	242,167,929	21,071	3.05%	\$350
1994	6,875,000	255,519,084	21,071	2.69%	\$326
1995	7,620,000	303,947,828	21,071	2.51%	\$362
1996	6,795,000	321,341,796	21,071	2.11%	\$322
1997	6,065,000	345,939,293	21,071	1.75%	\$288
1998	4,917,000	398,304,776	21,071	1.23%	\$233
1999	3,653,000	426,692,990	21,071	0.86%	\$173
2000	2,291,000	447,022,148	21,071	0.51%	\$109

Sources: Lebanon Chamber of Commerce and Lebanon City School District Financial Records

LEBANON CITY SCHOOL DISTRICT
 Computation of Legal Debt Margin
 June 30, 2000

TABLE 7

Assessed Valuation of District	\$447,022,148
<hr/>	
Overall Direct Debt Limitation	
Direct debt limitation	
9% of assessed valuation	\$40,231,993
Amount available in Debt Service Fund	23,311,701
Gross indebtedness	\$1,512,513
Less: Debt exempt from limitation	0
Debt subject to 9% limitation	<hr/> 1,512,513
Legal debt margin within 9% limitation	<hr/> \$65,056,207
<hr/>	
Unvoted Direct Debt Limitation	
Unvoted debt limitation	
0.1% of assessed valuation	\$447,022
Amount available in Debt Service Fund	0
related to unvoted debt	
Gross indebtedness authorized by the Board	0
Less: Debt exempt from limitation	0
Debt subject to 0.1% limitation	<hr/> 0
Legal debt margin within 0.1% limitation	<hr/> \$447,022
<hr/>	
Energy Conservation Bond Limitation	
Ohio Revised Code Section 133.042	
Debt limitation	
0.9% of assessed valuation	\$4,023,199
Energy conservation notes authorized	(950,000)
by the Board	
Legal debt margin within 0.9% limitation	<hr/> \$3,073,199

Source: Lebanon City School District records.

LEBANON CITY SCHOOL DISTRICT

Computation of Direct and Overlapping Debt
June 30, 2000

TABLE 8

Governmental Unit	Gross General Obligation	Percent Applicable to District (1)	Amount Applicable to District
Direct:			
Lebanon City School District	\$2,291,000	100.00%	\$2,291,000
Overlapping:			
Warren County	\$4,830,454	14.77%	713,458
Lebanon City	15,488,302	93.22%	14,438,195
Mason City	10,875,000	0.22%	23,925
Middletown City	27,655,000	0.32%	88,496
Monroe City	5,878,900	1.82%	106,996
Deefield Township	2,746,332	0.11%	3,021
Total overlapping:	\$67,473,988		\$15,374,091
Total direct and overlapping debt:	\$69,764,988		\$17,665,091

Source: Ohio Municipal Advisory Council

(1) Calculated by the Ohio Municipal Advisory Council

LEBANON CITY SCHOOL DISTRICT

TABLE 9

Ratio of Annual Debt Service Expenditures
For General Bonded Debt to Total General Fund Expenditures
Last Ten Fiscal Years

Fiscal Year (1)	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (%)
1991	0	10,442,577	0.00%
1992	0	11,644,564	0.00%
1993	272,445	12,579,387	2.17%
1994	831,312	12,890,752	6.45%
1995	998,529	13,121,776	7.61%
1996	1,172,150	14,531,527	8.07%
1997	1,320,547	16,467,086	8.02%
1998	1,410,727	17,582,721	8.02%
1999	1,472,718	19,654,252	7.49%
2000	1,508,705	21,500,147	7.02%

Source: Lebanon City School District records.

(1) Fiscal Year 1993 is the first year reported on a GAAP basis.
All prior fiscal years are reported on a cash basis.

LEBANON CITY SCHOOL DISTRICT
 Demographic Statistics
 Last Ten Years

Year	Warren County	Lebanon City	School	Unemployment
	Population (1)	Population (1)	Enrollment (2)	Rate Warren County (3)
1991	113,909	10,423	3,319	5.90%
1992	113,909	10,423	3,408	6.50%
1993	113,909	10,423	3,536	5.70%
1994	113,909	10,423	3,632	4.90%
1995	113,909	10,423	3,842	4.20%
1996	113,909	10,423	3,988	3.90%
1997	113,909	10,423	4,214	2.60%
1998	113,909	10,423	4,354	2.60%
1999	113,909	10,423	4,405	3.20%
2000	113,909	10,423	4,496	3.00%

Source: (1) 1990 Census
 (2) Lebanon City School District Records
 (3) Ohio Bureau Employment Services
 Prior years' amounts have been restated to reflect current available information.

LOVELAND CITY SCHOOL DISTRICT, OHIO
 Construction, Bank Deposits and Property Values
 Last Ten Calendar Years

TABLE II

Calendar Year	Construction (1)	Bank Deposits (2) (in Thousands)	Property Values (3)
1990	N/A	\$10,186,774	\$132,978,970
1991	N/A	10,447,237	176,325,470
1992	17,280,000	11,745,003	199,668,020
1993	16,579,000	13,500,357	220,348,660
1994	13,613,000	15,290,052	263,699,590
1995	7,999,000	17,301,493	288,692,490
1996	11,834,000	18,661,138	310,977,660
1997	885,000	21,598,936	359,013,820
1998	10,797,000	18,070,437	376,071,340
1999	20,000,000	24,305,322	404,859,700

Sources:

- (1) City of Loveland
Information was not available for calendar years 1990 and 1991.
- (2) Total deposits of all banks headquartered in Hamilton County, Ohio.
(includes national and state chartered banks.) Data was not available for the District only. Federal Reserve Bank, Cleveland.
- (3) Hamilton, Clermont and Warren County Auditors, calendar year basis.
Real property assessed values

