

**FAIRFIELD CITY SCHOOL DISTRICT  
BUTLER COUNTY**

**SINGLE AUDIT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



**FAIRFIELD CITY SCHOOL DISTRICT  
BUTLER COUNTY**

**TABLE OF CONTENTS**

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



FAIRFIELD CITY SCHOOL DISTRICT  
BUTLER COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2001

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
<b>Nutrition Cluster</b>						
Food Commodity Distribution	nn-n1	10.550	\$0	\$97,534	\$0	\$97,534
School Breakfast	05-PU	10.553	20,216	0	20,216	0
School Lunch	04-PU	10.555	183,702	0	183,702	0
Total Nutrition Cluster			203,917	97,534	203,918	97,534
<b>Total U.S. Department of Agriculture</b>			<b>203,917</b>	<b>97,534</b>	<b>203,918</b>	<b>97,534</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
<b>Special Education Cluster:</b>						
Title VI-B	6B-SF	84.027	450,501	0	430,113	0
Preschool	PG-S1	84.173	15,102	0	15,102	0
Total Special Education Cluster			465,603	0	445,215	0
Title I	C1-S1	84.010	313,390	0	318,992	0
Title VI	C2-S1	84.298	42,843	0	42,206	0
Eisenhower Math/Science	MS-S1	84.281	18,928	0	31,629	0
Drug Free Schools	DR-S1	84.186	38,308	0	44,044	0
Goals 2000	G2-S3	84.276	51,200	0	46,477	0
Class Size Reduction	nn-n1	84.340	88,996	0	74,353	0
<b>Total Department of Education</b>			<b>1,019,268</b>	<b>0</b>	<b>1,002,916</b>	<b>0</b>
<b>Totals</b>			<b>\$1,223,186</b>	<b>\$97,534</b>	<b>\$1,206,834</b>	<b>\$97,534</b>

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

**FAIRFIELD CITY SCHOOL DISTRICT  
BUTLER COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2001**

**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, such as food received from the U.S. Department of Agriculture, is reported in the schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are co-mingled with State grants. It is assumed federal monies are expended first. At June 30, 2001, the District had food commodities valued at \$36,117 in inventory.



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

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

Fairfield City School District  
Butler County  
211 Donald Drive  
Fairfield, Ohio 45014-3095

To the Board of Education:

We have audited the financial statements of Fairfield City School District, Butler County, Ohio (the District), as of and for the year ended June 30, 2001, and have issued our report thereon dated December 21, 2001, wherein we noted the District adopted Governmental Accounting Standards Board Statements 33 and 36. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated December 21, 2001.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted another matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 21, 2001.

Fairfield City School District  
Butler County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large loop at the beginning and a horizontal line extending to the right.

**Jim Petro**  
Auditor of State

December 21, 2001



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

Fairfield City School District  
Butler County  
211 Donald Drive  
Fairfield, Ohio 45014-3095

To the Board of Education:

**Compliance**

We have audited the compliance of Fairfield City School District, Butler County, Ohio (the District), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2001.

**Internal Control Over Compliance**

The management of Fairfield City School 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, 2001, and have issued our report thereon dated December 21, 2001. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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



**Jim Petro**  
Auditor of State

December 21, 2001

**FAIRFIELD CITY SCHOOL DISTRICT  
BUTLER COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2001**

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

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

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

None

**3. FINDINGS FOR FEDERAL AWARDS**

None



**FAIRFIELD CITY SCHOOL DISTRICT  
FAIRFIELD, OHIO**

**FAIRFIELD  
CITY  
SCHOOLS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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**FAIRFIELD CITY SCHOOL DISTRICT  
FAIRFIELD, OHIO**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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**PREPARED BY:  
OFFICE OF THE TREASURER  
J. SCOTT GOODING II, TREASURER**

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***Fairfield City School District  
Board of Education***



Anne Crone  
President



Michael Oler  
Vice President



Vicky Barger  
Member



Dr. Kay Crain  
Member



Maurice Godsey  
Member

***Administrative Personnel***



Dr. Robert Farrell  
Superintendent



J. Scott Gooding II  
Treasurer

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## **INTRODUCTORY SECTION**

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**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Fiscal Year Ended June 30, 2001**

---

TABLE OF CONTENTS

		<u>PAGE</u>
<b>I.</b>	<b>INTRODUCTORY SECTION</b>	
	Table of Contents.....	III
	Letter of Transmittal.....	VII
	List of Principal Officials.....	XVIII
	GFOA Certificate of Achievement.....	XIX
	ASBO Certificate of Excellence.....	XX
	State of Ohio Map.....	XXI
	Organizational Chart.....	XXII
<b>II.</b>	<b>FINANCIAL SECTION</b>	
	REPORT OF INDEPENDENT ACCOUNTANTS.....	1
	GENERAL PURPOSE FINANCIAL STATEMENTS	
	Combined Balance Sheet	
	All Fund Types and Account Groups.....	4
	Combined Statement of Revenues, Expenditures and	
	Changes in Fund Balances—All Governmental	
	Fund Types and Expendable Trust Fund.....	6
	Combined Statement of Revenues, Expenditures and	
	Changes in Fund Balances—Budget and Actual	
	(Non-GAAP Budgetary Basis)—All Governmental	
	Fund Types.....	8
	Combined Statement of Revenues, Expenses and	
	Change in Retained Earnings	
	Proprietary Fund Type.....	10
	Combined Statement of Cash Flows	
	Proprietary Fund Type.....	11
	Notes to the General Purpose Financial Statements.....	13

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Fiscal Year Ended June 30, 2001**

---

TABLE OF CONTENTS  
 (Continued)

	<u>PAGE</u>
COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES	33
General Fund:	
General Fund Description.....	35
Special Revenue Funds:	
Description of Funds.....	37
Combining Balance Sheet.....	40
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	46
Schedule of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Non-GAAP Budgetary Basis):	
Public School Support .....	51
Spring Recognition .....	52
Venture Capital East .....	53
Extracurricular Student Activities .....	54
Auxiliary Services.....	55
Staff Development .....	56
Excellence in Education .....	57
Management Information .....	58
Entry Year Grant.....	59
SchoolNet Professional Development .....	60
Ohio Reads .....	61
Summer Intervention .....	62
School Security .....	63
Title II .....	64
Title VI B Pre-School .....	65
Title I .....	66
Title VI .....	67
Drug Free Schools .....	68
Pre-School Disabilities .....	69
Telecom Act Grant .....	70
Classroom Size Reduction .....	71

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Fiscal Year Ended June 30, 2001**

---

TABLE OF CONTENTS  
 (Continued)

	<u>PAGE</u>
Debt Service Fund:	
Description of Fund.....	73
Capital Projects Funds:	
Description of Funds.....	75
Combining Balance Sheet.....	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	77
Schedule of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Non-GAAP Budgetary Basis)	
Building .....	78
Permanent Improvement .....	79
SchoolNet .....	80
Interactive Video Distance Learning .....	81
Enterprise Funds:	
Description of Funds.....	83
Combining Balance Sheet.....	84
Combining Statement of Revenues, Expenses and Changes in Retained Earnings.....	85
Combining Statement of Cash Flows.....	86
Fiduciary Funds:	
Description of Funds.....	87
Combining Balance Sheet.....	88
Combining Statement of Changes in Assets and Liabilities—Agency Funds.....	89
General Fixed Assets Account Group:	
Description of Account Fund.....	91
Schedule of General Fixed Assets by Source.....	92
Schedule of General Fixed Assets by Function and Type.....	93
Schedule of Changes in General Fixed Assets by Function.....	94

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Fiscal Year Ended June 30, 2001**

---

TABLE OF CONTENTS  
 (Continued)

		<u>PAGE</u>
 <b>III. STATISTICAL SECTION</b>		
Table 1	General Fund Revenues by Source.....	95
Table 2	General Fund Expenditures by Function.....	96
Table 3	Property Tax Levies and Collections.....	97
Table 4	Assessed and Estimated Actual Value of Taxable Property.....	98
Table 5	Property Tax Rates—Direct and Overlapping Governments.....	99
Table 6	Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita.....	100
Table 7	Computation of Legal Debt Margin.....	101
Table 8	Computation of Direct and Overlapping Debt.....	102
Table 9	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures.....	103
Table 10	Demographic Statistics .....	104
Table 11	Construction, Bank Deposits and Property Values....	105
Table 12	Real and Tangible Personal Property – Top Ten Principal Taxpayers.....	106
Table 13	Miscellaneous Statistical Data.....	107



# Fairfield City Schools

211 Donald Drive • Fairfield, Ohio 45014-3095  
Phone (513) 829-6300 • Fax (513) 829-0148

Board of Education

VICKY L. BARGER  
KAY GRAIN, Ed.D.  
ANNE CRONE  
MAURICE A. GODSEY  
MICHAEL OLER  
J. SCOTT GOODING II  
TREASURER

December 21, 2001

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Fairfield City School District (District) for the fiscal year ended June 30, 2001. This report contains financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 2000-2001 fiscal year. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's continuing commitment to provide financial information to the citizens of the Fairfield City School District.

Responsibility for the accuracy, completeness, and fairness of this report rests with the District and specifically, the Office of the Treasurer. 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 has been divided into three sections:

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

The Financial Section includes the Independent Auditor's Report with an unqualified opinion of our auditors, the general purpose financial statements, notes to the financial statements, and the combining and individual fund and account group statements.

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

The District provides a full range of programs and services for its students and citizens. These include elementary and secondary course offerings at the general, vocational and college preparatory levels; as well as a broad range of co-curricular and extra-curricular activities to compliment the students' curricular program.



In addition to these general activities, the District acts as the fiscal agent for State funds distributed to non-public parochial schools located within the District boundaries. This activity is included in the District's reporting entity as Auxiliary Services a special revenue fund because the District has administrative involvement in the programs. The schools served are: Fairfield Educational Building, Hamilton-Middletown 7th Day Adventist, Lavallo, Sacred Heart and Cincinnati Christian. While these organizations are similar in operations and services provided, each are distinct and separate entities whose financial statements are not included in this report.

## **ECONOMIC CONDITION**

The District is located in Southwestern Ohio between the cities of Cincinnati and Dayton. The District is located in Butler County, Ohio, along the Interstate 75 corridor, which is one of the fastest growing areas in population and in job creation in the State of Ohio. In addition, new water and sewer construction has opened up vacant parcels for new residential and light industrial development in the district. Housing and per capita income levels are very favorable relative to the state with per capita income growth outpacing the state during the last census period.

The continued growth within the Fairfield City School District is evidenced by the amount of new construction over the past seven years. For 2000, the District had \$40,572,000 in new construction.

## **DESCRIPTION OF THE DISTRICT**

The Fairfield City School 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 instructional and support facilities staffed by approximately 390 non-certificated personnel and approximately 550 certificated full time teaching and administrative personnel to provide services to students and other community members.

The District is the 24th largest in the State of Ohio (among 612 Districts) in terms of enrollment and the 4th largest in Butler County. It currently operates 1 kindergarten center, 5 elementary schools (serving grades 1 - 4), 1 intermediate school (serving grades 5-6), 1 middle school (serving grades 7 - 8), 1 freshman school (serving grade 9), and 1 comprehensive high school (serving grades 10 - 12).

## **ORGANIZATION OF THE DISTRICT**

The Board of Education of the Fairfield City School District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body and policy initiator for the operation of the District. The Board is also

responsible for the adoption of the tax budget, the annual operating budget and approves all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

The current Board members, their terms, and years on the Board as of June 30, 2001 are:

<u>Board Member</u>	<u>Term</u>	<u>Years on Board</u>
Mr. Michael Oler	1/1/98 - 12/31/01	11 - 1/2
Dr. Kay Crain	1/1/98 - 12/31/01	7 - 1/2
Mr. Maurice Godsey	1/1/98 - 12/31/01	7 - 1/2
Mrs. Anne Crone	1/1/00 - 12/31/03	9 - 1/2
Mrs. Vicky Barger	1/1/00 - 12/31/03	1 - 1/2

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Dr. Charles Wiedenmann was initially appointed as Superintendent effective June 1, 1992, and received a three year contract effective August 1, 1992. The Board has extended his contract through July 31, 2001. Dr. Robert Farrell was appointed as Superintendent effective January 1, 2001.

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. Mr. Stephen L. Maag was appointed Treasurer effective April 26, 1999. Mr. Maag resigned his position effective October 25, 2000. Nancy Lane was appointed Interim Treasurer effective October 26, 2000. Mr. J. Scott Gooding II was appointed Treasurer effective June 4, 2001.

## **THE DISTRICT AND ITS FACILITIES**

The District serves an area of 37.9 square miles, encompassing the City of Fairfield and Fairfield Township. The total District population has increased from 38,707 in 1980 to 49,373 in 1990 according to census information.

The District currently has 8,973 students enrolled in 1 kindergarten center, 5 elementary schools, 1 intermediate school, 1 middle school, 1 freshman school, and 1 comprehensive high school.

The District also operates a variety of other facilities, including: a central administration building, a maintenance building, a bus compound, and several sports fields.

In 1994, the District passed a 44.4 million dollar bond issue, which was used to build a new high school, a new elementary school and make additions to existing elementary schools.

## **EMPLOYEE RELATIONS**

The District has 1,045 full and part-time employees. This number has increased slightly over the past few years as various programs and services have been expanded to meet the changing needs

of students and the community. There are two organizations representing the certificated and classified employees. The District's administrative employees are not currently represented.

The Fairfield Classroom Teachers Association (FCTA), an affiliate of the Ohio Education Association (OEA), represents all certificated employees of the District. On September 1, 1998, the FCTA and the District entered into a new three-year collective bargaining agreement on language, salary and fringe benefits issues, which expires on August 31, 2001.

Classified employees are represented by the Ohio Association of Public School Employees (OAPSE), an affiliate of the American Federation of State, County and Municipal Employees (AFSCME). There are four local chapters of OAPSE. Chapter 205 represents the bus drivers and chauffeurs. Chapter 378 represents clerks, secretaries, educational assistants, and data entry personnel. Chapter 568 represents cooks, custodians, crossing guards, electricians, maintenance, and food service aides. Chapter 727 represents head cooks, head custodians, and the student route coordinator. Chapters 205, 378 and 568 negotiate as one unit, while Chapter 727 negotiates separately with the Board. The collective bargaining agreements with all four chapters expired June 30, 1999. On June 24, 1999 the District entered into a new three-year collective bargaining agreement with Chapter 727 that runs from July 1, 1999 through June 30, 2002. On August 19, 1999 the District entered into a new three-year collective bargaining agreement with Chapters 205, 378, and 568 that runs from July 1, 1999 through June 30, 2002. There have been no work stoppages in the District, and in the opinion of the Board of Education, labor relations with its employees are very good.

## **MAJOR INITIATIVES**

### Interest Based Bargaining

The District continues to utilize interest-based collective bargaining to negotiate master contracts with its four employee unions. There have now been two three-year master contracts successfully bargained with each union. The bargaining teams were trained and facilitated by Lou Manchise of the Federal Mediation and Conciliation Services. The district has been asked to present at the national Federal Mediation and Conciliation Services conference regarding its success with this process.

### Strategic Plan

The District's first 5-year Strategic Plan spanned the years 1994-1999. Securing adequate instructional facilities was the major focus of this plan, which was completed during the 1998-1999 school year. The District's second 5-year Strategic Plan for 2000-2005 was developed by a steering committee comprised of staff, parents and community members. A Cinergy Corporation grant provided funding for the development of this plan, which focuses on increased student achievement through enhanced teaching and learning efforts. Using technology to positively impact instruction, enlisting the support of community partnerships to enhance our students' education and developing educational options so that all students can learn our strategies that will be critical for the success of this plan.

## Curriculum Initiatives

During the 2000-2001 school year the district implemented the new Language Arts course of study, reviewed and revised the Science, Health and Physical Education Courses of Study. We implemented new courses of study for Special Education, Foreign Language, and Music. The high school physical education teachers developed a new program that focused on student selection of life-long physical activities.

As part of the District's 2000-2001 goal of improving assessments, teachers were trained in the Intervention Based Assessment model, Curriculum Based Measures, and DIBELS (Dynamic Indicators of Basic Early Literacy Skills) program. A new testing program, the Terra Nova, was purchased and implemented to be more aligned with the state Proficiency tests. Extended day programs were initiated to address the needs of elementary students who would be taking the fourth grade proficiency test for the first time. New report cards and progress reports for grades 1-6 were developed and piloted during the school year with an evaluation to be completed in the fall of 2001-2002. The Kindergarten Center created a new report card that would show a continuum of development of early literacy skills.

Each building in the District was responsible for updating their Continuous Improvement Plans including addressing the additional mandate of determining benchmarks for student achievement. The District also began the process of selecting a school to take part in a Hamilton County Consortium that would implement the Brazosport ("Effective Schools") model, which was funded for Fairfield by the Cinergy Basics Grant.

A new intervention program was begun at the Intermediate School to meet the needs of the students in math and reading. Life Skills training was held for the teachers as part of the implementation of the Life Skills program in grade 7 which was funded for a second year by the Phillip Morris Grant. Conflict Management materials were piloted, with recommendations to be made in the 2001-2002 school year, which included programs dealing with Sexual Harassment.

Fairfield expanded the mentor program to include a 4 half-day induction program prior to school opening in order to help new teachers be successful in their teaching assignment. The mentors and mentees were also encouraged to participate in an action research project to be shared with the District in the spring.

The Coordinators of Gifted Education continued to refine the identification and notification process related to gifted students in the District. Testing was held, in addition to the standardized tests, in order to meet the state mandate of identification. Letters were then sent out to over 3,000 students regarding their gifted identification. The coordinators continued to work with teams and individual teachers to meet the needs of the gifted population. The curriculum department also worked closely with the math departments at grades 5-9 to change the offerings to encourage more students to enter into classes of higher mathematics. Algebra I was offered in the eighth grade for the first time.

Technology became a focus for the curriculum department. On-line classes were made available at the high school for the first time for students who were credit deficient. Dave Vernot piloted a

technology component with the summer school for students in grades 5-8. His program included the use of Thinkronize, Digital Backpack and Study Island.

The District was the host site for three levels of SIRI training for the state of Ohio to encourage more of our teachers to receive the valuable training in teaching reading. A teacher academy was offered for the third year to teachers on relevant topics and 10 elementary teachers were sent to Math Solutions for a week of summer training in mathematics.

#### Permanent Improvement Levy

A five-year permanent improvement levy was scheduled to expire on December 31, 1997. The Board of Education first passed this levy in 1978 and has renewed it every five years since. The Board put the issue on the ballot in May 1998 and the community supported its continuation for another five years effective January 1, 1998. This levy (and its renewal) was critical to the district as it generates \$820,000 annually to be used exclusively for the maintenance and improvements to the district facilities. Expenditures from this levy could include boilers, roofs, buses, equipment, paving and any other maintenance or capital item.

### **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 cash basis system of accounting as prescribed by the Auditor of State. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, as 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 Fund, Expendable Trust Fund, and Agency Funds and for full accrual basis of accounting for all other funds.

#### Internal Controls

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

#### Single Audit Act

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

## Budgetary Controls

The District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. Budget deadlines may be established to allow for budget amendments prior to year-end. These final amendments allow actual amounts on the budgetary basis to agree with the adopted budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function within an individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. 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.

Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations, which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during the fiscal year and none were significant.

## 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, 2001 and the percentages of increase and decrease in relation to prior year revenues and expenditures:

<u>Revenue by Source</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Increase (Decrease)</u>
Taxes	\$29,709,781	52.15%	\$6,541,603	28.24%
Intergovernmental	24,505,849	43.02%	2,377,615	10.74%
Investment Revenue	956,177	1.68%	124,020	14.90%
Tuition and Fees	634,581	1.11%	78,111	14.04%
Other Revenue	<u>1,162,824</u>	<u>2.04%</u>	<u>247,848</u>	27.09%
Total	<u>\$56,969,212</u>	<u>100.00%</u>	<u>\$9,369,167</u>	19.68%

The increase in taxes revenue is due to the tax advances available at year-end.

The increase in investment revenue is due to an increase in return on investment.

An increase in State funding for 2001 explains the significant increase in intergovernmental revenues.

<u>Expenditure by Function</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Instruction	\$32,246,734	59.01%	\$2,946,676	10.06%
Pupil	2,373,845	4.34%	147,685	6.63%
Instructional Staff	3,117,836	5.72%	392,659	14.41%
Board of Education	34,753	0.06%	8,146	30.62%
Administration	4,373,301	8.00%	521,243	13.53%
Fiscal	960,123	1.76%	10,078	1.06%
Business	275,575	0.50%	86,930	46.08%
Operations and Maintenance	6,236,374	11.41%	524,949	9.19%
Pupil Transportation	3,758,817	6.88%	505,723	15.55%
Central	129,012	0.24%	(22,198)	(14.68%)
Extracurricular Activities	1,136,225	2.08%	97,443	9.38%
Capital Outlay	0	0%	(163,202)	(100.00%)
Debt Service	<u>0</u>	<u>0%</u>	<u>(143,580)</u>	<u>(100.00%)</u>
Total	<u>\$54,642,595</u>	<u>100.00%</u>	<u>\$4,912,552</u>	9.88%

All expenditure accounts except debt reflect a modest 3% to 3.5% salary increase during 2001 as a result of employee raises.

Instruction expenditures increased as result of additional teachers and classified staff, along with spending on textbooks and instructional supplies.

#### Special Revenue Funds

Special Revenue Funds account for certain revenue sources restricted by law or other formal actions to be expended for a specific purpose. The sources are primarily grants and entitlements. The operating revenue for all Special Revenue Funds was \$2,452,945 during the 2001 fiscal year.

#### Debt Service Funds

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related cost, and for the payment of interest on general obligation notes payable, as required by Ohio Law. The debt service totaled \$3,208,204 during the 2001 fiscal year.

#### Capital Projects Funds

The Capital Projects Funds are used to account for the purchase of equipment and the financing of major improvement projects as well as the new building project. District

Capital Projects Funds ended the fiscal year with a deficit fund balance of \$903,086. The deficit fund balance in the Capital Projects Fund was due to the accrual for GAAP.

### Fiduciary Funds

Trust and Agency Funds require a fiduciary relationship in their management by the District. The Trust Fund currently carried on the records of the District represents an Expendable Trust, which receives interest and is used for any purpose. Agency Funds utilized by the District include a Student Activities Fund, and an Unclaimed Monies Fund. Trust and Agency Fund assets totaled \$131,316.

### Enterprise Funds

The District's Enterprise Funds are Food Service, Uniform School Supply, and Latchkey. These funds are similar in nature to profit making activities found in the private sector and are managed accordingly. District Enterprise Funds operated in 2001 with \$2,813,917 in operating revenues and recorded a net income of \$65,448. School lunch prices were not increased, therefore expenditures exceeded revenues. The Food Service Fund had a deficit retained earnings balance of \$608,355. The General Fund will continue to supplement the Food Service Fund through operating transfers until revenues are in line with expenditures.

### Debt Administration

The District had six debt issues outstanding at June 30, 2001. Two were used to finance major construction in prior years and three bond issues are being used to finance the current building project. Outstanding general obligation bond debt at June 30, 2001 was in the amount of \$46,280,655.

### Cash Management

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. The District utilizes the Star Ohio program investment pool operated by the Treasurer of State, Joseph Deters, for ready cash and yield. Interest earned for all funds during the fiscal year was \$984,457. The District's investment policy does not allow for derivative type investments, interest only investments or reverse repurchase agreements. The District has never invested in these types of instruments.

### Risk Management

The District continues to protect its assets through a comprehensive insurance program. A schedule of insurance in force at June 30, 2001 is included in the Notes to the Financial Statements.

## OTHER INFORMATION

### Awards:

#### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

#### Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence on Financial Reporting for the fiscal year ended June 30, 2000, to the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000, 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 an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2001, will again conform to ASBO's principles and standards as well, and will be submitted to ASBO for review.

#### Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The State Auditor's Office performed the audit for the fiscal year ended June 30, 2001. The auditor's unqualified opinion rendered on the District's general purpose financial statements is included in the financial section of this Comprehensive Annual Financial Report.

#### Acknowledgments

The preparation of this report was made possible by the dedication and efforts of the entire staff of the Treasurer's Office. In addition, the cover and photo work was designed by Randy Oppenheimer, School & Community Relations Coordinator. Finally, the support and commitment to excellence by the Fairfield Board of Education and the citizens of the District

was vital to the successful issuance of this report and the continuing efforts being made to improve our financial management and reporting.

Sincerely,



J. Scott Gooding II  
Treasurer/CFO



Dr. Robert Farrell  
Superintendent

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
LIST OF PRINCIPAL OFFICIALS  
JUNE 30, 2001**

**BOARD OF EDUCATION**

---

President.....	Anne Crone
Vice President.....	Mike Oler
Board Member.....	Vicky Barger
Board Member.....	Dr. Kay Crain
Board Member.....	Maurice Godsey

**ADMINISTRATIVE OFFICIALS**

---

Superintendent.....	Dr. Robert Farrell
Treasurer/CFO.....	J. Scott Gooding II
Assistant Superintendent (Certificated Personnel).....	Catherine Milligan
Administrative Assistant For Business (Classified Personnel).....	John Pennell

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairfield City School  
District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2000

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.



*Timothy A. Brown*  
President

*Jeffrey L. Essler*  
Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**FAIRFIELD CITY SCHOOL DISTRICT**

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2000

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

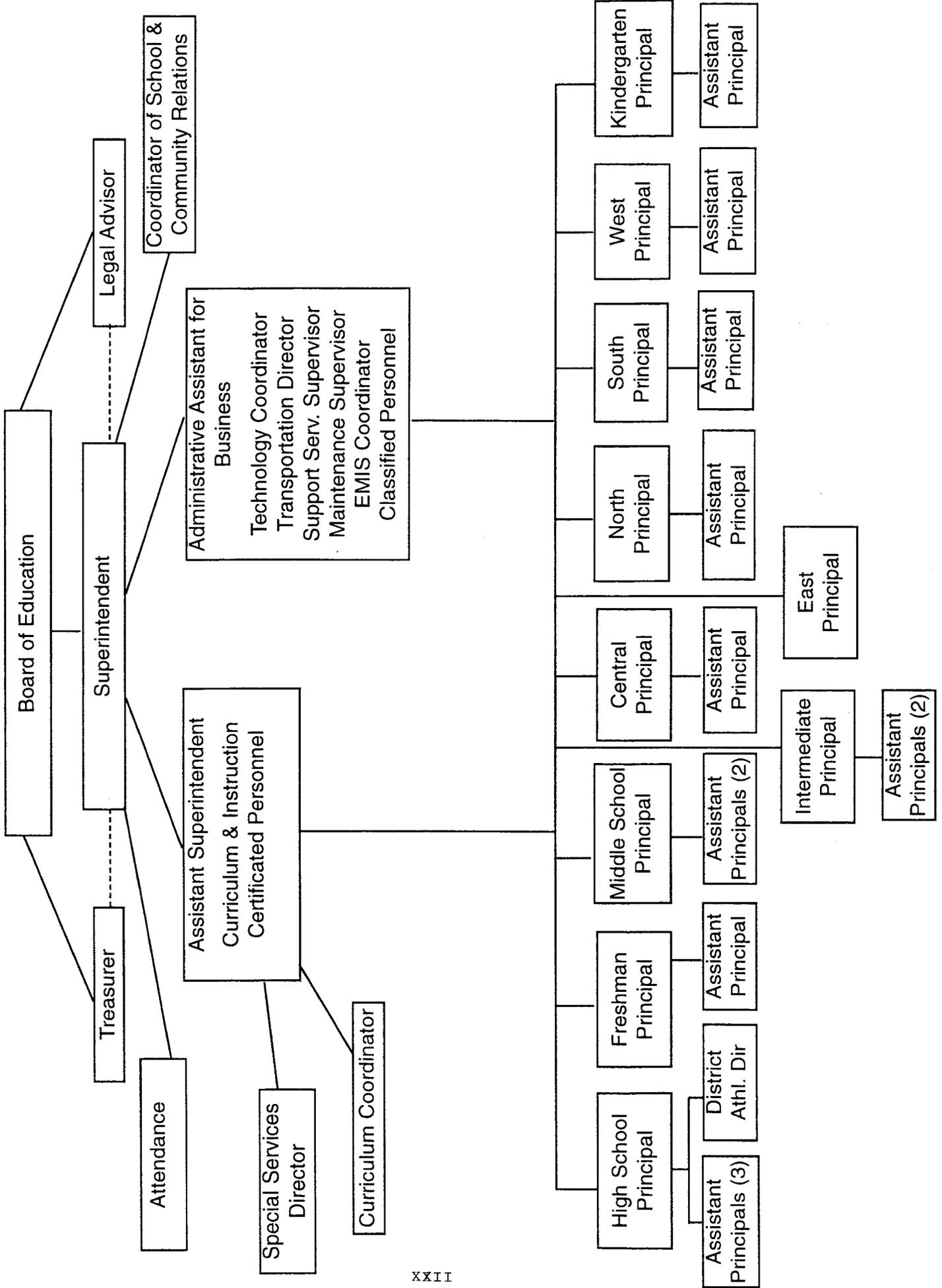
*Linda White*  
President

*Don t. Huger*  
Executive Director

# FAIRFIELD CITY SCHOOL DISTRICT, OHIO STATE OF OHIO MAP



# Fairfield Administrative Staff



## **FINANCIAL SECTION**

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STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

250 West Court Street  
Suite 150 E  
Cincinnati, Ohio 45202  
Telephone 513-361-8550  
800-368-7419  
Facsimile 513-361-8577  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

Fairfield City School District  
Butler County  
211 Donald Drive  
Fairfield, OH 45014-3095

To the Board of Education:

We have audited the accompanying general purpose financial statements of Fairfield City School District, Butler County, Ohio (the District), as of and for the year ended June 30, 2001, 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Fairfield City School District, Butler County, Ohio, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

During the year ended June 30, 2001, the District adopted Governmental Accounting Standards Board Statements 33 and 36 as indicated in Note 23 of the general purpose financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2001, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We performed our audit to form an opinion on the general purpose financial statements of the District, 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 additional analysis and are not a required part of the general purpose financial statements. We subjected this information to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects, in relation to the general purpose financial statements taken as a whole.

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

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

**Jim Petro**  
Auditor of State

December 21, 2001

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

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The general purpose financial statements of the District include the basic combined financial statements, presented by fund type and account group, and notes to the financial statements that are essential to the fair presentation of financial position, results of operations and cash flows.

