

**TUSLAW LOCAL SCHOOL DISTRICT
STARK COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2001



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**TUSLAW LOCAL SCHOOL DISTRICT
STARK COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	1
Report of Independent Accountants on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	3
Schedule of Receipts and Expenditures of Federal Awards	5
Notes to the Schedule of Receipts and Expenditures of Federal Awards	6
Schedule of Findings	7

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

Tuslaw Local School District
Stark County
1723 Manchester Avenue NW
Massillon, Ohio 44647

To the Board of Education:

We have audited the general purpose financial statements of Tuslaw Local School District, Stark County, (the District) as of and for the year ended June 30, 2001, and have issued our report thereon dated November 2, 2001. 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 a certain immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated November 2, 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.

Tuslaw Local School District
Stark 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.

Jim Petro
Auditor of State

November 2, 2001



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

Tuslaw Local School District
Stark County
1723 Manchester Avenue NW
Massillon, Ohio 44647

To the Board of Education:

Compliance

We have audited the compliance of Tuslaw Local School District, Stark County, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 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 the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

Schedule of Receipts and Expenditures of Federal Awards

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 November 2, 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 Receipts and Expenditures of Federal Awards 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

November 2, 2001

**TUSLAW LOCAL SCHOOL DISTRICT
STARK COUNTY**

**SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

<i>Federal Grantor/Pass Through Grantor Program Title</i>	<i>Pass Through Entity Number</i>	<i>Federal CFDA Number</i>	<i>Receipts</i>	<i>Non-Cash Receipts</i>	<i>Expenditures</i>	<i>Non-Cash Expenditures</i>
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed through the Ohio Department of Education:</i>						
Child Nutrition Cluster:						
Food Distribution Program	Not Applicable	10.550	\$0	\$34,934	\$0	\$34,934
National School Lunch Program	Not Applicable	10.555	84,732	0	84,732	0
<i>Total U.S. Department of Agriculture - Child Nutrition Cluster</i>			84,732	34,934	84,732	34,934
U.S. DEPARTMENT OF EDUCATION						
<i>Passed through the Ohio Department of Education:</i>						
Special Education Grants to States	049957-6B-SF-01P	84.027	92,794	0	89,107	0
<i>Total Special Education Grants to States</i>			92,794	0	89,107	0
Title I Grants to Local Educational Agencies	049957-C1-S1-01	84.010	234,391	0	206,119	0
Title I Grants to Local Educational Agencies	049957-C1-S1-00	84.010	11,464	0	38,757	0
<i>Total Title I Grants to Local Educational Agencies</i>			245,855	0	244,876	0
Innovative Education Program Strategies	049957-C2-S1-01	84.298	6,915	0	6,915	0
<i>Total Innovative Education Program Strategies</i>			6,915	0	6,915	0
Safe and Drug Free Schools and Communities State Grant	049957-DR-S1-01	84.186	5,794	0	5,794	0
Safe and Drug Free Schools and Communities State Grant	049957-DR-S1-00	84.186	0	0	691	0
<i>Total Safe and Drug Free Schools and Communities State Grant</i>			5,794	0	6,485	0
Class Size Reduction	049957-DR-S1-01	84.340	27,754	0	27,754	0
Class Size Reduction	049957-DR-S1-00	84.340	1,637	0	5,151	0
<i>Total Class Size Reduction</i>			29,391	0	32,905	0
<i>Goals 2000 State: Educate America Act</i>	049957-G2-S2-01	84.276	12,000	0	19,822	0
<i>Eisenhower Professional Development Grant</i>	049957-MS-S1-01	84.281	5,045	0	5,045	0
<i>Total U.S. Department of Education</i>			397,794	0	405,155	0
Total Federal Assistance			\$482,526	\$34,934	\$489,887	\$34,934

See accompanying notes to Schedule of Receipts and Expenditures of Federal Awards

**TUSLAW LOCAL SCHOOL DISTRICT
STARK COUNTY**

Notes to the Schedule of Receipts and Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2001

Note A - Significant Accounting Policies

The accompanying Schedule of Receipts and Expenditures of Federal Awards (the Schedule) is a summary of the activity of the School District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

Note B - Food Distribution

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2001, the School District had \$8,966 in food commodities inventory.

**TUSLAW LOCAL SCHOOL DISTRICT
STARK 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 material 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):	Title I - CFDA #84.010
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(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 AND QUESTIONED COSTS FOR FEDERAL AWARDS

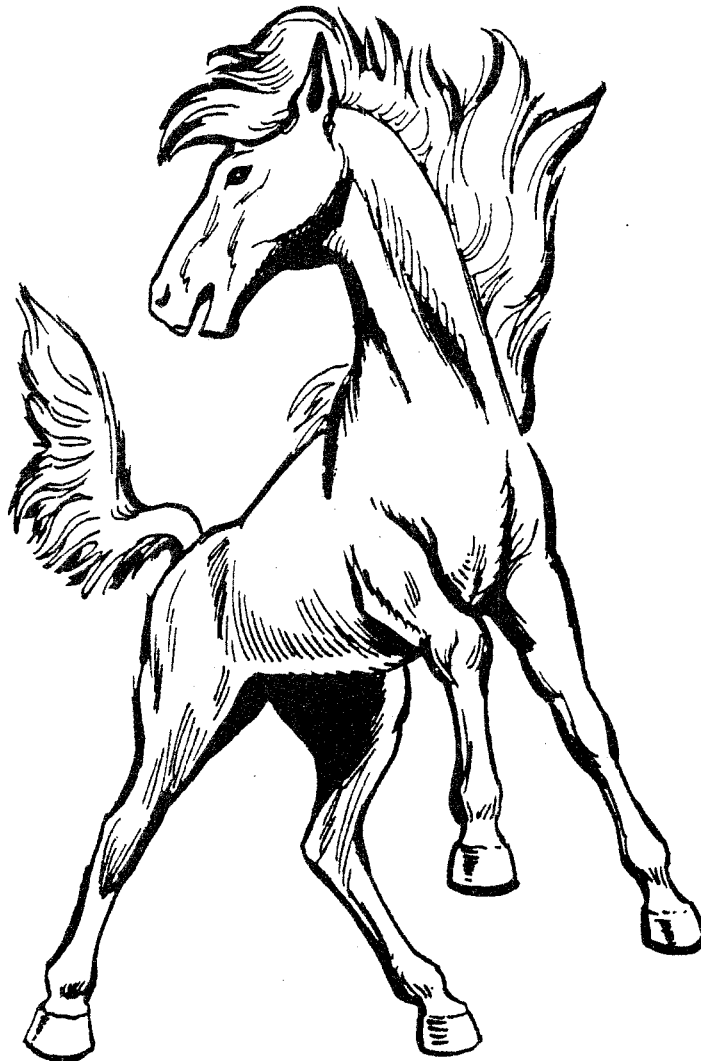
None

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*Tuslaw Local School District
1723 Manchester Ave., NW
Massillon, Ohio 44647*

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2001



Tuslaw Local School District

Massillon, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2001

Issued by:
Treasurer's Office

Sheryl Shaw Stewart
Treasurer

Tuslaw Local School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2001
Table of Contents

I. <i>Introductory Section</i>	Page
Title Page	i
Table of Contents	ii
Letter of Transmittal	v
List of Principal Officials	xiv
Organization Chart	xv
Certificate of Achievement	xvi
II. <i>Financial Section</i>	
Report of Independent Accountants	1
General Purpose Financial Statements (Combined Statements–Overview)	
Combined Balance Sheet–All Fund Types and Account Groups	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances–All Governmental Fund Types	8
Combined Statement of Revenues, Expenditures and Changes In Fund Balances - Budget and Actual (Budget Basis)–All Governmental Fund Types	10
Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance–Enterprise Fund and Non-Expendable Trust Fund	14
Statement of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis)–Enterprise Fund and Non-Expendable Trust Fund	16
Statement of Cash Flows–Enterprise Fund and Non-Expendable Trust Fund	18
Notes to the General Purpose Financial Statements	20
Combining, Individual Fund and Account Group Statements and Schedules	
Governmental Funds:	
General Fund:	
Description of Fund	40

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)	41
Special Revenue Funds:	
Description of Funds	45
Combining Balance Sheet	46
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	49
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis)	
Scholarship Fund	53
Uniform School Supplies Fund	54
Public School Support	55
Athletic and Music Fund	57
Teacher Development Fund	58
Management Information Systems Fund	59
School Net Professional Development Fund	60
Ohio Reads Fund	61
Summer School Fund	62
Extended Learning Opportunity Fund	63
Miscellaneous State Grants Fund	64
Title VI-B Fund	65
Title I Fund	66
Title VI Fund	67
Drug Free Schools Fund	68
Disability Access Fund	69
Title VI-R Fund	70
Miscellaneous Federal Grants Fund	71
Total-All Special Revenue Funds	72
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 Balance - Budget and Actual (Budget Basis)	
Capital Improvements Fund	78
School Net Fund	79
Total-All Capital Projects Funds	80

Fiduciary Fund:

Agency Funds:

Description of Funds 81

Statement of Changes in Assets and Liabilities 82

General Fixed Assets Account Group:

Description of Account Group 83

Schedule of General Fixed Assets–By Function 84

Schedule of General Fixed Assets–By Function and Type 85

Schedule of General Fixed Assets–By Source 86

III. Statistical Section

General Fund Expenditures by Function

Last Ten Fiscal Years S1

General Fund Revenues by Sources

Last Ten Fiscal Years S2

Property Tax Levies and Collections–Last Ten Calendar Years S3

Assessed and Estimated Actual Value of Taxable Property–

Last Ten Calendar Years S4

Property Tax Rates–Direct and Overlapping Governments

Last Ten Calendar Years S5

Computation of Legal Debt Margin S6

Computation of Direct and Overlapping

General Obligation Debt S7

Demographic Statistics S8

Property Value, Industrial Employment, Financial

Institution Deposits–Last Ten Years S9

Principal Taxpayers Real Estate Tax S10

Principal Taxpayers Tangible Personal Property Tax S11

Enrollment Statistics–Last Ten Fiscal Years S12

Teacher Education and Experience S13



Tuslaw Local School District

ADMINISTRATIVE OFFICES:

1723 Manchester Ave., N.W.
Massillon, Ohio 44647

Superintendent's Office
(330) 837-7813

Treasurer's Office
(330) 837-7814

*Transportation/
Food Service Office*
(330) 837-7815

Fax (330) 837-7804
(To Be Used For
All Buildings)

JUNIOR/SENIOR HIGH SCHOOL

1723 Manchester Ave., N.W.
Massillon, Ohio 44647
(330) 837-3511/7800

BEECH GROVE ELEMENTARY SCHOOL

1548 Manchester Ave., N.W.
Massillon, Ohio 44647
(330) 837-7809

MOFFITT HEIGHTS ELEMENTARY SCHOOL

12035 Moffitt St., S.W.
Massillon, Ohio 44647
(330) 837-7807

NEWMAN ELEMENTARY SCHOOL

11881 Orrville St., N.W.
Massillon, Ohio 44647
(330) 837-7811

November 2, 2001

Board of Education Members and Residents
of Tuslaw Local School District

We are pleased to submit to you Tuslaw Local School District's Second Comprehensive Annual Financial Report (CAFR). This report provides full disclosure of the financial operation of the School District for the fiscal year ended June 30, 2001. This CAFR includes an opinion from Jim Petro, Auditor of State of Ohio, and conforms to generally accepted accounting principles applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. This report will provide the taxpayers of Tuslaw Local School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the major taxpayers, the Massillon Public Library, financial rating services and other interested parties.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section, which contains a Table of Contents, Letter of Transmittal, List of Principal Officials and an Organization Chart of the School District.
2. The Financial Section, which begins with the Report of Independent Accountants and includes the General Purpose Financial Statements and Notes that provide an overview of the School District's financial position and operating results, and the Combining, Individual Fund and Account Group Statements and Schedules that provide detailed information relative to the General Purpose Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends and the fiscal capacity of the Tuslaw Local School District.

"We are lifelong learners serving lifelong learners"

The School District

History

The School District is a proud district with a rich history dating back to the early 1900's when the Tuscarawas Township Board of Education built a five-room brick building in the Myers area in 1930 and a two-room building in the Moffitt Heights area of Stark County. Both buildings were built to accommodate elementary students only. Lawrence Township built North Lawrence school in 1939 and had several other buildings that also accommodated elementary students only. High school students attended either Massillon, Dalton, Navarre or Brewster.

During the mid-1950's the Ohio legislature passed a new school law with two provisions that drastically affected both Lawrence and Tuscarawas Townships. All school districts that did not have a high school building would have to build one or lose their state funding. The new law also required that the enrollment of the new high school must be 240 students or more. Since both township enrollments were less than 240, the two townships decided to consolidate their schools and build a new high school building. The School District, created under O.R.C. 3311.26, was named Tuslaw Local School District. The School District's name was created by taking a syllable from each township's name, Tuscarawas and Lawrence. Lawrence brought two elementary school buildings into the new district, Newman and North Lawrence. Tuscarawas also brought two buildings, Moffitt Heights and Myers. The Tuslaw School District's high school was built during 1960.

Present

Today the School District serves the Lawrence and Tuscarawas township areas. Over the past forty years enrollment has increased. Tuslaw is a rural area that lies on the outskirts of the City of Massillon and also borders the Fairless Local School District, Dalton Local School District and Northwest Local School District. Tuslaw is beginning to see growth as many of the farms are being sold and replaced with residential homes.

The School District employs 88 certified employees and 48 non-certified employees. The School District has three elementary buildings: Newman, Moffitt Heights and Newman. The junior high and high school students are housed in one building. Student Enrollment for fiscal year 2001 totaled 1,350. The School District forecasts a growth in enrollment as farmland is sold and parceled into lots to build single family homes.

Organizational Structure

It takes a team to meet today's educational challenges and to make school improvement a reality. The School District's team consists of a five member Board of Education, a Superintendent and Treasurer. The Board of Education serves as the taxing authority, contracting body and policy developer for the School District. The Board adopts the annual operating budget and approves all expenditures of School District monies. The Superintendent is the chief administrative officer of the School District, responsible for providing educational administrative/management leadership for operations of the School District. The Treasurer is the chief financial officer for the School District, responsible for maintaining records of all financial matters, issuing warrants and investing School District's funds as specified by law.

The Reporting Entity

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, “The Reporting Entity.” In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Tuslaw Local School District (the primary government) and its potential component units.

The Stark-Portage Area Computer Consortium and the Stark County Area Vocational School are jointly governed organizations, and the Stark County Schools’ Council Insurance Purchasing Plan is a shared risk pool. In addition, the Stark County Schools’ Council Workers’ Compensation Group Rating Program is an insurance purchasing pool.

Major Initiatives

Shared Vision for the Future

Superintendent Al Osler and the Board of Education are moving forward to complete the priority areas identified in the School District’s continuous improvement plan. The vision for the School District is to deliver quality education that meets the changing needs of all learners. The mission statement is “We are lifelong learners serving lifelong learners.”

Major Initiatives for School Year 2000-2001

The School District plans to work toward the “effective” school rating, the highest category according to the Learner Performance Accountability Standards (S.B. 55), by encompassing a wide range of innovative education improvement initiatives. These initiatives are closely aligned with the four cornerstones of the BEST Schools education improvement agenda. By achieving the goals included in the continuous improvement plan, the School District will improve the quality of education for every student in the School District.

The goals set forth will take place over a three year time period and will be evidenced by performance results indicators. The goals are:

1. Students will achieve higher scores on the state proficiency test in grade 4, 6, and 9, and on the Ohio Proficiency-Based Assessment test in grades 1, 2, 3, 4, 5 and 7.
2. All certified staff will participate in professional development that correlates with the School District’s continuous improvement plan, which will improve the quality of instruction.
3. The School District will increase community involvement within their schools.
4. The School District will allocate specific funding to provide technology and facilities which will lead to increased student learning.