LEBANON CITY SCHOOL DISTRICT
 Real Property
 Top Ten Principal Taxpayers
 June 30, 2000 (1)

TABLE 12

Name of Taxpayer	Real Property	% of Total Assessed Valuation
Cincinnati Gas & Electric	\$12,549,780	2.81%
Fujitec America	7,173,570	1.60%
CNG Transmission	6,449,740	1.44%
United Telephone Company	5,395,340	1.21%
Johnson & Hardin	2,995,370	0.67%
Southern Ohio Gun District	1,992,860	0.45%
Harts Plaza Partners	1,903,110	0.43%
Wal-Mart Stores, Inc.	1,878,220	0.42%
Lebanon Park Towne Homes	1,669,190	0.37%
Texas Eastern Transmission	1,574,130	0.35%
	<u>\$43,581,310</u>	<u>12.44%</u>

Source: Warren County Auditor.

(1) Based on information available as of June 30, 2000.

LEBANON CITY SCHOOL DISTRICT
 Enrollment Projections
 June 30, 2000

TABLE 13

Enrollment by Grade	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
	1999-00	308	389	344	383	390	347	347	316	338	349	347	322	319
The following are projections:														
2001-02	335	324	356	351	369	386	346	369	336	365	358	348	346	4589
2002-03	480	378	309	357	350	379	393	361	376	335	373	362	338	4791
2003-04	591	542	360	310	356	359	385	410	368	375	342	378	352	5128
2004-05	411	667	517	361	309	366	366	402	418	367	383	347	367	5281
2005-06	420	464	636	518	360	317	372	381	409	416	375	388	337	5393
2006-07	427	474	442	637	516	370	323	388	388	408	426	380	378	5557
2007-08	435	482	452	443	635	530	376	337	395	387	417	431	369	5689
2008-09	444	490	460	453	442	653	540	392	343	394	396	423	419	5849
2009-10	451	501	468	461	452	454	664	562	400	342	403	401	411	5970

Source: Lebanon City School District records.

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LEBANON CITY SCHOOL DISTRICT

Single Audit Reports

June 30, 2000

PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS

8280 MONTGOMERY ROAD, SUITE 210/ CINCINNATI, OH 45236 • (513) 891-2722 • FAX (513) 891-2760
2211 SOUTH DIXIE AVENUE/ DAYTON, OH 45409 • (937) 294-1505 • FAX (937) 294-1507

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

October 27, 2000

Board of Education
Lebanon City School District

We have audited the general purpose financial statements of the Lebanon City School District, (the District), as of and for the year ended June 30, 2000, and have issued our report thereon dated October 27, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be

material weaknesses. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Plattenburg & Associates, Inc.
Certified Public Accountants

PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS

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2211 SOUTH DIXIE AVENUE/ DAYTON, OH 45409 • (937) 294-1505 • FAX (937) 294-1507

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

October 27, 2000

Board of Education
Lebanon City School District

Compliance

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

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

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

Internal Control Over Compliance

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

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

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the District as of and for the year ended June 30, 2000, and have issued our report thereon dated October 27, 2000. Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the District taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

Plattenburg & Associates, Inc.
Certified Public Accountants

LEBANON CITY SCHOOL DISTRICT

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

Federal Grant/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
Passed Through Ohio Department of Education:						
Child Nutrition Cluster:						
Special Milk Program	02-PU	10.556	\$5,552	\$0	\$5,552	\$0
National School Lunch Program	04-PU	10.555	197,026	0	197,026	0
Total U.S. Department of Agriculture - Child Nutrition Cluster			<u>202,578</u>	<u>0</u>	<u>202,578</u>	<u>0</u>
Food Distribution Program	03-PU	10.550	0	55,876	0	53,583
Total U.S. Department of Agriculture -Nutrition Cluster			<u>202,578</u>	<u>55,876</u>	<u>202,578</u>	<u>53,583</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>						
Passed Through Ohio Department of Education:						
Special Education Cluster:						
Title VI - B Grant	6B-SF	84.027	179,917	0	185,283	0
Preschool Grant	PG-S1	84.173	4,354	0	4,354	0
Total Special Education Cluster			<u>184,271</u>	<u>0</u>	<u>189,637</u>	<u>0</u>
E-Rate	*	88.001	2,632	0	0	0
Eisenhower Grant	MS-S1	84.281	4,493	0	11,791	0
Title I Grant	C1-S0	84.010	248,891	0	227,277	0
Title VI	C2-S1	84.298	23,372	0	20,336	0
Drug Free Schools Grant	DR-S1	84.186	8,855	0	11,289	0
Reading Excellence Act Grant	*	84.338	57,173	0	0	0
Class Size Reduction	*	84.340	54,478	0	50,309	0
Total Department of Education			<u>584,165</u>	<u>0</u>	<u>510,639</u>	<u>0</u>
<u>U.S. DEPARTMENT OF LABOR</u>						
Employment Services and Job Training, Pilot and Demonstration Programs						
School to Work Grant	*	17.249	452	0	452	0
Total Department of Labor			<u>452</u>	<u>0</u>	<u>452</u>	<u>0</u>
Total Federal Assistance			<u>\$787,195</u>	<u>\$55,876</u>	<u>\$713,669</u>	<u>\$53,583</u>

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B -- FOOD DISTRIBUTION

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

* Information unavailable

**LEBANON CITY SCHOOL DISTRICT
JUNE 30, 2000**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 SECTION .505**

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None Noted

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None Noted

**LEBANON CITY SCHOOL DISTRICT
JUNE 30, 2000**

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

Lebanon City School District had no prior audit findings or questioned costs.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

LEBANON CITY SCHOOL DISTRICT

WARREN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 25, 2001**