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FAIRFIELD CITY SCHOOL DISTRICT, OHIO

Combined Balance Sheet

All Fund Types and Account Groups

June 30, 2001

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
Assets:				
Equity in pooled cash and investments	\$8,579,212	\$1,016,810	\$2,210,212	\$138,172
Restricted equity in pooled cash and investments	203,843	0	0	0
Receivables:				
Taxes	27,989,055	0	2,983,100	772,798
Accounts	50,021	9,962	0	0
Intergovernmental	0	142,730	0	0
Accrued interest	36,745	469	0	0
Interfund loan receivable	32,822	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
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>36,891,698</b>	<b>1,169,971</b>	<b>5,193,312</b>	<b>910,970</b>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>				
Liabilities:				
Accounts payable	465,243	173,977	0	27,948
Accrued wages and benefits	5,976,893	169,771	0	0
Compensated absences payable	408,536	0	0	0
Interfund loan payable	0	32,822	0	0
Due to others	0	0	0	0
Deferred revenue	22,704,367	0	2,386,235	636,108
Due to students	0	0	0	0
Capital leases payable	0	0	0	0
Tax anticipation notes payable	0	0	0	1,150,000
General obligation bonds payable	0	0	0	0
<b>Total liabilities</b>	<b>29,555,039</b>	<b>376,570</b>	<b>2,386,235</b>	<b>1,814,056</b>
Fund equity and other credits:				
Investment in general fixed assets	0	0	0	0
Retained earnings:				
Unreserved	0	0	0	0
Contributed capital	0	0	0	0
Fund balances:				
Reserved:				
Reserved for property taxes	5,284,688	0	596,865	136,690
Reserved for encumbrances	217,445	69,566	0	47,247
Reserved for set-asides	203,843	0	0	0
Unreserved:				
Designated for set-asides	1,212,213	0	0	0
Undesignated	418,470	723,835	2,210,212	(1,087,023)
<b>Total fund equity and other credits</b>	<b>7,336,659</b>	<b>793,401</b>	<b>2,807,077</b>	<b>(903,086)</b>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<b>\$36,891,698</b>	<b>\$1,169,971</b>	<b>\$5,193,312</b>	<b>\$910,970</b>

See accompanying notes

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPES	ACCOUNT GROUPS			Totals (Memorandum Only)
		Enterprise	Trust and Agency	General Fixed Assets	
\$627,555	\$130,240	\$0	\$0	\$12,702,201	
0	0	0	0	203,843	
0	0	0	0	31,744,953	
40,925	1,069	0	0	101,977	
34,059	0	0	0	176,789	
0	7	0	0	37,221	
0	0	0	0	32,822	
36,117	0	0	0	36,117	
182,709	0	86,337,062	0	86,519,771	
0	0	0	2,807,077	2,807,077	
0	0	0	50,157,501	50,157,501	
<u>921,365</u>	<u>131,316</u>	<u>86,337,062</u>	<u>52,964,578</u>	<u>184,520,272</u>	
20,715	14,848	0	0	702,731	
161,950	0	0	407,228	6,715,842	
117,802	0	0	6,276,695	6,803,033	
0	0	0	0	32,822	
0	8,099	0	0	8,099	
21,938	0	0	0	25,748,648	
0	103,635	0	0	103,635	
4,899	0	0	0	4,899	
0	0	0	0	1,150,000	
0	0	0	46,280,655	46,280,655	
<u>327,304</u>	<u>126,582</u>	<u>0</u>	<u>52,964,578</u>	<u>87,550,364</u>	
0	0	86,337,062	0	86,337,062	
(608,355)	0	0	0	(608,355)	
1,202,416	0	0	0	1,202,416	
0	0	0	0	6,018,243	
0	0	0	0	334,258	
0	0	0	0	203,843	
0	0	0	0	1,212,213	
0	4,734	0	0	2,270,228	
<u>594,061</u>	<u>4,734</u>	<u>86,337,062</u>	<u>0</u>	<u>96,969,908</u>	
<u>\$921,365</u>	<u>\$131,316</u>	<u>\$86,337,062</u>	<u>\$52,964,578</u>	<u>\$184,520,272</u>	

**FAIRFIELD 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, 2001**

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Taxes	\$29,709,781	\$0	\$3,279,428	\$811,304
Intergovernmental	24,505,849	1,898,118	379,624	168,356
Investment revenue	956,177	9,174	18,948	0
Tuition and fees	634,581	0	0	0
Extracurricular activities	0	239,826	0	0
Other revenues	1,162,824	305,827	0	0
<b>Total revenues</b>	<b>56,969,212</b>	<b>2,452,945</b>	<b>3,678,000</b>	<b>979,660</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	27,764,985	315,519	0	257,632
Special	3,960,600	392,104	0	0
Other	521,149	0	0	0
<b>Support services:</b>				
Pupil	2,373,845	451,662	0	7,361
Instructional staff	3,117,836	162,768	0	0
Board of education	34,753	0	0	0
Administration	4,373,301	77,443	0	0
Fiscal	960,123	0	41,474	8,478
Business	275,575	35,228	0	0
Operations and maintenance	6,236,374	6,496	0	0
Pupil transportation	3,758,817	105	0	0
Central	129,012	0	0	0
Operation of non-instructional services	0	619,118	0	0
Extracurricular activities	1,136,225	228,957	0	0
Capital outlay	0	0	0	345,025
<b>Debt service:</b>				
Principal retirement	0	0	1,041,000	0
Interest and fiscal charges	0	0	2,167,204	0
<b>Total expenditures</b>	<b>54,642,595</b>	<b>2,289,400</b>	<b>3,249,678</b>	<b>618,496</b>
<b>Excess of revenues over (under) expenditures</b>	<b>2,326,617</b>	<b>163,545</b>	<b>428,322</b>	<b>361,164</b>
<b>Other financing sources (uses):</b>				
Proceeds of sale of fixed assets	423	0	0	0
Proceeds of refunding bonds	0	0	38,245,781	0
Payments to refunded bond escrow agent	0	0	(38,245,781)	0
Proceeds of refunding bonds - premium	0	0	33,187	0
Operating transfers in	0	0	2,382,401	1,550,000
Operating transfers (out)	(966,064)	0	(1,550,000)	(1,715,971)
<b>Total other financing sources (uses)</b>	<b>(965,641)</b>	<b>0</b>	<b>865,588</b>	<b>(165,971)</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>1,360,976</b>	<b>163,545</b>	<b>1,293,910</b>	<b>195,193</b>
<b>Fund balance, July 1</b>	<b>5,975,683</b>	<b>629,856</b>	<b>1,513,167</b>	<b>(1,098,279)</b>
<b>Fund balance, June 30</b>	<b>\$7,336,659</b>	<b>\$793,401</b>	<b>\$2,807,077</b>	<b>(\$903,086)</b>

See accompanying notes

<u>FIDUCIARY FUND TYPE</u>	<u>Totals (Memorandum Only)</u>
<u>Expendable Trust</u>	
\$0	\$33,800,513
0	26,951,947
158	984,457
0	634,581
0	239,826
600	1,469,251
<u>758</u>	<u>64,080,575</u>
0	28,338,136
0	4,352,704
0	521,149
2,460	2,835,328
0	3,280,604
0	34,753
0	4,450,744
0	1,010,075
0	310,803
0	6,242,870
0	3,758,922
0	129,012
0	619,118
0	1,365,182
0	345,025
0	1,041,000
0	2,167,204
<u>2,460</u>	<u>60,802,629</u>
<u>(1,702)</u>	<u>3,277,946</u>
0	423
0	38,245,781
0	(38,245,781)
0	33,187
0	3,932,401
0	(4,232,035)
<u>0</u>	<u>(266,024)</u>
(1,702)	3,011,922
6,436	7,026,863
<u>\$4,734</u>	<u>\$10,038,785</u>

**FAIRFIELD 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, 2001**

	General			Special Revenue		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$28,111,160	\$27,568,479	(\$542,681)	\$0	\$0	\$0
Intergovernmental	23,723,927	24,514,388	790,461	1,920,692	1,758,267	(162,425)
Interest	800,000	931,553	131,553	9,226	9,226	0
Tuition & fees	505,000	613,400	108,400	0	0	0
Extracurricular activities	0	0	0	255,910	238,718	(17,192)
Other revenues	1,122,000	1,139,957	17,957	359,302	310,048	(49,254)
<b>Total revenues</b>	<b>54,262,087</b>	<b>54,767,777</b>	<b>505,690</b>	<b>2,545,130</b>	<b>2,316,259</b>	<b>(228,871)</b>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular	27,749,307	27,749,307	0	317,003	317,003	0
Special	3,922,875	3,922,875	0	382,887	382,887	0
Other	517,647	517,647	0	0	0	0
<b>Support services</b>						
Pupil	2,358,345	2,358,345	0	460,896	460,896	0
Instructional staff	2,999,777	2,999,777	0	174,247	174,247	0
Board of Education	34,912	34,912	0	0	0	0
Administration	4,346,052	4,346,052	0	75,406	75,406	0
Fiscal	960,803	960,803	0	0	0	0
Business	272,379	272,379	0	35,228	35,228	0
Operation and maintenance	6,095,879	6,095,879	0	6,705	6,705	0
Pupil transportation	3,493,624	3,493,624	0	755	755	0
Central	132,362	132,362	0	0	0	0
Operation of non-instructional services	0	0	0	702,176	702,176	0
Extracurricular activities	1,135,731	1,135,731	0	229,227	229,227	0
<b>Capital outlay</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Debt Service:</b>						
Principal retirement	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0
<b>Total expenditures</b>	<b>54,019,693</b>	<b>54,019,693</b>	<b>0</b>	<b>2,384,530</b>	<b>2,384,530</b>	<b>0</b>
<b>Excess of revenues over (under) expenditures</b>	<b>242,394</b>	<b>748,084</b>	<b>505,690</b>	<b>160,600</b>	<b>(68,271)</b>	<b>(228,871)</b>
<b>Other financing sources (uses):</b>						
Proceeds of sale of fixed assets	0	423	423	0	0	0
Proceeds of bonds	0	0	0	0	0	0
Proceeds of notes sold	0	0	0	0	0	0
Advances in	120,000	120,000	0	0	32,822	32,822
Advances (out)	(32,822)	(32,822)	0	0	0	0
Operating transfers in	0	0	0	18,832	38,137	19,305
Operating transfers (out)	(966,064)	(966,064)	0	(38,137)	(38,137)	0
<b>Total other financing sources (uses)</b>	<b>(878,886)</b>	<b>(878,463)</b>	<b>423</b>	<b>(19,305)</b>	<b>32,822</b>	<b>52,127</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(636,492)</b>	<b>(130,379)</b>	<b>506,113</b>	<b>141,295</b>	<b>(35,449)</b>	<b>(176,744)</b>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>8,433,903</b>	<b>8,433,903</b>	<b>0</b>	<b>823,587</b>	<b>823,587</b>	<b>0</b>
<b>Fund balance, June 30</b>	<b>\$7,797,411</b>	<b>\$8,303,524</b>	<b>\$506,113</b>	<b>\$964,882</b>	<b>\$788,138</b>	<b>(\$176,744)</b>

See accompanying notes

Debt Service			Capital Projects		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$3,013,400	\$3,082,570	\$69,170	\$758,600	\$748,856	(\$9,744)
362,000	379,624	17,624	118,555	168,356	49,801
18,948	18,948	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<b>3,394,348</b>	<b>3,481,142</b>	<b>86,794</b>	<b>877,155</b>	<b>917,212</b>	<b>40,057</b>
0	0	0	302,962	302,962	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	7,361	7,361	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
41,474	41,474	0	8,478	8,478	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	128,374	128,374	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	348,204	348,204	0
2,591,000	2,591,000	0	0	0	0
2,167,204	2,167,204	0	0	0	0
<b>4,799,678</b>	<b>4,799,678</b>	<b>0</b>	<b>795,379</b>	<b>795,379</b>	<b>0</b>
<b>(1,405,330)</b>	<b>(1,318,536)</b>	<b>86,794</b>	<b>81,776</b>	<b>121,833</b>	<b>40,057</b>
0	0	0	0	0	0
33,187	33,187	0	0	0	0
1,150,000	1,150,000	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,232,401	1,232,401	0	0	0	0
0	0	0	(565,971)	(565,971)	0
<b>2,415,588</b>	<b>2,415,588</b>	<b>0</b>	<b>(565,971)</b>	<b>(565,971)</b>	<b>0</b>
1,010,258	1,097,052	86,794	(484,195)	(444,138)	40,057
1,113,159	1,113,159	0	524,801	524,801	0
<b>\$2,123,417</b>	<b>\$2,210,211</b>	<b>\$86,794</b>	<b>\$40,606</b>	<b>\$80,663</b>	<b>\$40,057</b>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combined Statement of Revenues, Expenses**  
**And Changes in Retained Earnings**  
**Proprietary Fund Type**  
**For The Fiscal Year Ended June 30, 2001**

	<b><u>PROPRIETARY FUND TYPE</u></b>
	<b><u>Enterprise</u></b>
<b>Operating revenues:</b>	
Charges for services	\$2,803,472
Other revenue	10,445
<b>Total revenues</b>	<b><u>2,813,917</u></b>
<b>Operating expenses:</b>	
Salaries and wages	1,269,273
Fringe benefits	377,324
Purchased services	157,500
Materials and supplies	1,458,181
Depreciation	130,292
Other operating expenses	687
<b>Total operating expenses</b>	<b><u>3,393,257</u></b>
<b>Operating income (loss)</b>	<b><u>(579,340)</u></b>
<b>Non-operating revenues (expenses):</b>	
Federal donated commodities	97,535
Operating grants	248,541
Interest expense	(922)
<b>Total non-operating revenues</b>	<b><u>345,154</u></b>
<b>Income (loss)</b>	<b><u>(234,186)</u></b>
<b>Operating transfers in</b>	<b><u>299,634</u></b>
<b>Net income</b>	<b>65,448</b>
<b>Retained Earnings (deficit), July 1</b>	<b>(673,803)</b>
<b>Retained Earnings (deficit), June 30</b>	<b><u><u>(\$608,355)</u></u></b>

See accompanying notes

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combined Statement Of Cash Flows**  
**Proprietary Fund Type**  
**For The Fiscal Year Ended June 30, 2001**

	<b>PROPRIETARY FUND TYPE</b>
	<b>Enterprise</b>
<b>Cash flows from operating activities:</b>	
Cash received from charges for services	\$2,775,441
Cash payments to suppliers for goods and services	(1,518,346)
Cash payments to employees for services	(1,566,483)
Cash payments for other operating expenses	(687)
	<hr/>
<b>Net cash provided by (used for) operating activities</b>	<b>(310,075)</b>
	<hr/>
<b>Cash flows from noncapital financing activities:</b>	
Operating grants received	214,482
Cash received from other funds	299,634
Cash payments to other funds	(120,000)
	<hr/>
<b>Net cash provided by noncapital financing activities</b>	<b>394,116</b>
	<hr/>
<b>Cash flows from capital and related financing activities</b>	
Acquisition of capital assets	(4,290)
	<hr/>
<b>Net cash used for capital and related financing activities</b>	<b>(4,290)</b>
	<hr/>
<b>Net increase in cash and cash equivalents</b>	<b>79,751</b>
<b>Cash and cash equivalents, July 1</b>	<b>547,804</b>
	<hr/>
<b>Cash and cash equivalents, June 30</b>	<b>627,555</b>
	<hr/> <hr/>
	<b>Continued</b>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combined Statement Of Cash Flows**  
**Proprietary Fund Type**  
**For The Fiscal Year Ended June 30, 2001**

	<b>PROPRIETARY FUND TYPE</b>
	<u>Enterprise</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>	
<b>Operating income (loss)</b>	<u>(579,340)</u>
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>	
Depreciation	130,292
Donated commodities used	97,535
<b>Changes in assets and liabilities:</b>	
(Increase) decrease in accounts receivable	(38,476)
(Increase) decrease in inventory held for resale	12,463
Increase (decrease) in accounts payable	1,502
Increase (decrease) in accrued wages and benefits	45,063
Increase (decrease) in compensated absences	29,832
Increase (decrease) in deferred revenue	(5,332)
Increase (decrease) in capital lease payable	(3,614)
<b>Total adjustments</b>	<u>269,265</u>
<b>Net cash provided by (used for) operating activities</b>	<u><u>(\$310,075)</u></u>
<b>Non cash transactions - Enterprise Fund:</b>	
Non cash donation of inventory held for resale - Food Service	\$97,535
<b>See accompanying notes</b>	

## **NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

### **FAIRFIELD CITY SCHOOL DISTRICT, OHIO**

**June 30, 2001**

#### **NOTE 1--DESCRIPTION OF THE DISTRICT**

The Fairfield City School 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 instructional and support facilities staffed by approximately 390 non-certificated personnel and approximately 550 certificated full time teaching and administrative personnel to provide services to students and other community members.

The District is the 24th largest in the State of Ohio (among 612 Districts) in terms of enrollment and the 4th largest in Butler County. It currently operates 1 kindergarten center, 5 elementary schools (serving grades 1 - 4), 1 intermediate school (serving grades 5-6), 1 middle school (serving grades 7 - 8), 1 freshman school (serving grade 9), and 1 comprehensive high school (serving grades 10 - 12).

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

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

#### **THE REPORTING ENTITY**

For financial reporting purposes, the District's financial statements include all funds and account groups of the primary government (i.e. the District). Potential components were considered for inclusion in the financial statements. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e. the District) are financially accountable.

There are no component units included in the financial statements of the District.

#### **BASIS OF PRESENTATION - FUND ACCOUNTING**

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

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

General Fund

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

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund

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

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment (other than those financed by Proprietary Funds).

Proprietary Funds - Proprietary Funds are used to account for the District's ongoing activities, which are similar to those most often, found in the private sector. In accordance with GASB Statement 20, the District has chosen to follow all 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 with or contradict GASB pronouncements. Following is the District's Proprietary Fund Type:

Enterprise Funds

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

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

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

General Fixed Assets Account Group

This group of accounts is established to account for all fixed assets of the District, other than those accounted for in Proprietary Funds and Trust Funds.

General Long Term Obligations Account Group

This group of accounts is established to account for all long-term obligations of the District, except those accounted for in Proprietary Funds and Trust Funds.

MEASUREMENT FOCUS/BASIS OF ACCOUNTING

*Measurement Focus:* Governmental Fund Types and Expendable Trust Funds are accounted for on a spending, or "current financial resources," measurement focus. Governmental Fund Types and Expendable Trust Funds operating statements represent increases and decreases in net current assets. Their reported fund balances are considered a measure of available spendable resources.

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

*Basis of Accounting:* The modified accrual basis of accounting is followed for Governmental, Expendable Trust and Agency Funds. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year, in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Proprietary Funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred.

## BUDGETARY DATA

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

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

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

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

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

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

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

Prior to March 15, 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 will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final Amended Certificate.

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

Any revisions that alter the legal level of appropriations must be approved by the Board of Education. The legal level is function within the fund.

Formal budgetary integration is employed as a management control device during the year for all funds except agency funds consistent with statutory provisions. All departments/functions and funds completed the year within the amount of their legally authorized appropriation.

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

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

Budget deadlines may be established to allow for budget amendments prior to year-end. These final amendments allow actual amounts on the budgetary basis to agree with the adopted budget. While final amendments were made to estimated revenues, such changes were not reflected in the budgetary statements because they lacked approval by the budget commission. The original appropriation measure was amended by insignificant amounts during the year.

## ENCUMBRANCES

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

## RESTRICTED EQUITY IN POOLED CASH AND INVESTMENTS

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

## CASH AND INVESTMENTS

Cash received by the District is deposited in three accounts with individual fund balance integrity maintained throughout. Monies for all funds are maintained in these accounts or is temporarily used to purchase authorized investments, which are stated at fair value. The fair value of investments was determined through the use of published market values. For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with original maturities of three months or less are considered to be cash and cash equivalents.

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

Under existing Ohio statutes, all investment earnings accrue to the General Fund except those specifically related to Auxiliary Services, Permanent Improvement, Food Service and certain trust funds and those funds individually authorized by Board resolution. Interest earnings are allocated to these funds based on average monthly cash balances.

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

#### INVENTORY (MATERIALS AND SUPPLIES)

Inventories are valued at lower of cost (First-in, First-out) or market and are determined by physical count. Inventories are expended when used rather than when purchased. The amount of unused commodities at year-end are reported as deferred revenue since title does not pass to the school district until the commodities are used.

#### FIXED ASSETS AND DEPRECIATION

General Fixed Assets Account Group - General fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the General Fixed Assets Account Group. Donated fixed assets are recorded at their fair market values as of the date donated. The District follows the policy of not capitalizing assets with a cost of less than \$1,000 and a useful life of less than 5 years. No depreciation is recognized for assets in the General Fixed Assets Account Group. The District does not possess any infrastructure.

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

<u>Asset</u>	<u>Life (years)</u>
Furniture, Fixtures and Equipment	5

#### INTERFUND TRANSACTIONS

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

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

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

Short-term interfund loans are reflected as interfund loans payable/receivable, while long-term interfund loans (greater than one year in length) are recorded as advances to/from other funds.

## COMPENSATED ABSENCES

GASB Statement 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.
2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment.

The District's policies regarding compensated absences are determined by state laws and/or negotiated agreements and include salary related payments if material. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How earned	Not Eligible	Not Eligible	10-25 days for each Service year depending on length of service.
Maximum Accumulation	Not Applicable	Not Applicable	25 days
Vested	Not Applicable	Not Applicable	As Earned
Termination Entitlement	Not Applicable	Not Applicable	Paid upon Termination
<u>Sick Leave</u> How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	330 days according to bargaining agreements	330 days	330 days according to bargaining agreements
Vested	As Earned	As Earned	As Earned
Termination Entitlement	Per Contract	Per Contract	Per Contract

For governmental funds, vested and accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of its respected governmental fund. Amounts of vested and accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the General Long Term Obligations Account Group. Vested and accumulated vacation and sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to the employee. There are no material salary related payments applicable to the District.

**LONG-TERM OBLIGATIONS**

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

**FUND EQUITY**

Contributed capital is recorded in proprietary funds that received capital grants or contributions from other funds. There were changes in the contributed capital reported for enterprise funds during the year. Reserved fund balances indicate that portion of fund equity, which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for property taxes, encumbrances and set-asides required by state law. The unreserved portions of fund equity reflected for the governmental funds are available for use within the specific purpose of those funds. Fund balances are also reserved for those property taxes recognized as revenue because they were available for advance by the County Auditor. While these property taxes meet the criteria for revenue recognition, they were not appropriable by the District for expenditure.

The District’s Board approved \$1,212,213 to be used in future years against any budget deficits.

**MEMORANDUM ONLY-TOTAL COLUMNS**

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

**NOTE 3-- DEFICIT IN FUND BALANCE/RETAINED EARNINGS**

The following Capital Projects Fund and Enterprise Fund had a deficit in fund balance/retained earnings.

Capital Projects Fund:	
Permanent Improvement	\$958,562
Enterprise Fund:	
Food Service	1,139,354

Capital Projects Fund deficit in fund balance was primarily due to accruals for GAAP and the Enterprise Fund deficit in retained earnings was primarily due to depreciation on contributed capital.

#### **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 pooled cash was \$315,224. The bank balance of deposits was \$823,093, of which \$100,000 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 fiscal year-end are classified as follows:

	Category			Carrying Value/Fair Value
	<u>1</u>	<u>2</u>	<u>3</u>	
Money Market (1)	\$ 0	\$ 0	\$ 0	\$ 98,385
U.S. Treasury Bonds	0	3,143,609	0	3,143,609
State Treasury Pool (1)	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,348,826</u>
Total	<u>\$ 0</u>	<u>\$3,143,609</u>	<u>\$ 0</u>	<u>\$12,590,820</u>

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

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--INTERFUND RECEIVABLES/PAYABLES**

Interfund balances at fiscal year-end consisted of the following individual fund receivables and payables.

<u>Interfund loans:</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$32,822	\$0
Special Revenue Funds:		
Spring Recognition	0	20,022
Entry Year Grant	<u>0</u>	<u>12,800</u>
Total All Funds	<u>\$32,822</u>	<u>\$32,822</u>

**NOTE 6--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 2001 were based as follows:

Tangible and Public Utility Personal	\$131,086,907
Real Estate	<u>934,248,580</u>
 Total Assessed Property Value	 <u>\$1,065,335,487</u>

Real property taxes collected in 2001 were levied in January on the assessed values as of January 1, 2000, 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 2001, 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 2001, if paid annually, payment was due by February 8th. If paid semi-annually, the first payment (at least 1/2 amount billed) was due February 8th with the remainder due on July 12th.

The County Auditor remits portions of the taxes collected to all taxing Districts with periodic settlements of Real and Public Utility property taxes in February and August and Tangible Personal Property taxes in June and October. The District records billed but uncollected property taxes as receivables at their estimated net realizable value.

**NOTE 7--RECEIVABLES**

Receivables at fiscal year-end, consisted of taxes, accounts receivable, accrued interest and intergovernmental grants. 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 principle receivables follows:

<u>Fund</u>	<u>Type of Receivable</u>	<u>Amount</u>
General Fund	Taxes	\$27,989,055
	Accounts	50,021
	Accrued Interest	36,745
Special Revenue Funds	Accounts	9,962
	Intergovernmental	142,730
	Accrued Interest	469
Debt Service Fund	Taxes	2,983,100
Capital Project Funds	Taxes	772,798
Enterprise Funds	Accounts	40,925
	Intergovernmental	34,059

**NOTE 8--FIXED ASSETS**

A summary of the changes in the General Fixed Assets Account Group during the fiscal year follows:

	<u>Balance July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30</u>
Land/Improvements	\$ 4,464,991	\$ 0	\$ 0	\$ 4,464,991
Building and Building Improvements	64,871,909	42,984	0	64,914,893
Furniture/Equipment	<u>16,559,886</u>	<u>413,295</u>	<u>16,003</u>	<u>16,957,178</u>
Total	<u>\$85,896,786</u>	<u>\$456,279</u>	<u>\$16,003</u>	<u>\$86,337,062</u>

A summary of the Proprietary Fund fixed assets at fiscal year-end follows:

Furniture and Equipment	\$ 1,319,468
Less Accumulated Depreciation	<u>(1,136,759)</u>
Net Fixed Assets - Proprietary Fund	<u>\$ 182,709</u>

**NOTE 9 – NOTES PAYABLE**

The District was liable during the fiscal year for a tax anticipation note payable presented below.

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance July 1</u>	<u>Issued (Retired)</u>	<u>Balance June 30</u>
Tax Anticipation	4.28%	10/28/99	10/26/00	\$ 1,550,000	(\$ 1,550,000)	\$ 0
Tax Anticipation	4.90%	10/26/00	10/25/01	0	1,150,000	1,150,000

**NOTE 10--GENERAL LONG-TERM BONDS**

The current obligation bonds outstanding, issued to provide funds for the acquisition and construction of equipment and facilities, are general obligations of the School District for which the full faith and credit of the school district is pledged for repayment. Accordingly, such unmatured obligations of the school district are accounted for in the General Long-Term Obligation Account Group. Payments of principal and interest relating to all district bonds are recorded as expenditures in the Debt Service Fund.

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

<u>Purpose</u>	<u>Interest Rate</u>	<u>Balance July 1</u>	<u>Issued (Retired)</u>	<u>Balance June 30</u>
<b>Bonds</b>				
School Bus	5.4090	\$206,000	(\$206,000)	\$0
School Improvement (1)	7.3157	4,000,000	(500,000)	3,500,000
School Improvement (2)	6.2490	37,285,000	(34,065,000)	3,220,000
Refunding	6.5702	3,214,814	(315,000)	2,899,814
Energy Conservation	5.2270	2,620,000	(320,000)	2,300,000
School Improvement Refunding	4.8600	<u>0</u>	<u>34,360,841</u>	<u>34,360,841</u>
<b>Total Bonds</b>		<u>\$47,325,814</u>	<u>(\$1,045,159)</u>	<u>\$46,280,655</u>

(1) \$400,000 of the \$500,000 retired represents advance refunding dated March 1, 2001.

(2) \$33,965,000 of the \$34,065,000 retired represents advance refunding dated March 1, 2001.

The following is a summary of the District's future annual debt service requirements to maturity:

<u>Year Ending June 30</u>	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2002	\$2,025,000	\$2,345,476
2003	1,605,000	2,259,344
2004	1,855,000	2,176,124
2005	2,015,000	2,079,656
2006 and thereafter	<u>38,780,655</u>	<u>25,173,225</u>
	<u>\$46,280,655</u>	<u>\$34,033,825</u>

#### **NOTE 11--CHANGES IN THE GENERAL LONG TERM OBLIGATIONS ACCOUNT GROUP**

During the year, the following changes occurred in liabilities reported in the General Long Term Obligations Account Group. Compensated absences will be paid from the fund from which the employee is paid. Capitalized leases will be paid out of the applicable fund.

	<u>Balance July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30</u>
General Obligation Bonds	\$47,325,814	\$34,360,841	\$35,406,000	\$46,280,655
Compensated Absences	5,630,130	646,565	0	6,276,695
Accrued Wages and Benefits	<u>368,897</u>	<u>38,331</u>	<u>0</u>	<u>407,228</u>
<b>Total</b>	<u>\$53,324,841</u>	<u>\$35,045,737</u>	<u>\$35,406,000</u>	<u>\$52,964,578</u>

The accrued wages and benefits amount above represents pension contributions that are not expected to be liquidated with expendable available financial resources.

## NOTE 12--ADVANCE REFUNDING

In March 2001, the School District issued \$34,360,841 in General Obligation Bonds with an average interest rate of 4.86 percent to advance refund \$400,000 of outstanding 1994 Series bonds with an average interest rate of 7.04 percent and \$33,965,000 of outstanding Series 1995 bonds with an average interest rate of 6.52 rate percent. The net proceeds of \$38,278,968 (after payment of \$400,930 in underwriting fees, insurance and other issuance costs) were used to purchased U.S. government securities. Those securities were deposited an irrevocable trust with an escrow agent to provide for future debt service payments on the 2006 through 2009 maturities of the Series 1994 bonds and payments on the 2007 through 2020 maturities of the Series 1995 bonds. As a result, the refunded \$400,000 of the Series 1994 bonds and the refunded \$33,965,000 of the Series 1995 bonds are considered to be defeased and the liability of those bonds has been removed from the general long-term debt account group.

The School District advance refunded the Series 1994 and Series 1995 bonds to reduce its total debt payment over the next 20 years by \$2,217,798 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,690,770 or 4.92 percent of the old issue.

## NOTE 13--SEGMENT INFORMATION

Enterprise Funds - The District maintains three Enterprise Funds to account for the operations of Food Services, Uniform School Supply and the Latchkey Fund. 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-end.

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Latchkey</u>	<u>Total</u>
Operating Revenues	\$1,765,459	\$228,798	\$819,660	\$2,813,917
Operating expenses before depreciation	2,296,943	195,144	770,878	3,262,965
Depreciation	128,411	0	1,881	130,292
Operating Income/(Loss)	(659,895)	33,654	46,901	(579,340)
Operating Grants	248,541	0	0	248,541
Donated Commodities	97,535	0	0	97,535
Interest Expense	922	0	0	922
Net Income (Loss)	(15,107)	33,654	46,901	65,448
Net Working Capital	(119,276)	248,732	281,896	411,352
Total Assets	272,342	254,638	394,385	921,365
Total Liability	209,280	5,906	112,118	327,304
Total Equity	63,062	248,732	282,267	594,061

## **NOTE 14--EMPLOYEE RETIREMENT SYSTEMS**

All District employees are covered by the statewide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). District employees hired after April 1, 1986 are also currently covered under the Federal Social Security Act for the Medicare portion only. The District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the District to pay the employer share as determined by each Retirement System.

### **SCHOOL EMPLOYEES RETIREMENT SYSTEM**

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

Plan members are required to contribute 9 of their annual covered salary and the Fairfield City School District is required to contribute 14 percent: 10.5 percent 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 School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$1,326,354, \$1,207,338, and \$1,130,352, respectively; 47.6 percent has been contributed for fiscal years 2001 and 100 percent for the fiscal years 2000 and 1999. \$695,088 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds and the general long-term obligations account group.

### **STATE TEACHERS RETIREMENT SYSTEM**

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

Plan members are required to contribute 9.3 percent of their annual covered salary and the Fairfield City School District is required to contribute 14 percent: 12 percent 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 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000 and 1999 were \$4,034,592, \$3,615,888, and \$3,528,756, respectively; 82.1 percent has been contributed for fiscal years 2001 and 100 percent for the fiscal years 2000 and 1999. \$722,428 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds.

## **NOTE 15--POST EMPLOYMENT 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 8 percent of covered payroll to the Health Care Reserve Fund. The Health Care Reserve Allocation for the year ended June 30, 2001 will be 4.5 percent of covered payroll.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the fund was \$3,149 million at June 30, 2000. For the year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000 and STRS had 99,011 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 8.45 percent of covered payroll, an increase from 6.3 percent for fiscal year 2000. 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, 2000, were \$140,696,340 and the target level was \$211.0 million. At June 30, 2000, SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

## **NOTE 16--STATE SCHOOL FUNDING DECISION**

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.

- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of December 21, 2001 the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may reexamine and redetermine any issue upon such reconsideration.

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

**NOTE 17--BUDGETARY BASIS OF ACCOUNTING**

While 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 and disbursements. A reconciliation of the nature and amounts of the adjustments necessary to convert the GAAP financial statements of the budgetary basis follows:

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

<u>Governmental Fund Types</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>
GAAP Basis	\$1,360,976	\$163,545	\$1,293,910	\$195,193
Net Adjustment for Revenue Accruals	(2,081,435)	(65,727)	(196,858)	(1,612,448)
Net Adjustment for Expenditure Accruals	1,018,757	95,398	0	1,030,628
Net Adjustment for Encumbrances	<u>(428,677)</u>	<u>(228,665)</u>	<u>0</u>	<u>( 57,511)</u>
Budgetary Basis	<u>(\$130,379)</u>	<u>(\$35,449)</u>	<u>\$1,097,052</u>	<u>(\$444,138)</u>

## **NOTE 18--CONTINGENT LIABILITIES**

### **GRANTS**

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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 effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at fiscal year-end.

## **NOTE 19-- JOINTLY GOVERNED ORGANIZATIONS**

### **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.

### **BUTLER COUNTY CAREER CENTER**

The Butler 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 the participating school district's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Butler County Career Center is not part of the District and its operations are not included as part of the reporting entity.

## **NOTE 20--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 the fiscal year, the District contracted with Indiana Insurance Company for property and general liability insurance and boiler and machinery insurance.