Future Projects

The School District has had several failed attempts to pass a bond issue for approximately \$11,000,000 to build a new K-6 elementary building, renovate Beech Grove Elementary into a 7-8 middle school, increase the library size as well as add a media center onto the library and upgrade all the restrooms at the high school, as well as make the building ADA compliant. The School District will place a different issue on the ballot November 2, 2001. The millage will be 6.8 and is expected to generate \$15,050,000. The School District has entered into an agreement with the Ohio School Facilities Commission to participate in their Expedited Local Partnership Program. The State completed a district wide assessment of our buildings and developed a district wide building facilities master plan. If the School District passes this bond issue and builds a high school now, the State will build an elementary building in 2008, 2009 or 2010 with state funds. The Board of Education has a vision to build a new high school building, a new elementary building and renovate the existing high school into a middle school. This process will enable the school district to offer a better education to our students and achieve the goals we have set forth for our School District.

Curriculum and Instructional Focus

The School District has taken the continuous improvement goals seriously and has several strategies in place to meet those goals. The School District has implemented a stronger phonics-based reading program for K-2 students to ensure that every child is reading at grade level by the end of third grade. "Take Home Book" reading programs have been implemented so that students have reading materials to read to their parents on a regular basis. The English course offerings have been restructured so that students have a wider range of courses to choose from and have the opportunity to take extra courses. Each course contains a rigorous writing requirement.

Data surveys will be compared yearly to see if there is an upward trend in attitudes towards reading, writing, and math. Students in grades 1-12 will be surveyed to find out their attitudes towards reading, writing, and math. Graphs and charts will be created to analyze the students' attitudes and used to decide which approach will be taken to improve the students' attitudes.

The School District has also implemented summer remediation classes for those students completing grades 3, 4, and 6 whose test scores reflect failing proficiency scores. Grades 9 through 12 also have the opportunity to attend a summer proficiency remediation class if they have not passed one or more of the targeted proficiency disciplines.

The School District desires one hundred percent of all staff to participate in staff development, which correlates with the continuous improvement plan. The first grade teachers will attend workshops relating to intensive phonics. Teachers will be instructed on how to use the results obtained from a reading diagnostics assessment to improve student improvement. The staff will also be provided with staff development to integrate technology in all curriculum areas.

Economic Outlook

The School District is located in a rural area and encompasses Tuscarawas and Lawrence Townships. The School District borders the City of Massillon on its eastern side. The South, North and West boundaries of the School District are mostly rural as well. The School District does not generate a tremendous amount of money from industry. The School District is made up mostly of single family homes and agricultural lands.

Due to the access to county and city sewer and water lines, the School District has experienced property owners selling their land to local developers, and the developers have parceled off the land and intend to build single family homes. This will not only increase the School District's enrollment, but the real property valuation for the School District as well.

The School District currently generates 22.38 effective mills on residential and agricultural property. The total tax valuation for residential and agricultural property is \$104,904,260. The School District generates 26.499 mills from all other types of property. The tax value for public utility personal property is \$13,536,690, for general personal property \$7,641,399, and for all others \$12,642,250. The total tax value for fiscal year 2001 was \$138,724,599.

Financial Information

Internal Accounting and Budgetary Control. The School District's accounting system is organized on a "fund" basis. Each fund (and account group) is a distinct self-balancing accounting entity. Reports for general governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

In developing the School District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits to be derived from their implementation.

The School District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. These systems, coupled with the manual review of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an Amended Certificate of Estimated Resources based on final assessed values and tax rates, which is usually within three months of the fiscal year end.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund for the general fund and fund level for all other funds. All purchase order requests must be approved by the Treasurer, necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year—to date expenditures and encumbrances versus the original appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible.

As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policymaking roles are covered by a separate, higher limit bond.

The basis of accounting and the various funds and account groups utilized by the School District's budgetary accounting are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 3 of the general purpose financial statements.

General Governmental Functions. The governmental funds encompass the general, special revenue, debt service, and capital projects funds of the School District.

Revenues for the governmental fund types totaled \$8,332,467 in fiscal year 2001. General property taxes produced 41 percent of total general fund revenues. State and Federal support accounted for 52 percent of the revenues.

The amount of revenue from various sources is shown in the following tabulation:

	<i>2000</i> <i>Amount</i>	<i>2001</i> <i>Amount</i>	<i>Percent</i> <i>of</i> <i>Total</i>	<i>Change</i>	<i>Percent</i> <i>Change</i>
Revenues:					
Taxes	\$3,556,563	\$3,410,645	40.93%	(\$145,918)	4.10%
Intergovernmental	4,342,069	4,322,338	51.87	(19,731)	0.45
Interest	101,564	134,705	1.62	33,141	32.63
Tuition and Fees	89,557	60,681	0.73	(28,876)	(32.24)
Extracurricular Activities	242,721	293,464	3.52	50,743	20.91
Contributions and Donations	37,992	17,898	0.21	(20,094)	(52.89)
Rentals	737	18,670	0.22	17,933	2,433.24
Miscellaneous	33,171	74,066	0.90	40,895	123.29
Total Revenues	<u>\$8,404,374</u>	<u>\$8,332,467</u>	<u>100.00%</u>	<u>(\$71,907)</u>	

Taxes revenue decreased due to a large personal property delinquent payment that was made during fiscal year 2000 and did not reoccur during fiscal year 2001.

Tuition and fees revenue decreased due to the School District having less students and charging less fees.

Extracurricular activities revenue increased due to increased attendance at the School District's sporting events.

Contributions and donations decreased due to decreased donations from community members to help renovate the football stadium.

Miscellaneous increased due to a reimbursement from our insurance company for a fire loss and workers compensation refunds.

Governmental fund expenditures for fiscal year 2001 totaled \$8,534,569. A summary, by major function, follows:

	<i>2000 Amount</i>	<i>2001 Amount</i>	<i>Percent of Total</i>	<i>Change</i>	<i>Percent Change</i>
Expenditures:					
<i>Current:</i>					
<i>Instruction:</i>					
Regular	\$3,317,448	\$3,641,857	42.67%	\$324,409	9.78%
Special	952,734	1,030,733	12.08	77,999	8.19
Vocational	118,849	121,635	1.43	2,786	2.34
Adult/Continuing	268	0	0.00	(268)	100.00
<i>Support Services:</i>					
Pupils	301,428	314,936	3.69	13,508	4.48
Instructional Staff	207,329	212,181	2.49	4,852	2.34
Board of Education	19,815	13,637	0.16	(6,178)	(31.18)
Administration	793,029	801,136	9.39	8,107	1.02
Fiscal	226,990	223,343	2.62	(3,647)	(1.61)
Operation and					
Maintenance of Plant	869,714	973,533	11.41	103,819	11.94
Pupil Transportation	533,631	606,266	7.10	72,635	13.61
Operation of Non-					
Services	14,263	16,652	0.19	2,389	16.75
Extracurricular Activities	335,430	377,830	4.43	42,400	12.64
Capital Outlay	6,000	138,815	1.63	132,815	2,314.00
<i>Debt Service:</i>					
Principal Retirement	45,363	53,982	0.62	8,619	19.00
Interest and Fiscal Charges	9,337	8,033	0.09	(1,304)	(13.97)
Total Expenditures	<u>\$7,751,628</u>	<u>\$8,534,569</u>	<u>100.00%</u>	<u>\$782,941</u>	

Regular instruction expenditures increased due to increased salaries.

Special instruction increased due to increased salaries paid to a returning teacher who was on a long-term leave.

During fiscal year 2001, the School District spent additional dollars on roof replacement and maintenance of replacement of bleachers in the football stadium. These additional costs attributed to the increased operation and maintenance of plant expenditures.

Increased expenditures for extracurricular activities can be attributed to a successful sporting season. Since the athletic fund had more admissions revenue, it was able to purchase needed athletic materials and supplies.

General Fund Balance. The general fund concluded fiscal year 2001 with a fund balance of \$1,192,819 compared to \$1,119,946 in fiscal year 2000. The increase can be attributed to additional intergovernmental revenues and due to maintaining expenditures at a level that is less than revenues collected.

Financial Highlights - Proprietary Funds. Food service and adult education are classified as enterprise operations since they resemble those activities found in private industry. Management periodically desires to determine the amount of profit/loss resulting from operations that are significantly financed from user fees. In total, the enterprise funds had a net loss of (\$15,070) for the year ended June 30, 2001. The operating loss (before intergovernmental revenues) totaled (\$144,664); thus the reliance on outside support (primarily federal funding of the National School Lunch and Commodities Program) is apparent. Management is analyzing the food service fund operations to determine appropriate action to alleviate the deficit.

Financial Highlights - Fiduciary Fund. The School District functions as fiscal agent for students (in the case of activity group accounts); available assets are totally offset by liabilities.

General Fixed Assets

The general fixed assets of the School District are used to carry on the main education and support function of the School District and are not financial resources available for expenditure. The total general fixed assets at June 30, 2001 were \$5,749,655. Such assets are accounted for at historical cost. Depreciation is not recognized on general fixed assets.

Debt Administration

During fiscal year 2001, the School District retired \$43,218 on the energy conservation note leaving a remaining balance of \$46,274. As of June 30, 2001, the overall debt margin was \$12,438,940 and the unvoted debt margin was \$138,725. All existing debt is backed by the full faith and credit of the School District and will be retired by fiscal year 2002.

Cash Management

The Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently depositing cash which is insured by the Federal Deposit Insurance Corporation, as well as investing available cash in instruments issued by the United States Government or the State of Ohio. The program is beneficial because of access to daily balances which enables the Board to maintain minimum balance accounts and invest to the maximum extent. For the year ended June 30, 2001, the total amount of interest earned was \$134,705.

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

Risk Management

All employees of the School District are covered by a blanket bond, while certain individuals in policy-making roles are covered by separate, higher limit bond coverage.

The School District participates in the Ohio School Boards Association Worker's Compensation Group Rating Program (GRP) and pays a premium based on a rate per \$100 of salaries. The School District contracts for general liability insurance, vehicle insurance, and professional liability insurance.

Pension Plans

All School District employees are covered by the state-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's employer contributions to both systems are based on a percentage of employee's salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Note 10 to the general purpose financial statements for complete details.

Independent Audit

State statutes require the School District to be subjected to an annual examination by the Auditor of State. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent auditor Jim Petro, Auditor of State, has rendered an opinion on the School District's financial statements as of and for the year ended June 30, 2001. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financing reporting for all governments in Ohio. The School District adopted that system effective with its annual financial report for the 1981 fiscal year.

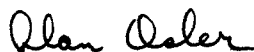
Awards

GFOA 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 Tuslaw Local School District for its comprehensive annual financial report for the year ended June 30, 2001. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report 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 for review.

Acknowledgments

The publication of this report significantly increases the accountability of the School District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office and various administrators and employees of the School District. Assistance by the County Auditor's office staff and other outside agencies made possible the fair presentation of statistical data. Special appreciation is expressed to the State Auditor Jim Petro's office for their assistance in planning, designing and reviewing this financial report.

Respectfully,



Mr. Alan Osler
Superintendent



Sheryl Shaw Stewart
Treasurer

Tuslaw Local School District

List of Principal Officials

June 30, 2001

Board of Education

Mr. Ronnie Warner President
Mrs. Vicki Horvath Vice-President
Mr. Robert Horner Member
Mr. Todd Kandle Member
Mr. Randall Bleigh Member

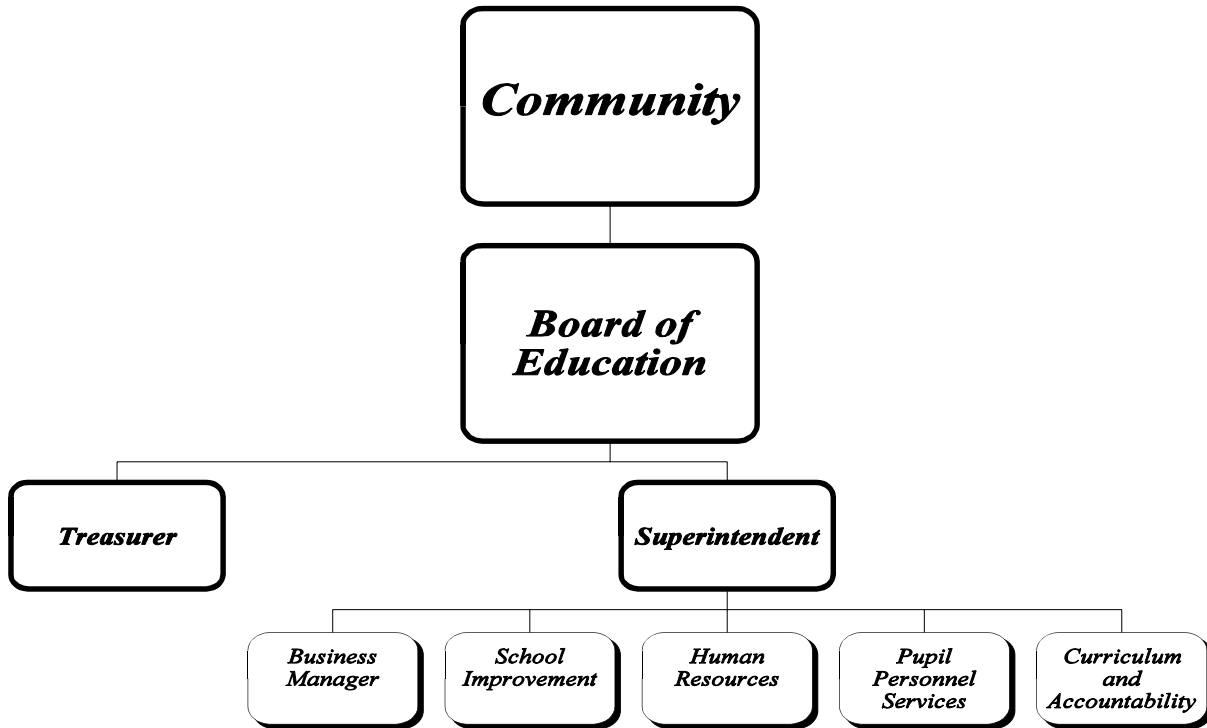
Treasurer

Mrs. Sheryl Shaw Stewart

Administration

Mr. Alan Osler Superintendent
Mr. Robert Sattler High School Principal
Mr. Edward Warstler High School Assistant Principal
Mrs. Cathy Crewse Moffitt Heights Elementary Principal
Mrs. Renee Magnacca Beech Grove Elementary Principal
Mr. Steve Remenaric Newman Elementary Principal
Mrs. Linda Earp Transportation/Food Service Director
Mr. Paul Ousley Building and Grounds Supervisor

TUSLAW LOCAL SCHOOL DISTRICT ORGANIZATION CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Tuslaw Local 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.



Anne Spray Kinsey
President

Jeffrey L. Essler
Executive Director

FINANCIAL SECTION

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Tuslaw Local School District
Stark County
1723 Manchester Avenue NW
Massillon, Ohio 44647

To the Board of Education:

We have audited the accompanying general purpose financial statements of the Tuslaw Local School District, Stark County, (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 the District, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund type and nonexpendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 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 listed in the Table of Contents and therefore express no opinion thereon.