Boiler and machinery coverage has a \$1,000 deductible. General liability is protected by Indiana Insurance Company with \$5,000,000 each occurrence, \$5,000,000 aggregate limit. Vehicles are covered by Indiana Insurance Company with a \$500 deductible. Public officials bond insurance is provided by Ohio Farmers Insurance Company and Indiana

Insurance Company. The Treasurer, Superintendent and Board President are covered by bonds in the amount of \$20,000 each. The District has elected to provide employee medical and dental benefits through Butler County Health Insurance Plan. The employees share the cost of the monthly premium for the coverage with the Board.

There were no significant reductions in insurance coverage from the prior year. Also, there were no settlements that exceeded insurance coverage for the past three fiscal years.

**NOTE 21--STATUTORY RESERVES**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year-end, 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>
Set-Aside Cash Balance , 7/1/00	\$ 0	\$ 0	\$1,416,056	\$ 1,416,056
Required Set-Aside	1,249,118	1,249,118	0	2,498,236
Offset Credits	0	0	0	0
Reduction Authorized by Legislation Restrictions	0	0	(1,212,213)	(1,212,213)
Qualifying Disbursements	<u>(1,249,118)</u>	<u>(1,249,118)</u>	<u>0</u>	<u>(2,498,236)</u>
Balance, 6/30/01	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 203,843</u>	<u>\$ 203,843</u>

Expenditures for textbook activity during the year totaled \$1,886,117, which exceeded the amount required for the set-aside.

Expenditures for capital activity during the year totaled \$1,758,473, which exceeded the amount required for the set-aside.

Effective April 10, 2001, Am. Sub. Senate Bill 345 amended ORC Section 5705.29 effectively eliminating the requirement for the District to establish and maintain a budget stabilization reserve. By resolution, the Board can eliminate the reserve in accordance with the Act. As of June 30, 2001, the Board had not acted on the Senate Bill requirements to eliminate the reserve balance. The non-BWC (Bureau of Workers' Compensation) portion of monies designated for set-aside totaling \$1,212,213 in the General Fund. The District is still required by State law to maintain the textbook reserve and the capital acquisition reserve.

**NOTE 22--CONTRIBUTED CAPITAL**

During the year, contributed capital was as follows:

	<u>Food Service Fund</u>
Contributed Capital, Beginning of Year	\$1,202,416
Capital Contributed Additions	<u>0</u>
Contributed Capital, End of Year	<u>\$1,202,416</u>

## **NOTE 23--CHANGES IN ACCOUNTING PRINCIPLES**

### Changes in Accounting Principles

For the fiscal year ended June 30, 2001, the District has implemented GASB Statement No.33, "*Accounting and Financial Reporting for Nonexchange Transactions*" and GASB No.36 "*Recipient Reporting for Certain Shared Nonexchange Revenues*". At June 30, 2000, there was no effect on fund balance as a result of implementing GASB 33 and GASB 36.

**COMBINING AND INDIVIDUAL FUND  
AND ACCOUNT GROUP FINANCIAL  
STATEMENTS AND SCHEDULES**

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## **GENERAL FUND**

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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 according to the general laws of the State of Ohio.

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

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## SPECIAL REVENUE FUNDS

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

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

SPRING RECOGNITION: 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 EAST: To account for state funds, which provide support for the creation of a successful professional development structure.

EXTRACURRICULAR STUDENT ACTIVITIES: To account for those student activity programs which have student participation in the activity but do not have student management in the programs. This fund includes athletic programs as well as the band, cheerleaders, flag corps and other similar types of activities.

AUXILIARY SERVICES: To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

STAFF DEVELOPMENT: To account for state funds provided for staff development programs.

EXCELLENCE IN EDUCATION: To account for state funds which provide pupil competency assessment and instructional development in English Composition, Mathematics and Reading as required by the minimum standards for Ohio Schools. This fund is also provided to account for expenses related to the Ohio Science Olympics and to the International Science and Engineering Fair.

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

ENTRY YEAR GRANT: To account for state funds provided for entry year programs.

SCHOOLNET PROFESSIONAL DEVELOPMENT: To account for a limited number of professional development subsidy grants.

OHIO READS: To account for state funds, which are designated reading.

SUMMER INTERVENTION: To account for funds, which are used for summer intervention.

SCHOOL SECURITY: To account for state funds provided for security of equipment.

TITLE II: To account for federal funds used for the training of teachers in new techniques and methodologies in the areas of mathematics and science.

TITLE VI B PRE-SCHOOL: To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialist in providing educational services to the handicapped.

TITLE I: To account for federal funds for services provided to meet special educational needs of educationally deprived children.

TITLE VI: To account for federal funds to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; programs to enhance personal excellence of students and student achievement.

DRUG FREE SCHOOLS: To account for federal funds used for establishment, operation and improvement of programs of drug abuse prevention, early intervention, rehabilitation referral and education in schools.

PRE-SCHOOL DISABILITIES: This program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

TELECOM ACT GRANT: To account for funds to be used for telecommunications.

CLASSROOM SIZE REDUCTION: To account for federal funds to be used for classroom size reduction

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**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Balance Sheet**  
**Special Revenue Funds**  
**June 30, 2001**

	Public School Support	Spring Recognition	Venture Capital East	Extra- Curricular Student Activities
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$177,231	\$39,995	\$1,479	\$200,974
<b>Receivables:</b>				
Accounts	7,227	0	0	2,735
Accrued Interest	0	0	0	0
Intergovernmental	0	0	0	0
<b>Total assets</b>	<b>184,458</b>	<b>39,995</b>	<b>1,479</b>	<b>203,709</b>
<b>Liabilities:</b>				
Accounts payable	11,555	13,265	598	755
Accrued wages & benefits	0	0	0	0
Interfund payable	0	20,022	0	0
<b>Total liabilities</b>	<b>11,555</b>	<b>33,287</b>	<b>598</b>	<b>755</b>
<b>Fund balances:</b>				
<b>Reserved:</b>				
Reserved for encumbrances	11,580	4,247	302	0
<b>Unreserved:</b>				
Undesignated	161,323	2,461	579	202,954
<b>Total fund equity</b>	<b>172,903</b>	<b>6,708</b>	<b>881</b>	<b>202,954</b>
<b>Total liabilities and fund equity</b>	<b>\$184,458</b>	<b>\$39,995</b>	<b>\$1,479</b>	<b>\$203,709</b>

<u>Auxiliary Services</u>	<u>Staff Development</u>	<u>Excellence In Education</u>	<u>Management Information</u>	<u>Entry Year Grant</u>	<u>SchoolNet Professional Development</u>
\$258,232	\$24,814	\$915	\$0	\$17,523	\$8,040
0	0	0	0	0	0
469	0	0	0	0	0
0	0	0	0	12,800	0
<u>258,701</u>	<u>24,814</u>	<u>915</u>	<u>0</u>	<u>30,323</u>	<u>8,040</u>
140,173	1,454	0	0	1,200	0
36,331	0	0	0	0	0
0	0	0	0	12,800	0
<u>176,504</u>	<u>1,454</u>	<u>0</u>	<u>0</u>	<u>14,000</u>	<u>0</u>
40,185	436	0	0	4,200	0
42,012	22,924	915	0	12,123	8,040
<u>82,197</u>	<u>23,360</u>	<u>915</u>	<u>0</u>	<u>16,323</u>	<u>8,040</u>
<u>\$258,701</u>	<u>\$24,814</u>	<u>\$915</u>	<u>\$0</u>	<u>\$30,323</u>	<u>\$8,040</u>

Continued

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**

**Combining Balance Sheet**

**Special Revenue Funds**

**June 30, 2001**

	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>School Security</u>	<u>Title II</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$0	\$39,969	\$5,735	\$9,895
Receivables:				
Accounts	0	0	0	0
Accrued Interest	0	0	0	0
Intergovernmental	0	0	0	10,476
<b>Total assets</b>	<u>0</u>	<u>39,969</u>	<u>5,735</u>	<u>20,371</u>
<b>Liabilities:</b>				
Accounts payable	0	0	0	484
Accrued wages & benefits	0	0	0	0
Interfund payable	0	0	0	0
<b>Total liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>484</u>
<b>Fund balances:</b>				
Reserved:				
Reserved for encumbrances	0	0	0	0
Unreserved:				
Undesignated	0	39,969	5,735	19,887
<b>Total fund equity</b>	<u>0</u>	<u>39,969</u>	<u>5,735</u>	<u>19,887</u>
<b>Total liabilities and fund equity</b>	<u>\$0</u>	<u>\$39,969</u>	<u>\$5,735</u>	<u>\$20,371</u>

<b>Title VI B Pre-School</b>	<b>Title I</b>	<b>Title VI</b>	<b>Drug Free Schools</b>	<b>Pre-School Disabilities</b>	<b>Telecom Act Grant</b>
\$56,944	\$24,189	\$13,934	\$13,656	\$0	\$103,511
0	0	0	0	0	0
0	0	0	0	0	0
24,106	74,336	9,233	3,807	0	0
<u>81,050</u>	<u>98,525</u>	<u>23,167</u>	<u>17,463</u>	<u>0</u>	<u>103,511</u>
1,844	2,049	151	449	0	0
63,664	51,101	6,112	0	0	0
0	0	0	0	0	0
<u>65,508</u>	<u>53,150</u>	<u>6,263</u>	<u>449</u>	<u>0</u>	<u>0</u>
3,570	4,616	40	390	0	0
11,972	40,759	16,864	16,624	0	103,511
<u>15,542</u>	<u>45,375</u>	<u>16,904</u>	<u>17,014</u>	<u>0</u>	<u>103,511</u>
<u>\$81,050</u>	<u>\$98,525</u>	<u>\$23,167</u>	<u>\$17,463</u>	<u>\$0</u>	<u>\$103,511</u>

Continued

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Balance Sheet**  
**Special Revenue Funds**  
**June 30, 2001**

	<u>Classroom Size Reduction</u>	<u>Totals</u>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents	\$19,774	\$1,016,810
<b>Receivables:</b>		
Accounts	0	9,962
Accrued Interest	0	469
Intergovernmental	7,972	142,730
<b>Total assets</b>	<u>27,746</u>	<u>1,169,971</u>
<b>Liabilities:</b>		
Accounts payable	0	173,977
Accrued wages & benefits	12,563	169,771
Interfund payable	0	32,822
<b>Total liabilities</b>	<u>12,563</u>	<u>376,570</u>
<b>Fund balances:</b>		
<b>Reserved:</b>		
Reserved for encumbrances	0	69,566
<b>Unreserved:</b>		
Undesignated	15,183	723,835
<b>Total fund equity</b>	<u>15,183</u>	<u>793,401</u>
<b>Total liabilities and fund equity</b>	<u>\$27,746</u>	<u>\$1,169,971</u>

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**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenditures**  
**And Changes in Fund Balances**  
**Special Revenue Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<b>Public School Support</b>	<b>Spring Recognition</b>	<b>Venture Capital East</b>	<b>Extra- Curricular Student Activities</b>
<b>Revenues:</b>				
Intergovernmental	\$0	\$0	\$25,000	\$0
Interest	0	0	0	0
Extracurricular activities	49,439	0	0	190,387
Other revenues	204,918	54,407	0	46,502
<b>Total revenues</b>	<b>254,357</b>	<b>54,407</b>	<b>25,000</b>	<b>236,889</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	0	79,422	32,962	0
Special	0	0	0	0
<b>Support services:</b>				
Pupil	232,885	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Business	0	0	0	0
Operations and maintenance	1,731	0	0	0
Pupil transportation	105	0	0	0
Operation of non-instructional services	0	0	0	0
Extracurricular activities	0	0	0	228,957
<b>Total expenditures</b>	<b>234,721</b>	<b>79,422</b>	<b>32,962</b>	<b>228,957</b>
<b>Excess of revenues over (under) expenditures</b>	<b>19,636</b>	<b>(25,015)</b>	<b>(7,962)</b>	<b>7,932</b>
<b>Fund balance (deficit), July 1</b>	<b>153,267</b>	<b>31,723</b>	<b>8,843</b>	<b>195,022</b>
<b>Fund balance, June 30</b>	<b>\$172,903</b>	<b>\$6,708</b>	<b>\$881</b>	<b>\$202,954</b>

<u>Auxiliary Services</u>	<u>Staff Development</u>	<u>Excellence In Education</u>	<u>Management Information</u>	<u>Entry Year Grant</u>	<u>SchoolNet Professional Development</u>
\$545,861	\$42,206	\$0	\$35,228	\$64,000	\$5,000
9,174	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>555,035</u>	<u>42,206</u>	<u>0</u>	<u>35,228</u>	<u>64,000</u>	<u>5,000</u>
0	0	0	0	47,677	210
0	0	0	0	0	0
0	0	0	0	0	0
0	35,034	0	0	0	0
0	0	0	0	0	0
0	0	0	35,228	0	0
0	0	0	0	0	0
0	0	0	0	0	0
595,378	2,526	0	0	0	0
0	0	0	0	0	0
<u>595,378</u>	<u>37,560</u>	<u>0</u>	<u>35,228</u>	<u>47,677</u>	<u>210</u>
<u>(40,343)</u>	<u>4,646</u>	<u>0</u>	<u>0</u>	<u>16,323</u>	<u>4,790</u>
<u>122,540</u>	<u>18,714</u>	<u>915</u>	<u>0</u>	<u>0</u>	<u>3,250</u>
<u>\$82,197</u>	<u>\$23,360</u>	<u>\$915</u>	<u>\$0</u>	<u>\$16,323</u>	<u>\$8,040</u>

Continued

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenditures**  
**And Changes in Fund Balances**  
**Special Revenue Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>School Security</u>	<u>Title II</u>
<b>Revenues:</b>				
Intergovernmental	\$4,000	\$39,969	\$11,900	\$29,404
Interest	0	0	0	0
Extracurricular activities	0	0	0	0
Other revenues	0	0	0	0
<b>Total revenues</b>	<u>4,000</u>	<u>39,969</u>	<u>11,900</u>	<u>29,404</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	4,000	0	0	31,913
Special	0	0	0	0
<b>Support services:</b>				
Pupil	0	0	6,480	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Business	0	0	0	0
Operations and maintenance	0	0	1,885	0
Pupil transportation	0	0	0	0
Operation of non-instructional services	0	0	0	0
Extracurricular activities	0	0	0	0
<b>Total expenditures</b>	<u>4,000</u>	<u>0</u>	<u>8,365</u>	<u>31,913</u>
<b>Excess of revenues over (under) expenditures</b>	<u>0</u>	<u>39,969</u>	<u>3,535</u>	<u>(2,509)</u>
<b>Fund balance (deficit), July 1</b>	0	0	2,200	22,396
<b>Fund balance, June 30</b>	<u>\$0</u>	<u>\$39,969</u>	<u>\$5,735</u>	<u>\$19,887</u>

<b>Title VI B Pre-School</b>	<b>Title I</b>	<b>Title VI</b>	<b>Drug Free Schools</b>	<b>Pre-School Disabilities</b>	<b>Telecom Act Grant</b>
\$474,607	\$387,726	\$52,076	\$42,115	\$15,102	\$26,956
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>474,607</u>	<u>387,726</u>	<u>52,076</u>	<u>42,115</u>	<u>15,102</u>	<u>26,956</u>
0	3,714	0	43,028	0	0
86,330	270,929	34,845	0	0	0
197,195	0	0	0	15,102	0
81,110	46,624	0	0	0	0
77,443	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	2,880
0	0	0	0	0	0
14,747	0	5,002	1,465	0	0
0	0	0	0	0	0
<u>456,825</u>	<u>321,267</u>	<u>39,847</u>	<u>44,493</u>	<u>15,102</u>	<u>2,880</u>
<u>17,782</u>	<u>66,459</u>	<u>12,229</u>	<u>(2,378)</u>	<u>0</u>	<u>24,076</u>
<u>(2,240)</u>	<u>(21,084)</u>	<u>4,675</u>	<u>19,392</u>	<u>0</u>	<u>79,435</u>
<u>\$15,542</u>	<u>\$45,375</u>	<u>\$16,904</u>	<u>\$17,014</u>	<u>\$0</u>	<u>\$103,511</u>

**Continued**

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenditures**  
**And Changes in Fund Balances**  
**Special Revenue Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<u>Classroom Size Reduction</u>	<u>Totals</u>
<b>Revenues:</b>		
Intergovernmental	\$96,968	\$1,898,118
Interest	0	9,174
Extracurricular activities	0	239,826
Other revenues	0	305,827
<b>Total revenues</b>	<u>96,968</u>	<u>2,452,945</u>
<b>Expenditures:</b>		
<b>Current:</b>		
<b>Instruction:</b>		
Regular	72,593	315,519
Special	0	392,104
<b>Support services:</b>		
Pupil	0	451,662
Instructional Staff	0	162,768
Administration	0	77,443
Business	0	35,228
Operations and maintenance	0	6,496
Pupil transportation	0	105
Operation of non-instructional services	0	619,118
Extracurricular activities	0	228,957
<b>Total expenditures</b>	<u>72,593</u>	<u>2,289,400</u>
<b>Excess of revenues over (under) expenditures</b>	<u>24,375</u>	<u>163,545</u>
<b>Fund balance (deficit), July 1</b>	(9,192)	629,856
<b>Fund balance, June 30</b>	<u>\$15,183</u>	<u>\$793,401</u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Extracurricular activities</b>	\$40,250	\$48,985	8,735
<b>Other revenues</b>	198,489	198,935	446
<b>Total revenues</b>	<u>238,739</u>	<u>247,920</u>	<u>9,181</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Pupil</b>	250,617	250,617	0
<b>Operations and maintenance</b>	1,941	1,941	0
<b>Pupil Transportation</b>	755	755	0
<b>Total Expenditures</b>	<u>253,313</u>	<u>253,313</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(14,574)</u>	<u>(5,393)</u>	<u>9,181</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	161,455	161,455	0
<b>Fund balance, June 30</b>	<u><u>\$146,881</u></u>	<u><u>\$156,062</u></u>	<u><u>\$9,181</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Spring Recognition - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Other revenues	\$104,407	\$54,407	(\$50,000)
<b>Total revenues</b>	<u>104,407</u>	<u>54,407</u>	<u>(50,000)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	73,444	73,444	0
<b>Total Expenditures</b>	<u>73,444</u>	<u>73,444</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>30,963</u>	<u>(19,037)</u>	<u>(50,000)</u>
<b>Other financing sources (uses):</b>			
Advances in	0	20,022	20,022
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>20,022</u>	<u>20,022</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	30,963	985	(29,978)
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	33,247	33,247	0
<b>Fund balance, June 30</b>	<u>\$64,210</u>	<u>\$34,232</u>	<u>(\$29,978)</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Venture Capital East - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Intergovernmental	\$25,000	\$25,000	\$0
<b>Total revenues</b>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	34,324	34,324	0
<b>Total Expenditures</b>	<u>34,324</u>	<u>34,324</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(9,324)</u>	<u>(9,324)</u>	<u>0</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	9,902	9,902	0
<b>Fund balance, June 30</b>	<u><u>\$578</u></u>	<u><u>\$578</u></u>	<u><u>\$0</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Extracurricular Student Activities - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Extracurricular activities	\$215,660	\$189,734	(\$25,926)
Other revenues	56,406	56,706	300
<b>Total revenues</b>	<u>272,066</u>	<u>246,440</u>	<u>(25,626)</u>
<b>Expenditures:</b>			
<b>Current:</b>			
Extracurricular activities	229,227	229,227	0
<b>Total Expenditures</b>	<u>229,227</u>	<u>229,227</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>42,839</u>	<u>17,213</u>	<u>(25,626)</u>
<b>Other financing sources (uses):</b>			
Operating transfers in	26,400	26,400	0
Operating transfers (out)	(26,400)	(26,400)	0
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>42,839</u>	<u>17,213</u>	<u>(25,626)</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<u>183,710</u>	<u>183,710</u>	<u>0</u>
<b>Fund balance, June 30</b>	<u><u>\$226,549</u></u>	<u><u>\$200,923</u></u>	<u><u>(\$25,626)</u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$545,861</b>	<b>\$545,861</b>	<b>\$0</b>
<b>Investment</b>	<b>9,226</b>	<b>9,226</b>	<b>0</b>
<b>Total revenues</b>	<u><b>555,087</b></u>	<u><b>555,087</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Operation of non-instructional services</b>	<b>678,325</b>	<b>678,325</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>678,325</b></u>	<u><b>678,325</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(123,238)</b></u>	<u><b>(123,238)</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>201,111</b>	<b>201,111</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$77,873</b></u></u>	<u><u><b>\$77,873</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Staff Development - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	\$42,206	\$42,206	\$0
<b>Total revenues</b>	<u>42,206</u>	<u>42,206</u>	<u>0</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Instructional Staff</b>	40,807	40,807	0
<b>Operation of non-instructional services</b>	2,950	2,950	0
<b>Total Expenditures</b>	<u>43,757</u>	<u>43,757</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(1,551)</u>	<u>(1,551)</u>	<u>0</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	24,476	24,476	0
<b>Fund balance, June 30</b>	<u><u>\$22,925</u></u>	<u><u>\$22,925</u></u>	<u><u>\$0</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Excellence in Education - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>915</b>	<b>915</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$915</b></u></u>	<u><u><b>\$915</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$35,228</b>	<b>\$35,228</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>35,228</b></u>	<u><b>35,228</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Business</b>	<b>35,228</b>	<b>35,228</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>35,228</b></u>	<u><b>35,228</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Entry Year Grant - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$51,200</b>	<b>\$51,200</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>51,200</b></u>	<u><b>51,200</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>51,877</b>	<b>51,877</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>51,877</b></u>	<u><b>51,877</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(677)</b></u>	<u><b>(677)</b></u>	<u><b>0</b></u>
<b>Other financing sources (uses):</b>			
<b>Advances in</b>	<b>12,800</b>	<b>12,800</b>	<b>0</b>
<b>Total other financing sources (uses)</b>	<u><b>12,800</b></u>	<u><b>12,800</b></u>	<u><b>0</b></u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>12,123</b>	<b>12,123</b>	<b>0</b>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$12,123</b></u></u>	<u><u><b>\$12,123</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**SchoolNet Professional Development - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>5,000</b></u>	<u><b>5,000</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>210</b>	<b>210</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>210</b></u>	<u><b>210</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>4,790</b></u>	<u><b>4,790</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>3,250</b>	<b>3,250</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$8,040</b></u></u>	<u><u><b>\$8,040</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Ohio Reads - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>4,000</b></u>	<u><b>4,000</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>4,000</b>	<b>4,000</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>4,000</b></u>	<u><b>4,000</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Summer Intervention - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$39,969</b>	<b>\$39,969</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>39,969</b></u>	<u><b>39,969</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>39,969</b></u>	<u><b>39,969</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$39,969</b></u></u>	<u><u><b>\$39,969</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**School Security - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$11,900</b>	<b>\$11,900</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>11,900</b></u>	<u><b>11,900</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Pupil</b>	<b>6,480</b>	<b>6,480</b>	<b>0</b>
<b>Operations and maintenance</b>	<b>1,885</b>	<b>1,885</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>8,365</b></u>	<u><b>8,365</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>3,535</b></u>	<u><b>3,535</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>2,200</b>	<b>2,200</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$5,735</b></u></u>	<u><u><b>\$5,735</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Title II - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	\$29,404	\$18,928	(\$10,476)
<b>Total revenues</b>	<u>29,404</u>	<u>18,928</u>	<u>(10,476)</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	32,113	32,113	0
<b>Total Expenditures</b>	<u>32,113</u>	<u>32,113</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(2,709)</u>	<u>(13,185)</u>	<u>(10,476)</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	22,597	22,597	0
<b>Fund balance, June 30</b>	<u>\$19,888</u>	<u>\$9,412</u>	<u>(\$10,476)</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Title VI B Pre-School - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$474,607</b>	<b>\$450,501</b>	<b>(\$24,106)</b>
<b>Total revenues</b>	<u><b>474,607</b></u>	<u><b>450,501</b></u>	<u><b>(24,106)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Special</b>	76,446	76,446	0
<b>Support services:</b>			
<b>Pupil</b>	188,697	188,697	0
<b>Instructional Staff</b>	80,583	80,583	0
<b>Administration</b>	75,406	75,406	0
<b>Operation of non-instructional services</b>	14,395	14,395	0
<b>Total Expenditures</b>	<u><b>435,527</b></u>	<u><b>435,527</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>39,080</b></u>	<u><b>14,974</b></u>	<u><b>(24,106)</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>36,555</b>	<b>36,555</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$75,635</b></u></u>	<u><u><b>\$51,529</b></u></u>	<u><u><b>(\$24,106)</b></u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$399,463</b>	<b>\$313,390</b>	<b>(\$86,073)</b>
<b>Total revenues</b>	<u><b>399,463</b></u>	<u><b>313,390</b></u>	<u><b>(86,073)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	3,714	3,714	0
<b>Special</b>	269,086	269,086	0
<b>Support services:</b>			
<b>Instructional Staff</b>	52,857	52,857	0
<b>Total Expenditures</b>	<u><b>325,657</b></u>	<u><b>325,657</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>73,806</b></u>	<u><b>(12,267)</b></u>	<u><b>(86,073)</b></u>
<b>Other financing sources (uses):</b>			
<b>Operating transfers in</b>	0	11,737	11,737
<b>Operating transfers (out)</b>	(11,737)	(11,737)	0
<b>Total other financing sources (uses)</b>	<u><b>(11,737)</b></u>	<u><b>0</b></u>	<u><b>11,737</b></u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>62,069</b>	<b>(12,267)</b>	<b>(74,336)</b>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>29,792</b>	<b>29,792</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$91,861</b></u></u>	<u><u><b>\$17,525</b></u></u>	<u><u><b>(\$74,336)</b></u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$52,615</b>	<b>\$42,843</b>	<b>(\$9,772)</b>
<b>Total revenues</b>	<u><b>52,615</b></u>	<u><b>42,843</b></u>	<u><b>(9,772)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Special</b>	37,355	37,355	0
<b>Support services:</b>			
<b>Operation of non-instructional services</b>	5,041	5,041	0
<b>Total Expenditures</b>	<u><b>42,396</b></u>	<u><b>42,396</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>10,219</b></u>	<u><b>447</b></u>	<u><b>(9,772)</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>13,298</b>	<b>13,298</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$23,517</b></u></u>	<u><u><b>\$13,745</b></u></u>	<u><u><b>(\$9,772)</b></u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	\$42,221	\$38,308	(\$3,913)
<b>Total revenues</b>	<u>42,221</u>	<u>38,308</u>	<u>(3,913)</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	42,969	42,969	0
<b>Operation of non-instructional services</b>	1,465	1,465	0
<b>Total Expenditures</b>	<u>44,434</u>	<u>44,434</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(2,213)</u>	<u>(6,126)</u>	<u>(3,913)</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	19,394	19,394	0
<b>Fund balance, June 30</b>	<u>\$17,181</u>	<u>\$13,268</u>	<u>(\$3,913)</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Pre-School Disabilities - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Intergovernmental	\$15,102	\$15,102	\$0
<b>Total revenues</b>	<u>15,102</u>	<u>15,102</u>	<u>0</u>
<b>Expenditures:</b>			
<b>Current:</b>			
Support services:			
Pupil	15,102	15,102	0
<b>Total Expenditures</b>	<u>15,102</u>	<u>15,102</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	0	0	0
<b>Fund balance, June 30</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Telecom Act Grant - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$29,836</b>	<b>\$29,836</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>29,836</b></u>	<u><b>29,836</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Operations and maintenance</b>	<b>2,880</b>	<b>2,880</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>2,880</b></u>	<u><b>2,880</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>26,956</b></u>	<u><b>26,956</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>76,555</b>	<b>76,555</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$103,511</b></u></u>	<u><u><b>\$103,511</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Classroom Size Reduction - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$96,967</b>	<b>\$88,995</b>	<b>(\$7,972)</b>
<b>Total revenues</b>	<u><b>96,967</b></u>	<u><b>88,995</b></u>	<u><b>(7,972)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>74,353</b>	<b>74,353</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>74,353</b></u>	<u><b>74,353</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>22,614</b></u>	<u><b>14,642</b></u>	<u><b>(7,972)</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>5,131</b>	<b>5,131</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$27,745</b></u></u>	<u><u><b>\$19,773</b></u></u>	<u><u><b>(\$7,972)</b></u></u>

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## **DEBT SERVICE FUND**

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

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

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## **CAPITAL PROJECTS FUNDS**

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

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BUILDING: A fund provided to account for all transactions relating to the acquisition or construction of new District facilities.

PERMANENT IMPROVEMENT: To account for all transactions related to improvements to existing District facilities.

SCHOOLNET: To account for revenues and expenditures related to the development and implementation of the School Net network within the District.

INTERACTIVE VIDEO DISTANCE LEARNING: To account for capital expenditures associated with video distance learning.

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Balance Sheet**  
**Capital Projects Funds**  
**June 30, 2001**

	Building	Permanent Improvement	SchoolNet	Interactive Video Distance Learning	Totals
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$49,211	\$81,932	\$7,029	\$0	\$138,172
Taxes receivable	0	772,798	0	0	772,798
<b>Total assets</b>	<u>49,211</u>	<u>854,730</u>	<u>7,029</u>	<u>0</u>	<u>910,970</u>
<b>Liabilities:</b>					
Accounts payable	0	27,184	764	0	27,948
Deferred revenue	0	636,108	0	0	636,108
Tax anticipation notes payable	0	1,150,000	0	0	1,150,000
<b>Total liabilities</b>	<u>0</u>	<u>1,813,292</u>	<u>764</u>	<u>0</u>	<u>1,814,056</u>
<b>Fund balances:</b>					
<b>Reserved:</b>					
Reserved for encumbrances	47,145	0	102	0	47,247
Reserved for property taxes	0	136,690	0	0	136,690
<b>Unreserved:</b>					
Undesignated	2,066	(1,095,252)	6,163	0	(1,087,023)
<b>Total fund equity</b>	<u>49,211</u>	<u>(958,562)</u>	<u>6,265</u>	<u>0</u>	<u>(903,086)</u>
<b>Total liabilities and fund equity</b>	<u>\$49,211</u>	<u>\$854,730</u>	<u>\$7,029</u>	<u>\$0</u>	<u>\$910,970</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenditures**  
**And Changes in Fund Balances**  
**Capital Projects Funds**  
**For The Fiscal Year Ended June 30, 2001**

	Building	Permanent Improvement	SchoolNet	Interactive Video Distance Learning	Totals
<b>Revenues:</b>					
Taxes	\$0	\$811,304	\$0	\$0	\$811,304
Intergovernmental	0	128,495	39,861	0	168,356
<b>Total revenues</b>	<u>0</u>	<u>939,799</u>	<u>39,861</u>	<u>0</u>	<u>979,660</u>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	33,614	101,019	117,479	5,520	257,632
<b>Support services:</b>					
Pupil	0	0	7,361	0	7,361
Fiscal	0	8,478	0	0	8,478
Capital outlay	18,800	326,225	0	0	345,025
<b>Total expenditures</b>	<u>52,414</u>	<u>435,722</u>	<u>124,840</u>	<u>5,520</u>	<u>618,496</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(52,414)</u>	<u>504,077</u>	<u>(84,979)</u>	<u>(5,520)</u>	<u>361,164</u>
<b>Other financing sources (uses):</b>					
Operating transfers in	0	1,550,000	0	0	1,550,000
Operating transfers (out)	0	(1,715,971)	0	0	(1,715,971)
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>(165,971)</u>	<u>0</u>	<u>0</u>	<u>(165,971)</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(52,414)</u>	<u>338,106</u>	<u>(84,979)</u>	<u>(5,520)</u>	<u>195,193</u>
<b>Fund balance (deficit), July 1</b>	101,625	(1,296,668)	91,244	5,520	(1,098,279)
<b>Fund balance, June 30</b>	<u>\$49,211</u>	<u>(\$958,562)</u>	<u>\$6,265</u>	<u>\$0</u>	<u>(\$903,086)</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Building - Capital Projects Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>77,818</b>	<b>77,818</b>	<b>0</b>
<b>Capital outlay</b>	<b>21,741</b>	<b>21,741</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>99,559</b></u>	<u><b>99,559</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(99,559)</b></u>	<u><b>(99,559)</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>101,625</b>	<b>101,625</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$2,066</b></u></u>	<u><u><b>\$2,066</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Permanent Improvement - Capital Projects Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Taxes</b>	\$758,600	\$748,856	(\$9,744)
<b>Intergovernmental</b>	78,000	128,495	50,495
<b>Total revenues</b>	<u>836,600</u>	<u>877,351</u>	<u>40,751</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	102,042	102,042	0
<b>Support services:</b>			
<b>Fiscal</b>	8,478	8,478	0
<b>Pupil Transportation</b>	128,374	128,374	0
<b>Capital outlay</b>	326,462	326,462	0
<b>Total Expenditures</b>	<u>565,356</u>	<u>565,356</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>271,244</u>	<u>311,995</u>	<u>40,751</u>
<b>Other financing sources (uses):</b>			
<b>Operating transfers (out)</b>	(565,971)	(565,971)	0
<b>Total other financing sources (uses)</b>	<u>(565,971)</u>	<u>(565,971)</u>	<u>0</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(294,727)</u>	<u>(253,976)</u>	<u>40,751</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	326,411	326,411	0
<b>Fund balance, June 30</b>	<u>\$31,684</u>	<u>\$72,435</u>	<u>\$40,751</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**SchoolNet - Capital Projects Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$40,555</b>	<b>\$39,861</b>	<b>(\$694)</b>
<b>Total revenues</b>	<u><b>40,555</b></u>	<u><b>39,861</b></u>	<u><b>(694)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>117,582</b>	<b>117,582</b>	<b>0</b>
<b>Support services:</b>			
<b>Pupil</b>	<b>7,361</b>	<b>7,361</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>124,943</b></u>	<u><b>124,943</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(84,388)</b></u>	<u><b>(85,082)</b></u>	<u><b>(694)</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>91,244</b>	<b>91,244</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$6,856</b></u></u>	<u><u><b>\$6,162</b></u></u>	<u><u><b>(\$694)</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Interactive Video Distance Learning - Capital Projects Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>5,520</b>	<b>5,520</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>5,520</b></u>	<u><b>5,520</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(5,520)</b></u>	<u><b>(5,520)</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>5,520</b>	<b>5,520</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>

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## **ENTERPRISE FUNDS**

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

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FOOD SERVICE: To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

UNIFORM SCHOOL SUPPLY: To account for the purchase and sale of school supplies as adopted by the Board of Education for use in all schools of the District.

LATCHKEY: To account for all revenues and expenses related to the operation of the Latchkey Program for the District students.

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Balance Sheet**  
**Enterprise Funds**  
**June 30, 2001**

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Latchkey</u>	<u>Total</u>
<b>Assets:</b>				
<b>Current Assets:</b>				
Equity in pooled cash and cash equivalents	\$934	\$252,132	\$374,489	\$627,555
<b>Receivables:</b>				
Accounts	18,894	2,506	19,525	40,925
Intergovernmental	34,059	0	0	34,059
Inventory held for resale	36,117	0	0	36,117
<b>Total current assets</b>	<u>90,004</u>	<u>254,638</u>	<u>394,014</u>	<u>738,656</u>
<b>Non-current assets:</b>				
Fixed assets (net of accumulated depreciation)	182,338	0	371	182,709
<b>Total assets</b>	<u>272,342</u>	<u>254,638</u>	<u>394,385</u>	<u>921,365</u>
<b>Liabilities</b>				
<b>Current liabilities:</b>				
Accounts payable	0	5,906	14,809	20,715
Accrued wages	68,829	0	93,121	161,950
Compensated absences payable	113,614	0	4,188	117,802
Capital lease payable	4,899	0	0	4,899
Deferred revenue	21,938	0	0	21,938
<b>Total current liabilities</b>	<u>209,280</u>	<u>5,906</u>	<u>112,118</u>	<u>327,304</u>
<b>Total liabilities</b>	<u>209,280</u>	<u>5,906</u>	<u>112,118</u>	<u>327,304</u>
<b>Retained earnings:</b>				
Unreserved	(1,139,354)	248,732	282,267	(608,355)
<b>Total retained earnings (deficit)</b>	<u>(1,139,354)</u>	<u>248,732</u>	<u>282,267</u>	<u>(608,355)</u>
<b>Contributed capital</b>	<u>1,202,416</u>	<u>0</u>	<u>0</u>	<u>1,202,416</u>
<b>Total liabilities and fund equity</b>	<u>\$272,342</u>	<u>\$254,638</u>	<u>\$394,385</u>	<u>\$921,365</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenses**  
**And Changes in Retained Earnings**  
**Enterprise Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Latchkey</u>	<u>Total</u>
<b>Operating revenues:</b>				
Charges for services	\$1,765,459	\$228,798	\$809,215	\$2,803,472
Other revenue	0	0	10,445	10,445
<b>Total revenues</b>	<u>1,765,459</u>	<u>228,798</u>	<u>819,660</u>	<u>2,813,917</u>
<b>Operating expenses:</b>				
Salaries and wages	841,931	0	427,342	1,269,273
Fringe benefits	240,824	0	136,500	377,324
Purchased services	34,592	0	122,908	157,500
Materials and supplies	1,179,596	195,144	83,441	1,458,181
Depreciation	128,411	0	1,881	130,292
Other operating expenses	0	0	687	687
<b>Total operating expenses</b>	<u>2,425,354</u>	<u>195,144</u>	<u>772,759</u>	<u>3,393,257</u>
<b>Operating income (loss)</b>	<u>(659,895)</u>	<u>33,654</u>	<u>46,901</u>	<u>(579,340)</u>
<b>Non-operating revenues (expenses):</b>				
Federal donated commodities	97,535	0	0	97,535
Operating grants	248,541	0	0	248,541
Interest expense	(922)	0	0	(922)
<b>Total non-operating revenues</b>	<u>345,154</u>	<u>0</u>	<u>0</u>	<u>345,154</u>
<b>Income (loss)</b>	<u>(314,741)</u>	<u>33,654</u>	<u>46,901</u>	<u>(234,186)</u>
Operating transfers in	299,634	0	0	299,634
<b>Net income (loss)</b>	<u>(15,107)</u>	<u>33,654</u>	<u>46,901</u>	<u>65,448</u>
<b>Retained earnings (deficit), July 1</b>	<u>(1,124,247)</u>	<u>215,078</u>	<u>235,366</u>	<u>(673,803)</u>
<b>Retained earnings (deficit), June 30</b>	<u><u>(\$1,139,354)</u></u>	<u><u>\$248,732</u></u>	<u><u>\$282,267</u></u>	<u><u>(\$608,355)</u></u>

FAIRFIELD CITY SCHOOL DISTRICT, OHIO

Combining Statement of Cash Flows

Enterprise Funds

For The Fiscal Year Ended June 30, 2001

	Food Service	Uniform School Supply	Latchkey	Totals
<b>Cash flows from operating activities:</b>				
Cash from charges for services	\$1,747,076	\$227,751	\$800,614	\$2,775,441
Cash payments to suppliers for goods and services	(1,121,931)	(196,119)	(200,296)	(1,518,346)
Cash payments to employees for services	(1,018,084)	0	(548,399)	(1,566,483)
Cash payments for other operating expenses	0	0	(687)	(687)
<b>Net cash provided by (used for) operating activities</b>	<b>(392,939)</b>	<b>31,632</b>	<b>51,232</b>	<b>(310,075)</b>
<b>Cash flows from noncapital financing activities:</b>				
Operating grants received	214,482	0	0	214,482
Cash received from other funds	299,634	0	0	299,634
Cash payments to other funds	(120,000)	0	0	(120,000)
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>394,116</b>	<b>0</b>	<b>0</b>	<b>394,116</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of Capital Assets	(4,290)	0	0	(4,290)
<b>Net cash provided by (used for) capital and related financing activities</b>	<b>(4,290)</b>	<b>0</b>	<b>0</b>	<b>(4,290)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3,113)</b>	<b>31,632</b>	<b>51,232</b>	<b>79,751</b>
Cash and cash equivalents, July 1	4,047	220,500	323,257	547,804
Cash and cash equivalents, June 30	934	252,132	374,489	627,555
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	(659,895)	33,654	46,901	(579,340)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>				
Depreciation	128,411	0	1,881	130,292
Donated commodities used	97,535	0	0	97,535
<b>Changes in assets and liabilities:</b>				
(Increase) decrease in accounts receivable	(18,383)	(1,047)	(19,046)	(38,476)
(Increase) decrease in inventory held for resale	12,463	0	0	12,463
Increase (decrease) in accounts payable	(3,576)	(975)	6,053	1,502
Increase (decrease) in accrued wages and benefits	33,808	0	11,255	45,063
Increase (decrease) in compensated absences	25,644	0	4,188	29,832
Increase (decrease) in deferred revenue	(5,332)	0	0	(5,332)
Increase (decrease) in capital lease payable	(3,614)	0	0	(3,614)
<b>Total adjustments</b>	<b>266,956</b>	<b>(2,022)</b>	<b>4,331</b>	<b>269,265</b>
<b>Net cash provided by (used for) operating activities</b>	<b>(\$392,939)</b>	<b>\$31,632</b>	<b>\$51,232</b>	<b>(\$310,075)</b>
<b>Non cash transactions - Enterprise Fund:</b>				
Non cash donation of inventory held for resale - Food Service	\$97,535			

## **FIDUCIARY FUNDS**

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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 governmental units and/or other funds. The District's fiduciary funds include an Expendable Trust Fund, and Agency Funds. The following are descriptions of each of the District's Fiduciary Funds:

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### **EXPENDABLE TRUST FUND**

EXPENDABLE TRUST: To account for donations received by the District in a trustee capacity.

### **AGENCY FUNDS**

STUDENT ACTIVITIES: To account for the resources that belong to the various student groups in the District. The funds account for sales and other revenue generating activities by student activity programs, which have students involved in the management of the program.

UNCLAIMED MONIES: To account for funds that belong to others as a result of outstanding checks over one year old.

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**

**Combining Balance Sheet**

**Fiduciary Fund Types**

**June 30, 2001**

	<u>Agency Funds</u>			<u>Totals</u>
	<u>Expendable Trust</u>	<u>Student Activities</u>	<u>Unclaimed Monies</u>	
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$4,727	\$114,836	\$10,677	\$130,240
<b>Receivables:</b>				
Accounts	0	1,069	0	1,069
Accrued interest	7	0	0	7
<b>Total assets</b>	<u>4,734</u>	<u>115,905</u>	<u>10,677</u>	<u>131,316</u>
<b>Liabilities:</b>				
Accounts payable	0	14,848	0	14,848
Due to others	0	0	8,099	8,099
Due to students	0	101,057	2,578	103,635
<b>Total liabilities</b>	<u>0</u>	<u>115,905</u>	<u>10,677</u>	<u>126,582</u>
<b>Fund balances:</b>				
<b>Unreserved:</b>				
Undesignated	4,734	0	0	4,734
<b>Total fund equity</b>	<u>4,734</u>	<u>0</u>	<u>0</u>	<u>4,734</u>
<b>Total liabilities and fund equity</b>	<u>\$4,734</u>	<u>\$115,905</u>	<u>\$10,677</u>	<u>\$131,316</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Statement of Changes In Assets and Liabilities**  
**Agency Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<b>Student Activities</b>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$106,512	\$206,049	\$197,725	\$114,836
Accounts receivable	0	1,069	0	1,069
<b>Total assets</b>	<u>106,512</u>	<u>207,118</u>	<u>197,725</u>	<u>115,905</u>
<b>Liabilities:</b>				
Due to students	106,512	207,118	197,725	115,905
<b>Total liabilities</b>	<u>\$106,512</u>	<u>\$207,118</u>	<u>\$197,725</u>	<u>\$115,905</u>
	<b>Unclaimed Monies</b>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$9,119	\$1,758	\$200	\$10,677
<b>Total assets</b>	<u>9,119</u>	<u>1,758</u>	<u>200</u>	<u>10,677</u>
<b>Liabilities</b>				
Due to Others	9,119	0	0	9,119
Due to students	0	1,758	200	1,558
<b>Total liabilities</b>	<u>\$9,119</u>	<u>\$1,758</u>	<u>\$200</u>	<u>\$10,677</u>
	<b>Total Agency Funds</b>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$115,631	\$207,807	\$197,925	\$125,513
Accounts receivable	0	1,069	0	1,069
<b>Total assets</b>	<u>115,631</u>	<u>208,876</u>	<u>197,925</u>	<u>126,582</u>
<b>Liabilities</b>				
Due to Others	9,119	0	0	9,119
Due to students	106,512	208,876	197,925	117,463
<b>Total liabilities</b>	<u>\$115,631</u>	<u>\$208,876</u>	<u>\$197,925</u>	<u>\$126,582</u>

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## **GENERAL FIXED ASSETS ACCOUNT GROUP**

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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.

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**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of General Fixed Assets**  
**By Source**  
**June 30, 2001**

<b>General fixed assets:</b>	
<b>Land</b>	<b>\$4,464,991</b>
<b>Buildings</b>	<b>64,914,893</b>
<b>Equipment</b>	<b><u>16,957,178</u></b>
<b>Total General Fixed Assets</b>	<b><u><u>\$86,337,062</u></u></b>

<b>Investment in general fixed assets by source:</b>	
<b>General Fund</b>	<b>\$6,286,378</b>
<b>Special Revenue Funds</b>	<b>300,348</b>
<b>Capital Projects Funds</b>	<b><u>79,750,336</u></b>
<b>Total General Fixed Assets</b>	<b><u><u>\$86,337,062</u></u></b>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of General Fixed Assets**  
**By Function and Type**  
**June 30, 2001**

<b>Function</b>	<b>Land</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Total</b>
<b>Instruction:</b>				
Regular	\$0	\$1,081,371	\$8,115,634	\$9,197,005
Special	0	0	23,989	23,989
Other	0	0	0	0
<b>Total instruction</b>	<b>0</b>	<b>1,081,371</b>	<b>8,139,623</b>	<b>9,220,994</b>
<b>Support services:</b>				
Pupil	0	0	219,149	219,149
Instructional staff	0	0	477,114	477,114
Administration	0	0	770,550	770,550
Fiscal	0	0	65,844	65,844
Business	0	0	218,805	218,805
Operations and maintenance	0	0	462,051	462,051
Pupil transportation	0	0	5,111,521	5,111,521
Central	0	0	7,647	7,647
Non-instructional	0	0	53,745	53,745
<b>Total support services</b>	<b>0</b>	<b>0</b>	<b>7,386,426</b>	<b>7,386,426</b>
<b>Extracurricular activities</b>	<b>0</b>	<b>0</b>	<b>329,861</b>	<b>329,861</b>
<b>Capital Outlay</b>	<b>4,464,991</b>	<b>63,833,522</b>	<b>1,101,268</b>	<b>69,399,781</b>
<b>Total General Fixed Assets</b>	<b>\$4,464,991</b>	<b>\$64,914,893</b>	<b>\$16,957,178</b>	<b>\$86,337,062</b>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Changes in General Fixed Assets**  
**By Function**  
**For the Fiscal Year Ended June 30, 2001**

<b>Function</b>	<b>Balance at July 1, 2000</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance at June 30, 2001</b>
<b>Instruction:</b>				
Regular	\$8,990,371	\$216,337	\$9,703	\$9,197,005
Special	19,715	4,274	0	23,989
Other	0			0
<b>Total Instruction</b>	<b>9,010,086</b>	<b>220,611</b>	<b>9,703</b>	<b>9,220,994</b>
<b>Support services:</b>				
Pupil	201,409	19,240	1,500	219,149
Instructional staff	473,666	3,448	0	477,114
Administration	772,653	1,197	3,300	770,550
Fiscal	61,003	4,841	0	65,844
Business	220,305	0	1,500	218,805
Operations and maintenance	452,671	9,380	0	462,051
Pupil transportation	4,983,147	128,374	0	5,111,521
Central	7,647	0	0	7,647
Non-instructional	38,350	15,395	0	53,745
<b>Total Support services</b>	<b>7,210,851</b>	<b>181,875</b>	<b>6,300</b>	<b>7,386,426</b>
<b>Extracurricular activities</b>	<b>319,052</b>	<b>10,809</b>	<b>0</b>	<b>329,861</b>
<b>Capital Outlay</b>	<b>69,356,797</b>	<b>42,984</b>	<b>0</b>	<b>69,399,781</b>
<b>Total General Fixed Assets</b>	<b>\$85,896,786</b>	<b>\$456,279</b>	<b>\$16,003</b>	<b>\$86,337,062</b>

## **STATISTICAL SECTION**

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FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 General Fund Revenues by Source  
 Last Ten Fiscal Years

Fiscal Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Taxes	\$16,131,725	\$17,870,493	\$20,768,810	\$22,094,979	\$23,542,917	\$22,895,211	\$25,229,666	\$31,006,930	\$23,168,178	\$29,709,781
Intergovernmental	14,228,376	14,184,517	14,487,867	14,951,411	16,364,239	16,983,693	18,942,933	20,681,845	22,128,234	24,505,849
Interest	326,529	207,800	214,250	324,655	519,371	479,262	662,016	702,000	832,157	956,177
Tuition and Fees	109,914	48,925	48,417	116,082	71,359	137,403	58,257	470,788	556,470	634,581
Other Revenues	298,637	449,838	306,594	471,649	219,631	647,532	592,798	645,958	914,976	1,162,824
Total Revenues	\$31,095,181	\$32,761,573	\$35,825,938	\$37,958,776	\$40,717,517	\$41,143,101	\$45,485,670	\$53,507,521	\$47,600,015	\$56,969,212

Source: Fairfield City School District

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**General Fund Expenditures by Function**  
**Last Ten Fiscal Years**

**TABLE 2**

Fiscal Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Instruction	\$21,132,403	\$21,191,744	\$21,492,151	\$21,839,774	\$23,041,650	\$25,346,258	\$24,849,129	\$25,987,542	\$29,300,058	\$32,246,734
Instructional Staff	919,767	1,023,901	891,109	718,280	732,289	929,303	2,757,639	2,842,175	2,725,177	3,117,836
Pupil	1,712,081	1,547,276	1,624,730	1,836,672	2,082,312	2,167,146	2,021,150	2,022,078	2,226,160	2,373,885
Board of Education	0	0	0	0	0	0	0	20,420	26,607	34,753
Administration	1,886,663	1,997,875	2,236,569	3,103,254	3,283,159	3,488,841	4,195,284	4,581,810	3,852,058	4,373,301
Business and Fiscal	850,514	915,111	1,032,262	1,225,512	881,229	1,136,256	866,706	1,039,629	1,138,690	1,235,698
Operations and Maintenance	2,941,378	3,171,271	3,626,775	3,640,465	4,016,899	3,842,578	5,011,132	5,271,078	5,711,425	6,236,374
Pupil Transportation	2,131,088	2,255,118	2,265,577	2,153,483	3,042,276	2,750,733	3,037,532	2,805,811	3,253,094	3,758,817
Central	0	0	0	0	0	0	0	40,956	151,210	129,012
Operation of Non-Instructional Services	176,793	174,296	44,260	61,788	263,539	98,951	75,678	0	0	0
Extracurricular Activities	376,061	418,267	493,239	557,794	634,167	681,623	914,973	972,824	1,038,782	1,136,225
Capital Outlay	0	0	0	0	0	0	0	114,123	163,202	0
Debt Service	857,996	1,881,626	1,794,692	1,841,335	1,564,912	427,994	798,728	114,431	143,580	0
<b>Total Expenditures</b>	<b>\$32,984,744</b>	<b>\$34,576,485</b>	<b>\$35,501,364</b>	<b>\$36,978,357</b>	<b>\$39,542,432</b>	<b>\$40,869,683</b>	<b>\$44,527,951</b>	<b>\$45,812,877</b>	<b>\$49,730,043</b>	<b>\$54,642,595</b>

Source: Fairfield City School District

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Property Tax Levies and Collections - Real and Public Utility Property**  
**Last Ten Collection (Calendar) Years**

**TABLE 3**

<b>Collection Year</b>	<b>Tax Levied</b>	<b>Current Tax Collections</b>	<b>Percent Collected</b>	<b>Delinquent Collection</b>	<b>Total Tax Collections</b>	<b>Percent of Total Collections to Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Percent of Outstanding Delinquent Taxes to Tax Levied</b>
1991	\$17,595,355	\$16,841,326	95.71%	\$563,200	\$17,404,526	98.92%	\$746,387	4.24%
1992	18,133,540	17,783,448	98.07%	702,020	18,485,468	101.94%	965,137	5.32%
1993	21,562,471	20,792,198	96.43%	623,188	21,415,386	99.32%	817,448	3.79%
1994	22,037,399	21,819,746	99.01%	574,980	22,394,726	101.62%	697,877	3.17%
1995	25,232,746	24,855,685	98.51%	665,040	25,520,725	101.14%	409,898	1.62%
1996	26,744,006	26,138,134	97.73%	592,836	26,730,970	99.95%	250,239	0.94%
1997	26,779,589	25,463,240	95.08%	572,190	26,035,430	97.22%	894,092	3.34%
1998	26,906,274	26,602,692	98.87%	719,216	27,321,908	101.54%	478,455	1.78%
1999	29,675,294	29,465,697	99.29%	544,961	30,010,658	101.13%	143,091	0.48%
2000	31,344,392	30,090,084	96.00%	769,186	30,859,269	98.45%	1,690,358	5.39%

Source: Butler County Auditor

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
 Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Collection Years

Collection Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1992	\$570,336,510	\$1,629,532,886	\$58,570,143	\$225,269,781	\$40,593,920	\$50,742,400	\$669,500,573	\$1,905,545,067
1993	577,411,180	1,649,746,229	57,146,063	228,584,252	44,646,920	55,808,650	679,204,163	1,934,139,131
1994	625,388,300	1,786,823,714	58,821,005	235,284,020	46,540,330	58,175,413	730,749,635	2,080,283,147
1995	631,001,580	1,802,861,657	62,701,334	250,805,336	48,214,110	60,267,638	741,917,024	2,113,934,631
1996	680,654,840	1,944,728,114	66,847,507	267,390,028	46,752,550	58,440,688	794,254,897	2,270,558,830
1997	737,481,630	2,107,090,371	83,814,921	335,259,684	46,487,160	58,108,950	867,783,711	2,500,459,005
1998	773,080,200	2,208,800,571	92,145,900	368,583,600	45,340,120	56,675,150	910,566,220	2,634,059,321
1999	797,087,180	2,277,391,943	88,645,232	354,680,928	46,049,910	52,329,477	931,782,322	2,684,402,348
2000	891,492,700	2,547,122,000	95,496,050	381,984,200	46,448,790	52,782,716	1,033,437,540	2,981,888,916
2001	934,248,580	2,669,281,657	87,858,027	351,432,108	43,228,880	49,123,727	1,065,335,487	3,069,837,492

Source: Butler County Auditor

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

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Fairfield City School District	\$45	\$51	\$51	\$55	\$55	\$55	\$54	\$54	\$54	\$54
City of Fairfield	4	4	4	5	5	5	5	5	4	6
Fairfield Township	7	7	7	7	7	7	7	7	7	13
Butler County	7	7	7	7	7	8	8	8	8	8
Butler County JVS	2	2	2	2	2	2	2	2	2	2

Source: Butler County Auditor

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Ratio of Net General Bonded Debt to Assessed Value**  
**And Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

**TABLE 6**

<b>Year</b>	<b>Population (1)</b>	<b>Total Assessed Value (2)</b>	<b>Gross Bonded Debt</b>	<b>Less Debt Service Fund</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt To Assessed Value (%)</b>
1992	51,505	\$669,500,573	\$6,015,000	\$1,452,836	\$4,562,164	0.68%
1993	52,571	679,204,163	5,630,000	1,841,086	3,788,914	0.56%
1994	52,930	730,749,635	5,240,000	1,635,675	3,604,325	0.49%
1995	53,841	741,917,024	49,240,000	1,021,194	48,218,806	6.50%
1996	55,456	794,254,897	49,398,000	1,567,866	47,830,134	6.02%
1997	57,120	867,783,711	51,333,814	2,422,896	48,910,918	5.64%
1998	58,837	910,566,220	49,139,814	1,510,470	47,629,344	5.23%
1999	60,602	931,782,322	48,247,814	1,474,909	46,772,905	5.02%
2000	60,500	1,033,437,540	47,325,814	1,513,167	45,812,647	4.43%
2001	60,500	1,065,335,487	46,284,814	2,807,077	43,477,737	4.08%

**Source:**

(1) U.S. Census Bureau

(2) Butler County Auditor, calendar year basis

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Computation of Legal Debt Margin**  
**June 30, 2001**

**TABLE 7**

<b>Assessed Valuation of District</b>		<b><u><u>\$1,065,335,487</u></u></b>
<b><u>Overall Direct Debt Limitation</u></b>		
<b>Direct debt limitation</b>		
<b>9% of assessed valuation</b>		<b>95,880,194</b>
<b>Amount available in Debt Service Fund</b>		<b>2,807,077</b>
<b>Gross indebtedness</b>	<b>46,284,814</b>	
<b>Less: Debt exempt from limitation</b>	<b>0</b>	
<b>Debt subject to 9% limitation</b>	<b><u>0</u></b>	<b><u>(46,284,814)</u></b>
<b>Legal debt margin within 9% limitation</b>		<b><u><u>\$52,402,457</u></u></b>
<b><u>Unvoted Direct Debt Limitation</u></b>		
<b>Unvoted debt limitation</b>		
<b>0.1% of assessed valuation</b>		<b>1,065,335</b>
<b>Amount available in Debt Service Fund</b>		
<b>related to unvoted debt</b>		<b>n/a</b>
<b>Gross indebtedness authorized by the Board</b>	<b>0</b>	
<b>Less: Debt exempt from limitation</b>	<b>0</b>	
<b>Debt subject to 0.1% limitation</b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>Legal debt margin within 0.1% limitation</b>		<b><u><u>\$1,065,335</u></u></b>

**Source: Fairfield City School District**

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2001**

**TABLE 8**

<u>Governmental Unit</u>	<u>Gross General Obligation</u>	<u>Percent Applicable to District (1)</u>	<u>Amount Applicable to District</u>
<b>Direct:</b>			
Fairfield City School District	<u>\$46,280,655</u>	100.00%	<u>\$46,280,655</u>
<b>Overlapping:</b>			
Butler County	\$47,905,000	17.54%	\$8,402,537
Fairfield City	12,705,000	98.54%	12,519,507
Fairfield Township	1,520,000	98.50%	1,497,200
Butler County Joint Vocational Sch	6,695,000	24.88%	1,665,716
<b>Total overlapping:</b>	<u>\$68,825,000</u>		<u>\$24,084,960</u>
<b>Total direct and overlapping debt:</b>	<u>\$115,105,655</u>		<u>\$70,365,615</u>

**Source: Ohio Municipal Advisory Council**

**(1) Calculated by the Ohio Municipal Advisory Council**

**TABLE 9**

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Ratio of Annual Debt Service Expenditures**  
**For General Bonded Debt to Total General Fund Expenditures**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of Debt Service to General Fund Expenditures (%)</b>
1992	\$375,000	\$463,843	\$838,843	\$32,984,744	2.54%
1993	385,000	435,193	820,193	34,576,485	2.37%
1994	390,000	405,412	795,412	35,501,364	2.24%
1995	400,000	343,728	743,728	36,978,357	2.01%
1996	785,000	3,750,931	4,535,931	39,542,432	11.47%
1997	1,390,000	3,073,998	4,463,998	26,109,432	17.10%
1998	1,735,000	2,868,058	4,603,058	44,527,951	10.34%
1999	892,000	3,005,496	3,897,496	45,812,877	8.51%
2000	922,000	3,027,549	3,949,549	49,730,043	7.94%
2001	1,041,000	2,167,204	3,208,204	54,642,595	5.87%

Source: Fairfield City School District

**Demographic Statistics****Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate City of Fairfield (3)</u>
1992	51,505	8,429	8.20%
1993	52,571	8,410	7.10%
1994	52,930	8,507	4.70%
1995	53,841	8,639	4.50%
1996	55,456	8,757	4.30%
1997	57,120	8,889	3.50%
1998	58,837	8,961	3.60%
1999	60,602	8,946	3.30%
2000	60,500	9,108	3.20%
2001	60,500	8,973	3.20%

**Sources:** (1) U.S. Census Bureau

(2) Fairfield City School District

(3) Ohio Bureau of Employment Services, rates are for Butler County

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

**TABLE 11**

<u>Calendar Year</u>	<u>Construction (1)</u>	<u>Bank Deposits (2)</u>	<u>Property Values (3)</u>
1991	N/A	\$2,104,239,000	\$560,519,670
1992	15,320,500	904,381,000	570,336,510
1993	11,514,890	697,204,000	577,411,180
1994	11,774,580	713,488,000	625,388,300
1995	15,300,940	750,113,000	631,001,580
1996	22,657,610	806,926,000	680,654,840
1997	16,382,440	918,777,000	737,481,630
1998	32,090,570	825,082,000	773,080,200
1999	26,001,800	864,100,000	797,087,180
2000	40,572,000	1,152,810,000	934,248,580

**Sources:**

- (1) Butler County Auditor
- (2) Total deposits of all commercial banks headquartered in Butler County - Federal Reserve Bank, Cleveland, Ohio
- (3) Butler County Auditor, calendar year basis, real property only

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Real and Tangible Personal Property**  
**Top Ten Principal Taxpayers**  
**June 30, 2001**

**TABLE 12**

<b>Name of Taxpayer</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Total Assessed Valuation</b>	<b>% of Total Assessed Valuation</b>
Cincinnati Gas & Electric	\$0	\$31,827,230	\$31,827,230	2.99%
CFC Investment Co.	14,555,800	0	14,555,800	1.37%
Cincinnati Bell Telephone Inc.	0	8,273,220	8,273,220	0.78%
Meijer Inc.	4,462,500	2,407,930	6,870,430	0.64%
Boymel Sam Trust	6,298,390	0	6,298,390	0.59%
Prudential Insurance Co.	5,386,230	0	5,386,230	0.51%
M. Bohlke Veneer Corp.	0	5,117,250	5,117,250	0.48%
Cincinnati - Oxford Assn.	4,767,360	0	4,767,360	0.45%
Ohio Casualty Insurance	4,544,210	0	4,544,210	0.43%
Teachers Retirement	4,543,630	0	4,543,630	0.43%
	<b>\$44,558,120</b>	<b>\$47,625,630</b>	<b>\$92,183,750</b>	<b>8.65%</b>

Source: Butler County Auditor

**Miscellaneous Statistical Data**

**June 30, 2001**

<b>Year of Incorporation:</b>	<b>1929</b>
<b>Form of Government:</b>	<b>Public School District</b>
<b>Area of District:</b>	<b>38 Square miles</b>

**Number of Schools**

<b>Kindergarten</b>	<b>1</b>
<b>Elementary</b>	<b>5</b>
<b>Intermediate</b>	<b>1</b>
<b>Middle</b>	<b>1</b>
<b>Freshman</b>	<b>1</b>
<b>High</b>	<b>1</b>
	<b>10</b>

**Education of Certified Staff**

<b>Fiscal Year</b>	<b>Bachelor</b>	<b>Masters and beyond</b>	<b>Average years Experience</b>
<b>1992</b>	<b>49.91%</b>	<b>50.10%</b>	<b>13.2</b>
<b>1993</b>	<b>62.11%</b>	<b>37.90%</b>	<b>12.4</b>
<b>1994</b>	<b>51.30%</b>	<b>48.70%</b>	<b>13.0</b>
<b>1995</b>	<b>51.70%</b>	<b>48.20%</b>	<b>13.2</b>
<b>1996</b>	<b>51.60%</b>	<b>48.40%</b>	<b>13.5</b>
<b>1997</b>	<b>54.60%</b>	<b>45.40%</b>	<b>13.6</b>
<b>1998</b>	<b>51.20%</b>	<b>48.80%</b>	<b>13.7</b>
<b>1999</b>	<b>54.70%</b>	<b>45.30%</b>	<b>14.0</b>
<b>2000</b>	<b>48.00%</b>	<b>52.00%</b>	<b>13.0</b>
<b>2001</b>	<b>45.00%</b>	<b>55.00%</b>	<b>13.0</b>

**Source: Fairfield City School District**

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**FAIRFIELD CITY SCHOOL DISTRICT  
FAIRFIELD, OHIO**

**FAIRFIELD  
CITY  
SCHOOLS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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**FAIRFIELD CITY SCHOOL DISTRICT  
FAIRFIELD, OHIO**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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**PREPARED BY:  
OFFICE OF THE TREASURER  
J. SCOTT GOODING II, TREASURER**

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***Fairfield City School District  
Board of Education***



Anne Crone  
President



Michael Oler  
Vice President



Vicky Barger  
Member



Dr. Kay Crain  
Member



Maurice Godsey  
Member

***Administrative Personnel***



Dr. Robert Farrell  
Superintendent



J. Scott Gooding II  
Treasurer

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## **INTRODUCTORY SECTION**

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**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Fiscal Year Ended June 30, 2001**

---

TABLE OF CONTENTS

		<u>PAGE</u>
<b>I.</b>	<b>INTRODUCTORY SECTION</b>	
	Table of Contents.....	III
	Letter of Transmittal.....	VII
	List of Principal Officials.....	XVIII
	GFOA Certificate of Achievement.....	XIX
	ASBO Certificate of Excellence.....	XX
	State of Ohio Map.....	XXI
	Organizational Chart.....	XXII
<b>II.</b>	<b>FINANCIAL SECTION</b>	
	REPORT OF INDEPENDENT ACCOUNTANTS.....	1
	GENERAL PURPOSE FINANCIAL STATEMENTS	
	Combined Balance Sheet	
	All Fund Types and Account Groups.....	4
	Combined Statement of Revenues, Expenditures and	
	Changes in Fund Balances—All Governmental	
	Fund Types and Expendable Trust Fund.....	6
	Combined Statement of Revenues, Expenditures and	
	Changes in Fund Balances—Budget and Actual	
	(Non-GAAP Budgetary Basis)—All Governmental	
	Fund Types.....	8
	Combined Statement of Revenues, Expenses and	
	Change in Retained Earnings	
	Proprietary Fund Type.....	10
	Combined Statement of Cash Flows	
	Proprietary Fund Type.....	11
	Notes to the General Purpose Financial Statements.....	13

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Fiscal Year Ended June 30, 2001**

---

TABLE OF CONTENTS  
 (Continued)

	<u>PAGE</u>
COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES	33
General Fund:	
General Fund Description.....	35
Special Revenue Funds:	
Description of Funds.....	37
Combining Balance Sheet.....	40
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	46
Schedule of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Non-GAAP Budgetary Basis):	
Public School Support .....	51
Spring Recognition .....	52
Venture Capital East .....	53
Extracurricular Student Activities .....	54
Auxiliary Services.....	55
Staff Development .....	56
Excellence in Education .....	57
Management Information .....	58
Entry Year Grant.....	59
SchoolNet Professional Development .....	60
Ohio Reads .....	61
Summer Intervention .....	62
School Security .....	63
Title II .....	64
Title VI B Pre-School .....	65
Title I .....	66
Title VI .....	67
Drug Free Schools .....	68
Pre-School Disabilities .....	69
Telecom Act Grant .....	70
Classroom Size Reduction .....	71

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Fiscal Year Ended June 30, 2001**

---

TABLE OF CONTENTS  
 (Continued)

	<u>PAGE</u>
Debt Service Fund:	
Description of Fund.....	73
Capital Projects Funds:	
Description of Funds.....	75
Combining Balance Sheet.....	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	77
Schedule of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Non-GAAP Budgetary Basis)	
Building .....	78
Permanent Improvement .....	79
SchoolNet .....	80
Interactive Video Distance Learning .....	81
Enterprise Funds:	
Description of Funds.....	83
Combining Balance Sheet.....	84
Combining Statement of Revenues, Expenses and Changes in Retained Earnings.....	85
Combining Statement of Cash Flows.....	86
Fiduciary Funds:	
Description of Funds.....	87
Combining Balance Sheet.....	88
Combining Statement of Changes in Assets and Liabilities—Agency Funds.....	89
General Fixed Assets Account Group:	
Description of Account Fund.....	91
Schedule of General Fixed Assets by Source.....	92
Schedule of General Fixed Assets by Function and Type.....	93
Schedule of Changes in General Fixed Assets by Function.....	94

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For the Fiscal Year Ended June 30, 2001**

---

TABLE OF CONTENTS  
(Continued)

	<u>PAGE</u>
<b>III. STATISTICAL SECTION</b>	
Table 1 General Fund Revenues by Source.....	95
Table 2 General Fund Expenditures by Function.....	96
Table 3 Property Tax Levies and Collections.....	97
Table 4 Assessed and Estimated Actual Value of Taxable Property.....	98
Table 5 Property Tax Rates—Direct and Overlapping Governments.....	99
Table 6 Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita.....	100
Table 7 Computation of Legal Debt Margin.....	101
Table 8 Computation of Direct and Overlapping Debt.....	102
Table 9 Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures.....	103
Table 10 Demographic Statistics .....	104
Table 11 Construction, Bank Deposits and Property Values....	105
Table 12 Real and Tangible Personal Property – Top Ten Principal Taxpayers.....	106
Table 13 Miscellaneous Statistical Data.....	107



# Fairfield City Schools

211 Donald Drive • Fairfield, Ohio 45014-3095  
Phone (513) 829-6300 • Fax (513) 829-0148

Board of Education

VICKY L. BARGER  
KAY GRAIN, Ed.D.  
ANNE CRONE  
MAURICE A. GODSEY  
MICHAEL OLER  
J. SCOTT GOODING II  
TREASURER

December 21, 2001

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Fairfield City School District (District) for the fiscal year ended June 30, 2001. This report contains financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 2000-2001 fiscal year. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's continuing commitment to provide financial information to the citizens of the Fairfield City School District.