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

Jim Petro
Auditor of State

November 2, 2001

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Tuslaw Local School District
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 2001

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
ASSETS AND OTHER DEBIT			
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,787,210	\$188,327	\$4,464
Receivables:			
Taxes	4,106,134	0	0
Intergovernmental	0	12,689	11,500
Interfund	4,000	0	0
Inventory Held for Resale	0	0	0
Materials and Supplies			
Inventory	9,912	0	0
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0
Restricted Asset			
Equity in Pooled Cash and Cash Equivalents	42,655	0	0
Other Debit			
Amount to be Provided from General Government Resources	0	0	0
<i>Total Assets and Other Debit</i>	\$5,949,911	\$201,016	\$15,964

<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
<u>Enterprise</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	
\$113,508	\$70,847	\$0	\$0	\$2,164,356
0	0	0	0	4,106,134
0	0	0	0	24,189
0	0	0	0	4,000
12,116	0	0	0	12,116
925	0	0	0	10,837
19,244	0	5,749,655	0	5,768,899
0	0	0	0	42,655
<u>0</u>	<u>0</u>	<u>0</u>	<u>897,242</u>	<u>897,242</u>
<u>\$145,793</u>	<u>\$70,847</u>	<u>\$5,749,655</u>	<u>\$897,242</u>	<u>\$13,030,428</u>

(continued)

Tuslaw Local School District
Combined Balance Sheet
All Fund Types and Account Groups (continued)
June 30, 2001

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
LIABILITIES, FUND EQUITY AND OTHER CREDITS			
Liabilities			
Accounts Payable	\$10,715	\$18,136	\$0
Accrued Wages and Benefits	567,799	27,302	0
Compensated Absences Payable	15,883	0	0
Interfund Payable	0	4,000	0
Intergovernmental Payable	155,851	4,739	0
Deferred Revenue	4,006,844	11,618	0
Due to Students	0	0	0
Undistributed Monies	0	0	0
Capital Leases Payable	0	0	0
Energy Conservation Note Payable	0	0	0
<i>Total Liabilities</i>	<i>4,757,092</i>	<i>65,795</i>	<i>0</i>
Fund Equity and Other Credits			
Investment in General Fixed Assets	0	0	0
Retained Earnings:			
Unreserved	0	0	0
Fund Balance:			
Reserved for Encumbrances	337,960	28,433	16,483
Reserved for Inventory	9,912	0	0
Reserved for Budget Stabilization	42,655	0	0
Reserved for Principal	0	0	0
Reserved for Taxes	99,290	0	0
Unreserved, Undesignated	703,002	106,788	(519)
<i>Total Fund Equity and Other Credits</i>	<i>1,192,819</i>	<i>135,221</i>	<i>15,964</i>
<i>Total Liabilities, Fund Equity and Other Credits</i>	<i>\$5,949,911</i>	<i>\$201,016</i>	<i>\$15,964</i>

See accompanying notes to the general purpose financial statements

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Trust and Agency			
\$0	\$500	\$0	\$0	\$29,351
18,225	0	0	0	613,326
16,410	0	0	605,163	637,456
0	0	0	0	4,000
15,058	0	0	55,044	230,692
8,966	0	0	0	4,027,428
0	34,677	0	0	34,677
0	25,524	0	0	25,524
0	0	0	190,761	190,761
0	0	0	46,274	46,274
<u>58,659</u>	<u>60,701</u>	<u>0</u>	<u>897,242</u>	<u>5,839,489</u>
0	0	5,749,655	0	5,749,655
87,134	0	0	0	87,134
0	0	0	0	382,876
0	0	0	0	9,912
0	0	0	0	42,655
0	10,000	0	0	10,000
0	0	0	0	99,290
0	146	0	0	809,417
<u>87,134</u>	<u>10,146</u>	<u>5,749,655</u>	<u>0</u>	<u>7,190,939</u>
<u>\$145,793</u>	<u>\$70,847</u>	<u>\$5,749,655</u>	<u>\$897,242</u>	<u>\$13,030,428</u>

Tuslaw Local School District
*Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
All Governmental Fund Types
For the Fiscal Year Ended June 30, 2001*

	Governmental	
	General	Special Revenue
Revenues		
Taxes	\$3,410,645	\$0
Intergovernmental	3,807,446	449,672
Interest	134,705	0
Tuition and Fees	60,034	647
Extracurricular Activities	425	293,039
Contributions and Donations	0	17,898
Rentals	18,670	0
Miscellaneous	71,726	2,340
<i>Total Revenues</i>	<i>7,503,651</i>	<i>763,596</i>
Expenditures		
Current:		
Instruction:		
Regular	3,403,756	191,664
Special	768,811	261,922
Vocational	121,635	0
Support Services:		
Pupils	297,556	17,380
Instructional Staff	142,429	69,752
Board of Education	13,637	0
Administration	751,263	49,873
Fiscal	223,343	0
Operation and Maintenance of Plant	967,310	6,223
Pupil Transportation	606,266	0
Operation of Non-Instructional Services	16,652	0
Extracurricular Activities	160,849	216,981
Capital Outlay	115,400	23,415
Debt Service:		
Principal Retirement	10,764	0
Interest and Fiscal Charges	2,531	0
<i>Total Expenditures</i>	<i>7,602,202</i>	<i>837,210</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(98,551)</i>	<i>(73,614)</i>
Other Financing Sources and Uses		
Inception of Capital Lease	191,757	0
Operating Transfers In	0	25,454
Operating Transfers Out	(25,454)	0
<i>Total Other Financing Sources and Uses</i>	<i>166,303</i>	<i>25,454</i>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<i>67,752</i>	<i>(48,160)</i>
<i>Fund Balances at Beginning of Year</i>	<i>1,119,946</i>	<i>183,381</i>
<i>Increase in Reserve for Inventory</i>	<i>5,121</i>	<i>0</i>
<i>Fund Balances at End of Year</i>	<i>\$1,192,819</i>	<i>\$135,221</i>

See accompanying notes to the general purpose financial statements

<u>Fund Types</u>		Totals
<u>Debt Service</u>	<u>Capital Projects</u>	<u>(Memorandum Only)</u>
\$0	\$0	\$3,410,645
48,720	16,500	4,322,338
0	0	134,705
0	0	60,681
0	0	293,464
0	0	17,898
0	0	18,670
0	0	74,066
<u>48,720</u>	<u>16,500</u>	<u>8,332,467</u>
0	46,437	3,641,857
0	0	1,030,733
0	0	121,635
0	0	314,936
0	0	212,181
0	0	13,637
0	0	801,136
0	0	223,343
0	0	973,533
0	0	606,266
0	0	16,652
0	0	377,830
0	0	138,815
43,218	0	53,982
5,502	0	8,033
<u>48,720</u>	<u>46,437</u>	<u>8,534,569</u>
<u>0</u>	<u>(29,937)</u>	<u>(202,102)</u>
0	0	191,757
0	0	25,454
0	0	(25,454)
<u>0</u>	<u>0</u>	<u>191,757</u>
0	(29,937)	(10,345)
0	45,901	1,349,228
0	0	5,121
<u>\$0</u>	<u>\$15,964</u>	<u>\$1,344,004</u>

Tuslaw Local School District
*Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Budget Basis)
All Governmental Fund Types
For the Fiscal Year Ended June 30, 2001*

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$3,298,387	\$3,453,876	\$155,489
Intergovernmental	3,483,000	3,807,446	324,446
Interest	100,000	134,704	34,704
Tuition and Fees	219,394	60,033	(159,361)
Extracurricular Activities	1,000	425	(575)
Contributions and Donations	0	0	0
Rentals	1,000	18,670	17,670
Miscellaneous	30,100	71,726	41,626
<i>Total Revenues</i>	<u>7,132,881</u>	<u>7,546,880</u>	<u>413,999</u>
Expenditures			
Current:			
Instruction:			
Regular	3,380,636	3,360,701	19,935
Special	771,578	763,248	8,330
Vocational	132,561	119,788	12,773
Support Services:			
Pupils	298,752	295,143	3,609
Instructional Staff	158,342	141,084	17,258
Board of Education	25,140	20,241	4,899
Administration	758,048	748,347	9,701
Fiscal	247,256	241,558	5,698
Operation and Maintenance of Plant	1,065,759	1,029,706	36,053
Pupil Transportation	646,933	632,477	14,456
Central	100	0	100
Operation of Non-Instructional Services	17,200	16,675	525
Extracurricular Activities	171,000	162,652	8,348
Capital Outlay	188,000	180,400	7,600
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>7,861,305</u>	<u>7,712,020</u>	<u>149,285</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(728,424)</u>	<u>(165,140)</u>	<u>563,284</u>
Other Financing Sources (Uses)			
Advances In	25,000	25,000	0
Other Financing Sources	100	0	(100)
Operating Transfers In	0	0	0
Operating Transfers Out	(30,290)	(25,454)	4,836
Advances Out	0	(4,000)	(4,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(5,190)</u>	<u>(4,454)</u>	<u>736</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<u>(733,614)</u>	<u>(169,594)</u>	<u>564,020</u>
<i>Fund Balances at Beginning of Year</i>	1,367,873	1,367,873	0
<i>Prior Year Encumbrances Appropriated</i>	<u>283,789</u>	<u>283,789</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u>\$918,048</u>	<u>\$1,482,068</u>	<u>\$564,020</u>

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0
594,216	538,065	(56,151)	48,800	48,720	(80)
0	0	0	0	0	0
4,000	647	(3,353)	0	0	0
246,000	293,039	47,039	0	0	0
32,200	17,898	(14,302)	0	0	0
0	0	0	0	0	0
2,000	2,340	340	0	0	0
<u>878,416</u>	<u>851,989</u>	<u>(26,427)</u>	<u>48,800</u>	<u>48,720</u>	<u>(80)</u>
230,402	218,337	12,065	0	0	0
312,245	265,901	46,344	0	0	0
0	0	0	0	0	0
25,897	23,330	2,567	0	0	0
79,740	73,785	5,955	0	0	0
0	0	0	0	0	0
64,372	51,291	13,081	0	0	0
0	0	0	0	0	0
352	6,223	(5,871)	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
224,325	226,338	(2,013)	0	0	0
23,415	23,415	0	0	0	0
0	0	0	43,218	43,218	0
0	0	0	5,582	5,502	80
<u>960,748</u>	<u>888,620</u>	<u>72,128</u>	<u>48,800</u>	<u>48,720</u>	<u>80</u>
<u>(82,332)</u>	<u>(36,631)</u>	<u>45,701</u>	<u>0</u>	<u>0</u>	<u>0</u>
4,000	4,000	0	0	0	0
0	0	0	0	0	0
10,291	25,454	15,163	0	0	0
0	0	0	0	0	0
<u>(25,000)</u>	<u>(25,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(10,709)</u>	<u>4,454</u>	<u>15,163</u>	<u>0</u>	<u>0</u>	<u>0</u>
(93,041)	(32,177)	60,864	0	0	0
143,288	143,288	0	0	0	0
30,702	30,702	0	0	0	0
<u>\$80,949</u>	<u>\$141,813</u>	<u>\$60,864</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

(continued)

Tuslaw Local School District
*Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Budget Basis)
All Governmental Fund Types (continued)
For the Fiscal Year Ended June 30, 2001*

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$0	\$0	\$0
Intergovernmental	19,000	5,000	(14,000)
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Rentals	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>19,000</u>	<u>5,000</u>	<u>(14,000)</u>
Expenditures			
Current:			
Instruction:			
Regular	66,192	65,960	232
Special	0	0	0
Vocational	0	0	0
Support Services:			
Pupils	0	0	0
Instructional Staff	0	0	0
Board of Education	0	0	0
Administration	0	0	0
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>66,192</u>	<u>65,960</u>	<u>232</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(47,192)</u>	<u>(60,960)</u>	<u>(13,768)</u>
Other Financing Sources (Uses)			
Advances In	0	0	0
Other Financing Sources	0	0	0
Operating Transfers In	0	0	0
Operating Transfers In	0	0	0
Advances Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<u>(47,192)</u>	<u>(60,960)</u>	<u>(13,768)</u>
<i>Fund Balances at Beginning of Year</i>	12,182	12,182	0
<i>Prior Year Encumbrances Appropriated</i>	<u>36,760</u>	<u>36,760</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u><u>\$1,750</u></u>	<u><u>(\$12,018)</u></u>	<u><u>(\$13,768)</u></u>

See accompanying notes to the general purpose financial statements

Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)
\$3,298,387	\$3,453,876	\$155,489
4,145,016	4,399,231	254,215
100,000	134,704	34,704
223,394	60,680	(162,714)
247,000	293,464	46,464
32,200	17,898	(14,302)
1,000	18,670	17,670
32,100	74,066	41,966
<u>8,079,097</u>	<u>8,452,589</u>	<u>373,492</u>
3,677,230	3,644,998	32,232
1,083,823	1,029,149	54,674
132,561	119,788	12,773
324,649	318,473	6,176
238,082	214,869	23,213
25,140	20,241	4,899
822,420	799,638	22,782
247,256	241,558	5,698
1,066,111	1,035,929	30,182
646,933	632,477	14,456
100	0	100
17,200	16,675	525
395,325	388,990	6,335
211,415	203,815	7,600
43,218	43,218	0
5,582	5,502	80
<u>8,937,045</u>	<u>8,715,320</u>	<u>221,725</u>
<u>(857,948)</u>	<u>(262,731)</u>	<u>595,217</u>
29,000	29,000	0
100	0	(100)
10,291	25,454	15,163
(30,290)	(25,454)	4,836
<u>(25,000)</u>	<u>(29,000)</u>	<u>(4,000)</u>
<u>(15,899)</u>	<u>0</u>	<u>15,899</u>
(873,847)	(262,731)	611,116
1,523,343	1,523,343	0
351,251	351,251	0
<u>\$1,000,747</u>	<u>\$1,611,863</u>	<u>\$611,116</u>

Tuslaw Local School District
*Statement of Revenues, Expenses and
Changes in Retained Earnings/Fund Balance
Enterprise Fund and Non-Expendable Trust Fund
For the Fiscal Year Ended June 30, 2001*

	Enterprise	Non-Expendable Trust	Totals (Memorandum Only)
Operating Revenues			
Sales	\$255,259	\$0	\$255,259
Interest	0	581	581
<i>Total Operating Revenues</i>	<u>255,259</u>	<u>581</u>	<u>255,840</u>
Operating Expenses			
Salaries	141,526	0	141,526
Fringe Benefits	46,403	0	46,403
Purchased Services	5,016	0	5,016
Materials and Supplies	17,667	0	17,667
Cost of Sales	149,143	0	149,143
Other	0	500	500
Depreciation	40,168	0	40,168
<i>Total Operating Expenses</i>	<u>399,923</u>	<u>500</u>	<u>400,423</u>
<i>Operating Income (Loss)</i>	<u>(144,664)</u>	<u>81</u>	<u>(144,583)</u>
Non-Operating Revenues			
Donated Commodities	35,017	0	35,017
Intergovernmental	88,903	0	88,903
Interest	5,674	0	5,674
<i>Total Non-Operating Revenues</i>	<u>129,594</u>	<u>0</u>	<u>129,594</u>
<i>Net Income (Loss)</i>	<u>(15,070)</u>	<u>81</u>	<u>(14,989)</u>
<i>Retained Earnings/Fund Balance at Beginning of Year</i>	<u>102,204</u>	<u>10,065</u>	<u>112,269</u>
<i>Retained Earnings/Fund Balance at End of Year</i>	<u><u>\$87,134</u></u>	<u><u>\$10,146</u></u>	<u><u>\$97,280</u></u>

See accompanying notes to the general purpose financial statements

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Tuslaw Local School District
*Statement of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual (Budget Basis)
Enterprise Fund and Non-Expendable Trust Fund
For the Fiscal Year Ended June 30, 2001*

	Enterprise		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
Revenues			
Sales	\$251,800	\$255,259	\$3,459
Tuition	2,000	0	(2,000)
Operating Grants	84,000	88,903	4,903
Interest	4,000	5,675	1,675
<i>Total Revenues</i>	<u>341,800</u>	<u>349,837</u>	<u>8,037</u>
Expenses			
Salaries and Wages	146,535	138,311	8,224
Fringe Benefits	46,990	46,042	948
Purchased Services	9,979	5,016	4,963
Materials and Supplies	178,938	136,543	42,395
Other	0	0	0
Capital Outlay	4,738	2,986	1,752
<i>Total Expenses</i>	<u>387,180</u>	<u>328,898</u>	<u>58,282</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(45,380)	20,939	66,319
<i>Fund Equity at Beginning of Year</i>	88,745	88,745	0
<i>Prior Year Encumbrances Appropriated</i>	<u>655</u>	<u>655</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$44,020</u>	<u>\$110,339</u>	<u>\$66,319</u>

See accompanying notes to the general purpose financial statements

Non-Expendable Trust			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$251,800	\$255,259	\$3,459
0	0	0	2,000	0	(2,000)
0	0	0	84,000	88,903	4,903
550	581	31	4,550	6,256	1,706
550	581	31	342,350	350,418	8,068
0	0	0	146,535	138,311	8,224
0	0	0	46,990	46,042	948
0	0	0	9,979	5,016	4,963
0	0	0	178,938	136,543	42,395
1,000	1,000	0	1,000	1,000	0
0	0	0	4,738	2,986	1,752
1,000	1,000	0	388,180	329,898	58,282
(450)	(419)	31	(45,830)	20,520	66,350
10,065	10,065	0	98,810	98,810	0
500	500	0	1,155	1,155	0
\$10,115	\$10,146	\$31	\$54,135	\$120,485	\$66,350