Responsibility for the accuracy, completeness, and fairness of this report rests with the District and specifically, the Office of the Treasurer. 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 has been divided into three sections:

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

The Financial Section includes the Independent Auditor's Report with an unqualified opinion of our auditors, the general purpose financial statements, notes to the financial statements, and the combining and individual fund and account group statements.

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

The District provides a full range of programs and services for its students and citizens. These include elementary and secondary course offerings at the general, vocational and college preparatory levels; as well as a broad range of co-curricular and extra-curricular activities to compliment the students' curricular program.



In addition to these general activities, the District acts as the fiscal agent for State funds distributed to non-public parochial schools located within the District boundaries. This activity is included in the District's reporting entity as Auxiliary Services a special revenue fund because the District has administrative involvement in the programs. The schools served are: Fairfield Educational Building, Hamilton-Middletown 7th Day Adventist, Lavalley, Sacred Heart and Cincinnati Christian. While these organizations are similar in operations and services provided, each are distinct and separate entities whose financial statements are not included in this report.

## **ECONOMIC CONDITION**

The District is located in Southwestern Ohio between the cities of Cincinnati and Dayton. The District is located in Butler County, Ohio, along the Interstate 75 corridor, which is one of the fastest growing areas in population and in job creation in the State of Ohio. In addition, new water and sewer construction has opened up vacant parcels for new residential and light industrial development in the district. Housing and per capita income levels are very favorable relative to the state with per capita income growth outpacing the state during the last census period.

The continued growth within the Fairfield City School District is evidenced by the amount of new construction over the past seven years. For 2000, the District had \$40,572,000 in new construction.

## **DESCRIPTION OF THE DISTRICT**

The Fairfield City School 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 instructional and support facilities staffed by approximately 390 non-certificated personnel and approximately 550 certificated full time teaching and administrative personnel to provide services to students and other community members.

The District is the 24th largest in the State of Ohio (among 612 Districts) in terms of enrollment and the 4th largest in Butler County. It currently operates 1 kindergarten center, 5 elementary schools (serving grades 1 - 4), 1 intermediate school (serving grades 5-6), 1 middle school (serving grades 7 - 8), 1 freshman school (serving grade 9), and 1 comprehensive high school (serving grades 10 - 12).

## **ORGANIZATION OF THE DISTRICT**

The Board of Education of the Fairfield City School District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body and policy initiator for the operation of the District. The Board is also

responsible for the adoption of the tax budget, the annual operating budget and approves all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

The current Board members, their terms, and years on the Board as of June 30, 2001 are:

<u>Board Member</u>	<u>Term</u>	<u>Years on Board</u>
Mr. Michael Oler	1/1/98 - 12/31/01	11 - 1/2
Dr. Kay Crain	1/1/98 - 12/31/01	7 - 1/2
Mr. Maurice Godsey	1/1/98 - 12/31/01	7 - 1/2
Mrs. Anne Crone	1/1/00 - 12/31/03	9 - 1/2
Mrs. Vicky Barger	1/1/00 - 12/31/03	1 - 1/2

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Dr. Charles Wiedenmann was initially appointed as Superintendent effective June 1, 1992, and received a three year contract effective August 1, 1992. The Board has extended his contract through July 31, 2001. Dr. Robert Farrell was appointed as Superintendent effective January 1, 2001.

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. Mr. Stephen L. Maag was appointed Treasurer effective April 26, 1999. Mr. Maag resigned his position effective October 25, 2000. Nancy Lane was appointed Interim Treasurer effective October 26, 2000. Mr. J. Scott Gooding II was appointed Treasurer effective June 4, 2001.

## **THE DISTRICT AND ITS FACILITIES**

The District serves an area of 37.9 square miles, encompassing the City of Fairfield and Fairfield Township. The total District population has increased from 38,707 in 1980 to 49,373 in 1990 according to census information.

The District currently has 8,973 students enrolled in 1 kindergarten center, 5 elementary schools, 1 intermediate school, 1 middle school, 1 freshman school, and 1 comprehensive high school.

The District also operates a variety of other facilities, including: a central administration building, a maintenance building, a bus compound, and several sports fields.

In 1994, the District passed a 44.4 million dollar bond issue, which was used to build a new high school, a new elementary school and make additions to existing elementary schools.

## **EMPLOYEE RELATIONS**

The District has 1,045 full and part-time employees. This number has increased slightly over the past few years as various programs and services have been expanded to meet the changing needs

of students and the community. There are two organizations representing the certificated and classified employees. The District's administrative employees are not currently represented.

The Fairfield Classroom Teachers Association (FCTA), an affiliate of the Ohio Education Association (OEA), represents all certificated employees of the District. On September 1, 1998, the FCTA and the District entered into a new three-year collective bargaining agreement on language, salary and fringe benefits issues, which expires on August 31, 2001.

Classified employees are represented by the Ohio Association of Public School Employees (OAPSE), an affiliate of the American Federation of State, County and Municipal Employees (AFSCME). There are four local chapters of OAPSE. Chapter 205 represents the bus drivers and chauffeurs. Chapter 378 represents clerks, secretaries, educational assistants, and data entry personnel. Chapter 568 represents cooks, custodians, crossing guards, electricians, maintenance, and food service aides. Chapter 727 represents head cooks, head custodians, and the student route coordinator. Chapters 205, 378 and 568 negotiate as one unit, while Chapter 727 negotiates separately with the Board. The collective bargaining agreements with all four chapters expired June 30, 1999. On June 24, 1999 the District entered into a new three-year collective bargaining agreement with Chapter 727 that runs from July 1, 1999 through June 30, 2002. On August 19, 1999 the District entered into a new three-year collective bargaining agreement with Chapters 205, 378, and 568 that runs from July 1, 1999 through June 30, 2002. There have been no work stoppages in the District, and in the opinion of the Board of Education, labor relations with its employees are very good.

## **MAJOR INITIATIVES**

### Interest Based Bargaining

The District continues to utilize interest-based collective bargaining to negotiate master contracts with its four employee unions. There have now been two three-year master contracts successfully bargained with each union. The bargaining teams were trained and facilitated by Lou Manchise of the Federal Mediation and Conciliation Services. The district has been asked to present at the national Federal Mediation and Conciliation Services conference regarding its success with this process.

### Strategic Plan

The District's first 5-year Strategic Plan spanned the years 1994-1999. Securing adequate instructional facilities was the major focus of this plan, which was completed during the 1998-1999 school year. The District's second 5-year Strategic Plan for 2000-2005 was developed by a steering committee comprised of staff, parents and community members. A Cinergy Corporation grant provided funding for the development of this plan, which focuses on increased student achievement through enhanced teaching and learning efforts. Using technology to positively impact instruction, enlisting the support of community partnerships to enhance our students' education and developing educational options so that all students can learn our strategies that will be critical for the success of this plan.

## Curriculum Initiatives

During the 2000-2001 school year the district implemented the new Language Arts course of study, reviewed and revised the Science, Health and Physical Education Courses of Study. We implemented new courses of study for Special Education, Foreign Language, and Music. The high school physical education teachers developed a new program that focused on student selection of life-long physical activities.

As part of the District's 2000-2001 goal of improving assessments, teachers were trained in the Intervention Based Assessment model, Curriculum Based Measures, and DIBELS (Dynamic Indicators of Basic Early Literacy Skills) program. A new testing program, the Terra Nova, was purchased and implemented to be more aligned with the state Proficiency tests. Extended day programs were initiated to address the needs of elementary students who would be taking the fourth grade proficiency test for the first time. New report cards and progress reports for grades 1-6 were developed and piloted during the school year with an evaluation to be completed in the fall of 2001-2002. The Kindergarten Center created a new report card that would show a continuum of development of early literacy skills.

Each building in the District was responsible for updating their Continuous Improvement Plans including addressing the additional mandate of determining benchmarks for student achievement. The District also began the process of selecting a school to take part in a Hamilton County Consortium that would implement the Brazosport ("Effective Schools") model, which was funded for Fairfield by the Cinergy Basics Grant.

A new intervention program was begun at the Intermediate School to meet the needs of the students in math and reading. Life Skills training was held for the teachers as part of the implementation of the Life Skills program in grade 7 which was funded for a second year by the Phillip Morris Grant. Conflict Management materials were piloted, with recommendations to be made in the 2001-2002 school year, which included programs dealing with Sexual Harassment.

Fairfield expanded the mentor program to include a 4 half-day induction program prior to school opening in order to help new teachers be successful in their teaching assignment. The mentors and mentees were also encouraged to participate in an action research project to be shared with the District in the spring.

The Coordinators of Gifted Education continued to refine the identification and notification process related to gifted students in the District. Testing was held, in addition to the standardized tests, in order to meet the state mandate of identification. Letters were then sent out to over 3,000 students regarding their gifted identification. The coordinators continued to work with teams and individual teachers to meet the needs of the gifted population. The curriculum department also worked closely with the math departments at grades 5-9 to change the offerings to encourage more students to enter into classes of higher mathematics. Algebra I was offered in the eighth grade for the first time.

Technology became a focus for the curriculum department. On-line classes were made available at the high school for the first time for students who were credit deficient. Dave Vernot piloted a

technology component with the summer school for students in grades 5-8. His program included the use of Thinkronize, Digital Backpack and Study Island.

The District was the host site for three levels of SIRI training for the state of Ohio to encourage more of our teachers to receive the valuable training in teaching reading. A teacher academy was offered for the third year to teachers on relevant topics and 10 elementary teachers were sent to Math Solutions for a week of summer training in mathematics.

#### Permanent Improvement Levy

A five-year permanent improvement levy was scheduled to expire on December 31, 1997. The Board of Education first passed this levy in 1978 and has renewed it every five years since. The Board put the issue on the ballot in May 1998 and the community supported its continuation for another five years effective January 1, 1998. This levy (and its renewal) was critical to the district as it generates \$820,000 annually to be used exclusively for the maintenance and improvements to the district facilities. Expenditures from this levy could include boilers, roofs, buses, equipment, paving and any other maintenance or capital item.

### **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 cash basis system of accounting as prescribed by the Auditor of State. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, as 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 Fund, Expendable Trust Fund, and Agency Funds and for full accrual basis of accounting for all other funds.

#### Internal Controls

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

#### Single Audit Act

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

## Budgetary Controls

The District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. Budget deadlines may be established to allow for budget amendments prior to year-end. These final amendments allow actual amounts on the budgetary basis to agree with the adopted budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function within an individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. 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.

Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations, which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during the fiscal year and none were significant.

## 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, 2001 and the percentages of increase and decrease in relation to prior year revenues and expenditures:

<u>Revenue by Source</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Increase (Decrease)</u>
Taxes	\$29,709,781	52.15%	\$6,541,603	28.24%
Intergovernmental	24,505,849	43.02%	2,377,615	10.74%
Investment Revenue	956,177	1.68%	124,020	14.90%
Tuition and Fees	634,581	1.11%	78,111	14.04%
Other Revenue	<u>1,162,824</u>	<u>2.04%</u>	<u>247,848</u>	27.09%
Total	<u>\$56,969,212</u>	<u>100.00%</u>	<u>\$9,369,167</u>	19.68%

The increase in taxes revenue is due to the tax advances available at year-end.

The increase in investment revenue is due to an increase in return on investment.

An increase in State funding for 2001 explains the significant increase in intergovernmental revenues.

<u>Expenditure by Function</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Instruction	\$32,246,734	59.01%	\$2,946,676	10.06%
Pupil	2,373,845	4.34%	147,685	6.63%
Instructional Staff	3,117,836	5.72%	392,659	14.41%
Board of Education	34,753	0.06%	8,146	30.62%
Administration	4,373,301	8.00%	521,243	13.53%
Fiscal	960,123	1.76%	10,078	1.06%
Business	275,575	0.50%	86,930	46.08%
Operations and Maintenance	6,236,374	11.41%	524,949	9.19%
Pupil Transportation	3,758,817	6.88%	505,723	15.55%
Central	129,012	0.24%	(22,198)	(14.68%)
Extracurricular Activities	1,136,225	2.08%	97,443	9.38%
Capital Outlay	0	0%	(163,202)	(100.00%)
Debt Service	<u>0</u>	<u>0%</u>	<u>(143,580)</u>	<u>(100.00%)</u>
Total	<u>\$54,642,595</u>	<u>100.00%</u>	<u>\$4,912,552</u>	9.88%

All expenditure accounts except debt reflect a modest 3% to 3.5% salary increase during 2001 as a result of employee raises.

Instruction expenditures increased as result of additional teachers and classified staff, along with spending on textbooks and instructional supplies.

#### Special Revenue Funds

Special Revenue Funds account for certain revenue sources restricted by law or other formal actions to be expended for a specific purpose. The sources are primarily grants and entitlements. The operating revenue for all Special Revenue Funds was \$2,452,945 during the 2001 fiscal year.

#### Debt Service Funds

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related cost, and for the payment of interest on general obligation notes payable, as required by Ohio Law. The debt service totaled \$3,208,204 during the 2001 fiscal year.

#### Capital Projects Funds

The Capital Projects Funds are used to account for the purchase of equipment and the financing of major improvement projects as well as the new building project. District

Capital Projects Funds ended the fiscal year with a deficit fund balance of \$903,086. The deficit fund balance in the Capital Projects Fund was due to the accrual for GAAP.

### Fiduciary Funds

Trust and Agency Funds require a fiduciary relationship in their management by the District. The Trust Fund currently carried on the records of the District represents an Expendable Trust, which receives interest and is used for any purpose. Agency Funds utilized by the District include a Student Activities Fund, and an Unclaimed Monies Fund. Trust and Agency Fund assets totaled \$131,316.

### Enterprise Funds

The District's Enterprise Funds are Food Service, Uniform School Supply, and Latchkey. These funds are similar in nature to profit making activities found in the private sector and are managed accordingly. District Enterprise Funds operated in 2001 with \$2,813,917 in operating revenues and recorded a net income of \$65,448. School lunch prices were not increased, therefore expenditures exceeded revenues. The Food Service Fund had a deficit retained earnings balance of \$608,355. The General Fund will continue to supplement the Food Service Fund through operating transfers until revenues are in line with expenditures.

### Debt Administration

The District had six debt issues outstanding at June 30, 2001. Two were used to finance major construction in prior years and three bond issues are being used to finance the current building project. Outstanding general obligation bond debt at June 30, 2001 was in the amount of \$46,280,655.

### Cash Management

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. The District utilizes the Star Ohio program investment pool operated by the Treasurer of State, Joseph Deters, for ready cash and yield. Interest earned for all funds during the fiscal year was \$984,457. The District's investment policy does not allow for derivative type investments, interest only investments or reverse repurchase agreements. The District has never invested in these types of instruments.

### Risk Management

The District continues to protect its assets through a comprehensive insurance program. A schedule of insurance in force at June 30, 2001 is included in the Notes to the Financial Statements.

## OTHER INFORMATION

### Awards:

#### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

#### Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence on Financial Reporting for the fiscal year ended June 30, 2000, to the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000, 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 an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2001, will again conform to ASBO's principles and standards as well, and will be submitted to ASBO for review.

#### Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The State Auditor's Office performed the audit for the fiscal year ended June 30, 2001. The auditor's unqualified opinion rendered on the District's general purpose financial statements is included in the financial section of this Comprehensive Annual Financial Report.

#### Acknowledgments

The preparation of this report was made possible by the dedication and efforts of the entire staff of the Treasurer's Office. In addition, the cover and photo work was designed by Randy Oppenheimer, School & Community Relations Coordinator. Finally, the support and commitment to excellence by the Fairfield Board of Education and the citizens of the District

was vital to the successful issuance of this report and the continuing efforts being made to improve our financial management and reporting.

Sincerely,



J. Scott Gooding II  
Treasurer/CFO



Dr. Robert Farrell  
Superintendent

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
LIST OF PRINCIPAL OFFICIALS  
JUNE 30, 2001**

**BOARD OF EDUCATION**

---

President.....	Anne Crone
Vice President.....	Mike Oler
Board Member.....	Vicky Barger
Board Member.....	Dr. Kay Crain
Board Member.....	Maurice Godsey

**ADMINISTRATIVE OFFICIALS**

---

Superintendent.....	Dr. Robert Farrell
Treasurer/CFO.....	J. Scott Gooding II
Assistant Superintendent (Certificated Personnel).....	Catherine Milligan
Administrative Assistant For Business (Classified Personnel).....	John Pennell

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairfield City School  
District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2000

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.



*Timothy A. Brown*  
President

*Jeffrey L. Essler*  
Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**FAIRFIELD CITY SCHOOL DISTRICT**

For its Comprehensive Annual Financial Report (CAFR)

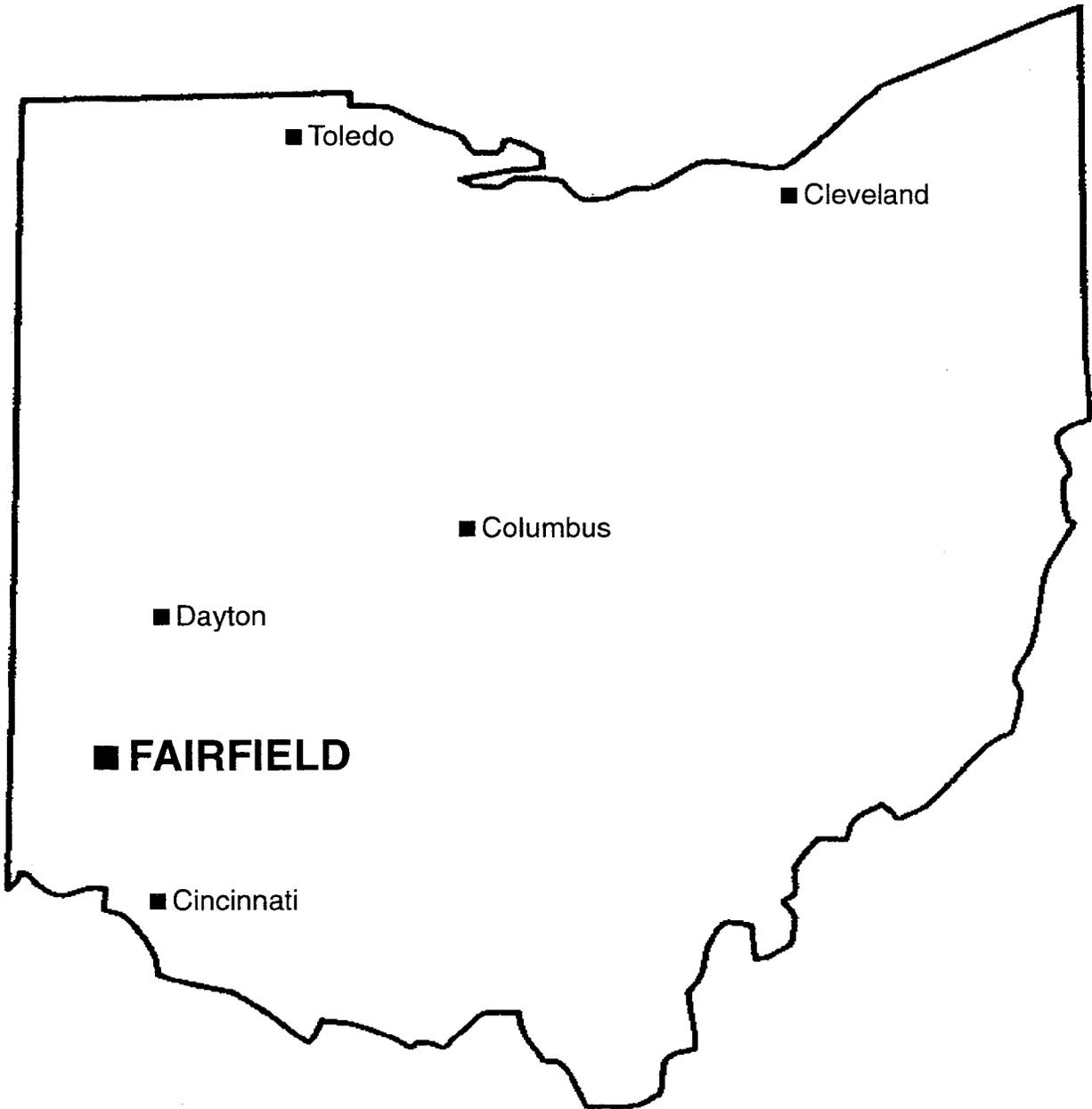
For the Fiscal Year Ended June 30, 2000

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

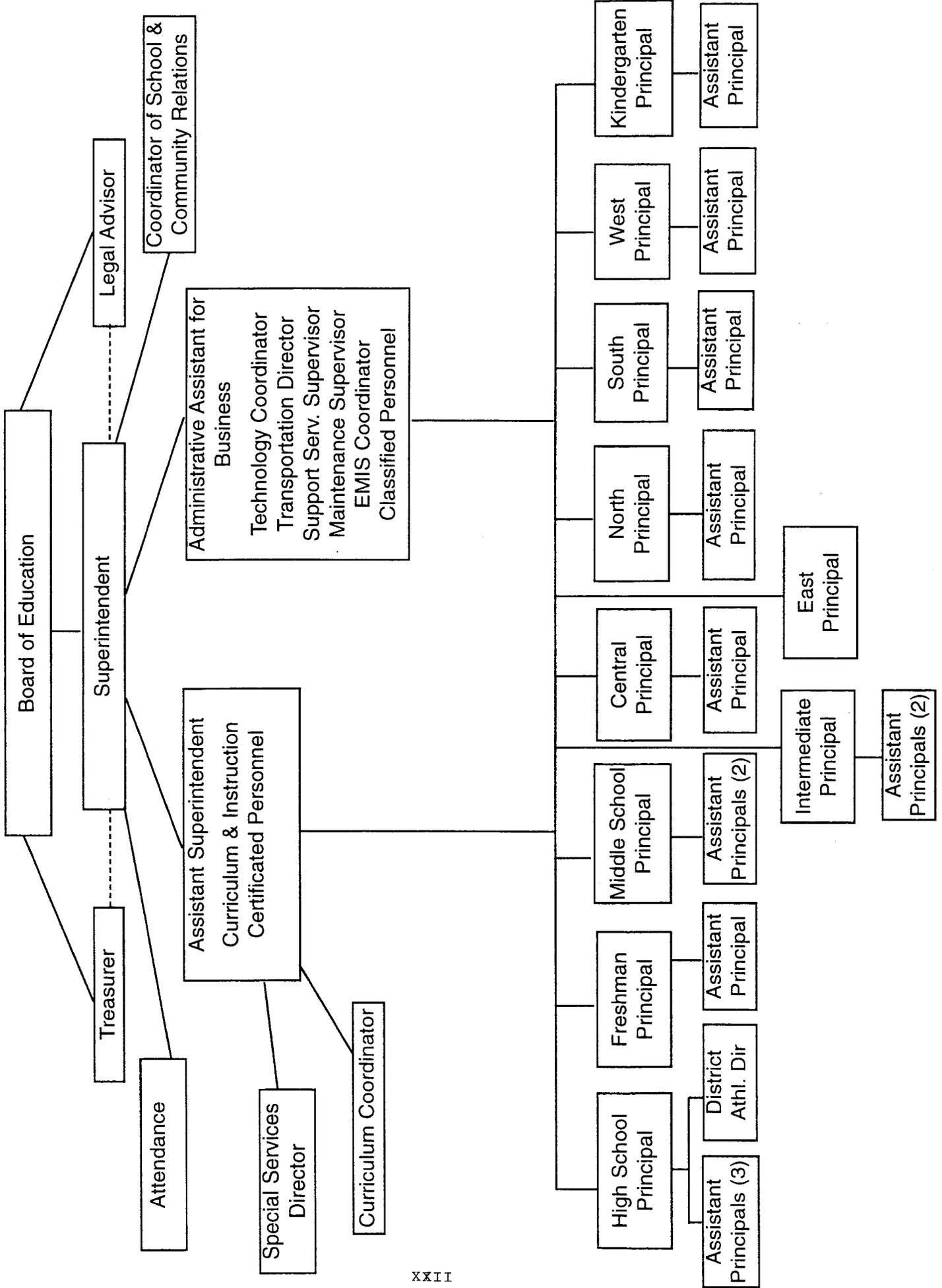
*Linda White*  
President

*Don t. Huger*  
Executive Director

# FAIRFIELD CITY SCHOOL DISTRICT, OHIO STATE OF OHIO MAP



# Fairfield Administrative Staff



## **FINANCIAL SECTION**

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STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

250 West Court Street  
Suite 150 E  
Cincinnati, Ohio 45202  
Telephone 513-361-8550  
800-368-7419  
Facsimile 513-361-8577  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

Fairfield City School District  
Butler County  
211 Donald Drive  
Fairfield, OH 45014-3095

To the Board of Education:

We have audited the accompanying general purpose financial statements of Fairfield City School District, Butler County, Ohio (the District), as of and for the year ended June 30, 2001, 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Fairfield City School District, Butler County, Ohio, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

During the year ended June 30, 2001, the District adopted Governmental Accounting Standards Board Statements 33 and 36 as indicated in Note 23 of the general purpose financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2001, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We performed our audit to form an opinion on the general purpose financial statements of the District, 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 additional analysis and are not a required part of the general purpose financial statements. We subjected this information to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects, in relation to the general purpose financial statements taken as a whole.

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

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

**Jim Petro**  
Auditor of State

December 21, 2001

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

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The general purpose financial statements of the District include the basic combined financial statements, presented by fund type and account group, and notes to the financial statements that are essential to the fair presentation of financial position, results of operations and cash flows.

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FAIRFIELD CITY SCHOOL DISTRICT, OHIO

Combined Balance Sheet

All Fund Types and Account Groups

June 30, 2001

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
Assets:				
Equity in pooled cash and investments	\$8,579,212	\$1,016,810	\$2,210,212	\$138,172
Restricted equity in pooled cash and investments	203,843	0	0	0
Receivables:				
Taxes	27,989,055	0	2,983,100	772,798
Accounts	50,021	9,962	0	0
Intergovernmental	0	142,730	0	0
Accrued interest	36,745	469	0	0
Interfund loan receivable	32,822	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
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>36,891,698</b>	<b>1,169,971</b>	<b>5,193,312</b>	<b>910,970</b>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>				
Liabilities:				
Accounts payable	465,243	173,977	0	27,948
Accrued wages and benefits	5,976,893	169,771	0	0
Compensated absences payable	408,536	0	0	0
Interfund loan payable	0	32,822	0	0
Due to others	0	0	0	0
Deferred revenue	22,704,367	0	2,386,235	636,108
Due to students	0	0	0	0
Capital leases payable	0	0	0	0
Tax anticipation notes payable	0	0	0	1,150,000
General obligation bonds payable	0	0	0	0
<b>Total liabilities</b>	<b>29,555,039</b>	<b>376,570</b>	<b>2,386,235</b>	<b>1,814,056</b>
Fund equity and other credits:				
Investment in general fixed assets	0	0	0	0
Retained earnings:				
Unreserved	0	0	0	0
Contributed capital	0	0	0	0
Fund balances:				
Reserved:				
Reserved for property taxes	5,284,688	0	596,865	136,690
Reserved for encumbrances	217,445	69,566	0	47,247
Reserved for set-asides	203,843	0	0	0
Unreserved:				
Designated for set-asides	1,212,213	0	0	0
Undesignated	418,470	723,835	2,210,212	(1,087,023)
<b>Total fund equity and other credits</b>	<b>7,336,659</b>	<b>793,401</b>	<b>2,807,077</b>	<b>(903,086)</b>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<b>\$36,891,698</b>	<b>\$1,169,971</b>	<b>\$5,193,312</b>	<b>\$910,970</b>

See accompanying notes

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPES	ACCOUNT GROUPS			Totals (Memorandum Only)
		Enterprise	Trust and Agency	General Fixed Assets	
\$627,555	\$130,240	\$0	\$0	\$12,702,201	
0	0	0	0	203,843	
0	0	0	0	31,744,953	
40,925	1,069	0	0	101,977	
34,059	0	0	0	176,789	
0	7	0	0	37,221	
0	0	0	0	32,822	
36,117	0	0	0	36,117	
182,709	0	86,337,062	0	86,519,771	
0	0	0	2,807,077	2,807,077	
0	0	0	50,157,501	50,157,501	
<u>921,365</u>	<u>131,316</u>	<u>86,337,062</u>	<u>52,964,578</u>	<u>184,520,272</u>	
20,715	14,848	0	0	702,731	
161,950	0	0	407,228	6,715,842	
117,802	0	0	6,276,695	6,803,033	
0	0	0	0	32,822	
0	8,099	0	0	8,099	
21,938	0	0	0	25,748,648	
0	103,635	0	0	103,635	
4,899	0	0	0	4,899	
0	0	0	0	1,150,000	
0	0	0	46,280,655	46,280,655	
<u>327,304</u>	<u>126,582</u>	<u>0</u>	<u>52,964,578</u>	<u>87,550,364</u>	
0	0	86,337,062	0	86,337,062	
(608,355)	0	0	0	(608,355)	
1,202,416	0	0	0	1,202,416	
0	0	0	0	6,018,243	
0	0	0	0	334,258	
0	0	0	0	203,843	
0	0	0	0	1,212,213	
0	4,734	0	0	2,270,228	
<u>594,061</u>	<u>4,734</u>	<u>86,337,062</u>	<u>0</u>	<u>96,969,908</u>	
<u>\$921,365</u>	<u>\$131,316</u>	<u>\$86,337,062</u>	<u>\$52,964,578</u>	<u>\$184,520,272</u>	

**FAIRFIELD 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, 2001**

	GOVERNMENTAL FUND TYPES			
	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Taxes	\$29,709,781	\$0	\$3,279,428	\$811,304
Intergovernmental	24,505,849	1,898,118	379,624	168,356
Investment revenue	956,177	9,174	18,948	0
Tuition and fees	634,581	0	0	0
Extracurricular activities	0	239,826	0	0
Other revenues	1,162,824	305,827	0	0
<b>Total revenues</b>	<u>56,969,212</u>	<u>2,452,945</u>	<u>3,678,000</u>	<u>979,660</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	27,764,985	315,519	0	257,632
Special	3,960,600	392,104	0	0
Other	521,149	0	0	0
<b>Support services:</b>				
Pupil	2,373,845	451,662	0	7,361
Instructional staff	3,117,836	162,768	0	0
Board of education	34,753	0	0	0
Administration	4,373,301	77,443	0	0
Fiscal	960,123	0	41,474	8,478
Business	275,575	35,228	0	0
Operations and maintenance	6,236,374	6,496	0	0
Pupil transportation	3,758,817	105	0	0
Central	129,012	0	0	0
Operation of non-instructional services	0	619,118	0	0
Extracurricular activities	1,136,225	228,957	0	0
Capital outlay	0	0	0	345,025
<b>Debt service:</b>				
Principal retirement	0	0	1,041,000	0
Interest and fiscal charges	0	0	2,167,204	0
<b>Total expenditures</b>	<u>54,642,595</u>	<u>2,289,400</u>	<u>3,249,678</u>	<u>618,496</u>
<b>Excess of revenues over (under) expenditures</b>	<u>2,326,617</u>	<u>163,545</u>	<u>428,322</u>	<u>361,164</u>
<b>Other financing sources (uses):</b>				
Proceeds of sale of fixed assets	423	0	0	0
Proceeds of refunding bonds	0	0	38,245,781	0
Payments to refunded bond escrow agent	0	0	(38,245,781)	0
Proceeds of refunding bonds - premium	0	0	33,187	0
Operating transfers in	0	0	2,382,401	1,550,000
Operating transfers (out)	(966,064)	0	(1,550,000)	(1,715,971)
<b>Total other financing sources (uses)</b>	<u>(965,641)</u>	<u>0</u>	<u>865,588</u>	<u>(165,971)</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	1,360,976	163,545	1,293,910	195,193
<b>Fund balance, July 1</b>	5,975,683	629,856	1,513,167	(1,098,279)
<b>Fund balance, June 30</b>	<u>\$7,336,659</u>	<u>\$793,401</u>	<u>\$2,807,077</u>	<u>(\$903,086)</u>
See accompanying notes				

**FIDUCIARY  
FUND TYPE**

<b>Expendable Trust</b>	<b>Totals (Memorandum Only)</b>
\$0	\$33,800,513
0	26,951,947
158	984,457
0	634,581
0	239,826
600	1,469,251
<u>758</u>	<u>64,080,575</u>

0	28,338,136
0	4,352,704
0	521,149
2,460	2,835,328
0	3,280,604
0	34,753
0	4,450,744
0	1,010,075
0	310,803
0	6,242,870
0	3,758,922
0	129,012
0	619,118
0	1,365,182
0	345,025
0	1,041,000
0	2,167,204
<u>2,460</u>	<u>60,802,629</u>
<u>(1,702)</u>	<u>3,277,946</u>

0	423
0	38,245,781
0	(38,245,781)
0	33,187
0	3,932,401
0	(4,232,035)
<u>0</u>	<u>(266,024)</u>

(1,702)	3,011,922
6,436	7,026,863
<u>\$4,734</u>	<u>\$10,038,785</u>

**FAIRFIELD 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, 2001**

	General			Special Revenue		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$28,111,160	\$27,568,479	(\$542,681)	\$0	\$0	\$0
Intergovernmental	23,723,927	24,514,388	790,461	1,920,692	1,758,267	(162,425)
Interest	800,000	931,553	131,553	9,226	9,226	0
Tuition & fees	505,000	613,400	108,400	0	0	0
Extracurricular activities	0	0	0	255,910	238,718	(17,192)
Other revenues	1,122,000	1,139,957	17,957	359,302	310,048	(49,254)
<b>Total revenues</b>	<b>54,262,087</b>	<b>54,767,777</b>	<b>505,690</b>	<b>2,545,130</b>	<b>2,316,259</b>	<b>(228,871)</b>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular	27,749,307	27,749,307	0	317,003	317,003	0
Special	3,922,875	3,922,875	0	382,887	382,887	0
Other	517,647	517,647	0	0	0	0
<b>Support services</b>						
Pupil	2,358,345	2,358,345	0	460,896	460,896	0
Instructional staff	2,999,777	2,999,777	0	174,247	174,247	0
Board of Education	34,912	34,912	0	0	0	0
Administration	4,346,052	4,346,052	0	75,406	75,406	0
Fiscal	960,803	960,803	0	0	0	0
Business	272,379	272,379	0	35,228	35,228	0
Operation and maintenance	6,095,879	6,095,879	0	6,705	6,705	0
Pupil transportation	3,493,624	3,493,624	0	755	755	0
Central	132,362	132,362	0	0	0	0
Operation of non-instructional services	0	0	0	702,176	702,176	0
Extracurricular activities	1,135,731	1,135,731	0	229,227	229,227	0
Capital outlay	0	0	0	0	0	0
<b>Debt Service:</b>						
Principal retirement	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0
<b>Total expenditures</b>	<b>54,019,693</b>	<b>54,019,693</b>	<b>0</b>	<b>2,384,530</b>	<b>2,384,530</b>	<b>0</b>
<b>Excess of revenues over (under) expenditures</b>	<b>242,394</b>	<b>748,084</b>	<b>505,690</b>	<b>160,600</b>	<b>(68,271)</b>	<b>(228,871)</b>
<b>Other financing sources (uses):</b>						
Proceeds of sale of fixed assets	0	423	423	0	0	0
Proceeds of bonds	0	0	0	0	0	0
Proceeds of notes sold	0	0	0	0	0	0
Advances in	120,000	120,000	0	0	32,822	32,822
Advances (out)	(32,822)	(32,822)	0	0	0	0
Operating transfers in	0	0	0	18,832	38,137	19,305
Operating transfers (out)	(966,064)	(966,064)	0	(38,137)	(38,137)	0
<b>Total other financing sources (uses)</b>	<b>(878,886)</b>	<b>(878,463)</b>	<b>423</b>	<b>(19,305)</b>	<b>32,822</b>	<b>52,127</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(636,492)</b>	<b>(130,379)</b>	<b>506,113</b>	<b>141,295</b>	<b>(35,449)</b>	<b>(176,744)</b>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>8,433,903</b>	<b>8,433,903</b>	<b>0</b>	<b>823,587</b>	<b>823,587</b>	<b>0</b>
<b>Fund balance, June 30</b>	<b>\$7,797,411</b>	<b>\$8,303,524</b>	<b>\$506,113</b>	<b>\$964,882</b>	<b>\$788,138</b>	<b>(\$176,744)</b>

See accompanying notes

Debt Service			Capital Projects		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$3,013,400	\$3,082,570	\$69,170	\$758,600	\$748,856	(\$9,744)
362,000	379,624	17,624	118,555	168,356	49,801
18,948	18,948	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<b>3,394,348</b>	<b>3,481,142</b>	<b>86,794</b>	<b>877,155</b>	<b>917,212</b>	<b>40,057</b>
0	0	0	302,962	302,962	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	7,361	7,361	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
41,474	41,474	0	8,478	8,478	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	128,374	128,374	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	348,204	348,204	0
2,591,000	2,591,000	0	0	0	0
2,167,204	2,167,204	0	0	0	0
<b>4,799,678</b>	<b>4,799,678</b>	<b>0</b>	<b>795,379</b>	<b>795,379</b>	<b>0</b>
<b>(1,405,330)</b>	<b>(1,318,536)</b>	<b>86,794</b>	<b>81,776</b>	<b>121,833</b>	<b>40,057</b>
0	0	0	0	0	0
33,187	33,187	0	0	0	0
1,150,000	1,150,000	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,232,401	1,232,401	0	0	0	0
0	0	0	(565,971)	(565,971)	0
<b>2,415,588</b>	<b>2,415,588</b>	<b>0</b>	<b>(565,971)</b>	<b>(565,971)</b>	<b>0</b>
1,010,258	1,097,052	86,794	(484,195)	(444,138)	40,057
1,113,159	1,113,159	0	524,801	524,801	0
<b>\$2,123,417</b>	<b>\$2,210,211</b>	<b>\$86,794</b>	<b>\$40,606</b>	<b>\$80,663</b>	<b>\$40,057</b>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combined Statement of Revenues, Expenses**  
**And Changes in Retained Earnings**  
**Proprietary Fund Type**  
**For The Fiscal Year Ended June 30, 2001**

	<b><u>PROPRIETARY FUND TYPE</u></b>
	<b><u>Enterprise</u></b>
<b>Operating revenues:</b>	
Charges for services	\$2,803,472
Other revenue	10,445
<b>Total revenues</b>	<b><u>2,813,917</u></b>
<b>Operating expenses:</b>	
Salaries and wages	1,269,273
Fringe benefits	377,324
Purchased services	157,500
Materials and supplies	1,458,181
Depreciation	130,292
Other operating expenses	687
<b>Total operating expenses</b>	<b><u>3,393,257</u></b>
<b>Operating income (loss)</b>	<b><u>(579,340)</u></b>
<b>Non-operating revenues (expenses):</b>	
Federal donated commodities	97,535
Operating grants	248,541
Interest expense	(922)
<b>Total non-operating revenues</b>	<b><u>345,154</u></b>
<b>Income (loss)</b>	<b><u>(234,186)</u></b>
<b>Operating transfers in</b>	<b><u>299,634</u></b>
<b>Net income</b>	<b>65,448</b>
<b>Retained Earnings (deficit), July 1</b>	<b>(673,803)</b>
<b>Retained Earnings (deficit), June 30</b>	<b><u><u>(\$608,355)</u></u></b>

See accompanying notes

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combined Statement Of Cash Flows**  
**Proprietary Fund Type**  
**For The Fiscal Year Ended June 30, 2001**

	<b>PROPRIETARY FUND TYPE</b>
	<b>Enterprise</b>
<b>Cash flows from operating activities:</b>	
Cash received from charges for services	\$2,775,441
Cash payments to suppliers for goods and services	(1,518,346)
Cash payments to employees for services	(1,566,483)
Cash payments for other operating expenses	(687)
<b>Net cash provided by (used for) operating activities</b>	<b>(310,075)</b>
<b>Cash flows from noncapital financing activities:</b>	
Operating grants received	214,482
Cash received from other funds	299,634
Cash payments to other funds	(120,000)
<b>Net cash provided by noncapital financing activities</b>	<b>394,116</b>
<b>Cash flows from capital and related financing activities</b>	
Acquisition of capital assets	(4,290)
<b>Net cash used for capital and related financing activities</b>	<b>(4,290)</b>
<b>Net increase in cash and cash equivalents</b>	<b>79,751</b>
<b>Cash and cash equivalents, July 1</b>	<b>547,804</b>
<b>Cash and cash equivalents, June 30</b>	<b>627,555</b>
	<b>Continued</b>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combined Statement Of Cash Flows**  
**Proprietary Fund Type**  
**For The Fiscal Year Ended June 30, 2001**

	<u>PROPRIETARY FUND TYPE</u>
	<u>Enterprise</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>	
<b>Operating income (loss)</b>	<u>(579,340)</u>
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>	
Depreciation	130,292
Donated commodities used	97,535
<b>Changes in assets and liabilities:</b>	
(Increase) decrease in accounts receivable	(38,476)
(Increase) decrease in inventory held for resale	12,463
Increase (decrease) in accounts payable	1,502
Increase (decrease) in accrued wages and benefits	45,063
Increase (decrease) in compensated absences	29,832
Increase (decrease) in deferred revenue	(5,332)
Increase (decrease) in capital lease payable	(3,614)
<b>Total adjustments</b>	<u>269,265</u>
<b>Net cash provided by (used for) operating activities</b>	<u><u>(\$310,075)</u></u>
<b>Non cash transactions - Enterprise Fund:</b>	
Non cash donation of inventory held for resale - Food Service	\$97,535
<b>See accompanying notes</b>	

## **NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**

### **FAIRFIELD CITY SCHOOL DISTRICT, OHIO**

**June 30, 2001**

#### **NOTE 1--DESCRIPTION OF THE DISTRICT**

The Fairfield City School 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 instructional and support facilities staffed by approximately 390 non-certificated personnel and approximately 550 certificated full time teaching and administrative personnel to provide services to students and other community members.

The District is the 24th largest in the State of Ohio (among 612 Districts) in terms of enrollment and the 4th largest in Butler County. It currently operates 1 kindergarten center, 5 elementary schools (serving grades 1 - 4), 1 intermediate school (serving grades 5-6), 1 middle school (serving grades 7 - 8), 1 freshman school (serving grade 9), and 1 comprehensive high school (serving grades 10 - 12).

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

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

#### **THE REPORTING ENTITY**

For financial reporting purposes, the District's financial statements include all funds and account groups of the primary government (i.e. the District). Potential components were considered for inclusion in the financial statements. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e. the District) are financially accountable.

There are no component units included in the financial statements of the District.

#### **BASIS OF PRESENTATION - FUND ACCOUNTING**

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

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

General Fund

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

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund

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

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment (other than those financed by Proprietary Funds).

Proprietary Funds - Proprietary Funds are used to account for the District's ongoing activities, which are similar to those most often, found in the private sector. In accordance with GASB Statement 20, the District has chosen to follow all 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 with or contradict GASB pronouncements. Following is the District's Proprietary Fund Type:

Enterprise Funds

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

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

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

General Fixed Assets Account Group

This group of accounts is established to account for all fixed assets of the District, other than those accounted for in Proprietary Funds and Trust Funds.

General Long Term Obligations Account Group

This group of accounts is established to account for all long-term obligations of the District, except those accounted for in Proprietary Funds and Trust Funds.

MEASUREMENT FOCUS/BASIS OF ACCOUNTING

*Measurement Focus:* Governmental Fund Types and Expendable Trust Funds are accounted for on a spending, or "current financial resources," measurement focus. Governmental Fund Types and Expendable Trust Funds operating statements represent increases and decreases in net current assets. Their reported fund balances are considered a measure of available spendable resources.

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

*Basis of Accounting:* The modified accrual basis of accounting is followed for Governmental, Expendable Trust and Agency Funds. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year, in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Proprietary Funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred.

## BUDGETARY DATA

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

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

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

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

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

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

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

Prior to March 15, 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 will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final Amended Certificate.

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

Any revisions that alter the legal level of appropriations must be approved by the Board of Education. The legal level is function within the fund.

Formal budgetary integration is employed as a management control device during the year for all funds except agency funds consistent with statutory provisions. All departments/functions and funds completed the year within the amount of their legally authorized appropriation.

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

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

Budget deadlines may be established to allow for budget amendments prior to year-end. These final amendments allow actual amounts on the budgetary basis to agree with the adopted budget. While final amendments were made to estimated revenues, such changes were not reflected in the budgetary statements because they lacked approval by the budget commission. The original appropriation measure was amended by insignificant amounts during the year.

## ENCUMBRANCES

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

## RESTRICTED EQUITY IN POOLED CASH AND INVESTMENTS

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

## CASH AND INVESTMENTS

Cash received by the District is deposited in three accounts with individual fund balance integrity maintained throughout. Monies for all funds are maintained in these accounts or is temporarily used to purchase authorized investments, which are stated at fair value. The fair value of investments was determined through the use of published market values. For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with original maturities of three months or less are considered to be cash and cash equivalents.

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

Under existing Ohio statutes, all investment earnings accrue to the General Fund except those specifically related to Auxiliary Services, Permanent Improvement, Food Service and certain trust funds and those funds individually authorized by Board resolution. Interest earnings are allocated to these funds based on average monthly cash balances.

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

#### INVENTORY (MATERIALS AND SUPPLIES)

Inventories are valued at lower of cost (First-in, First-out) or market and are determined by physical count. Inventories are expended when used rather than when purchased. The amount of unused commodities at year-end are reported as deferred revenue since title does not pass to the school district until the commodities are used.

#### FIXED ASSETS AND DEPRECIATION

General Fixed Assets Account Group - General fixed assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the General Fixed Assets Account Group. Donated fixed assets are recorded at their fair market values as of the date donated. The District follows the policy of not capitalizing assets with a cost of less than \$1,000 and a useful life of less than 5 years. No depreciation is recognized for assets in the General Fixed Assets Account Group. The District does not possess any infrastructure.

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

<u>Asset</u>	<u>Life (years)</u>
Furniture, Fixtures and Equipment	5

#### INTERFUND TRANSACTIONS

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

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

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

Short-term interfund loans are reflected as interfund loans payable/receivable, while long-term interfund loans (greater than one year in length) are recorded as advances to/from other funds.

## COMPENSATED ABSENCES

GASB Statement 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.
2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment.

The District's policies regarding compensated absences are determined by state laws and/or negotiated agreements and include salary related payments if material. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How earned	Not Eligible	Not Eligible	10-25 days for each Service year depending on length of service.
Maximum Accumulation	Not Applicable	Not Applicable	25 days
Vested	Not Applicable	Not Applicable	As Earned
Termination Entitlement	Not Applicable	Not Applicable	Paid upon Termination
<u>Sick Leave</u> How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	330 days according to bargaining agreements	330 days	330 days according to bargaining agreements
Vested	As Earned	As Earned	As Earned
Termination Entitlement	Per Contract	Per Contract	Per Contract

For governmental funds, vested and accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of its respected governmental fund. Amounts of vested and accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the General Long Term Obligations Account Group. Vested and accumulated vacation and sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to the employee. There are no material salary related payments applicable to the District.

**LONG-TERM OBLIGATIONS**

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

**FUND EQUITY**

Contributed capital is recorded in proprietary funds that received capital grants or contributions from other funds. There were changes in the contributed capital reported for enterprise funds during the year. Reserved fund balances indicate that portion of fund equity, which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for property taxes, encumbrances and set-asides required by state law. The unreserved portions of fund equity reflected for the governmental funds are available for use within the specific purpose of those funds. Fund balances are also reserved for those property taxes recognized as revenue because they were available for advance by the County Auditor. While these property taxes meet the criteria for revenue recognition, they were not appropriable by the District for expenditure.

The District’s Board approved \$1,212,213 to be used in future years against any budget deficits.

**MEMORANDUM ONLY-TOTAL COLUMNS**

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

**NOTE 3-- DEFICIT IN FUND BALANCE/RETAINED EARNINGS**

The following Capital Projects Fund and Enterprise Fund had a deficit in fund balance/retained earnings.

Capital Projects Fund:	
Permanent Improvement	\$958,562
Enterprise Fund:	
Food Service	1,139,354

Capital Projects Fund deficit in fund balance was primarily due to accruals for GAAP and the Enterprise Fund deficit in retained earnings was primarily due to depreciation on contributed capital.

#### **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 pooled cash was \$315,224. The bank balance of deposits was \$823,093, of which \$100,000 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 fiscal year-end are classified as follows:

	Category			Carrying Value/Fair Value
	<u>1</u>	<u>2</u>	<u>3</u>	
Money Market (1)	\$ 0	\$ 0	\$ 0	\$ 98,385
U.S. Treasury Bonds	0	3,143,609	0	3,143,609
State Treasury Pool (1)	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,348,826</u>
Total	<u>\$ 0</u>	<u>\$3,143,609</u>	<u>\$ 0</u>	<u>\$12,590,820</u>

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

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--INTERFUND RECEIVABLES/PAYABLES**

Interfund balances at fiscal year-end consisted of the following individual fund receivables and payables.

<u>Interfund loans:</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$32,822	\$0
Special Revenue Funds:		
Spring Recognition	0	20,022
Entry Year Grant	0	<u>12,800</u>
Total All Funds	<u>\$32,822</u>	<u>\$32,822</u>

**NOTE 6--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 2001 were based as follows:

Tangible and Public Utility Personal	\$131,086,907
Real Estate	<u>934,248,580</u>
 Total Assessed Property Value	 <u>\$1,065,335,487</u>

Real property taxes collected in 2001 were levied in January on the assessed values as of January 1, 2000, 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 2001, 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 2001, if paid annually, payment was due by February 8th. If paid semi-annually, the first payment (at least 1/2 amount billed) was due February 8th with the remainder due on July 12th.

The County Auditor remits portions of the taxes collected to all taxing Districts with periodic settlements of Real and Public Utility property taxes in February and August and Tangible Personal Property taxes in June and October. The District records billed but uncollected property taxes as receivables at their estimated net realizable value.

**NOTE 7--RECEIVABLES**

Receivables at fiscal year-end, consisted of taxes, accounts receivable, accrued interest and intergovernmental grants. 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 principle receivables follows:

<u>Fund</u>	<u>Type of Receivable</u>	<u>Amount</u>
General Fund	Taxes	\$27,989,055
	Accounts	50,021
	Accrued Interest	36,745
Special Revenue Funds	Accounts	9,962
	Intergovernmental	142,730
	Accrued Interest	469
Debt Service Fund	Taxes	2,983,100
Capital Project Funds	Taxes	772,798
Enterprise Funds	Accounts	40,925
	Intergovernmental	34,059

**NOTE 8--FIXED ASSETS**

A summary of the changes in the General Fixed Assets Account Group during the fiscal year follows:

	<u>Balance July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30</u>
Land/Improvements	\$ 4,464,991	\$ 0	\$ 0	\$ 4,464,991
Building and Building Improvements	64,871,909	42,984	0	64,914,893
Furniture/Equipment	<u>16,559,886</u>	<u>413,295</u>	<u>16,003</u>	<u>16,957,178</u>
Total	<u>\$85,896,786</u>	<u>\$456,279</u>	<u>\$16,003</u>	<u>\$86,337,062</u>

A summary of the Proprietary Fund fixed assets at fiscal year-end follows:

Furniture and Equipment	\$ 1,319,468
Less Accumulated Depreciation	<u>(1,136,759)</u>
Net Fixed Assets - Proprietary Fund	<u>\$ 182,709</u>

**NOTE 9 – NOTES PAYABLE**

The District was liable during the fiscal year for a tax anticipation note payable presented below.

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance July 1</u>	<u>Issued (Retired)</u>	<u>Balance June 30</u>
Tax Anticipation	4.28%	10/28/99	10/26/00	\$ 1,550,000	(\$ 1,550,000)	\$ 0
Tax Anticipation	4.90%	10/26/00	10/25/01	0	1,150,000	1,150,000

**NOTE 10--GENERAL LONG-TERM BONDS**

The current obligation bonds outstanding, issued to provide funds for the acquisition and construction of equipment and facilities, are general obligations of the School District for which the full faith and credit of the school district is pledged for repayment. Accordingly, such unmatured obligations of the school district are accounted for in the General Long-Term Obligation Account Group. Payments of principal and interest relating to all district bonds are recorded as expenditures in the Debt Service Fund.

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

<u>Purpose</u>	<u>Interest Rate</u>	<u>Balance July 1</u>	<u>Issued (Retired)</u>	<u>Balance June 30</u>
<b>Bonds</b>				
School Bus	5.4090	\$206,000	(\$206,000)	\$0
School Improvement (1)	7.3157	4,000,000	(500,000)	3,500,000
School Improvement (2)	6.2490	37,285,000	(34,065,000)	3,220,000
Refunding	6.5702	3,214,814	(315,000)	2,899,814
Energy Conservation	5.2270	2,620,000	(320,000)	2,300,000
School Improvement Refunding	4.8600	<u>0</u>	<u>34,360,841</u>	<u>34,360,841</u>
<b>Total Bonds</b>		<u>\$47,325,814</u>	<u>(\$1,045,159)</u>	<u>\$46,280,655</u>

(1) \$400,000 of the \$500,000 retired represents advance refunding dated March 1, 2001.

(2) \$33,965,000 of the \$34,065,000 retired represents advance refunding dated March 1, 2001.

The following is a summary of the District's future annual debt service requirements to maturity:

<u>Year Ending June 30</u>	<u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2002	\$2,025,000	\$2,345,476
2003	1,605,000	2,259,344
2004	1,855,000	2,176,124
2005	2,015,000	2,079,656
2006 and thereafter	<u>38,780,655</u>	<u>25,173,225</u>
	<u>\$46,280,655</u>	<u>\$34,033,825</u>

#### **NOTE 11--CHANGES IN THE GENERAL LONG TERM OBLIGATIONS ACCOUNT GROUP**

During the year, the following changes occurred in liabilities reported in the General Long Term Obligations Account Group. Compensated absences will be paid from the fund from which the employee is paid. Capitalized leases will be paid out of the applicable fund.

	<u>Balance July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30</u>
General Obligation Bonds	\$47,325,814	\$34,360,841	\$35,406,000	\$46,280,655
Compensated Absences	5,630,130	646,565	0	6,276,695
Accrued Wages and Benefits	<u>368,897</u>	<u>38,331</u>	<u>0</u>	<u>407,228</u>
<b>Total</b>	<u>\$53,324,841</u>	<u>\$35,045,737</u>	<u>\$35,406,000</u>	<u>\$52,964,578</u>

The accrued wages and benefits amount above represents pension contributions that are not expected to be liquidated with expendable available financial resources.

## NOTE 12--ADVANCE REFUNDING

In March 2001, the School District issued \$34,360,841 in General Obligation Bonds with an average interest rate of 4.86 percent to advance refund \$400,000 of outstanding 1994 Series bonds with an average interest rate of 7.04 percent and \$33,965,000 of outstanding Series 1995 bonds with an average interest rate of 6.52 rate percent. The net proceeds of \$38,278,968 (after payment of \$400,930 in underwriting fees, insurance and other issuance costs) were used to purchased U.S. government securities. Those securities were deposited an irrevocable trust with an escrow agent to provide for future debt service payments on the 2006 through 2009 maturities of the Series 1994 bonds and payments on the 2007 through 2020 maturities of the Series 1995 bonds. As a result, the refunded \$400,000 of the Series 1994 bonds and the refunded \$33,965,000 of the Series 1995 bonds are considered to be defeased and the liability of those bonds has been removed from the general long-term debt account group.

The School District advance refunded the Series 1994 and Series 1995 bonds to reduce its total debt payment over the next 20 years by \$2,217,798 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,690,770 or 4.92 percent of the old issue.

## NOTE 13--SEGMENT INFORMATION

Enterprise Funds - The District maintains three Enterprise Funds to account for the operations of Food Services, Uniform School Supply and the Latchkey Fund. 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-end.

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Latchkey</u>	<u>Total</u>
Operating Revenues	\$1,765,459	\$228,798	\$819,660	\$2,813,917
Operating expenses before depreciation	2,296,943	195,144	770,878	3,262,965
Depreciation	128,411	0	1,881	130,292
Operating Income/(Loss)	(659,895)	33,654	46,901	(579,340)
Operating Grants	248,541	0	0	248,541
Donated Commodities	97,535	0	0	97,535
Interest Expense	922	0	0	922
Net Income (Loss)	(15,107)	33,654	46,901	65,448
Net Working Capital	(119,276)	248,732	281,896	411,352
Total Assets	272,342	254,638	394,385	921,365
Total Liability	209,280	5,906	112,118	327,304
Total Equity	63,062	248,732	282,267	594,061

## **NOTE 14--EMPLOYEE RETIREMENT SYSTEMS**

All District employees are covered by the statewide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). District employees hired after April 1, 1986 are also currently covered under the Federal Social Security Act for the Medicare portion only. The District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the District to pay the employer share as determined by each Retirement System.

### **SCHOOL EMPLOYEES RETIREMENT SYSTEM**

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

Plan members are required to contribute 9 of their annual covered salary and the Fairfield City School District is required to contribute 14 percent: 10.5 percent 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 School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$1,326,354, \$1,207,338, and \$1,130,352, respectively; 47.6 percent has been contributed for fiscal years 2001 and 100 percent for the fiscal years 2000 and 1999. \$695,088 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds and the general long-term obligations account group.

### **STATE TEACHERS RETIREMENT SYSTEM**

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

Plan members are required to contribute 9.3 percent of their annual covered salary and the Fairfield City School District is required to contribute 14 percent: 12 percent 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 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000 and 1999 were \$4,034,592, \$3,615,888, and \$3,528,756, respectively; 82.1 percent has been contributed for fiscal years 2001 and 100 percent for the fiscal years 2000 and 1999. \$722,428 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds.

## **NOTE 15--POST EMPLOYMENT 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 8 percent of covered payroll to the Health Care Reserve Fund. The Health Care Reserve Allocation for the year ended June 30, 2001 will be 4.5 percent of covered payroll.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the fund was \$3,149 million at June 30, 2000. For the year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000 and STRS had 99,011 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 8.45 percent of covered payroll, an increase from 6.3 percent for fiscal year 2000. 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, 2000, were \$140,696,340 and the target level was \$211.0 million. At June 30, 2000, SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

## **NOTE 16--STATE SCHOOL FUNDING DECISION**

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.

- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of December 21, 2001 the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may reexamine and redetermine any issue upon such reconsideration.

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

**NOTE 17--BUDGETARY BASIS OF ACCOUNTING**

While 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 and disbursements. A reconciliation of the nature and amounts of the adjustments necessary to convert the GAAP financial statements of the budgetary basis follows:

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

<u>Governmental Fund Types</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>
GAAP Basis	\$1,360,976	\$163,545	\$1,293,910	\$195,193
Net Adjustment for Revenue Accruals	(2,081,435)	(65,727)	(196,858)	(1,612,448)
Net Adjustment for Expenditure Accruals	1,018,757	95,398	0	1,030,628
Net Adjustment for Encumbrances	<u>(428,677)</u>	<u>(228,665)</u>	<u>0</u>	<u>( 57,511)</u>
Budgetary Basis	<u>(\$130,379)</u>	<u>(\$35,449)</u>	<u>\$1,097,052</u>	<u>(\$444,138)</u>

## **NOTE 18--CONTINGENT LIABILITIES**

### **GRANTS**

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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 effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at fiscal year-end.

## **NOTE 19-- JOINTLY GOVERNED ORGANIZATIONS**

### **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.

### **BUTLER COUNTY CAREER CENTER**

The Butler 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 the participating school district's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Butler County Career Center is not part of the District and its operations are not included as part of the reporting entity.

## **NOTE 20--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 the fiscal year, the District contracted with Indiana Insurance Company for property and general liability insurance and boiler and machinery insurance.

Boiler and machinery coverage has a \$1,000 deductible. General liability is protected by Indiana Insurance Company with \$5,000,000 each occurrence, \$5,000,000 aggregate limit. Vehicles are covered by Indiana Insurance Company with a \$500 deductible. Public officials bond insurance is provided by Ohio Farmers Insurance Company and Indiana

Insurance Company. The Treasurer, Superintendent and Board President are covered by bonds in the amount of \$20,000 each. The District has elected to provide employee medical and dental benefits through Butler County Health Insurance Plan. The employees share the cost of the monthly premium for the coverage with the Board.

There were no significant reductions in insurance coverage from the prior year. Also, there were no settlements that exceeded insurance coverage for the past three fiscal years.