Tuslaw Local School District
Statement of Cash Flows
Enterprise Fund and Non-Expendable Trust Fund
For the Fiscal Year Ended June 30, 2001

	<u>Enterprise</u>	<u>Non-Expendable Trust</u>	<u>Totals (Memorandum Only)</u>
<i>INCREASE IN CASH AND CASH EQUIVALENTS</i>			
Cash Flows from Operating Activities			
Cash Received from Customers	\$255,259	\$0	\$255,259
Cash Payments to Suppliers for Goods and Services	(138,390)	(500)	(138,890)
Cash Payments to Employees for Services	(138,310)	0	(138,310)
Cash Payments for Employee Benefits	(46,042)	0	(46,042)
<i>Net Cash Used for Operating Activities</i>	<u>(67,483)</u>	<u>(500)</u>	<u>(67,983)</u>
Cash Flows from Noncapital Financing Activities			
Intergovernmental Revenue	88,903	0	88,903
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>88,903</u>	<u>0</u>	<u>88,903</u>
Cash Flows from Capital Financing Activities			
Payments for Capital Acquisition	(2,986)	0	(2,986)
<i>Net Cash Used for Capital Financing Activities</i>	<u>(2,986)</u>	<u>0</u>	<u>(2,986)</u>
Cash Flows from Investing Activities			
Interest	5,674	581	6,255
<i>Net Cash Provided by Investing Activities</i>	<u>5,674</u>	<u>581</u>	<u>6,255</u>
<i>Net Increase in Cash and Cash Equivalents</i>	24,108	81	24,189
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>89,400</u>	<u>10,565</u>	<u>99,965</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$113,508</u>	<u>\$10,646</u>	<u>\$124,154</u>

(continued)

Tuslaw Local School District
Statement of Cash Flows
Enterprise Fund and Non-Expendable Trust Fund (continued)
For the Fiscal Year Ended June 30, 2001

	Enterprise	Non-Expendable Trust	Totals (Memorandum Only)
<i>Reconciliation of Operating Income (Loss)</i>			
<i>to Net Cash Used for Operating Activities</i>			
<i>Operating Income (Loss)</i>	(\$144,664)	\$81	(\$144,583)
<i>Adjustments to Reconcile Operating Income (Loss)</i>			
<i>to Net Cash Used for Operating Activities</i>			
Depreciation	40,168	0	40,168
Interest	0	(581)	(581)
Donated Commodities Used During Year	35,017	0	35,017
<i>Changes in Assets and Liabilities:</i>			
Increase in Inventory Held for Resale	(70)	0	(70)
Increase in Materials and Supplies Inventory	(1,510)	0	(1,510)
Increase in Accrued Wages and Benefits	710	0	710
Increase in Compensated Absences Payable	2,631	0	2,631
Increase in Intergovernmental Payable	235	0	235
<i>Total Adjustments</i>	77,181	(581)	76,600
<i>Net Cash Used for Operating Activities</i>	(\$67,483)	(\$500)	(\$67,983)

See accompanying notes to the general purpose financial statements

***Reconciliation of Cash and Cash Equivalents
to the Combined Balance Sheet:***

Trust and Agency	\$70,847
Less: Agency	(60,201)
Nonexpendable Trust Fund	\$10,646

Note 1 - Description of the School District

Tuslaw Local School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and/or Federal guidelines.

The School District is staffed by 48 non-certificated employees and 88 certificated personnel who provide services to 1,350 students and other community members. The School District operates one junior/senior high school, three elementary buildings and one bus garage.

Reporting Entity

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

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

The School District is associated with organizations which are defined as a jointly governed organizations and public entity risk pools. These organizations include the Stark-Portage Area Computer Consortium, Stark County Joint Vocational School, the Stark County Council of Governments Workers' Compensation Group Rating Plan and the Stark County Schools Council of Governments Health Benefits Program. These organizations are presented in Notes 17 and 18 to the general purpose financial statements.

Note 2 - Summary of Significant Accounting Policies

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

A. Basis Of Presentation - Fund Accounting

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

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

For financial statement presentation purposes, the various funds of the School District are grouped into the following generic fund types under the broad fund categories governmental, proprietary and fiduciary.

Governmental Fund Types:

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

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

Special Revenue Funds - Special revenue funds are established to account for the proceeds of specific revenue sources (other than major capital projects funds) that are legally restricted to expenditure 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 obligation principal, interest, and related costs.

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 (other than those financed by the proprietary fund and the non-expendable trust fund).

Proprietary Fund Type:

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

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

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

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

a non-expendable trust fund and agency funds. Agency funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations.

Account Groups:

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

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the School District, other than those accounted for in the proprietary fund.

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations of the School District, except those accounted for in the proprietary fund.

B. Measurement Focus and Basis of Accounting

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

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

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

The modified accrual basis of accounting is followed for the governmental and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after 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. (See Note 7) 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.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available as an advance, interest, tuition and grants.

The School District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2001, and delinquent property taxes, whose availability is indeterminable and which are intended to finance fiscal year 2002 operations, have been recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund and non-expendable trust fund. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

C. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each function for the general fund and at the fund level for all other funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education.

Tax Budget:

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

By no later than January 20, the Board adopted budget is filed with the Stark County Budget Commission for rate determination.

Estimated Resources:

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School 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 the basis for the appropriation measure. On or about July 1, the certificate is amended to include any

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statement reflect the amounts in the final amended certificate issued during fiscal year 2001.

Appropriations:

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

Encumbrances:

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

Lapsing of Appropriations:

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

D. Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled in a central bank account. Monies for all funds, including the proprietary fund, are maintained in this account or temporarily used to purchase short term investments. Individual fund integrity is maintained through School District records. Each fund's interest in the pooled bank account is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet.

Except for nonparticipating investment contracts, investments are reported at fair market value which is based on quoted market price. Nonparticipating investment contract such as repurchase agreements are reported at cost.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

The School District invested funds in the State Treasury Asset Reserve of Ohio (“STAR Ohio”) during fiscal year 2001. STAR Ohio is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price which is the price the investment could be sold for on June 30, 2001.

Following Ohio Statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund, food service enterprise fund and non-expendable trust fund during fiscal year 2001 amounted to \$134,705, \$5,674 and \$581, respectively. The general fund’s interest allocation includes \$14,405 assigned from other school district funds.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the School District are considered to be cash and cash equivalents.

E. Inventory

Inventories of governmental funds are stated at cost while inventories of the proprietary fund are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets. Inventories of the proprietary fund consists of donated food, purchased food and school supplies held for resale and are expensed when used.

F. Fixed Assets and Depreciation

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

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

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the enterprise fund is computed using the straight-line method over an estimated useful life of seven years for furniture and equipment.

G. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget reserve. The reserve is required by State statute and can be spent only on areas set by the State Statute. A fund balance reserve has also been established. (See Note 21)

H. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In the proprietary fund, the entire amount of compensated absences is reported as a fund liability.

I. Accrued Liabilities and Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current expendable available financial resources. Payments made more than two months after year-end are generally considered not to have been paid with current available financial resources. Long-term debt and other obligations financed by the proprietary fund is reported as liabilities in the proprietary fund.

J. Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

K. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from estimates.

L. Fund Balance Reserves

The School District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, inventory, budget stabilization, trust principal and property taxes. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

M. Memorandum Only - Totals Columns

Total columns on the general purpose financial statements are captioned "Totals(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 - Changes In Accounting Principles and Restatement of Fund Balances

The School District has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues." At June 30, 2000, there was no effect on fund balance as a result of these implementations.

Note 4 - Fund Deficits

The Scholarship, Title I, Disability Access and Title VI-R special revenue funds had deficit balances at June 30, 2001 of \$195, \$3,106, \$2,415 and \$663, respectively. The deficit balances resulted from adjustments for accrued liabilities.

Note 5 - Budgetary Basis of Accounting

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

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

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

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

*Excess of Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses
All Governmental Fund Types*

	<i>General</i>	<i>Special Revenue</i>	<i>Capital Projects</i>
<i>GAAP Basis</i>	\$67,752	(\$48,160)	(\$29,937)
Net Adjustment for Revenue Accruals	43,229	88,393	(11,500)
Advance In	25,000	4,000	0
Inception of Capital Lease	(191,757)	0	0
Net Adjustment for Expenditure Accruals	237,979	(4,896)	(3,040)
Advance Out	(4,000)	(25,000)	0
Adjustment for Encumbrances	(347,797)	(46,514)	(16,483)
<i>Budget Basis</i>	(\$169,594)	(\$32,177)	(\$60,960)

*Net Income(Loss)/Excess
of Revenues Over (Under) Expenses
Enterprise Fund and Non-Expendable Trust Fund*

	<i>Enterprise</i>	<i>Non-Expendable Trust</i>
<i>GAAP Basis</i>	(\$15,070)	\$81
Net Adjustment for Expenditure Accruals	1,996	0
Capital Outlay	(2,986)	0
Depreciation Expense	40,168	
Adjustment for Encumbrances	(3,169)	(500)
<i>Budget Basis</i>	\$20,939	(\$419)

Note 6 - Deposits and Investments

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the School District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the School District's Board of Education has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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

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

1. United States treasury notes, bills, bonds, or other obligations or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities ;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily; and that the term of the agreement does not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days in an amount not to exceed 25 percent of the interim moneys available for investment at any one time.

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

During fiscal year 2001, the School District's investments were limited to an overnight repurchase agreement and STAR Ohio.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Repurchase Agreements".

Deposits: At fiscal year-end, the carrying amount of the School District's deposits was \$4,156 and the bank balance was \$124,397. \$100,000 of the bank balance was covered by federal depository insurance. \$24,397 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging financial institutions trust department or agent in the School District's name and all state statutory requirements for the deposit of money had been followed, noncompliance with federal requirements would potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

Investments: The School District's investments are categorized below to give an indication of the level of custodial credit risk assumed by the School District at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The School District's investment in STAR Ohio, an investment pool operated by the Ohio State Treasurer, is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	<i>Category 3</i>	<i>Carrying Value</i>	<i>Fair Value</i>
Repurchase Agreement	\$434	\$434	\$434
STAR Ohio		2,202,421	2,202,421
<i>Totals</i>		\$2,202,855	\$2,202,855

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

	<i>Cash and Cash Equivalents</i>	<i>Investments</i>
<i>GASB Statement No. 9</i>	\$2,207,011	\$0
Investments which are part of the cash management pool:		
Repurchase Agreement	(434)	434
STAR Ohio	(2,202,421)	2,202,421
<i>GASB Statement No. 3</i>	\$4,156	\$2,202,855

Note 7 - Property Taxes

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes, attached as a lien on December 31 of the prior year were levied April 1, and are collected with real property taxes. Assessed

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

values for real property taxes are established by State law at thirty-five percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at eighty-eight percent of true value (with certain exceptions) and on real property at thirty-five percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are twenty-five percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The School District receives property taxes from Stark and Wayne Counties. The county auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2001, are available to finance fiscal year 2002 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, tangible personal property and public utility taxes which became measurable as of June 30, 2001. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2001, was \$99,290 for the general fund.

The assessed values upon which the fiscal year 2001 taxes were collected are:

	<i>2000 Second- Half Collections</i>		<i>2001 First- Half Collections</i>	
	<i>Amount</i>	<i>Percent</i>	<i>Amount</i>	<i>Percent</i>
Agricultural/Residential and Other Real Estate	\$99,367,960	82.51%	\$117,546,510	84.73%
Public Utility Personal	13,421,420	11.15	13,536,690	9.76
Tangible Personal Property	7,641,399	6.34	7,641,399	5.51
	<u>\$120,430,779</u>	<u>100.00%</u>	<u>\$138,724,599</u>	<u>100.00%</u>
Tax Rate per \$1,000 of assessed valuation	53.90		53.90	

Note 8 - Receivables

Receivables at June 30, 2001, consisted of taxes 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.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

A summary of the principal items of intergovernmental receivables follows:

	<i>Amounts</i>
Special Revenue Funds:	
Title I	\$11,618
Disability Access	1,071
<i>Total Special Revenue Funds</i>	12,689
<i>Total School Net Capital Projects Fund</i>	11,500
<i>Total Intergovernmental Receivables</i>	\$24,189

Note 9 - Fixed Assets

A summary of the enterprise fund's fixed assets at June 30, 2001, follows:

Furniture and Equipment	\$112,159
Less Accumulated Depreciation	(92,915)
<i>Net Fixed Assets</i>	\$19,244

A summary of the changes in general fixed assets during fiscal year 2001 follows:

	<i>Balance July 1, 2000</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance June 30, 2001</i>
Land, Buildings and Improvements	\$3,361,359	\$53,400	\$0	\$3,414,759
Vehicles	910,593	68,505	40,000	939,098
Furniture, Fixtures and Equipment	1,205,927	234,378	44,507	1,395,798
<i>Total General Fixed Assets</i>	\$5,477,879	\$356,283	\$84,507	\$5,749,655

Note 10 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2001, the School District contracted with Indiana Insurance Company for property and fleet insurance, commercial crime insurance and inland marine coverage and with Nationwide Insurance Company for liability insurance. Coverages provided are as follows:

	<i>Coverage</i>	<i>Deductible</i>
Buildings and Contents	\$19,262,831	\$5,000
Inland Marine Coverage	252,738	100
Automobile Liability	1,000,000	500
Uninsured Motorists	1,000,000	0
Commercial Crime Insurance	3,000	100
General Liability:		
Per Occurrence	1,000,000	0
Aggregate	5,000,000	0

There has not been a significant reduction in coverage from the prior year and settled claims have not exceeded this commercial coverage in any of the past three years.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

For fiscal year 2001, the School District participated in the Stark County Schools Council of Governments Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 15). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of CompManagement, Inc., provides administrative, cost control and actuarial services of the GRP.

The School District has contracted with the Stark County Schools Council of Governments Health Benefits Program to provide employee medical/surgical and dental benefits. Rates are set through an annual calculation process. The School District pays a monthly contribution which is paid in a common fund from which claim payments are made for all participants regardless of claims flow. The board of directors has the right to return monies to an exiting school district subsequent to the settlements of all expenses and claims. The School District pays premiums of \$556.38 for family coverage and \$228.51 for single coverage per employee per month.

Note 11 - Employee Benefits

A. Compensated Absences

The criteria for determining vested vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn 10 to 20 days of vacation per year, depending upon length of service and hours worked. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and principals do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. There is no limit as to the amount of sick leave that may be accumulated. Upon retirement employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 63 days.

B. Life Insurance

The School District provides life insurance and accidental death and dismemberment insurance to most employees. Life insurance is provided through the Stark County Schools Council of Governments Health Benefits Program.

Note 12 - Defined Benefit Pension Plans

A. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. The

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

For the fiscal year ended June 30, 2001, plan members were required to contribute 9.3 percent of their annual covered salary. The School District was required to contribute 14 percent; 9.5 percent was the portion used to fund pension obligations. For fiscal year 2000, the portion used to fund pension obligations was 6 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$342,410, \$332,435, and \$343,486, respectively; 77 percent has been contributed for fiscal year 2001 and 100 percent for the fiscal years 2000 and 1999. \$117,780 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds.

B. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Columbus, Ohio 43215.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2001, 4.20 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2000, the portion used to fund pension obligations was 5.55 percent. The contribution requirements of plan members and employees are established and may be amended, up to statutory maximum amounts by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$47,316, \$96,089, and \$93,867, respectively; 52 percent has been contributed for fiscal year 2001 and 100 percent for the fiscal years 2000 and 2001. \$75,708 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.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2001, one member of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 13 - Postemployment Benefits

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

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The State Teachers 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 health care cost in the form of a monthly premium. By Ohio Law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. The STRS board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$162,194, for fiscal year 2001.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$3.419 million at June 30, 2000 (the latest information available). For the year ended June 30, 2000 (the latest information available), 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, and to 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.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2001, employer contributions to fund health care benefits were 9.80 percent of covered payroll, an increase of 1.3 percent from 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 fiscal year 2001, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including surcharge, equaled \$126,167, during the 2001 fiscal year.

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 (the latest information available), were \$140,696,340 and the target level was \$211.0 million. At June 30, 2000 (the latest information available) SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participating currently receiving health care benefits.