**NOTE 21--STATUTORY RESERVES**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year-end, 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>
Set-Aside Cash Balance , 7/1/00	\$ 0	\$ 0	\$1,416,056	\$ 1,416,056
Required Set-Aside	1,249,118	1,249,118	0	2,498,236
Offset Credits	0	0	0	0
Reduction Authorized by Legislation Restrictions	0	0	(1,212,213)	(1,212,213)
Qualifying Disbursements	<u>(1,249,118)</u>	<u>(1,249,118)</u>	<u>0</u>	<u>(2,498,236)</u>
Balance, 6/30/01	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 203,843</u>	<u>\$ 203,843</u>

Expenditures for textbook activity during the year totaled \$1,886,117, which exceeded the amount required for the set-aside.

Expenditures for capital activity during the year totaled \$1,758,473, which exceeded the amount required for the set-aside.

Effective April 10, 2001, Am. Sub. Senate Bill 345 amended ORC Section 5705.29 effectively eliminating the requirement for the District to establish and maintain a budget stabilization reserve. By resolution, the Board can eliminate the reserve in accordance with the Act. As of June 30, 2001, the Board had not acted on the Senate Bill requirements to eliminate the reserve balance. The non-BWC (Bureau of Workers' Compensation) portion of monies designated for set-aside totaling \$1,212,213 in the General Fund. The District is still required by State law to maintain the textbook reserve and the capital acquisition reserve.

**NOTE 22--CONTRIBUTED CAPITAL**

During the year, contributed capital was as follows:

	<u>Food Service Fund</u>
Contributed Capital, Beginning of Year	\$1,202,416
Capital Contributed Additions	<u>0</u>
Contributed Capital, End of Year	<u>\$1,202,416</u>

## **NOTE 23--CHANGES IN ACCOUNTING PRINCIPLES**

### Changes in Accounting Principles

For the fiscal year ended June 30, 2001, the District has implemented GASB Statement No.33, "*Accounting and Financial Reporting for Nonexchange Transactions*" and GASB No.36 "*Recipient Reporting for Certain Shared Nonexchange Revenues*". At June 30, 2000, there was no effect on fund balance as a result of implementing GASB 33 and GASB 36.

**COMBINING AND INDIVIDUAL FUND  
AND ACCOUNT GROUP FINANCIAL  
STATEMENTS AND SCHEDULES**

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## **GENERAL FUND**

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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 according to the general laws of the State of Ohio.

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

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## **SPECIAL REVENUE FUNDS**

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

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

SPRING RECOGNITION: 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 EAST: To account for state funds, which provide support for the creation of a successful professional development structure.

EXTRACURRICULAR STUDENT ACTIVITIES: To account for those student activity programs which have student participation in the activity but do not have student management in the programs. This fund includes athletic programs as well as the band, cheerleaders, flag corps and other similar types of activities.

AUXILIARY SERVICES: To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

STAFF DEVELOPMENT: To account for state funds provided for staff development programs.

EXCELLENCE IN EDUCATION: To account for state funds which provide pupil competency assessment and instructional development in English Composition, Mathematics and Reading as required by the minimum standards for Ohio Schools. This fund is also provided to account for expenses related to the Ohio Science Olympics and to the International Science and Engineering Fair.

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

ENTRY YEAR GRANT: To account for state funds provided for entry year programs.

SCHOOLNET PROFESSIONAL DEVELOPMENT: To account for a limited number of professional development subsidy grants.

OHIO READS: To account for state funds, which are designated reading.

SUMMER INTERVENTION: To account for funds, which are used for summer intervention.

SCHOOL SECURITY: To account for state funds provided for security of equipment.

TITLE II: To account for federal funds used for the training of teachers in new techniques and methodologies in the areas of mathematics and science.

TITLE VI B PRE-SCHOOL: To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialist in providing educational services to the handicapped.

TITLE I: To account for federal funds for services provided to meet special educational needs of educationally deprived children.

TITLE VI: To account for federal funds to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; programs to enhance personal excellence of students and student achievement.

DRUG FREE SCHOOLS: To account for federal funds used for establishment, operation and improvement of programs of drug abuse prevention, early intervention, rehabilitation referral and education in schools.

PRE-SCHOOL DISABILITIES: This program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

TELECOM ACT GRANT: To account for funds to be used for telecommunications.

CLASSROOM SIZE REDUCTION: To account for federal funds to be used for classroom size reduction

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**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Balance Sheet**  
**Special Revenue Funds**  
**June 30, 2001**

	Public School Support	Spring Recognition	Venture Capital East	Extra- Curricular Student Activities
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$177,231	\$39,995	\$1,479	\$200,974
<b>Receivables:</b>				
Accounts	7,227	0	0	2,735
Accrued Interest	0	0	0	0
Intergovernmental	0	0	0	0
<b>Total assets</b>	<b>184,458</b>	<b>39,995</b>	<b>1,479</b>	<b>203,709</b>
<b>Liabilities:</b>				
Accounts payable	11,555	13,265	598	755
Accrued wages & benefits	0	0	0	0
Interfund payable	0	20,022	0	0
<b>Total liabilities</b>	<b>11,555</b>	<b>33,287</b>	<b>598</b>	<b>755</b>
<b>Fund balances:</b>				
<b>Reserved:</b>				
Reserved for encumbrances	11,580	4,247	302	0
<b>Unreserved:</b>				
Undesignated	161,323	2,461	579	202,954
<b>Total fund equity</b>	<b>172,903</b>	<b>6,708</b>	<b>881</b>	<b>202,954</b>
<b>Total liabilities and fund equity</b>	<b>\$184,458</b>	<b>\$39,995</b>	<b>\$1,479</b>	<b>\$203,709</b>

<u>Auxiliary Services</u>	<u>Staff Development</u>	<u>Excellence In Education</u>	<u>Management Information</u>	<u>Entry Year Grant</u>	<u>SchoolNet Professional Development</u>
\$258,232	\$24,814	\$915	\$0	\$17,523	\$8,040
0	0	0	0	0	0
469	0	0	0	0	0
0	0	0	0	12,800	0
<u>258,701</u>	<u>24,814</u>	<u>915</u>	<u>0</u>	<u>30,323</u>	<u>8,040</u>
140,173	1,454	0	0	1,200	0
36,331	0	0	0	0	0
0	0	0	0	12,800	0
<u>176,504</u>	<u>1,454</u>	<u>0</u>	<u>0</u>	<u>14,000</u>	<u>0</u>
40,185	436	0	0	4,200	0
42,012	22,924	915	0	12,123	8,040
<u>82,197</u>	<u>23,360</u>	<u>915</u>	<u>0</u>	<u>16,323</u>	<u>8,040</u>
<u>\$258,701</u>	<u>\$24,814</u>	<u>\$915</u>	<u>\$0</u>	<u>\$30,323</u>	<u>\$8,040</u>

Continued

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**

**Combining Balance Sheet**

**Special Revenue Funds**

**June 30, 2001**

	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>School Security</u>	<u>Title II</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$0	\$39,969	\$5,735	\$9,895
Receivables:				
Accounts	0	0	0	0
Accrued Interest	0	0	0	0
Intergovernmental	0	0	0	10,476
<b>Total assets</b>	<u>0</u>	<u>39,969</u>	<u>5,735</u>	<u>20,371</u>
<b>Liabilities:</b>				
Accounts payable	0	0	0	484
Accrued wages & benefits	0	0	0	0
Interfund payable	0	0	0	0
<b>Total liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>484</u>
<b>Fund balances:</b>				
Reserved:				
Reserved for encumbrances	0	0	0	0
Unreserved:				
Undesignated	0	39,969	5,735	19,887
<b>Total fund equity</b>	<u>0</u>	<u>39,969</u>	<u>5,735</u>	<u>19,887</u>
<b>Total liabilities and fund equity</b>	<u>\$0</u>	<u>\$39,969</u>	<u>\$5,735</u>	<u>\$20,371</u>

<b>Title VI B Pre-School</b>	<b>Title I</b>	<b>Title VI</b>	<b>Drug Free Schools</b>	<b>Pre-School Disabilities</b>	<b>Telecom Act Grant</b>
\$56,944	\$24,189	\$13,934	\$13,656	\$0	\$103,511
0	0	0	0	0	0
0	0	0	0	0	0
24,106	74,336	9,233	3,807	0	0
<u>81,050</u>	<u>98,525</u>	<u>23,167</u>	<u>17,463</u>	<u>0</u>	<u>103,511</u>
1,844	2,049	151	449	0	0
63,664	51,101	6,112	0	0	0
0	0	0	0	0	0
<u>65,508</u>	<u>53,150</u>	<u>6,263</u>	<u>449</u>	<u>0</u>	<u>0</u>
3,570	4,616	40	390	0	0
11,972	40,759	16,864	16,624	0	103,511
<u>15,542</u>	<u>45,375</u>	<u>16,904</u>	<u>17,014</u>	<u>0</u>	<u>103,511</u>
<u>\$81,050</u>	<u>\$98,525</u>	<u>\$23,167</u>	<u>\$17,463</u>	<u>\$0</u>	<u>\$103,511</u>

Continued

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Balance Sheet**  
**Special Revenue Funds**  
**June 30, 2001**

	<u>Classroom Size Reduction</u>	<u>Totals</u>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents	\$19,774	\$1,016,810
<b>Receivables:</b>		
Accounts	0	9,962
Accrued Interest	0	469
Intergovernmental	7,972	142,730
<b>Total assets</b>	<u>27,746</u>	<u>1,169,971</u>
<b>Liabilities:</b>		
Accounts payable	0	173,977
Accrued wages & benefits	12,563	169,771
Interfund payable	0	32,822
<b>Total liabilities</b>	<u>12,563</u>	<u>376,570</u>
<b>Fund balances:</b>		
<b>Reserved:</b>		
Reserved for encumbrances	0	69,566
<b>Unreserved:</b>		
Undesignated	15,183	723,835
<b>Total fund equity</b>	<u>15,183</u>	<u>793,401</u>
<b>Total liabilities and fund equity</b>	<u>\$27,746</u>	<u>\$1,169,971</u>

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**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenditures**  
**And Changes in Fund Balances**  
**Special Revenue Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<b>Public School Support</b>	<b>Spring Recognition</b>	<b>Venture Capital East</b>	<b>Extra- Curricular Student Activities</b>
<b>Revenues:</b>				
Intergovernmental	\$0	\$0	\$25,000	\$0
Interest	0	0	0	0
Extracurricular activities	49,439	0	0	190,387
Other revenues	204,918	54,407	0	46,502
<b>Total revenues</b>	<b>254,357</b>	<b>54,407</b>	<b>25,000</b>	<b>236,889</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	0	79,422	32,962	0
Special	0	0	0	0
<b>Support services:</b>				
Pupil	232,885	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Business	0	0	0	0
Operations and maintenance	1,731	0	0	0
Pupil transportation	105	0	0	0
Operation of non-instructional services	0	0	0	0
Extracurricular activities	0	0	0	228,957
<b>Total expenditures</b>	<b>234,721</b>	<b>79,422</b>	<b>32,962</b>	<b>228,957</b>
<b>Excess of revenues over (under) expenditures</b>	<b>19,636</b>	<b>(25,015)</b>	<b>(7,962)</b>	<b>7,932</b>
<b>Fund balance (deficit), July 1</b>	<b>153,267</b>	<b>31,723</b>	<b>8,843</b>	<b>195,022</b>
<b>Fund balance, June 30</b>	<b>\$172,903</b>	<b>\$6,708</b>	<b>\$881</b>	<b>\$202,954</b>

<u>Auxiliary Services</u>	<u>Staff Development</u>	<u>Excellence In Education</u>	<u>Management Information</u>	<u>Entry Year Grant</u>	<u>SchoolNet Professional Development</u>
\$545,861	\$42,206	\$0	\$35,228	\$64,000	\$5,000
9,174	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>555,035</u>	<u>42,206</u>	<u>0</u>	<u>35,228</u>	<u>64,000</u>	<u>5,000</u>
0	0	0	0	47,677	210
0	0	0	0	0	0
0	0	0	0	0	0
0	35,034	0	0	0	0
0	0	0	0	0	0
0	0	0	35,228	0	0
0	0	0	0	0	0
0	0	0	0	0	0
595,378	2,526	0	0	0	0
0	0	0	0	0	0
<u>595,378</u>	<u>37,560</u>	<u>0</u>	<u>35,228</u>	<u>47,677</u>	<u>210</u>
<u>(40,343)</u>	<u>4,646</u>	<u>0</u>	<u>0</u>	<u>16,323</u>	<u>4,790</u>
<u>122,540</u>	<u>18,714</u>	<u>915</u>	<u>0</u>	<u>0</u>	<u>3,250</u>
<u>\$82,197</u>	<u>\$23,360</u>	<u>\$915</u>	<u>\$0</u>	<u>\$16,323</u>	<u>\$8,040</u>

Continued

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenditures**  
**And Changes in Fund Balances**  
**Special Revenue Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>School Security</u>	<u>Title II</u>
<b>Revenues:</b>				
Intergovernmental	\$4,000	\$39,969	\$11,900	\$29,404
Interest	0	0	0	0
Extracurricular activities	0	0	0	0
Other revenues	0	0	0	0
<b>Total revenues</b>	<u>4,000</u>	<u>39,969</u>	<u>11,900</u>	<u>29,404</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	4,000	0	0	31,913
Special	0	0	0	0
<b>Support services:</b>				
Pupil	0	0	6,480	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Business	0	0	0	0
Operations and maintenance	0	0	1,885	0
Pupil transportation	0	0	0	0
Operation of non-instructional services	0	0	0	0
Extracurricular activities	0	0	0	0
<b>Total expenditures</b>	<u>4,000</u>	<u>0</u>	<u>8,365</u>	<u>31,913</u>
<b>Excess of revenues over (under) expenditures</b>	<u>0</u>	<u>39,969</u>	<u>3,535</u>	<u>(2,509)</u>
<b>Fund balance (deficit), July 1</b>	0	0	2,200	22,396
<b>Fund balance, June 30</b>	<u>\$0</u>	<u>\$39,969</u>	<u>\$5,735</u>	<u>\$19,887</u>

<b>Title VI B Pre-School</b>	<b>Title I</b>	<b>Title VI</b>	<b>Drug Free Schools</b>	<b>Pre-School Disabilities</b>	<b>Telecom Act Grant</b>
\$474,607	\$387,726	\$52,076	\$42,115	\$15,102	\$26,956
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>474,607</u>	<u>387,726</u>	<u>52,076</u>	<u>42,115</u>	<u>15,102</u>	<u>26,956</u>
0	3,714	0	43,028	0	0
86,330	270,929	34,845	0	0	0
197,195	0	0	0	15,102	0
81,110	46,624	0	0	0	0
77,443	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	2,880
0	0	0	0	0	0
14,747	0	5,002	1,465	0	0
0	0	0	0	0	0
<u>456,825</u>	<u>321,267</u>	<u>39,847</u>	<u>44,493</u>	<u>15,102</u>	<u>2,880</u>
<u>17,782</u>	<u>66,459</u>	<u>12,229</u>	<u>(2,378)</u>	<u>0</u>	<u>24,076</u>
<u>(2,240)</u>	<u>(21,084)</u>	<u>4,675</u>	<u>19,392</u>	<u>0</u>	<u>79,435</u>
<u>\$15,542</u>	<u>\$45,375</u>	<u>\$16,904</u>	<u>\$17,014</u>	<u>\$0</u>	<u>\$103,511</u>

**Continued**

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenditures**  
**And Changes in Fund Balances**  
**Special Revenue Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<u>Classroom Size Reduction</u>	<u>Totals</u>
<b>Revenues:</b>		
Intergovernmental	\$96,968	\$1,898,118
Interest	0	9,174
Extracurricular activities	0	239,826
Other revenues	0	305,827
<b>Total revenues</b>	<u>96,968</u>	<u>2,452,945</u>
<b>Expenditures:</b>		
<b>Current:</b>		
<b>Instruction:</b>		
Regular	72,593	315,519
Special	0	392,104
<b>Support services:</b>		
Pupil	0	451,662
Instructional Staff	0	162,768
Administration	0	77,443
Business	0	35,228
Operations and maintenance	0	6,496
Pupil transportation	0	105
Operation of non-instructional services	0	619,118
Extracurricular activities	0	228,957
<b>Total expenditures</b>	<u>72,593</u>	<u>2,289,400</u>
<b>Excess of revenues over (under) expenditures</b>	<u>24,375</u>	<u>163,545</u>
<b>Fund balance (deficit), July 1</b>	(9,192)	629,856
<b>Fund balance, June 30</b>	<u>\$15,183</u>	<u>\$793,401</u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Extracurricular activities</b>	\$40,250	\$48,985	8,735
<b>Other revenues</b>	198,489	198,935	446
<b>Total revenues</b>	<u>238,739</u>	<u>247,920</u>	<u>9,181</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Pupil</b>	250,617	250,617	0
<b>Operations and maintenance</b>	1,941	1,941	0
<b>Pupil Transportation</b>	755	755	0
<b>Total Expenditures</b>	<u>253,313</u>	<u>253,313</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(14,574)</u>	<u>(5,393)</u>	<u>9,181</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	161,455	161,455	0
<b>Fund balance, June 30</b>	<u><u>\$146,881</u></u>	<u><u>\$156,062</u></u>	<u><u>\$9,181</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Spring Recognition - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Other revenues	\$104,407	\$54,407	(\$50,000)
<b>Total revenues</b>	<u>104,407</u>	<u>54,407</u>	<u>(50,000)</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	73,444	73,444	0
<b>Total Expenditures</b>	<u>73,444</u>	<u>73,444</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>30,963</u>	<u>(19,037)</u>	<u>(50,000)</u>
<b>Other financing sources (uses):</b>			
Advances in	0	20,022	20,022
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>20,022</u>	<u>20,022</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	30,963	985	(29,978)
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	33,247	33,247	0
<b>Fund balance, June 30</b>	<u><u>\$64,210</u></u>	<u><u>\$34,232</u></u>	<u><u>(\$29,978)</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Venture Capital East - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Intergovernmental	\$25,000	\$25,000	\$0
<b>Total revenues</b>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	34,324	34,324	0
<b>Total Expenditures</b>	<u>34,324</u>	<u>34,324</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(9,324)</u>	<u>(9,324)</u>	<u>0</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	9,902	9,902	0
<b>Fund balance, June 30</b>	<u><u>\$578</u></u>	<u><u>\$578</u></u>	<u><u>\$0</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Extracurricular Student Activities - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Extracurricular activities	\$215,660	\$189,734	(\$25,926)
Other revenues	56,406	56,706	300
<b>Total revenues</b>	<u>272,066</u>	<u>246,440</u>	<u>(25,626)</u>
<b>Expenditures:</b>			
<b>Current:</b>			
Extracurricular activities	229,227	229,227	0
<b>Total Expenditures</b>	<u>229,227</u>	<u>229,227</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>42,839</u>	<u>17,213</u>	<u>(25,626)</u>
<b>Other financing sources (uses):</b>			
Operating transfers in	26,400	26,400	0
Operating transfers (out)	(26,400)	(26,400)	0
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>42,839</u>	<u>17,213</u>	<u>(25,626)</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<u>183,710</u>	<u>183,710</u>	<u>0</u>
<b>Fund balance, June 30</b>	<u><u>\$226,549</u></u>	<u><u>\$200,923</u></u>	<u><u>(\$25,626)</u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	\$545,861	\$545,861	\$0
<b>Investment</b>	9,226	9,226	0
<b>Total revenues</b>	<u>555,087</u>	<u>555,087</u>	<u>0</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Operation of non-instructional services</b>	678,325	678,325	0
<b>Total Expenditures</b>	<u>678,325</u>	<u>678,325</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(123,238)</u>	<u>(123,238)</u>	<u>0</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	201,111	201,111	0
<b>Fund balance, June 30</b>	<u><u>\$77,873</u></u>	<u><u>\$77,873</u></u>	<u><u>\$0</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Staff Development - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$42,206</b>	<b>\$42,206</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>42,206</b></u>	<u><b>42,206</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Instructional Staff</b>	<b>40,807</b>	<b>40,807</b>	<b>0</b>
<b>Operation of non-instructional services</b>	<b>2,950</b>	<b>2,950</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>43,757</b></u>	<u><b>43,757</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(1,551)</b></u>	<u><b>(1,551)</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>24,476</b>	<b>24,476</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$22,925</b></u></u>	<u><u><b>\$22,925</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Excellence in Education - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>915</b>	<b>915</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$915</b></u></u>	<u><u><b>\$915</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$35,228</b>	<b>\$35,228</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>35,228</b></u>	<u><b>35,228</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Business</b>	<b>35,228</b>	<b>35,228</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>35,228</b></u>	<u><b>35,228</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Entry Year Grant - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$51,200</b>	<b>\$51,200</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>51,200</b></u>	<u><b>51,200</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>51,877</b>	<b>51,877</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>51,877</b></u>	<u><b>51,877</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(677)</b></u>	<u><b>(677)</b></u>	<u><b>0</b></u>
<b>Other financing sources (uses):</b>			
<b>Advances in</b>	<b>12,800</b>	<b>12,800</b>	<b>0</b>
<b>Total other financing sources (uses)</b>	<u><b>12,800</b></u>	<u><b>12,800</b></u>	<u><b>0</b></u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>12,123</b>	<b>12,123</b>	<b>0</b>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$12,123</b></u></u>	<u><u><b>\$12,123</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**SchoolNet Professional Development - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>5,000</b></u>	<u><b>5,000</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>210</b>	<b>210</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>210</b></u>	<u><b>210</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>4,790</b></u>	<u><b>4,790</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>3,250</b>	<b>3,250</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$8,040</b></u></u>	<u><u><b>\$8,040</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Ohio Reads - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>4,000</b></u>	<u><b>4,000</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>4,000</b>	<b>4,000</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>4,000</b></u>	<u><b>4,000</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Summer Intervention - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$39,969</b>	<b>\$39,969</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>39,969</b></u>	<u><b>39,969</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>39,969</b></u>	<u><b>39,969</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$39,969</b></u></u>	<u><u><b>\$39,969</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**School Security - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$11,900</b>	<b>\$11,900</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>11,900</b></u>	<u><b>11,900</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Pupil</b>	<b>6,480</b>	<b>6,480</b>	<b>0</b>
<b>Operations and maintenance</b>	<b>1,885</b>	<b>1,885</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>8,365</b></u>	<u><b>8,365</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>3,535</b></u>	<u><b>3,535</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>2,200</b>	<b>2,200</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$5,735</b></u></u>	<u><u><b>\$5,735</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Title II - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	\$29,404	\$18,928	(\$10,476)
<b>Total revenues</b>	<u>29,404</u>	<u>18,928</u>	<u>(10,476)</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	32,113	32,113	0
<b>Total Expenditures</b>	<u>32,113</u>	<u>32,113</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(2,709)</u>	<u>(13,185)</u>	<u>(10,476)</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	22,597	22,597	0
<b>Fund balance, June 30</b>	<u>\$19,888</u>	<u>\$9,412</u>	<u>(\$10,476)</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Title VI B Pre-School - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$474,607</b>	<b>\$450,501</b>	<b>(\$24,106)</b>
<b>Total revenues</b>	<u><b>474,607</b></u>	<u><b>450,501</b></u>	<u><b>(24,106)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Special</b>	<b>76,446</b>	<b>76,446</b>	<b>0</b>
<b>Support services:</b>			
<b>Pupil</b>	<b>188,697</b>	<b>188,697</b>	<b>0</b>
<b>Instructional Staff</b>	<b>80,583</b>	<b>80,583</b>	<b>0</b>
<b>Administration</b>	<b>75,406</b>	<b>75,406</b>	<b>0</b>
<b>Operation of non-instructional services</b>	<b>14,395</b>	<b>14,395</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>435,527</b></u>	<u><b>435,527</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>39,080</b></u>	<u><b>14,974</b></u>	<u><b>(24,106)</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>36,555</b>	<b>36,555</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$75,635</b></u></u>	<u><u><b>\$51,529</b></u></u>	<u><u><b>(\$24,106)</b></u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$399,463</b>	<b>\$313,390</b>	<b>(\$86,073)</b>
<b>Total revenues</b>	<u><b>399,463</b></u>	<u><b>313,390</b></u>	<u><b>(86,073)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	3,714	3,714	0
<b>Special</b>	269,086	269,086	0
<b>Support services:</b>			
<b>Instructional Staff</b>	52,857	52,857	0
<b>Total Expenditures</b>	<u><b>325,657</b></u>	<u><b>325,657</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>73,806</b></u>	<u><b>(12,267)</b></u>	<u><b>(86,073)</b></u>
<b>Other financing sources (uses):</b>			
<b>Operating transfers in</b>	0	11,737	11,737
<b>Operating transfers (out)</b>	(11,737)	(11,737)	0
<b>Total other financing sources (uses)</b>	<u><b>(11,737)</b></u>	<u><b>0</b></u>	<u><b>11,737</b></u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>62,069</b>	<b>(12,267)</b>	<b>(74,336)</b>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>29,792</b>	<b>29,792</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$91,861</b></u></u>	<u><u><b>\$17,525</b></u></u>	<u><u><b>(\$74,336)</b></u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$52,615</b>	<b>\$42,843</b>	<b>(\$9,772)</b>
<b>Total revenues</b>	<u><b>52,615</b></u>	<u><b>42,843</b></u>	<u><b>(9,772)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Special</b>	<b>37,355</b>	<b>37,355</b>	<b>0</b>
<b>Support services:</b>			
<b>Operation of non-instructional services</b>	<b>5,041</b>	<b>5,041</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>42,396</b></u>	<u><b>42,396</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>10,219</b></u>	<u><b>447</b></u>	<u><b>(9,772)</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>13,298</b>	<b>13,298</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$23,517</b></u></u>	<u><u><b>\$13,745</b></u></u>	<u><u><b>(\$9,772)</b></u></u>

**FAIRFIELD 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, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	\$42,221	\$38,308	(\$3,913)
<b>Total revenues</b>	<u>42,221</u>	<u>38,308</u>	<u>(3,913)</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	42,969	42,969	0
<b>Operation of non-instructional services</b>	1,465	1,465	0
<b>Total Expenditures</b>	<u>44,434</u>	<u>44,434</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(2,213)</u>	<u>(6,126)</u>	<u>(3,913)</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	19,394	19,394	0
<b>Fund balance, June 30</b>	<u>\$17,181</u>	<u>\$13,268</u>	<u>(\$3,913)</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Pre-School Disabilities - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Intergovernmental	\$15,102	\$15,102	\$0
<b>Total revenues</b>	<u>15,102</u>	<u>15,102</u>	<u>0</u>
<b>Expenditures:</b>			
<b>Current:</b>			
Support services:			
Pupil	15,102	15,102	0
<b>Total Expenditures</b>	<u>15,102</u>	<u>15,102</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	0	0	0
<b>Fund balance, June 30</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Telecom Act Grant - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$29,836</b>	<b>\$29,836</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>29,836</b></u>	<u><b>29,836</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Support services:</b>			
<b>Operations and maintenance</b>	<b>2,880</b>	<b>2,880</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>2,880</b></u>	<u><b>2,880</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>26,956</b></u>	<u><b>26,956</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>76,555</b>	<b>76,555</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$103,511</b></u></u>	<u><u><b>\$103,511</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Classroom Size Reduction - Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$96,967</b>	<b>\$88,995</b>	<b>(\$7,972)</b>
<b>Total revenues</b>	<u><b>96,967</b></u>	<u><b>88,995</b></u>	<u><b>(7,972)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>74,353</b>	<b>74,353</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>74,353</b></u>	<u><b>74,353</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>22,614</b></u>	<u><b>14,642</b></u>	<u><b>(7,972)</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>5,131</b>	<b>5,131</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$27,745</b></u></u>	<u><u><b>\$19,773</b></u></u>	<u><u><b>(\$7,972)</b></u></u>

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## **DEBT SERVICE FUND**

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

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

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## **CAPITAL PROJECTS FUNDS**

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

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BUILDING: A fund provided to account for all transactions relating to the acquisition or construction of new District facilities.

PERMANENT IMPROVEMENT: To account for all transactions related to improvements to existing District facilities.

SCHOOLNET: To account for revenues and expenditures related to the development and implementation of the School Net network within the District.

INTERACTIVE VIDEO DISTANCE LEARNING: To account for capital expenditures associated with video distance learning.

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Balance Sheet**  
**Capital Projects Funds**  
**June 30, 2001**

	Building	Permanent Improvement	SchoolNet	Interactive Video Distance Learning	Totals
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$49,211	\$81,932	\$7,029	\$0	\$138,172
Taxes receivable	0	772,798	0	0	772,798
<b>Total assets</b>	<u>49,211</u>	<u>854,730</u>	<u>7,029</u>	<u>0</u>	<u>910,970</u>
<b>Liabilities:</b>					
Accounts payable	0	27,184	764	0	27,948
Deferred revenue	0	636,108	0	0	636,108
Tax anticipation notes payable	0	1,150,000	0	0	1,150,000
<b>Total liabilities</b>	<u>0</u>	<u>1,813,292</u>	<u>764</u>	<u>0</u>	<u>1,814,056</u>
<b>Fund balances:</b>					
<b>Reserved:</b>					
Reserved for encumbrances	47,145	0	102	0	47,247
Reserved for property taxes	0	136,690	0	0	136,690
<b>Unreserved:</b>					
Undesignated	2,066	(1,095,252)	6,163	0	(1,087,023)
<b>Total fund equity</b>	<u>49,211</u>	<u>(958,562)</u>	<u>6,265</u>	<u>0</u>	<u>(903,086)</u>
<b>Total liabilities and fund equity</b>	<u>\$49,211</u>	<u>\$854,730</u>	<u>\$7,029</u>	<u>\$0</u>	<u>\$910,970</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenditures**  
**And Changes in Fund Balances**  
**Capital Projects Funds**  
**For The Fiscal Year Ended June 30, 2001**

	Building	Permanent Improvement	SchoolNet	Interactive Video Distance Learning	Totals
<b>Revenues:</b>					
Taxes	\$0	\$811,304	\$0	\$0	\$811,304
Intergovernmental	0	128,495	39,861	0	168,356
<b>Total revenues</b>	<u>0</u>	<u>939,799</u>	<u>39,861</u>	<u>0</u>	<u>979,660</u>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	33,614	101,019	117,479	5,520	257,632
<b>Support services:</b>					
Pupil	0	0	7,361	0	7,361
Fiscal	0	8,478	0	0	8,478
Capital outlay	18,800	326,225	0	0	345,025
<b>Total expenditures</b>	<u>52,414</u>	<u>435,722</u>	<u>124,840</u>	<u>5,520</u>	<u>618,496</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(52,414)</u>	<u>504,077</u>	<u>(84,979)</u>	<u>(5,520)</u>	<u>361,164</u>
<b>Other financing sources (uses):</b>					
Operating transfers in	0	1,550,000	0	0	1,550,000
Operating transfers (out)	0	(1,715,971)	0	0	(1,715,971)
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>(165,971)</u>	<u>0</u>	<u>0</u>	<u>(165,971)</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(52,414)</u>	<u>338,106</u>	<u>(84,979)</u>	<u>(5,520)</u>	<u>195,193</u>
<b>Fund balance (deficit), July 1</b>	101,625	(1,296,668)	91,244	5,520	(1,098,279)
<b>Fund balance, June 30</b>	<u>\$49,211</u>	<u>(\$958,562)</u>	<u>\$6,265</u>	<u>\$0</u>	<u>(\$903,086)</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Building - Capital Projects Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>77,818</b>	<b>77,818</b>	<b>0</b>
<b>Capital outlay</b>	<b>21,741</b>	<b>21,741</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>99,559</b></u>	<u><b>99,559</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(99,559)</b></u>	<u><b>(99,559)</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>101,625</b>	<b>101,625</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$2,066</b></u></u>	<u><u><b>\$2,066</b></u></u>	<u><u><b>\$0</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Permanent Improvement - Capital Projects Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Taxes</b>	\$758,600	\$748,856	(\$9,744)
<b>Intergovernmental</b>	78,000	128,495	50,495
<b>Total revenues</b>	<u>836,600</u>	<u>877,351</u>	<u>40,751</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	102,042	102,042	0
<b>Support services:</b>			
<b>Fiscal</b>	8,478	8,478	0
<b>Pupil Transportation</b>	128,374	128,374	0
<b>Capital outlay</b>	326,462	326,462	0
<b>Total Expenditures</b>	<u>565,356</u>	<u>565,356</u>	<u>0</u>
<b>Excess of revenues over (under) expenditures</b>	<u>271,244</u>	<u>311,995</u>	<u>40,751</u>
<b>Other financing sources (uses):</b>			
<b>Operating transfers (out)</b>	(565,971)	(565,971)	0
<b>Total other financing sources (uses)</b>	<u>(565,971)</u>	<u>(565,971)</u>	<u>0</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(294,727)</u>	<u>(253,976)</u>	<u>40,751</u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	326,411	326,411	0
<b>Fund balance, June 30</b>	<u>\$31,684</u>	<u>\$72,435</u>	<u>\$40,751</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**SchoolNet - Capital Projects Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Intergovernmental</b>	<b>\$40,555</b>	<b>\$39,861</b>	<b>(\$694)</b>
<b>Total revenues</b>	<u><b>40,555</b></u>	<u><b>39,861</b></u>	<u><b>(694)</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>117,582</b>	<b>117,582</b>	<b>0</b>
<b>Support services:</b>			
<b>Pupil</b>	<b>7,361</b>	<b>7,361</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>124,943</b></u>	<u><b>124,943</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(84,388)</b></u>	<u><b>(85,082)</b></u>	<u><b>(694)</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>91,244</b>	<b>91,244</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$6,856</b></u></u>	<u><u><b>\$6,162</b></u></u>	<u><u><b>(\$694)</b></u></u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Revenues, Expenditures**  
**And Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Interactive Video Distance Learning - Capital Projects Fund**  
**For the Fiscal Year Ended June 30, 2001**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<b>Revenues:</b>			
<b>Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total revenues</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular</b>	<b>5,520</b>	<b>5,520</b>	<b>0</b>
<b>Total Expenditures</b>	<u><b>5,520</b></u>	<u><b>5,520</b></u>	<u><b>0</b></u>
<b>Excess of revenues over (under) expenditures</b>	<u><b>(5,520)</b></u>	<u><b>(5,520)</b></u>	<u><b>0</b></u>
<b>Fund balance, July 1 (includes prior year encumbrances appropriated)</b>	<b>5,520</b>	<b>5,520</b>	<b>0</b>
<b>Fund balance, June 30</b>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>	<u><u><b>\$0</b></u></u>

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## **ENTERPRISE FUNDS**

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

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FOOD SERVICE: To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

UNIFORM SCHOOL SUPPLY: To account for the purchase and sale of school supplies as adopted by the Board of Education for use in all schools of the District.