Note 14 - Capital Leases

During fiscal year 2001 the School District has entered into a capitalized lease for phone equipment and windows. In prior years, the School District entered into a capitalized lease for copiers. These leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership of the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the combined general purpose financial statements of the general fund. The expenditures are reflected as program/function expenditures on a budgetary basis.

General fixed assets consisting of equipment has been capitalized in the general fixed assets group in the amount of \$207,713. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group. Principal payments in fiscal year 2001 totaled \$10,764 in the general fund.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2002.

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

<i>Fiscal Year Ending June 30,</i>	<i>General Long-Term Obligations Account Group</i>
2002	36,285
2003	31,785
2004	31,785
2005	31,785
2006	24,490
2007-2011	85,974
<i>Total</i>	242,104
<i>Less: Amount Representing Interest</i>	(51,343)
<i>Present Value of Net Minimum Payments</i>	\$190,761

Note 15 - Long-Term Obligations

Changes in long-term obligations of the School District during fiscal year 2001 were as follows:

	<i>Balance 6/30/00</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance 6/30/01</i>
<i>Compensated Absences</i>	\$624,892	\$0	(\$19,729)	\$605,163
<i>Intergovernmental Payable</i>	58,457	55,044	(58,457)	55,044
<i>Capital Leases:</i>				
<i>Comdoc - Copiers</i>	9,768	0	(5,414)	4,354
<i>Citibank - Window Replacement</i>	0	130,000	0	130,000
<i>Banc One - Telephone Equipment</i>	0	61,757	(5,350)	56,407
<i>Total Capital Leases</i>	9,768	191,757	(10,764)	190,761
<i>Energy Conservation Note 6.95%</i>	89,492	0	(43,218)	46,274
<i>Total General Long-Term Obligations</i>	\$782,609	\$246,801	(\$132,168)	\$897,242

Compensated absences and the intergovernmental payable, which represents contractually required pension contributions paid outside the available period, will be paid from the fund from which the employee's salaries are paid.

On December 22, 1992, the School District issued \$346,855 in an energy conservation note for the purpose of providing energy conservation measures for the School District, under the authority of the Ohio Revised Code section 3313.372. The note was issued for a ten year period with final maturity during fiscal year 2002. The energy conservation note is retired from the debt service fund. The capital leases will be paid from the general fund.

The School District's overall legal debt margin was \$12,438,940 at June 30, 2001.

Principal and interest requirements to retire the long-term energy conservation note at June 30, 2001, is as follows:

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2002	\$46,274	\$2,426	\$48,700

Note 16 - Interfund Transactions

On the combined balance sheet the general fund reported an interfund receivable at June 30, 2001, of \$4,000. The Disability Access special revenue fund had an interfund payable of the same amount.

Note 17 - Jointly Governed Organizations

Stark-Portage Area Computer Consortium (SPARCC) is a jointly governed organization among 31 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 SPARCC based on a per pupil charge. SPARCC is governed by a board consisting of superintendents from all participating school districts. This board has the responsibility to study, review and approve SPARCC's annual budget and ascertain that costs are divided equally among participating school districts.

The Stark County Area Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a seven member Board, consisting of one representative from each of the six participating school district's elected boards and one board member that rotates from each participating school district. The Stark County Joint Vocational School possesses its own budgeting and taxing authority. To obtain financial information write to the Stark County Joint Vocational School, 6805 Richville Drive, S.W., Massillon, Ohio 44646.

Note 18 - Public Entity Risk Pools

The Stark County Schools Council of Government (Council) is a shared risk pool which is governed by an assembly which consists of one representative from each participating school district (usually the superintendent or designee). The assembly elects officers for one year terms to serve as the Board of Directors. The assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services. The Council has a Health Benefits Program which is a shared risk pool comprised of 15 Stark County school districts and a Workers Compensation Group Rating Program (GRP), an insurance purchasing pool. Each year, the participating school districts pay an enrollment fees to the GRP's to cover the costs of administering the program.

Note 19 - Contingencies

The School District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2001.

Note 20 - State School Funding Issue

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. This includes 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

Tuslaw Local School District
Notes to the General Purpose Financial Statements
For the Fiscal Year Ended June 30, 2001

as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified. Parity aid must also be fully funded no later than the beginning of fiscal year 2004 rather than the 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 November 2, 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 re-examine 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 21 - Set-Asides

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by 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 purpose in future years.

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

	<u><i>Textbooks</i></u>	<u><i>Capital Acquisition</i></u>	<u><i>Budget Stabilization</i></u>
Set-aside Reserved Balance as of June 30, 2000	\$0	\$0	\$93,599
Current Year Set-Aside	180,005	180,005	0
Reduction Authorized by Legislative Restrictions	0	0	(50,944)
Qualifying Disbursements	<u>254,307</u>	<u>317,037</u>	<u>0</u>
Totals	<u>(\$74,302)</u>	<u>(\$137,032)</u>	<u>\$42,655</u>
Set-aside Reserved Balance as of June 30, 2001	<u>\$0</u>	<u>\$0</u>	<u>\$42,655</u>

Although the School District had qualifying disbursements during the fiscal year that reduced the textbooks and capital acquisition set-aside amounts below zero, these extra amounts will not be used to reduce the set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year. The general fund balance includes \$50,944 that has been designated for the amount of set-asides in excess of requirements.

Combining, Individual Fund and Account Group Statements and Schedules

General Fund

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

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$3,298,387	\$3,453,876	\$155,489
Intergovernmental	3,483,000	3,807,446	324,446
Interest	100,000	134,704	34,704
Tuition and Fees	219,394	60,033	(159,361)
Extracurricular Activities	1,000	425	(575)
Rentals	1,000	18,670	17,670
Miscellaneous	30,100	71,726	41,626
<i>Total Revenues</i>	<u>7,132,881</u>	<u>7,546,880</u>	<u>413,999</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	2,234,113	2,233,366	747
Fringe Benefits	634,467	634,705	(238)
Purchased Services	219,740	214,857	4,883
Materials and Supplies	154,731	147,156	7,575
Capital Outlay - New	134,085	130,069	4,016
Capital Outlay - Replacement	3,500	548	2,952
Total Regular	<u>3,380,636</u>	<u>3,360,701</u>	<u>19,935</u>
Special:			
Salaries and Wages	466,463	464,280	2,183
Fringe Benefits	154,400	151,057	3,343
Purchased Services	138,934	138,522	412
Materials and Supplies	9,927	7,537	2,390
Capital Outlay - New	1,854	1,852	2
Total Special	<u>771,578</u>	<u>763,248</u>	<u>8,330</u>
Vocational:			
Salaries and Wages	87,605	87,587	18
Fringe Benefits	27,000	26,120	880
Purchased Services	1,506	1,320	186
Materials and Supplies	16,450	4,761	11,689
Total Vocational	<u>132,561</u>	<u>119,788</u>	<u>12,773</u>
Total Instruction	<u>\$4,284,775</u>	<u>\$4,243,737</u>	<u>\$41,038</u>

(continued)

Tuslaw Local School District
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund (continued)
For the Fiscal Year Ended June 30, 2001

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Support Services:			
Pupils:			
Salaries and Wages	\$221,883	\$221,612	\$271
Fringe Benefits	62,180	61,503	677
Purchased Services	11,989	10,685	1,304
Materials and Supplies	2,500	1,213	1,287
Other	200	130	70
Total Pupils	<u>298,752</u>	<u>295,143</u>	<u>3,609</u>
Instructional Staff:			
Salaries and Wages	82,058	82,024	34
Fringe Benefits	39,482	31,450	8,032
Purchased Services	17,480	11,316	6,164
Materials and Supplies	17,522	14,499	3,023
Capital outlay - Replacement	1,800	1,795	5
Total Instructional Staff	<u>158,342</u>	<u>141,084</u>	<u>17,258</u>
Board of Education:			
Salaries and Wages	5,200	2,400	2,800
Fringe Benefits	1,000	65	935
Purchased Services	15,740	14,684	1,056
Materials and Supplies	1,600	1,527	73
Other	1,600	1,565	35
Total Board of Education	<u>25,140</u>	<u>20,241</u>	<u>4,899</u>
Administration:			
Salaries and Wages	519,375	514,287	5,088
Fringe Benefits	170,119	168,841	1,278
Purchased Services	26,309	24,737	1,572
Materials and Supplies	3,400	2,612	788
Capital Outlay - New	510	446	64
Capital Outlay - Replacement	2,385	1,476	909
Other	35,950	35,948	2
Total Administration	<u>758,048</u>	<u>748,347</u>	<u>9,701</u>
Fiscal:			
Salaries and Wages	104,095	103,611	484
Fringe Benefits	35,200	33,713	1,487
Purchased Services	9,176	5,752	3,424
Materials and Supplies	3,000	2,822	178
Capital Outlay - Replacement	3,285	3,161	124
Other	92,500	92,499	1
Total Fiscal	<u>\$247,256</u>	<u>\$241,558</u>	<u>\$5,698</u>

(continued)

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund (continued)
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation and Maintenance of Plant:			
Salaries and Wages	\$271,341	\$271,236	\$105
Fringe Benefits	83,300	82,990	310
Purchased Services	424,545	423,954	591
Materials and Supplies	94,885	93,966	919
Capital Outlay - Replacement	191,688	157,560	34,128
Total Operation & Maintenance of Plant	1,065,759	1,029,706	36,053
Pupil Transportation:			
Salaries and Wages	302,969	302,655	314
Fringe Benefits	114,000	108,147	5,853
Purchased Services	43,805	39,804	4,001
Materials and Supplies	107,149	106,085	1,064
Capital Outlay - New	4,476	2,548	1,928
Capital Outlay - Replacement	74,334	73,055	1,279
Other	200	183	17
Total Pupil Transportation	646,933	632,477	14,456
Central:			
Purchased Services	100	0	100
Total Central	100	0	100
Total Support Services	3,200,330	3,108,556	91,774
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	13,250	13,167	83
Fringe Benefits	2,550	2,261	289
Materials and Supplies	1,400	1,247	153
Total Operation of Non-Instructional Services	17,200	16,675	525
Extracurricular Activities:			
Academic Oriented Activities:			
Salaries and Wages	30,000	27,713	2,287
Fringe Benefits	7,700	7,326	374
Materials and Supplies	1,000	0	1,000
Total Academic Oriented Activities	38,700	35,039	3,661
Sport Oriented Activities:			
Salaries and Wages	109,300	105,024	4,276
Fringe Benefits	22,000	21,789	211
Purchased Services	1,000	800	200
Total Sport Oriented Activities	\$132,300	\$127,613	\$4,687

(continued)

Tuslaw Local School District

Schedule of Revenues, Expenditures and Changes in

Fund Balance - Budget and Actual (Budget Basis)

General Fund (continued)

For the Fiscal Year Ended June 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Total Extracurricular Activities	<u>\$171,000</u>	<u>\$162,652</u>	<u>\$8,348</u>
Capital Outlay:			
Building Acquisition & Construction Services:			
Materials and Supplies	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Total Building Acquisition & Construction	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Other Facilities Acquisition & Construction:			
Capital Outlay - New	<u>184,000</u>	<u>180,400</u>	<u>3,600</u>
Total Other Facilities Acquisition & Construction	<u>184,000</u>	<u>180,400</u>	<u>3,600</u>
Total Capital Outlay	<u>188,000</u>	<u>180,400</u>	<u>7,600</u>
<i>Total Expenditures</i>	<u>7,861,305</u>	<u>7,712,020</u>	<u>149,285</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(728,424)</u>	<u>(165,140)</u>	<u>563,284</u>
Other Financing Sources (Uses)			
Advances In	25,000	25,000	0
Other Financing Sources	100	0	(100)
Operating Transfers Out	(30,290)	(25,454)	4,836
Advances Out	<u>0</u>	<u>(4,000)</u>	<u>(4,000)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(5,190)</u>	<u>(4,454)</u>	<u>736</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<u>(733,614)</u>	<u>(169,594)</u>	<u>564,020</u>
<i>Fund Balance at Beginning of Year</i>	1,367,873	1,367,873	0
<i>Prior Year Encumbrances Appropriated</i>	<u>283,789</u>	<u>283,789</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$918,048</u></u>	<u><u>\$1,482,068</u></u>	<u><u>\$564,020</u></u>

Special Revenue Funds

Scholarship Fund - This fund accounts for donations made to provide scholarships to students of the School District.

Uniform School Supplies Fund - This fund accounts for the receipts and expenditures in conjunction with certain School District programs.

Public School Support Fund - This fund accounts for School District site sales revenues and expenditures for field trips, assemblies, and other activity costs.

Athletic and Music Fund - This fund accounts for gate receipts and other revenue from athletic events and costs of the School District's athletic program.

Teacher Development Fund - This fund accounts for State monies used to encourage and promote staff development.

Management Information Systems Fund - This fund accounts for State monies which support the development of hardware and software or other costs associated with the requirements of the Management Information System.

School Net Professional Development Fund - This fund accounts for State monies which support professional development cost dealing with technology for the certified staff.

Ohio Reads Fund - This fund accounts for State monies which supports the primary literacy reading program.

Summer School Fund - This fund accounts for State monies which supports summer intervention services programs.

Extended Learning Opportunity Fund - This fund accounts for State monies which support extended learning opportunities such as extended day, extended year or Saturday school.

Miscellaneous State Grants Fund - This fund accounts for State monies which support academic and enrichment programs for the student body.

Title VI-B Fund - This federal program assists schools in the identification of disabled children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provisions of full education opportunities to disabled children at the preschool, elementary and secondary levels.

Title I Fund - This fund accounts for federal monies used to assist the School District in meeting the special needs of educationally deprived children.

Title VI Fund - This fund accounts for federal monies which support the implementation of computer education programs, gifted and talented programs and staff development.

Drug Free Schools Fund - This fund accounts for federal monies which support the implementation of drug abuse education and prevention programs.

Disability Access Fund - The fund accounts for State monies used to make school buildings more accessible to people with disabilities.

Title VI-R Fund - The fund accounts for federal monies which support the hiring, recruiting and training of additional classroom teachers.

Miscellaneous Federal Grants Fund - This fund accounts for federal monies which support expenditures related to attaining the goals set forth in the School District's continuous improvement plan.

Tuslaw Local School District

Combining Balance Sheet

All Special Revenue Funds

June 30, 2001

	<u>Scholarship</u>	<u>Uniform School Supplies</u>	<u>Public School Support</u>	<u>Athletic and Music</u>	<u>Teacher Development</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$7,065	\$706	\$39,071	\$53,361	\$2,309
Intergovernmental Receivables	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$7,065</u>	<u>\$706</u>	<u>\$39,071</u>	<u>\$53,361</u>	<u>\$2,309</u>
Liabilities					
Accounts Payable	\$7,260	\$0	\$0	\$557	\$0
Accrued Wages and Benefits	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>7,260</u>	<u>0</u>	<u>0</u>	<u>557</u>	<u>0</u>
Fund Equity					
Fund Balance:					
Reserved for Encumbrances	0	0	368	9,330	2,200
Unreserved, Undesignated	<u>(195)</u>	<u>706</u>	<u>38,703</u>	<u>43,474</u>	<u>109</u>
<i>Total Fund Equity</i>	<u>(195)</u>	<u>706</u>	<u>39,071</u>	<u>52,804</u>	<u>2,309</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$7,065</u>	<u>\$706</u>	<u>\$39,071</u>	<u>\$53,361</u>	<u>\$2,309</u>

Management Information Systems	School Net Professional Development	Ohio Reads	Summer School	Extended Learning Opportunity	Miscellaneous State
\$1,447 0	\$5,391 0	\$18,071 0	\$9,414 0	\$5,538 0	\$13,481 0
<u>\$1,447</u>	<u>\$5,391</u>	<u>\$18,071</u>	<u>\$9,414</u>	<u>\$5,538</u>	<u>\$13,481</u>
\$0 0 0 0 0	\$0 0 0 0 0	\$9,003 0 0 0 0	\$0 0 0 0 0	\$792 0 0 0 0	\$524 0 0 0 0
<u>0</u>	<u>0</u>	<u>9,003</u>	<u>0</u>	<u>792</u>	<u>524</u>
0 1,447	2,347 3,044	11,803 (2,735)	0 9,414	376 4,370	2,009 10,948
<u>1,447</u>	<u>5,391</u>	<u>9,068</u>	<u>9,414</u>	<u>4,746</u>	<u>12,957</u>
<u>\$1,447</u>	<u>\$5,391</u>	<u>\$18,071</u>	<u>\$9,414</u>	<u>\$5,538</u>	<u>\$13,481</u>

(continued)

Tuslaw Local School District
Combining Balance Sheet
All Special Revenue Funds (continued)
June 30, 2001

	<u>Title VI-B</u>	<u>Title I</u>	<u>Disability Access</u>	<u>Title VI-R</u>	<u>Totals</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$3,687	\$28,272	\$514	\$0	\$188,327
Intergovernmental Receivables	<u>0</u>	<u>11,618</u>	<u>1,071</u>	<u>0</u>	<u>12,689</u>
<i>Total Assets</i>	<u><u>\$3,687</u></u>	<u><u>\$39,890</u></u>	<u><u>\$1,585</u></u>	<u><u>\$0</u></u>	<u><u>\$201,016</u></u>
Liabilities					
Accounts Payable	\$0	\$0	\$0	\$0	\$18,136
Accrued Wages and Benefits	0	26,695	0	607	27,302
Interfund Payable	0	0	4,000	0	4,000
Intergovernmental Payable	0	4,683	0	56	4,739
Deferred Revenue	<u>0</u>	<u>11,618</u>	<u>0</u>	<u>0</u>	<u>11,618</u>
<i>Total Liabilities</i>	<u>0</u>	<u>42,996</u>	<u>4,000</u>	<u>663</u>	<u>65,795</u>
Fund Equity					
Fund Balance:					
Reserved for Encumbrances	0	0	0	0	28,433
Unreserved, Undesignated	<u>3,687</u>	<u>(3,106)</u>	<u>(2,415)</u>	<u>(663)</u>	<u>106,788</u>
<i>Total Fund Equity</i>	<u>3,687</u>	<u>(3,106)</u>	<u>(2,415)</u>	<u>(663)</u>	<u>135,221</u>
<i>Total Liabilities and Fund Equity</i>	<u><u>\$3,687</u></u>	<u><u>\$39,890</u></u>	<u><u>\$1,585</u></u>	<u><u>\$0</u></u>	<u><u>\$201,016</u></u>

Tuslaw Local School District
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2001

	<u>Scholarship</u>	<u>Uniform School Supplies</u>	<u>Public School Support</u>	<u>Athletic and Music</u>
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Tuition and Fees	0	647	0	0
Extracurricular Activities	0	0	122,779	170,260
Contributions and Donations	8,160	0	1,513	8,225
Miscellaneous	0	0	0	2,340
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	8,160	647	124,292	180,825
Expenditures				
Current:				
Instruction:				
Regular	0	1,748	46,384	0
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	7,210	0	2,562	0
Instructional Staff	0	0	0	0
Administration	0	0	44,609	0
Operation and Maintenance of Plant	0	0	0	0
Extracurricular Activities	0	0	39,730	177,251
Capital Outlay	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total Expenditures</i>	7,210	1,748	133,285	177,251
<i>Excess of Revenues Over (Under)</i> <i>Expenditures</i>	950	(1,101)	(8,993)	3,574
Other Financing Sources				
Operating Transfers In	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total Other Financing Sources</i>	0	0	0	0
<i>Excess of Revenues and Other</i> <i>Financing Sources Over</i> <i>(Under) Expenditures</i>	950	(1,101)	(8,993)	3,574
<i>Fund Balances (Deficit) at</i> <i>Beginning of Year</i>	<hr/> (1,145)	<hr/> 1,807	<hr/> 48,064	<hr/> 49,230
<i>Fund Balances (Deficit) at End of Year</i>	<hr/> <hr/> (\$195)	<hr/> <hr/> \$706	<hr/> <hr/> \$39,071	<hr/> <hr/> \$52,804

(continued)

Tuslaw Local School District
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2001

	<u>Teacher Development</u>	<u>Management Information Systems</u>	<u>School Net Professional Development</u>	<u>Ohio Reads</u>
Revenues				
Intergovernmental	\$5,601	\$5,551	\$8,000	\$6,000
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>5,601</u>	<u>5,551</u>	<u>8,000</u>	<u>6,000</u>
Expenditures				
Current:				
Instruction:				
Regular	7,249	0	1,473	63,215
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	1,609	0	1,136	0
Administration	0	4,104	0	0
Operation and Maintenance of Plant	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>8,858</u>	<u>4,104</u>	<u>2,609</u>	<u>63,215</u>
<i>Excess of Revenues Over (Under)</i> <i>Expenditures</i>	(3,257)	1,447	5,391	(57,215)
Other Financing Sources				
Operating Transfers In	0	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other</i> <i>Financing Sources Over</i> <i>(Under) Expenditures</i>	(3,257)	1,447	5,391	(57,215)
<i>Fund Balances (Deficit) at</i> <i>Beginning of Year</i>	<u>5,566</u>	<u>0</u>	<u>0</u>	<u>66,283</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$2,309</u></u>	<u><u>\$1,447</u></u>	<u><u>\$5,391</u></u>	<u><u>\$9,068</u></u>

<u>Summer School</u>	<u>Extended Learning Opportunity</u>	<u>Miscellaneous State</u>	<u>Title VI-B</u>	<u>Title I</u>	<u>Title VI</u>
\$9,414	\$7,650	\$15,461	\$92,794	\$234,391	\$6,915
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>9,414</u>	<u>7,650</u>	<u>15,461</u>	<u>92,794</u>	<u>234,391</u>	<u>6,915</u>
0	2,904	20,341	0	0	0
0	0	0	89,107	165,900	6,915
0	0	0	0	0	0
0	0	1,446	0	0	0
0	0	0	0	67,007	0
0	0	0	0	0	0
0	0	0	0	6,223	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>2,904</u>	<u>21,787</u>	<u>89,107</u>	<u>239,130</u>	<u>6,915</u>
9,414	4,746	(6,326)	3,687	(4,739)	0
0	0	0	0	15,164	0
0	0	0	0	15,164	0
9,414	4,746	(6,326)	3,687	10,425	0
0	0	19,283	0	(13,531)	0
<u>\$9,414</u>	<u>\$4,746</u>	<u>\$12,957</u>	<u>\$3,687</u>	<u>(\$3,106)</u>	<u>\$0</u>

(continued)

Tuslaw Local School District
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2001

	Drug Free Schools	Disability Access	Title VI-R	Miscellaneous Federal Grants	Totals
Revenues					
Intergovernmental	\$5,794	\$10,710	\$29,391	\$12,000	\$449,672
Tuition and Fees	0	0	0	0	647
Extracurricular Activities	0	0	0	0	293,039
Contributions and Donations	0	0	0	0	17,898
Miscellaneous	0	0	0	0	2,340
<i>Total Revenues</i>	<u>5,794</u>	<u>10,710</u>	<u>29,391</u>	<u>12,000</u>	<u>763,596</u>
Expenditures					
Current:					
Instruction:					
Regular	323	0	29,365	18,662	191,664
Special	0	0	0	0	261,922
Adult/Continuing	0	0	0	0	0
Support Services:					
Pupils	6,162	0	0	0	17,380
Instructional Staff	0	0	0	0	69,752
Administration	0	0	0	1,160	49,873
Operation and Maintenance of Plant	0	0	0	0	6,223
Extracurricular Activities	0	0	0	0	216,981
Capital Outlay	0	23,415	0	0	23,415
<i>Total Expenditures</i>	<u>6,485</u>	<u>23,415</u>	<u>29,365</u>	<u>19,822</u>	<u>837,210</u>
<i>Excess of Revenues Over (Under)</i> <i>Expenditures</i>	(691)	(12,705)	26	(7,822)	(73,614)
Other Financing Sources					
Operating Transfers In	0	10,290	0	0	25,454
<i>Total Other Financing Sources</i>	<u>0</u>	<u>10,290</u>	<u>0</u>	<u>0</u>	<u>25,454</u>
<i>Excess of Revenues and Other</i> <i>Financing Sources Over</i> <i>(Under) Expenditures</i>	(691)	(2,415)	26	(7,822)	(48,160)
<i>Fund Balances (Deficit) at</i> <i>Beginning of Year</i>	<u>691</u>	<u>0</u>	<u>(689)</u>	<u>7,822</u>	<u>183,381</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$0</u>	<u>(\$2,415)</u>	<u>(\$663)</u>	<u>\$0</u>	<u>\$135,221</u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Scholarship Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Contributions and Donations	\$9,000	\$8,160	(\$840)
<i>Total Revenues</i>	<u>9,000</u>	<u>8,160</u>	<u>(840)</u>
Expenditures			
Current:			
Support Services:			
Pupils:			
Other	13,160	13,160	0
<i>Total Expenditures</i>	<u>13,160</u>	<u>13,160</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(4,160)	(5,000)	(840)
<i>Fund Balance at Beginning of Year</i>	(1,145)	(1,145)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,950</u>	<u>5,950</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$645</u></u>	<u><u>(\$195)</u></u>	<u><u>(\$840)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Tuition and Fees	\$4,000	\$647	(\$3,353)
<i>Total Revenues</i>	<u>4,000</u>	<u>647</u>	<u>(3,353)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	2,500	1,748	752
<i>Total Expenditures</i>	<u>2,500</u>	<u>1,748</u>	<u>752</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	1,500	(1,101)	(2,601)
<i>Fund Balance at Beginning of Year</i>	<u>1,807</u>	<u>1,807</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,307</u></u>	<u><u>\$706</u></u>	<u><u>(\$2,601)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Public School Support Fund
For the Fiscal Year Ended June 30, 2001

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Extracurricular Activities	\$121,400	\$122,779	\$1,379
Contributions and Donations	6,200	1,513	(4,687)
Miscellaneous	1,000	0	(1,000)
<i>Total Revenues</i>	<u>128,600</u>	<u>124,292</u>	<u>(4,308)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	19,500	16,879	2,621
Materials and Supplies	17,215	16,295	920
Capital Outlay - New	14,800	13,410	1,390
Total Instruction	<u>51,515</u>	<u>46,584</u>	<u>4,931</u>
Support Services:			
Pupils:			
Purchased Services	3,300	1,294	2,006
Materials and Supplies	0	53	(53)
Capital Outlay - New	2,000	1,216	784
Total Pupils	<u>5,300</u>	<u>2,563</u>	<u>2,737</u>
Administration:			
Purchased Services	43,300	35,586	7,714
Materials and Supplies	6,510	4,488	2,022
Capital Outlay - New	4,040	2,834	1,206
Other	3,112	1,869	1,243
Total Administration	<u>56,962</u>	<u>44,777</u>	<u>12,185</u>
Total Support Services	<u>62,262</u>	<u>47,340</u>	<u>14,922</u>
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	39,239	39,532	(293)
Materials and Supplies	1,200	198	1,002
Total Extracurricular Activities	<u>\$40,439</u>	<u>\$39,730</u>	<u>\$709</u>

(continued)

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Public School Support Fund (continued))
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Total Expenditures	<u>\$154,216</u>	<u>\$133,654</u>	<u>\$20,562</u>
<i>Excess of Revenues Under Expenditures</i>	(25,616)	(9,362)	16,254
<i>Fund Balance at Beginning of Year</i>	42,138	42,138	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,926</u>	<u>5,926</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$22,448</u></u>	<u><u>\$38,702</u></u>	<u><u>\$16,254</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Athletic and Music Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Extracurricular Activities	\$124,600	\$170,260	\$45,660
Contributions and Donations	17,000	8,225	(8,775)
Miscellaneous	1,000	2,340	1,340
<i>Total Revenues</i>	142,600	180,825	38,225
Expenditures			
Current:			
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	1,600	1,195	405
Materials and Supplies	43,165	43,338	(173)
Total Academic Oriented Activities	44,765	44,533	232
Sport Oriented Activities:			
Salaries	2,760	2,177	583
Fringe Benefits	550	468	82
Purchased Services	45,945	53,719	(7,774)
Materials and Supplies	79,073	74,561	4,512
Capital Outlay - New	1,300	1,293	7
Capital Outlay - Replacement	0	0	0
Other	9,493	9,857	(364)
Total Sport Oriented Activities	139,121	142,075	(2,954)
<i>Total Expenditures</i>	183,886	186,608	(2,722)
<i>Excess of Revenues Under Expenditures</i>	(41,286)	(5,783)	35,503
<i>Fund Balance at Beginning of Year</i>	48,236	48,236	0
<i>Prior Year Encumbrances Appropriated</i>	1,075	1,075	0
<i>Fund Balance at End of Year</i>	\$8,025	\$43,528	\$35,503

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Teacher Development Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$6,000	\$5,601	(\$399)
<i>Total Revenues</i>	<u>6,000</u>	<u>5,601</u>	<u>(399)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	165	165	0
Purchased Services	6,741	6,683	58
Capital Outlay - New	401	401	0
Total Instruction	<u>7,307</u>	<u>7,249</u>	<u>58</u>
Support Services:			
Instructional Staff:			
Salaries	1,700	1,600	100
Fringe Benefits	0	9	(9)
Purchased Services	2,160	2,200	(40)
Total Support Services	<u>3,860</u>	<u>3,809</u>	<u>51</u>
<i>Total Expenditures</i>	<u>11,167</u>	<u>11,058</u>	<u>109</u>
<i>Excess of Revenues Under Expenditures</i>	(5,167)	(5,457)	(290)
<i>Fund Balance at Beginning of Year</i>	<u>5,566</u>	<u>5,566</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$399</u></u>	<u><u>\$109</u></u>	<u><u>(\$290)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Management Information Systems Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$6,000	\$5,551	(\$449)
<i>Total Revenues</i>	<u>6,000</u>	<u>5,551</u>	<u>(449)</u>
Expenditures			
Current:			
Support Services:			
Administration:			
Capital Outlay - Replacement	6,250	5,354	896
<i>Total Expenditures</i>	<u>6,250</u>	<u>5,354</u>	<u>896</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(250)	197	447
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,250</u>	<u>1,250</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,000</u></u>	<u><u>\$1,447</u></u>	<u><u>\$447</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
School Net Professional Development Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$8,000	\$8,000	\$0
<i>Total Revenues</i>	8,000	8,000	0
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	2,000	3,755	(1,755)
Total Instruction	2,000	3,755	(1,755)
Support Services:			
Instructional Staff:			
Purchased Services	4,000	1,201	2,799
Total Support Services	4,000	1,201	2,799
<i>Total Expenditures</i>	6,000	4,956	1,044
<i>Excess of Revenues Over Expenditures</i>	2,000	3,044	1,044
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$2,000	\$3,044	\$1,044