LATCHKEY: To account for all revenues and expenses related to the operation of the Latchkey Program for the District students.

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Balance Sheet**  
**Enterprise Funds**  
**June 30, 2001**

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Latchkey</u>	<u>Total</u>
<b>Assets:</b>				
<b>Current Assets:</b>				
Equity in pooled cash and cash equivalents	\$934	\$252,132	\$374,489	\$627,555
<b>Receivables:</b>				
Accounts	18,894	2,506	19,525	40,925
Intergovernmental	34,059	0	0	34,059
Inventory held for resale	36,117	0	0	36,117
<b>Total current assets</b>	<u>90,004</u>	<u>254,638</u>	<u>394,014</u>	<u>738,656</u>
<b>Non-current assets:</b>				
Fixed assets (net of accumulated depreciation)	182,338	0	371	182,709
<b>Total assets</b>	<u>272,342</u>	<u>254,638</u>	<u>394,385</u>	<u>921,365</u>
<b>Liabilities</b>				
<b>Current liabilities:</b>				
Accounts payable	0	5,906	14,809	20,715
Accrued wages	68,829	0	93,121	161,950
Compensated absences payable	113,614	0	4,188	117,802
Capital lease payable	4,899	0	0	4,899
Deferred revenue	21,938	0	0	21,938
<b>Total current liabilities</b>	<u>209,280</u>	<u>5,906</u>	<u>112,118</u>	<u>327,304</u>
<b>Total liabilities</b>	<u>209,280</u>	<u>5,906</u>	<u>112,118</u>	<u>327,304</u>
<b>Retained earnings:</b>				
Unreserved	(1,139,354)	248,732	282,267	(608,355)
<b>Total retained earnings (deficit)</b>	<u>(1,139,354)</u>	<u>248,732</u>	<u>282,267</u>	<u>(608,355)</u>
<b>Contributed capital</b>	<u>1,202,416</u>	<u>0</u>	<u>0</u>	<u>1,202,416</u>
<b>Total liabilities and fund equity</b>	<u>\$272,342</u>	<u>\$254,638</u>	<u>\$394,385</u>	<u>\$921,365</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Combining Statement of Revenues, Expenses**  
**And Changes in Retained Earnings**  
**Enterprise Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Latchkey</u>	<u>Total</u>
<b>Operating revenues:</b>				
Charges for services	\$1,765,459	\$228,798	\$809,215	\$2,803,472
Other revenue	0	0	10,445	10,445
<b>Total revenues</b>	<u>1,765,459</u>	<u>228,798</u>	<u>819,660</u>	<u>2,813,917</u>
<b>Operating expenses:</b>				
Salaries and wages	841,931	0	427,342	1,269,273
Fringe benefits	240,824	0	136,500	377,324
Purchased services	34,592	0	122,908	157,500
Materials and supplies	1,179,596	195,144	83,441	1,458,181
Depreciation	128,411	0	1,881	130,292
Other operating expenses	0	0	687	687
<b>Total operating expenses</b>	<u>2,425,354</u>	<u>195,144</u>	<u>772,759</u>	<u>3,393,257</u>
<b>Operating income (loss)</b>	<u>(659,895)</u>	<u>33,654</u>	<u>46,901</u>	<u>(579,340)</u>
<b>Non-operating revenues (expenses):</b>				
Federal donated commodities	97,535	0	0	97,535
Operating grants	248,541	0	0	248,541
Interest expense	(922)	0	0	(922)
<b>Total non-operating revenues</b>	<u>345,154</u>	<u>0</u>	<u>0</u>	<u>345,154</u>
<b>Income (loss)</b>	<u>(314,741)</u>	<u>33,654</u>	<u>46,901</u>	<u>(234,186)</u>
Operating transfers in	299,634	0	0	299,634
<b>Net income (loss)</b>	<u>(15,107)</u>	<u>33,654</u>	<u>46,901</u>	<u>65,448</u>
<b>Retained earnings (deficit), July 1</b>	<u>(1,124,247)</u>	<u>215,078</u>	<u>235,366</u>	<u>(673,803)</u>
<b>Retained earnings (deficit), June 30</b>	<u><u>(\$1,139,354)</u></u>	<u><u>\$248,732</u></u>	<u><u>\$282,267</u></u>	<u><u>(\$608,355)</u></u>

FAIRFIELD CITY SCHOOL DISTRICT, OHIO

Combining Statement of Cash Flows

Enterprise Funds

For The Fiscal Year Ended June 30, 2001

	Food Service	Uniform School Supply	Latchkey	Totals
<b>Cash flows from operating activities:</b>				
Cash from charges for services	\$1,747,076	\$227,751	\$800,614	\$2,775,441
Cash payments to suppliers for goods and services	(1,121,931)	(196,119)	(200,296)	(1,518,346)
Cash payments to employees for services	(1,018,084)	0	(548,399)	(1,566,483)
Cash payments for other operating expenses	0	0	(687)	(687)
<b>Net cash provided by (used for) operating activities</b>	<b>(392,939)</b>	<b>31,632</b>	<b>51,232</b>	<b>(310,075)</b>
<b>Cash flows from noncapital financing activities:</b>				
Operating grants received	214,482	0	0	214,482
Cash received from other funds	299,634	0	0	299,634
Cash payments to other funds	(120,000)	0	0	(120,000)
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>394,116</b>	<b>0</b>	<b>0</b>	<b>394,116</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of Capital Assets	(4,290)	0	0	(4,290)
<b>Net cash provided by (used for) capital and related financing activities</b>	<b>(4,290)</b>	<b>0</b>	<b>0</b>	<b>(4,290)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3,113)</b>	<b>31,632</b>	<b>51,232</b>	<b>79,751</b>
Cash and cash equivalents, July 1	4,047	220,500	323,257	547,804
Cash and cash equivalents, June 30	934	252,132	374,489	627,555
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	(659,895)	33,654	46,901	(579,340)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>				
Depreciation	128,411	0	1,881	130,292
Donated commodities used	97,535	0	0	97,535
<b>Changes in assets and liabilities:</b>				
(Increase) decrease in accounts receivable	(18,383)	(1,047)	(19,046)	(38,476)
(Increase) decrease in inventory held for resale	12,463	0	0	12,463
Increase (decrease) in accounts payable	(3,576)	(975)	6,053	1,502
Increase (decrease) in accrued wages and benefits	33,808	0	11,255	45,063
Increase (decrease) in compensated absences	25,644	0	4,188	29,832
Increase (decrease) in deferred revenue	(5,332)	0	0	(5,332)
Increase (decrease) in capital lease payable	(3,614)	0	0	(3,614)
<b>Total adjustments</b>	<b>266,956</b>	<b>(2,022)</b>	<b>4,331</b>	<b>269,265</b>
<b>Net cash provided by (used for) operating activities</b>	<b>(\$392,939)</b>	<b>\$31,632</b>	<b>\$51,232</b>	<b>(\$310,075)</b>
<b>Non cash transactions - Enterprise Fund:</b>				
Non cash donation of inventory held for resale - Food Service	\$97,535			

## **FIDUCIARY FUNDS**

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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 governmental units and/or other funds. The District's fiduciary funds include an Expendable Trust Fund, and Agency Funds. The following are descriptions of each of the District's Fiduciary Funds:

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### **EXPENDABLE TRUST FUND**

EXPENDABLE TRUST: To account for donations received by the District in a trustee capacity.

### **AGENCY FUNDS**

STUDENT ACTIVITIES: To account for the resources that belong to the various student groups in the District. The funds account for sales and other revenue generating activities by student activity programs, which have students involved in the management of the program.

UNCLAIMED MONIES: To account for funds that belong to others as a result of outstanding checks over one year old.

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**

**Combining Balance Sheet**

**Fiduciary Fund Types**

**June 30, 2001**

	<u>Agency Funds</u>			<u>Totals</u>
	<u>Expendable Trust</u>	<u>Student Activities</u>	<u>Unclaimed Monies</u>	
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$4,727	\$114,836	\$10,677	\$130,240
<b>Receivables:</b>				
Accounts	0	1,069	0	1,069
Accrued interest	7	0	0	7
<b>Total assets</b>	<u>4,734</u>	<u>115,905</u>	<u>10,677</u>	<u>131,316</u>
<b>Liabilities:</b>				
Accounts payable	0	14,848	0	14,848
Due to others	0	0	8,099	8,099
Due to students	0	101,057	2,578	103,635
<b>Total liabilities</b>	<u>0</u>	<u>115,905</u>	<u>10,677</u>	<u>126,582</u>
<b>Fund balances:</b>				
<b>Unreserved:</b>				
Undesignated	4,734	0	0	4,734
<b>Total fund equity</b>	<u>4,734</u>	<u>0</u>	<u>0</u>	<u>4,734</u>
<b>Total liabilities and fund equity</b>	<u>\$4,734</u>	<u>\$115,905</u>	<u>\$10,677</u>	<u>\$131,316</u>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Statement of Changes In Assets and Liabilities**  
**Agency Funds**  
**For The Fiscal Year Ended June 30, 2001**

	<b>Student Activities</b>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$106,512	\$206,049	\$197,725	\$114,836
Accounts receivable	0	1,069	0	1,069
<b>Total assets</b>	<u>106,512</u>	<u>207,118</u>	<u>197,725</u>	<u>115,905</u>
<b>Liabilities:</b>				
Due to students	106,512	207,118	197,725	115,905
<b>Total liabilities</b>	<u>\$106,512</u>	<u>\$207,118</u>	<u>\$197,725</u>	<u>\$115,905</u>
	<b>Unclaimed Monies</b>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$9,119	\$1,758	\$200	\$10,677
<b>Total assets</b>	<u>9,119</u>	<u>1,758</u>	<u>200</u>	<u>10,677</u>
<b>Liabilities</b>				
Due to Others	9,119	0	0	9,119
Due to students	0	1,758	200	1,558
<b>Total liabilities</b>	<u>\$9,119</u>	<u>\$1,758</u>	<u>\$200</u>	<u>\$10,677</u>
	<b>Total Agency Funds</b>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents	\$115,631	\$207,807	\$197,925	\$125,513
Accounts receivable	0	1,069	0	1,069
<b>Total assets</b>	<u>115,631</u>	<u>208,876</u>	<u>197,925</u>	<u>126,582</u>
<b>Liabilities</b>				
Due to Others	9,119	0	0	9,119
Due to students	106,512	208,876	197,925	117,463
<b>Total liabilities</b>	<u>\$115,631</u>	<u>\$208,876</u>	<u>\$197,925</u>	<u>\$126,582</u>

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## **GENERAL FIXED ASSETS ACCOUNT GROUP**

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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.

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**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of General Fixed Assets**  
**By Source**  
**June 30, 2001**

<b>General fixed assets:</b>	
<b>Land</b>	<b>\$4,464,991</b>
<b>Buildings</b>	<b>64,914,893</b>
<b>Equipment</b>	<b><u>16,957,178</u></b>
<b>Total General Fixed Assets</b>	<b><u><u>\$86,337,062</u></u></b>

<b>Investment in general fixed assets by source:</b>	
<b>General Fund</b>	<b>\$6,286,378</b>
<b>Special Revenue Funds</b>	<b>300,348</b>
<b>Capital Projects Funds</b>	<b><u>79,750,336</u></b>
<b>Total General Fixed Assets</b>	<b><u><u>\$86,337,062</u></u></b>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of General Fixed Assets**  
**By Function and Type**  
**June 30, 2001**

<b>Function</b>	<b>Land</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Total</b>
<b>Instruction:</b>				
Regular	\$0	\$1,081,371	\$8,115,634	\$9,197,005
Special	0	0	23,989	23,989
Other	0	0	0	0
<b>Total instruction</b>	<b>0</b>	<b>1,081,371</b>	<b>8,139,623</b>	<b>9,220,994</b>
<b>Support services:</b>				
Pupil	0	0	219,149	219,149
Instructional staff	0	0	477,114	477,114
Administration	0	0	770,550	770,550
Fiscal	0	0	65,844	65,844
Business	0	0	218,805	218,805
Operations and maintenance	0	0	462,051	462,051
Pupil transportation	0	0	5,111,521	5,111,521
Central	0	0	7,647	7,647
Non-instructional	0	0	53,745	53,745
<b>Total support services</b>	<b>0</b>	<b>0</b>	<b>7,386,426</b>	<b>7,386,426</b>
<b>Extracurricular activities</b>	<b>0</b>	<b>0</b>	<b>329,861</b>	<b>329,861</b>
<b>Capital Outlay</b>	<b>4,464,991</b>	<b>63,833,522</b>	<b>1,101,268</b>	<b>69,399,781</b>
<b>Total General Fixed Assets</b>	<b>\$4,464,991</b>	<b>\$64,914,893</b>	<b>\$16,957,178</b>	<b>\$86,337,062</b>

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Schedule of Changes in General Fixed Assets**  
**By Function**  
**For the Fiscal Year Ended June 30, 2001**

<b>Function</b>	<b>Balance at July 1, 2000</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance at June 30, 2001</b>
<b>Instruction:</b>				
Regular	\$8,990,371	\$216,337	\$9,703	\$9,197,005
Special	19,715	4,274	0	23,989
Other	0			0
<b>Total Instruction</b>	<b>9,010,086</b>	<b>220,611</b>	<b>9,703</b>	<b>9,220,994</b>
<b>Support services:</b>				
Pupil	201,409	19,240	1,500	219,149
Instructional staff	473,666	3,448	0	477,114
Administration	772,653	1,197	3,300	770,550
Fiscal	61,003	4,841	0	65,844
Business	220,305	0	1,500	218,805
Operations and maintenance	452,671	9,380	0	462,051
Pupil transportation	4,983,147	128,374	0	5,111,521
Central	7,647	0	0	7,647
Non-instructional	38,350	15,395	0	53,745
<b>Total Support services</b>	<b>7,210,851</b>	<b>181,875</b>	<b>6,300</b>	<b>7,386,426</b>
<b>Extracurricular activities</b>	<b>319,052</b>	<b>10,809</b>	<b>0</b>	<b>329,861</b>
<b>Capital Outlay</b>	<b>69,356,797</b>	<b>42,984</b>	<b>0</b>	<b>69,399,781</b>
<b>Total General Fixed Assets</b>	<b>\$85,896,786</b>	<b>\$456,279</b>	<b>\$16,003</b>	<b>\$86,337,062</b>

## **STATISTICAL SECTION**

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FAIRFIELD CITY SCHOOL DISTRICT, OHIO  
 General Fund Revenues by Source  
 Last Ten Fiscal Years

Fiscal Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Taxes	\$16,131,725	\$17,870,493	\$20,768,810	\$22,094,979	\$23,542,917	\$22,895,211	\$25,229,666	\$31,006,930	\$23,168,178	\$29,709,781
Intergovernmental	14,228,376	14,184,517	14,487,867	14,951,411	16,364,239	16,983,693	18,942,933	20,681,845	22,128,234	24,505,849
Interest	326,529	207,800	214,250	324,655	519,371	479,262	662,016	702,000	832,157	956,177
Tuition and Fees	109,914	48,925	48,417	116,082	71,359	137,403	58,257	470,788	556,470	634,581
Other Revenues	298,637	449,838	306,594	471,649	219,631	647,532	592,798	645,958	914,976	1,162,824
<b>Total Revenues</b>	<b>\$31,095,181</b>	<b>\$32,761,573</b>	<b>\$35,825,938</b>	<b>\$37,958,776</b>	<b>\$40,717,517</b>	<b>\$41,143,101</b>	<b>\$45,485,670</b>	<b>\$53,507,521</b>	<b>\$47,600,015</b>	<b>\$56,969,212</b>

Source: Fairfield City School District

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**General Fund Expenditures by Function**  
**Last Ten Fiscal Years**

TABLE 2

Fiscal Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Instruction	\$21,132,403	\$21,191,744	\$21,492,151	\$21,839,774	\$23,041,650	\$25,346,258	\$24,849,129	\$25,987,542	\$29,300,058	\$32,246,734
Instructional Staff	919,767	1,023,901	891,109	718,280	732,289	929,303	2,757,639	2,842,175	2,725,177	3,117,836
Pupil	1,712,081	1,547,276	1,624,730	1,836,672	2,082,312	2,167,146	2,021,150	2,022,078	2,226,160	2,373,885
Board of Education	0	0	0	0	0	0	0	20,420	26,607	34,753
Administration	1,886,663	1,997,875	2,236,569	3,103,254	3,283,159	3,488,841	4,195,284	4,581,810	3,852,058	4,373,301
Business and Fiscal	850,514	915,111	1,032,262	1,225,512	881,229	1,136,256	866,706	1,039,629	1,138,690	1,235,698
Operations and Maintenance	2,941,378	3,171,271	3,626,775	3,640,465	4,016,899	3,842,578	5,011,132	5,271,078	5,711,425	6,236,374
Pupil Transportation	2,131,088	2,255,118	2,265,577	2,153,483	3,042,276	2,750,733	3,037,532	2,805,811	3,253,094	3,758,817
Central	0	0	0	0	0	0	0	40,956	151,210	129,012
Operation of Non-Instructional Services	176,793	174,296	44,260	61,788	263,539	98,951	75,678	0	0	0
Extracurricular Activities	376,061	418,267	493,239	557,794	634,167	681,623	914,973	972,824	1,038,782	1,136,225
Capital Outlay	0	0	0	0	0	0	0	114,123	163,202	0
Debt Service	857,996	1,881,626	1,794,692	1,841,335	1,564,912	427,994	798,728	114,431	143,580	0
<b>Total Expenditures</b>	<b>\$32,984,744</b>	<b>\$34,576,485</b>	<b>\$35,501,364</b>	<b>\$36,978,357</b>	<b>\$39,542,432</b>	<b>\$40,869,683</b>	<b>\$44,527,951</b>	<b>\$45,812,877</b>	<b>\$49,730,043</b>	<b>\$54,642,595</b>

Source: Fairfield City School District

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Property Tax Levies and Collections - Real and Public Utility Property**  
**Last Ten Collection (Calendar) Years**

**TABLE 3**

<b>Collection Year</b>	<b>Tax Levied</b>	<b>Current Tax Collections</b>	<b>Percent Collected</b>	<b>Delinquent Collection</b>	<b>Total Tax Collections</b>	<b>Percent of Total Collections to Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Percent of Outstanding Delinquent Taxes to Tax Levied</b>
1991	\$17,595,355	\$16,841,326	95.71%	\$563,200	\$17,404,526	98.92%	\$746,387	4.24%
1992	18,133,540	17,783,448	98.07%	702,020	18,485,468	101.94%	965,137	5.32%
1993	21,562,471	20,792,198	96.43%	623,188	21,415,386	99.32%	817,448	3.79%
1994	22,037,399	21,819,746	99.01%	574,980	22,394,726	101.62%	697,877	3.17%
1995	25,232,746	24,855,685	98.51%	665,040	25,520,725	101.14%	409,898	1.62%
1996	26,744,006	26,138,134	97.73%	592,836	26,730,970	99.95%	250,239	0.94%
1997	26,779,589	25,463,240	95.08%	572,190	26,035,430	97.22%	894,092	3.34%
1998	26,906,274	26,602,692	98.87%	719,216	27,321,908	101.54%	478,455	1.78%
1999	29,675,294	29,465,697	99.29%	544,961	30,010,658	101.13%	143,091	0.48%
2000	31,344,392	30,090,084	96.00%	769,186	30,859,269	98.45%	1,690,358	5.39%

Source: Butler County Auditor

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
 Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Collection Years

Collection Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1992	\$570,336,510	\$1,629,532,886	\$58,570,143	\$225,269,781	\$40,593,920	\$50,742,400	\$669,500,573	\$1,905,545,067
1993	577,411,180	1,649,746,229	57,146,063	228,584,252	44,646,920	55,808,650	679,204,163	1,934,139,131
1994	625,388,300	1,786,823,714	58,821,005	235,284,020	46,540,330	58,175,413	730,749,635	2,080,283,147
1995	631,001,580	1,802,861,657	62,701,334	250,805,336	48,214,110	60,267,638	741,917,024	2,113,934,631
1996	680,654,840	1,944,728,114	66,847,507	267,390,028	46,752,550	58,440,688	794,254,897	2,270,558,830
1997	737,481,630	2,107,090,371	83,814,921	335,259,684	46,487,160	58,108,950	867,783,711	2,500,459,005
1998	773,080,200	2,208,800,571	92,145,900	368,583,600	45,340,120	56,675,150	910,566,220	2,634,059,321
1999	797,087,180	2,277,391,943	88,645,232	354,680,928	46,049,910	52,329,477	931,782,322	2,684,402,348
2000	891,492,700	2,547,122,000	95,496,050	381,984,200	46,448,790	52,782,716	1,033,437,540	2,981,888,916
2001	934,248,580	2,669,281,657	87,858,027	351,432,108	43,228,880	49,123,727	1,065,335,487	3,069,837,492

Source: Butler County Auditor

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

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Fairfield City School District	\$45	\$51	\$51	\$55	\$55	\$55	\$54	\$54	\$54	\$54
City of Fairfield	4	4	4	5	5	5	5	5	4	6
Fairfield Township	7	7	7	7	7	7	7	7	7	13
Butler County	7	7	7	7	7	8	8	8	8	8
Butler County JVS	2	2	2	2	2	2	2	2	2	2

Source: Butler County Auditor

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Ratio of Net General Bonded Debt to Assessed Value**  
**And Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

**TABLE 6**

<b>Year</b>	<b>Population (1)</b>	<b>Total Assessed Value (2)</b>	<b>Gross Bonded Debt</b>	<b>Less Debt Service Fund</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt To Assessed Value (%)</b>
1992	51,505	\$669,500,573	\$6,015,000	\$1,452,836	\$4,562,164	0.68%
1993	52,571	679,204,163	5,630,000	1,841,086	3,788,914	0.56%
1994	52,930	730,749,635	5,240,000	1,635,675	3,604,325	0.49%
1995	53,841	741,917,024	49,240,000	1,021,194	48,218,806	6.50%
1996	55,456	794,254,897	49,398,000	1,567,866	47,830,134	6.02%
1997	57,120	867,783,711	51,333,814	2,422,896	48,910,918	5.64%
1998	58,837	910,566,220	49,139,814	1,510,470	47,629,344	5.23%
1999	60,602	931,782,322	48,247,814	1,474,909	46,772,905	5.02%
2000	60,500	1,033,437,540	47,325,814	1,513,167	45,812,647	4.43%
2001	60,500	1,065,335,487	46,284,814	2,807,077	43,477,737	4.08%

**Source:**

(1) U.S. Census Bureau

(2) Butler County Auditor, calendar year basis

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Computation of Legal Debt Margin**  
**June 30, 2001**

**TABLE 7**

<b>Assessed Valuation of District</b>		<b><u><u>\$1,065,335,487</u></u></b>
<b><u>Overall Direct Debt Limitation</u></b>		
<b>Direct debt limitation</b>		
<b>9% of assessed valuation</b>		<b>95,880,194</b>
<b>Amount available in Debt Service Fund</b>		<b>2,807,077</b>
<b>Gross indebtedness</b>	<b>46,284,814</b>	
<b>Less: Debt exempt from limitation</b>	<b>0</b>	
<b>Debt subject to 9% limitation</b>	<b><u>0</u></b>	<b><u>(46,284,814)</u></b>
<b>Legal debt margin within 9% limitation</b>		<b><u><u>\$52,402,457</u></u></b>
<b><u>Unvoted Direct Debt Limitation</u></b>		
<b>Unvoted debt limitation</b>		
<b>0.1% of assessed valuation</b>		<b>1,065,335</b>
<b>Amount available in Debt Service Fund</b>		
<b>related to unvoted debt</b>		<b>n/a</b>
<b>Gross indebtedness authorized by the Board</b>	<b>0</b>	
<b>Less: Debt exempt from limitation</b>	<b>0</b>	
<b>Debt subject to 0.1% limitation</b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>Legal debt margin within 0.1% limitation</b>		<b><u><u>\$1,065,335</u></u></b>

**Source: Fairfield City School District**

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2001**

**TABLE 8**

<u>Governmental Unit</u>	<u>Gross General Obligation</u>	<u>Percent Applicable to District (1)</u>	<u>Amount Applicable to District</u>
<b>Direct:</b>			
Fairfield City School District	<u>\$46,280,655</u>	100.00%	<u>\$46,280,655</u>
<b>Overlapping:</b>			
Butler County	\$47,905,000	17.54%	\$8,402,537
Fairfield City	12,705,000	98.54%	12,519,507
Fairfield Township	1,520,000	98.50%	1,497,200
Butler County Joint Vocational Sch	6,695,000	24.88%	1,665,716
<b>Total overlapping:</b>	<u>\$68,825,000</u>		<u>\$24,084,960</u>
<b>Total direct and overlapping debt:</b>	<u>\$115,105,655</u>		<u>\$70,365,615</u>

**Source: Ohio Municipal Advisory Council**

**(1) Calculated by the Ohio Municipal Advisory Council**

**TABLE 9**

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Ratio of Annual Debt Service Expenditures**  
**For General Bonded Debt to Total General Fund Expenditures**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Total General Fund Expenditures</b>	<b>Ratio of Debt Service to General Fund Expenditures (%)</b>
1992	\$375,000	\$463,843	\$838,843	\$32,984,744	2.54%
1993	385,000	435,193	820,193	34,576,485	2.37%
1994	390,000	405,412	795,412	35,501,364	2.24%
1995	400,000	343,728	743,728	36,978,357	2.01%
1996	785,000	3,750,931	4,535,931	39,542,432	11.47%
1997	1,390,000	3,073,998	4,463,998	26,109,432	17.10%
1998	1,735,000	2,868,058	4,603,058	44,527,951	10.34%
1999	892,000	3,005,496	3,897,496	45,812,877	8.51%
2000	922,000	3,027,549	3,949,549	49,730,043	7.94%
2001	1,041,000	2,167,204	3,208,204	54,642,595	5.87%

Source: Fairfield City School District

**Demographic Statistics****Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate City of Fairfield (3)</u>
1992	51,505	8,429	8.20%
1993	52,571	8,410	7.10%
1994	52,930	8,507	4.70%
1995	53,841	8,639	4.50%
1996	55,456	8,757	4.30%
1997	57,120	8,889	3.50%
1998	58,837	8,961	3.60%
1999	60,602	8,946	3.30%
2000	60,500	9,108	3.20%
2001	60,500	8,973	3.20%

**Sources:** (1) U.S. Census Bureau

(2) Fairfield City School District

(3) Ohio Bureau of Employment Services, rates are for Butler County

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

**TABLE 11**

<u>Calendar Year</u>	<u>Construction (1)</u>	<u>Bank Deposits (2)</u>	<u>Property Values (3)</u>
1991	N/A	\$2,104,239,000	\$560,519,670
1992	15,320,500	904,381,000	570,336,510
1993	11,514,890	697,204,000	577,411,180
1994	11,774,580	713,488,000	625,388,300
1995	15,300,940	750,113,000	631,001,580
1996	22,657,610	806,926,000	680,654,840
1997	16,382,440	918,777,000	737,481,630
1998	32,090,570	825,082,000	773,080,200
1999	26,001,800	864,100,000	797,087,180
2000	40,572,000	1,152,810,000	934,248,580

**Sources:**

- (1) Butler County Auditor
- (2) Total deposits of all commercial banks headquartered in Butler County - Federal Reserve Bank, Cleveland, Ohio
- (3) Butler County Auditor, calendar year basis, real property only

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO**  
**Real and Tangible Personal Property**  
**Top Ten Principal Taxpayers**  
**June 30, 2001**

**TABLE 12**

<b>Name of Taxpayer</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Total Assessed Valuation</b>	<b>% of Total Assessed Valuation</b>
Cincinnati Gas & Electric	\$0	\$31,827,230	\$31,827,230	2.99%
CFC Investment Co.	14,555,800	0	14,555,800	1.37%
Cincinnati Bell Telephone Inc.	0	8,273,220	8,273,220	0.78%
Meijer Inc.	4,462,500	2,407,930	6,870,430	0.64%
Boymel Sam Trust	6,298,390	0	6,298,390	0.59%
Prudential Insurance Co.	5,386,230	0	5,386,230	0.51%
M. Bohlke Veneer Corp.	0	5,117,250	5,117,250	0.48%
Cincinnati - Oxford Assn.	4,767,360	0	4,767,360	0.45%
Ohio Casualty Insurance	4,544,210	0	4,544,210	0.43%
Teachers Retirement	4,543,630	0	4,543,630	0.43%
	<b>\$44,558,120</b>	<b>\$47,625,630</b>	<b>\$92,183,750</b>	<b>8.65%</b>

Source: Butler County Auditor

**FAIRFIELD CITY SCHOOL DISTRICT, OHIO****TABLE 13****Miscellaneous Statistical Data****June 30, 2001**

<b>Year of Incorporation:</b>	<b>1929</b>
<b>Form of Government:</b>	<b>Public School District</b>
<b>Area of District:</b>	<b>38 Square miles</b>

**Number of Schools**

<b>Kindergarten</b>	<b>1</b>
<b>Elementary</b>	<b>5</b>
<b>Intermediate</b>	<b>1</b>
<b>Middle</b>	<b>1</b>
<b>Freshman</b>	<b>1</b>
<b>High</b>	<b>1</b>
	<b><u>10</u></b>

**Education of Certified Staff**

<b>Fiscal Year</b>	<b>Bachelor</b>	<b>Masters and beyond</b>	<b>Average years Experience</b>
<b>1992</b>	<b>49.91%</b>	<b>50.10%</b>	<b>13.2</b>
<b>1993</b>	<b>62.11%</b>	<b>37.90%</b>	<b>12.4</b>
<b>1994</b>	<b>51.30%</b>	<b>48.70%</b>	<b>13.0</b>
<b>1995</b>	<b>51.70%</b>	<b>48.20%</b>	<b>13.2</b>
<b>1996</b>	<b>51.60%</b>	<b>48.40%</b>	<b>13.5</b>
<b>1997</b>	<b>54.60%</b>	<b>45.40%</b>	<b>13.6</b>
<b>1998</b>	<b>51.20%</b>	<b>48.80%</b>	<b>13.7</b>
<b>1999</b>	<b>54.70%</b>	<b>45.30%</b>	<b>14.0</b>
<b>2000</b>	<b>48.00%</b>	<b>52.00%</b>	<b>13.0</b>
<b>2001</b>	<b>45.00%</b>	<b>55.00%</b>	<b>13.0</b>

**Source: Fairfield City School District**

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STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

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**FAIRFIELD CITY SCHOOL DISTRICT**

**BUTLER COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 15, 2002**