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Ohio Reads Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$84,000	\$84,000	\$0
<i>Total Revenues</i>	<u>84,000</u>	<u>84,000</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	17,833	8,490	9,343
Fringe Benefits	1,150	1,180	(30)
Purchased Services	1,600	1,247	353
Materials and Supplies	58,163	70,564	(12,401)
<i>Total Expenditures</i>	<u>78,746</u>	<u>81,481</u>	<u>(2,735)</u>
<i>Excess of Revenues Over Expenditures</i>	<u>5,254</u>	<u>2,519</u>	<u>(2,735)</u>
Other Financing Uses			
Advances Out	(25,000)	(25,000)	0
<i>Total Other Financing Uses</i>	<u>(25,000)</u>	<u>(25,000)</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures and Other Financing Uses</i>	(19,746)	(22,481)	(2,735)
<i>Fund Balance at Beginning of Year</i>	5,969	5,969	0
<i>Prior Year Encumbrances Appropriated</i>	<u>13,777</u>	<u>13,777</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$2,735)</u></u>	<u><u>(\$2,735)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Summer School Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$0	\$9,414	\$9,414
<i>Total Revenues</i>	<u>0</u>	<u>9,414</u>	<u>9,414</u>
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	9,414	9,414
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$9,414</u></u>	<u><u>\$9,414</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Extended Learning Opportunity Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$7,650	\$7,650	\$0
<i>Total Revenues</i>	<u>7,650</u>	<u>7,650</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	7,000	1,680	5,320
Fringe Benefits	350	231	119
Materials and Supplies	300	1,368	(1,068)
<i>Total Expenditures</i>	<u>7,650</u>	<u>3,279</u>	<u>4,371</u>
<i>Excess of Revenues Over Expenditures</i>	0	4,371	4,371
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$4,371</u></u>	<u><u>\$4,371</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$12,000	\$15,460	\$3,460
<i>Total Revenues</i>	<u>12,000</u>	<u>15,460</u>	<u>3,460</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Fringe Benefits	550	0	550
Purchased Services	1,000	990	10
Materials and Supplies	23,072	17,421	5,651
Capital Outlay - New	4,000	3,938	62
Total Instruction	<u>28,622</u>	<u>22,349</u>	<u>6,273</u>
Support Services:			
Pupils:			
Purchased Services	1,446	1,446	0
Total Support Services	<u>1,446</u>	<u>1,446</u>	<u>0</u>
<i>Total Expenditures</i>	<u>30,068</u>	<u>23,795</u>	<u>6,273</u>
<i>Excess of Revenues Under Expenditures</i>	(18,068)	(8,335)	9,733
<i>Fund Balance at Beginning of Year</i>	19,245	19,245	0
<i>Prior Year Encumbrances Appropriated</i>	<u>38</u>	<u>38</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,215</u></u>	<u><u>\$10,948</u></u>	<u><u>\$9,733</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title VI-B Fund
For the Fiscal Year Ended June 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	<u>\$92,794</u>	<u>\$92,794</u>	<u>\$0</u>
<i>Total Revenues</i>	<u>92,794</u>	<u>92,794</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Special:			
Purchased Services	<u>92,794</u>	<u>89,107</u>	<u>3,687</u>
<i>Total Expenditures</i>	<u>92,794</u>	<u>89,107</u>	<u>3,687</u>
<i>Excess of Revenues Over Expenditures</i>	0	3,687	3,687
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$3,687</u></u>	<u><u>\$3,687</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Title I Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$292,438	\$245,855	(\$46,583)
<i>Total Revenues</i>	<u>292,438</u>	<u>245,855</u>	<u>(46,583)</u>
Expenditures			
Current:			
Instruction:			
Special:			
Salaries and Wages	153,847	131,179	22,668
Fringe Benefits	54,375	36,743	17,632
Purchased Services	1,350	384	966
Materials and Supplies	2,965	1,573	1,392
Total Instruction	<u>212,537</u>	<u>169,879</u>	<u>42,658</u>
Support Services:			
Instructional Staff:			
Salaries and Wages	47,133	42,788	4,345
Fringe Benefits	22,268	24,688	(2,420)
Purchased Services	900	26	874
Materials and Supplies	1,579	1,274	305
Total Instructional Staff	<u>71,880</u>	<u>68,776</u>	<u>3,104</u>
Operation and Maintenance of Plant:			
Purchased Services	352	6,222	(5,870)
Total Operation and Maintenance of Plant	<u>352</u>	<u>6,222</u>	<u>(5,870)</u>
Total Support Services	<u>72,232</u>	<u>74,998</u>	<u>(2,766)</u>
<i>Total Expenditures</i>	<u>284,769</u>	<u>244,877</u>	<u>39,892</u>
<i>Excess of Revenues Over Expenditures</i>	7,669	978	(6,691)
Other Financing Sources			
Operating Transfers In	0	15,164	15,164
<i>Total Other Financing Sources</i>	<u>0</u>	<u>15,164</u>	<u>15,164</u>
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	7,669	16,142	8,473
<i>Fund Balance at Beginning of Year</i>	12,129	12,129	0
<i>Prior Year Encumbrances Appropriated</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$19,798</u>	<u>\$28,271</u>	<u>\$8,473</u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Title VI Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$6,915	\$6,915	\$0
<i>Total Revenues</i>	<u>6,915</u>	<u>6,915</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Special:			
Salaries and Wages	6,915	6,915	0
<i>Total Expenditures</i>	<u>6,915</u>	<u>6,915</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Drug Free Schools Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$5,794	\$5,794	\$0
<i>Total Revenues</i>	<u>5,794</u>	<u>5,794</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	494	323	171
Total Instruction	<u>494</u>	<u>323</u>	<u>171</u>
Support Services:			
Pupils:			
Purchased Services	5,991	6,162	(171)
Total Support Services	<u>5,991</u>	<u>6,162</u>	<u>(171)</u>
<i>Total Expenditures</i>	<u>6,485</u>	<u>6,485</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(691)	(691)	0
<i>Fund Balance at Beginning of Year</i>	<u>691</u>	<u>691</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Disability Access Fund
For the Fiscal Year Ended June 30, 2001

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$16,625	\$9,639	(\$6,986)
<i>Total Revenues</i>	<u>16,625</u>	<u>9,639</u>	<u>(6,986)</u>
Expenditures			
Current:			
Capital Outlay:			
Site Improvement Services:			
Capital Outlay - Replacement	23,415	23,415	0
<i>Total Expenditures</i>	<u>23,415</u>	<u>23,415</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(6,790)</u>	<u>(13,776)</u>	<u>(6,986)</u>
Other Financing Sources			
Operating Transfers In	10,291	10,290	(1)
Advances In	4,000	4,000	0
<i>Total Other Financing Sources</i>	<u>14,291</u>	<u>14,290</u>	<u>(1)</u>
<i>Excess of Revenues Over Expenditures</i>	7,501	514	(6,987)
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$7,501</u></u>	<u><u>\$514</u></u>	<u><u>(\$6,987)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Title VI-R Fund
For the Fiscal Year Ended June 30, 2001*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	<u>\$31,000</u>	<u>\$29,391</u>	<u>(\$1,609)</u>
<i>Total Revenues</i>	<u>31,000</u>	<u>29,391</u>	<u>(1,609)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	24,251	24,251	0
Fringe Benefits	<u>8,654</u>	<u>8,654</u>	<u>0</u>
<i>Total Expenditures</i>	<u>32,905</u>	<u>32,905</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(1,905)	(3,514)	(1,609)
<i>Fund Balance at Beginning of Year</i>	<u>3,514</u>	<u>3,514</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,609</u></u>	<u><u>\$0</u></u>	<u><u>(\$1,609)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$25,000	\$12,000	(\$13,000)
<i>Total Revenues</i>	<u>25,000</u>	<u>12,000</u>	<u>(13,000)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	4,779	4,779	0
Fringe Benefits	782	782	0
Purchased Services	3,753	3,753	0
Materials and Supplies	9,348	9,348	0
Total Instruction	<u>18,662</u>	<u>18,662</u>	<u>0</u>
Support Services:			
Administration:			
Salaries and Wages	1,000	1,000	0
Fringe Benefits	160	160	0
Total Support Services	<u>1,160</u>	<u>1,160</u>	<u>0</u>
<i>Total Expenditures</i>	<u>19,822</u>	<u>19,822</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	5,178	(7,822)	(13,000)
<i>Fund Balance at Beginning of Year</i>	5,138	5,138	0
<i>Prior Year Encumbrances Appropriated</i>	<u>2,684</u>	<u>2,684</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$13,000</u></u>	<u><u>\$0</u></u>	<u><u>(\$13,000)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2001

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$594,216	\$538,065	(\$56,151)
Tuition and Fees	4,000	647	(3,353)
Extracurricular Activities	246,000	293,039	47,039
Gifts and Donations	32,200	17,898	(14,302)
Miscellaneous	2,000	2,340	340
<i>Total Revenues</i>	<u>878,416</u>	<u>851,989</u>	<u>(26,427)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	54,028	39,365	14,663
Fringe Benefits	11,486	10,767	719
Purchased Services	34,594	33,389	1,205
Materials and Supplies	111,093	117,067	(5,974)
Capital Outlay - New	19,201	17,749	1,452
<i>Total Regular Instruction</i>	<u>230,402</u>	<u>218,337</u>	<u>12,065</u>
Special:			
Salaries and Wages	160,762	138,094	22,668
Fringe Benefits	54,374	36,743	17,631
Purchased Services	94,144	89,491	4,653
Materials and Supplies	2,965	1,573	1,392
Capital Outlay - New	0	0	0
<i>Total Special Instruction</i>	<u>312,245</u>	<u>265,901</u>	<u>46,344</u>
<i>Total Instruction</i>	<u>542,647</u>	<u>484,238</u>	<u>58,409</u>
Support Services:			
Pupils:			
Salaries and Wages	0	0	0
Fringe Benefits	0	0	0
Purchased Services	\$10,737	\$8,901	\$1,836
Materials and Supplies	0	53	(53)
Capital Outlay - New	2,000	1,216	784
Other	13,160	13,160	0
<i>Total Pupils</i>	<u>\$25,897</u>	<u>\$23,330</u>	<u>\$2,567</u>

(continued)

*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
All Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2000*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Instructional Staff:			
Salaries and Wages	\$48,834	\$44,388	\$4,446
Fringe Benefits	22,267	24,696	(2,429)
Purchased Services	7,060	3,426	3,634
Materials and Supplies	1,579	1,275	304
Total Instructional Staff	79,740	73,785	5,955
Administration:			
Salaries and Wages	1,000	1,000	0
Fringe Benefits	160	160	0
Purchased Services	43,300	35,586	7,714
Materials and Supplies	6,510	4,488	2,022
Capital Outlay - New	4,040	2,834	1,206
Capital Outlay - Replacement	6,250	5,354	896
Other	3,112	1,869	1,243
Total Administration	64,372	51,291	13,081
Operation and Maintenance of Plant:			
Purchased Services	352	6,223	(5,871)
Total Operation and Maintenance of Plant	352	6,223	(5,871)
Total Support Services	170,361	154,629	15,732
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	40,839	40,727	112
Materials and Supplies	44,365	43,536	829
Total Academic Oriented Activities	85,204	84,263	941
Sport Oriented Activities:			
Salaries	2,760	2,177	583
Fringe Benefits	550	468	82
Purchased Services	45,946	53,719	(7,773)
Materials and Supplies	79,072	74,561	4,511
Capital Outlay - New	1,300	1,293	7
Capital Outlay - Replacement	0	0	0
Other	9,493	9,857	(364)
Total Sport Oriented Activities	139,121	142,075	(2,954)
Total Extracurricular Activities	\$224,325	\$226,338	(\$2,013)

(continued)

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
All Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Capital Outlay:			
Site Improvement Services:			
Capital Outlay - Replacement	\$23,415	\$23,415	\$0
Total Capital Outlay	23,415	23,415	0
<i>Total Expenditures</i>	960,748	888,620	72,128
<i>Excess of Revenues Under Expenditures</i>	(82,332)	(36,631)	45,701
Other Financing Sources (Uses)			
Advances In	4,000	4,000	0
Operating Transfers In	10,291	25,454	15,163
Advances Out	(25,000)	(25,000)	0
<i>Total Other Financing Sources (Uses)</i>	(10,709)	4,454	15,163
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	(93,041)	(32,177)	60,864
<i>Fund Balances at Beginning of Year</i>	143,288	143,288	0
<i>Prior Year Encumbrances Appropriated</i>	30,702	30,702	0
<i>Fund Balances at End of Year</i>	\$80,949	\$141,813	\$60,864

Capital Projects Funds

Capital Improvements Fund - This fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by enterprise funds).

School Net Fund - This fund accounts for State grant monies used to purchase computer hardware and software.

Tuslaw Local School District

Combining Balance Sheet

All Capital Projects Funds

June 30, 2001

	<u>Capital Improvements</u>	<u>School Net</u>	<u>Totals</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$250	\$4,214	\$4,464
Intergovernmental Receivable	<u>0</u>	<u>11,500</u>	<u>11,500</u>
<i>Total Assets</i>	<u>\$250</u>	<u>\$15,714</u>	<u>\$15,964</u>
Fund Equity			
<i>Fund Balance:</i>			
Reserved for Encumbrances	\$0	\$16,483	\$16,483
Unreserved, Undesignated	<u>250</u>	<u>(769)</u>	<u>(519)</u>
<i>Total Fund Equity</i>	<u>250</u>	<u>15,714</u>	<u>15,964</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$250</u>	<u>\$15,714</u>	<u>\$15,964</u>

Tuslaw Local School District
*Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
All Capital Projects Funds
For the Fiscal Year Ended June 30, 2001*

	<u>Capital Improvements</u>	<u>School Net</u>	<u>Totals</u>
Revenues			
Intergovernmental	<u>\$0</u>	<u>\$16,500</u>	<u>\$16,500</u>
<i>Total Revenues</i>	<u>0</u>	<u>16,500</u>	<u>16,500</u>
Expenditures			
Current:			
Instruction:			
Regular	<u>0</u>	<u>46,437</u>	<u>46,437</u>
<i>Total Expenditures</i>	<u>0</u>	<u>46,437</u>	<u>46,437</u>
<i>Excess of Revenues Under Expenditures</i>	0	(29,937)	(29,937)
<i>Fund Balances at Beginning of Year</i>	<u>250</u>	<u>45,651</u>	<u>45,901</u>
<i>Fund Balances at End of Year</i>	<u><u>\$250</u></u>	<u><u>\$15,714</u></u>	<u><u>\$15,964</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Capital Improvements Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<i>Total Revenues</i>	\$0	\$0	\$0
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	250	250	0
<i>Fund Balance at End of Year</i>	\$250	\$250	\$0

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
School Net Fund
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$19,000	\$5,000	(\$14,000)
<i>Total Revenues</i>	<u>19,000</u>	<u>5,000</u>	<u>(14,000)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Capital Outlay - New	66,192	65,960	232
<i>Total Expenditures</i>	<u>66,192</u>	<u>65,960</u>	<u>232</u>
<i>Excess of Revenues Under Expenditures</i>	(47,192)	(60,960)	(13,768)
<i>Fund Balance at Beginning of Year</i>	11,932	11,932	0
<i>Prior Year Encumbrances Appropriated</i>	<u>36,760</u>	<u>36,760</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,500</u></u>	<u><u>(\$12,268)</u></u>	<u><u>(\$13,768)</u></u>

Tuslaw Local School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
All Capital Projects Funds
For the Fiscal Year Ended June 30, 2001*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$19,000	\$5,000	(\$14,000)
<i>Total Revenues</i>	<u>19,000</u>	<u>5,000</u>	<u>(14,000)</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Capital Outlay - New	66,192	65,960	232
<i>Total Expenditures</i>	<u>66,192</u>	<u>65,960</u>	<u>232</u>
<i>Excess of Revenues Under Expenditures</i>	(47,192)	(60,960)	(13,768)
<i>Fund Balances at Beginning of Year</i>	12,182	12,182	0
<i>Prior Year Encumbrances Appropriated</i>	<u>36,760</u>	<u>36,760</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u><u>\$1,750</u></u>	<u><u>(\$12,018)</u></u>	<u><u>(\$13,768)</u></u>

Agency Funds

Student Activities Fund - This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

Stadium Renovation Fund - This funds reflects resources generated by citizens to be spent on the renovation of the stadium. Control of the receipts and expenditures is under the control of the citizens organization.

Tuslaw Local School District
Statement of Changes in Assets and Liabilities
All Agency Funds
For the Fiscal Year Ended June 30, 2001

	Beginning Balance <u>June 30, 2000</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2001</u>
Student Activities				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$29,982	\$50,261	\$45,566	\$34,677
<i>Total Assets</i>	<u>\$29,982</u>	<u>\$50,261</u>	<u>\$45,566</u>	<u>\$34,677</u>
Liabilities				
Due to Students	\$29,982	\$50,261	\$45,566	\$34,677
<i>Total Liabilities</i>	<u>\$29,982</u>	<u>\$50,261</u>	<u>\$45,566</u>	<u>\$34,677</u>
Stadium Renovation				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$3,956	\$22,135	\$567	\$25,524
<i>Total Assets</i>	<u>\$3,956</u>	<u>\$22,135</u>	<u>\$567</u>	<u>\$25,524</u>
Liabilities				
Undistributed Monies	\$3,956	\$22,135	\$567	\$25,524
<i>Total Liabilities</i>	<u>\$3,956</u>	<u>\$22,135</u>	<u>\$567</u>	<u>\$25,524</u>
Total - All Agency				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$33,938	\$72,396	\$46,133	\$60,201
<i>Total Assets</i>	<u>\$33,938</u>	<u>\$72,396</u>	<u>\$46,133</u>	<u>\$60,201</u>
Liabilities				
Due to Students	\$29,982	\$50,261	\$45,566	\$34,677
Undistributed Monies	3,956	22,135	567	25,524
<i>Total Liabilities</i>	<u>\$33,938</u>	<u>\$72,396</u>	<u>\$46,133</u>	<u>\$60,201</u>

General Fixed Assets Account Group

The general fixed assets account group is used to account for all land, building, and improvements, vehicles and furniture, fixtures, and equipment not used in the operations of the proprietary funds.

Tuslaw Local School District
Schedule of Changes in General Fixed Assets
By Function
For the Fiscal Year Ended June 30, 2001

<u>Function</u>	<u>General Fixed Assets June 30, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>General Fixed Assets June 30, 2001</u>
<i>Instruction:</i>				
Regular	\$756,632	\$133,767	\$23,248	\$867,151
Special	39,151	0	1,168	37,983
Vocational	34,080	0	0	34,080
<i>Support Services:</i>				
Pupils	27,065	524	0	27,589
Instructional Staff	62,540	1,650	6,091	58,099
Administration	137,999	14,226	7,324	144,901
Fiscal	12,012	2,485	0	14,497
Operation and Maintenance of Plant	3,408,815	90,142	0	3,498,957
Pupil Transportation	907,255	55,636	40,000	922,891
<i>Operation of Non-Instructional Services</i>				
	10,577	0	0	10,577
<i>Extracurricular Activities</i>				
	66,506	4,453	0	70,959
<i>Capital Outlay</i>				
	15,247	53,400	6,676	61,971
<i>Total General Fixed Assets</i>				
	<u>\$5,477,879</u>	<u>\$356,283</u>	<u>\$84,507</u>	<u>\$5,749,655</u>

Tuslaw Local School District
Schedule of General Fixed Assets
By Function and Type
June 30, 2001

<u>Function</u>	<u>Total</u>	<u>Land, Buildings, and Improvements</u>	<u>Vehicles</u>	<u>Furniture, Fixtures, and Equipment</u>
<i>Instruction:</i>				
Regular	\$867,151	\$35,567	\$0	\$831,584
Special	37,983	10,764	0	27,219
Vocational	34,080	0	0	34,080
<i>Support Services:</i>				
Pupils	27,589	6,160	0	21,429
Instructional Staff	58,099	0	0	58,099
Administration	144,901	0	0	144,901
Fiscal	14,497	0	0	14,497
Operation and Maintenance of Plant	3,498,957	3,308,868	26,369	163,720
Pupil Transportation	922,891	0	912,729	10,162
<i>Operation of Non-Instructional Services</i>	10,577	0	0	10,577
<i>Extracurricular Activities</i>	70,959	0	0	70,959
<i>Capital Outlay</i>	<u>61,971</u>	<u>53,400</u>	<u>0</u>	<u>8,571</u>
<i>Total General Fixed Assets</i>	<u><u>\$5,749,655</u></u>	<u><u>\$3,414,759</u></u>	<u><u>\$939,098</u></u>	<u><u>\$1,395,798</u></u>

Tuslaw Local School District
Schedule of General Fixed Assets
By Source
June 30, 2001

General Fixed Assets

Land, Buildings, and Improvements	\$3,414,759
Vehicles	939,098
Furniture, Fixtures, and Equipment	<u>1,395,798</u>
<i>Total General Fixed Assets</i>	<u><u>\$5,749,655</u></u>

Investment in General Fixed Assets From:

General Fund	\$5,279,232
Special Revenue Funds	185,747
Capital Projects Funds	<u>284,676</u>
<i>Total Investment in General Fixed Assets</i>	<u><u>\$5,749,655</u></u>

STATISTICAL SECTION

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Tuslaw Local School District

General Fund

Expenditures by Function

Last Ten Fiscal Years

	<u>2001(1)</u>	<u>2000(1)</u>	<u>1999(1)</u>	<u>1998(1)</u>	<u>1997(1)</u>	<u>1996(1)</u>	<u>1995(1)</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Current:										
Instruction:										
Regular	\$3,403,756	\$3,110,564	\$2,803,409	\$2,845,636	\$2,856,078	\$2,787,868	\$2,691,874	\$2,365,631	\$2,266,037	\$2,473,899
Special	768,811	683,754	652,792	575,143	481,709	530,326	510,628	448,742	429,850	469,280
Vocational	121,635	118,849	97,608	113,988	103,022	89,705	99,154	87,137	83,468	91,125
Support Services:										
Pupils	297,556	285,605	271,583	251,676	241,692	233,558	283,514	249,153	238,664	260,556
Instructional Staff	142,429	127,314	121,487	114,555	113,680	115,856	108,609	95,446	91,428	99,814
Board of Education	13,637	19,815	13,029	9,497	22,034	16,114	19,943	17,526	16,788	18,328
Administration	751,263	734,681	727,993	679,707	717,603	656,197	650,182	571,383	547,327	597,534
Fiscal	223,343	226,990	208,330	193,507	199,317	182,114	172,081	151,226	144,859	158,147
Operation and										
Maintenance of Plant	967,310	857,851	765,300	732,436	709,271	627,412	815,209	716,409	686,248	749,197
Pupil Transportation	606,266	533,631	558,948	493,774	544,519	424,534	447,289	393,080	376,531	411,070
Non-Instructional Services	16,652	14,263	12,189	14,381	12,491	10,903	27,260	23,956	22,947	25,053
Extracurricular Activities	160,849	168,069	141,864	133,694	123,132	118,273	112,187	98,591	94,440	103,103
Capital Outlay	115,400	6,000	0	0	0	0	0	0	0	0
Debt Service	13,295	6,000	1,500	0	0	0	0	0	0	0
Total	<u>\$7,602,202</u>	<u>\$6,893,386</u>	<u>\$6,376,032</u>	<u>\$6,157,994</u>	<u>\$6,124,548</u>	<u>\$5,792,860</u>	<u>\$5,937,930</u>	<u>\$5,218,280</u>	<u>\$4,998,587</u>	<u>\$5,457,106</u>

Source: School Districts Financial Records

(1) 1995 through 2001 Reported on GAAP Basis; All others on Cash Basis.

Tuslaw Local School District
General Fund
Revenues by Sources
Last Ten Fiscal Years

	<u>2001(1)</u>	<u>2000(1)</u>	<u>1999(1)</u>	<u>1998(1)</u>	<u>1997(1)</u>	<u>1996(1)</u>	<u>1995(1)</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Taxes	\$3,410,645	\$3,556,563	\$3,038,375	\$3,199,846	\$2,990,339	\$3,077,617	\$2,991,387	\$2,640,601	\$2,305,958	\$2,273,075
Intergovernmental	3,807,446	3,653,165	3,303,382	3,225,055	2,815,997	2,814,495	2,720,375	2,775,871	2,567,676	2,601,158
Interest	134,705	101,564	75,211	67,179	62,105	63,425	49,657	25,316	29,744	30,280
Tuition and Fees	60,034	88,794	51,771	68,239	26,249	26,449	59,898	0	0	0
Extracurricular Activities	425	930	812	0	0	0	0	0	0	0
Rentals	18,670	737	506	596	0	0	0	0	0	0
Miscellaneous	<u>71,726</u>	<u>31,041</u>	<u>17,599</u>	<u>66,513</u>	<u>25,745</u>	<u>53,595</u>	<u>18,511</u>	<u>79,401</u>	<u>29,148</u>	<u>578,560</u>
Total	<u>\$7,503,651</u>	<u>\$7,432,794</u>	<u>\$6,487,656</u>	<u>\$6,627,428</u>	<u>\$5,920,435</u>	<u>\$6,035,581</u>	<u>\$5,839,828</u>	<u>\$5,521,189</u>	<u>\$4,932,526</u>	<u>\$5,483,073</u>

Source: School Districts Financial Records

(1) 1995 through 2001 Reported on GAAP Basis, All others on Cash Basis.

Tuslaw Local School District
Property Tax Levies and Collections
Last Ten Calendar Years

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Percent of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes(2)</u>	<u>Percent of Outstanding Delinquent Taxes to Total Tax Levy</u>
2000	\$4,356,496	\$3,558,662	81.69%	\$374,398	3,933,060	90.28%	\$423,436	9.72%
1999	3,931,193	3,465,948	88.17%	77,204	3,543,152	90.13%	387,041	9.85%
1998	3,656,568	3,156,216	86.32%	110,062	3,266,278	89.33%	\$390,290	10.67%
1997	3,768,821	3,239,961	85.97%	123,893	3,363,854	89.25%	\$404,967	10.75%
1996	3,551,221	3,133,363	88.23%	97,908	3,231,271	90.99%	\$319,950	9.01%
1995	3,462,406	3,114,028	89.94%	84,320	3,198,348	92.37%	\$264,058	7.63%
1994	3,322,170	3,046,793	91.71%	74,377	3,121,170	93.95%	\$201,000	6.05%
1993	2,655,236	2,406,041	90.61%	58,942	2,464,983	92.83%	\$190,253	7.17%
1992	2,625,958	2,383,231	90.76%	66,657	2,449,888	93.30%	\$176,070	6.70%
1991	2,570,021	2,336,733	90.92%	52,706	2,389,439	92.97%	\$180,582	7.03%

Source: Stark County Auditor- Data is presented on a calendar year basis that is the manner in which the information is maintained

(1) Represents collection year. 2001 information cannot be presented because all collections have not been made by June 30.

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

Tuslaw Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

Year	Real Property		Public Utility Property		Tangible Personal Property		Total		Ratio
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	
2001	\$98,264,700	\$280,756,286	\$12,974,120	\$14,743,318	\$7,637,159	\$30,548,636	\$118,875,979	\$326,048,240	36
2000	94,627,970	270,365,629	12,700,000	14,431,818	7,322,375	29,289,500	114,650,345	314,086,947	37
1999	91,357,260	261,020,743	12,713,600	14,447,273	3,691,897	14,767,588	107,762,757	290,235,604	37
1998	75,489,910	215,685,457	12,579,490	14,294,875	7,097,492	28,389,968	95,166,892	258,370,300	37
1997	73,025,870	208,645,343	13,239,980	15,045,432	5,321,331	21,285,324	91,587,181	244,976,099	37
1996	70,957,800	202,736,571	15,110,570	17,171,102	5,339,021	21,356,084	91,407,391	241,263,758	38
1995	59,321,030	169,488,657	14,166,490	16,098,284	4,923,447	19,693,788	78,410,967	205,280,729	38
1994	57,556,820	164,448,057	13,079,120	14,862,636	5,344,255	21,377,020	75,980,195	200,687,714	38
1993	57,136,890	163,248,257	12,727,260	14,462,795	5,442,339	20,932,073	75,306,489	198,643,126	38
1992	51,691,070	147,688,771	12,871,760	14,627,000	4,956,329	18,356,774	69,519,159	180,672,546	38

Source: Stark County Auditor- Data is presented on a calendar year basis that is the manner in which the information is maintained

(1) Assessed estimated true value is calculated by dividing the assessed value by the assessment percentage.

The percentages used in the calculation are as follows:

Real Property - 35 percent

Public Utility Tangible - 88 percent

Tangible Personal Property - 25 percent of actual value for 1995 through 2001

Tuslaw Local School District

Property Tax Rates - Direct and Overlapping Governments

(per \$1,000 Assessed Valuation)

Last Ten Calendar Years

<u>Year</u>	<u>Tuslaw School Levy</u>	<u>Stark County Levy</u>	<u>Lawrence Township Levy</u>	<u>Tuscarawas Township Levy</u>	<u>Massillon City Levy</u>	<u>JVS Levy</u>	<u>MRDD Levy</u>
2001	53.90	10.10	12.80	4.70	3.20	3.20	0.75
2000	53.90	10.10	12.80	4.70	3.20	3.20	0.75
1999	53.90	10.10	13.30	4.70	3.20	3.20	0.75
1998	53.90	10.10	13.30	4.70	3.20	3.50	0.75
1997	53.90	9.80	13.30	4.70	3.20	3.50	0.75
1996	53.90	10.30	13.30	4.70	3.20	2.00	0.75
1995	53.90	8.40	13.30	5.45	3.20	2.00	0.30
1994	53.90	9.40	13.30	4.45	3.20	3.20	0.30
1993	46.40	9.40	13.30	4.45	3.20	3.20	0.30
1992	46.40	9.40	13.30	4.45	3.20	3.20	0.30

Source: Stark County Auditor- Data is presented on a calendar year basis that is the manner in which the information is maintained

Tuslaw Local School District

Computation of Legal Debt Margin

June 30, 2001

Assessed Valuation (2001)		<u><u>\$138,724,599</u></u>
Overall Debt Limit - 9% of Assessed Valuation (1)		\$12,485,214
Amount of Debt Applicable to Debt Limit:		
Energy Conservation Note	<u>46,274</u>	
Net Bonded Debt		<u>46,274</u>
<i>Overall Debt Margin</i>		<u><u>\$12,438,940</u></u>
Unvoted Debt Limit - .10% of Assessed Value (1)		\$138,725
Amount of Debt Applicable		<u>0</u>
<i>Unvoted Debt Margin</i>		<u><u>\$138,725</u></u>

Source: Stark County Auditor and School District Financial Records

(1) Ohio Bond Law sets an overall limit of 9% for all debt and 1/10 of 1% for unvoted debt.

Tuslaw Local School District
Computation of Direct and Overlapping General Obligation Debt
December 31, 2001

<u>Jurisdiction</u>	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to School District</u>	<u>Amount Applicable to School District</u>
Tuslaw Local School District	\$0	0.00%	\$0
Stark County	19,162,000	6.28%	1,203,374
Massillon City	9,780,000	8.65%	<u>845,970</u>
Total			<u><u>\$2,049,344</u></u>

(1) Represents general obligation bonds payable from property taxes.

(2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2000 collection year.

Tuslaw Local School District
Demographic Statistics
Last Ten Years

<u>Year</u>	<u>Stark County Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
2001	378,098	1383	4.10
2000	373,174	1388	4.30
1999	373,174	1373	4.10
1998	373,112	1381	4.80
1997	373,719	1389	5.30
1996	374,406	1384	5.00
1995	374,024	1350	6.10
1994	373,705	1295	7.00
1993	373,484	1228	7.90
1992	371,461	1252	7.10

(1) U.S. Bureau of the Census and Ohio Department of Development,
Office of Strategic Research

(2) School District Financial Records

(3) Ohio Bureau of Employment Services

Tuslaw Local School District
Property Value, Industrial Employment, Financial Institution Deposits
Last Ten Years

<u>Year</u>	<u>Property Value (Real Estate Only)(3)</u>	<u>Industrial Employment (1)</u>	<u>Financial Institution Deposits (000's) Banks (2)</u>
2001	\$3,454,120,400	NA	\$1,021,596
2000	3,371,481,480	NA	916,844
1999	3,293,801,960	NA	843,638
1998	2,770,921,870	171,193	1,623,273
1997	2,700,196,530	167,591	1,570,223
1996	2,638,654,350	164,874	1,589,558
1995	2,396,278,330	162,572	848,654
1994	2,325,264,660	158,417	803,704
1993	2,282,530,370	155,681	797,601
1992	2,017,964,640	154,480	738,397

Source: Ohio Bureau of Employment Services
Federal Reserve Bank

(1) Represents Stark County, information is not available past 1998

(2) Represents deposits made to all banks headquarters in Stark County

(3) Represents market value for Stark County

Tuslaw Local School District

Principal Taxpayers

Real Estate Tax

December 31, 2000

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Grief Bros. Corp. of Ohio, Inc.	\$1,068,730	1.09 %
Elms Massillon Inc.	664,170	0.68
Crown Cork and Seal Company USA Inc.	484,620	0.49
John O Clay Exploration Inc.	463,840	0.47
Stonehenge Apartments of Stark County LTD	443,030	0.45
Donald G. and Nancy L. Hendricks	440,580	0.45
Leo M & Wilma J. Frank Trustees	439,200	0.45
Kenneth L. Rohr	413,270	0.42
Dean L. & Shirley A. Speicher	406,350	0.41
Holmes Limestone Co.	<u>401,640</u>	<u>0.41</u>
Total	<u>\$5,225,430</u>	<u>5.32 %</u>
Total Assessed Value	<u>\$98,264,700</u>	

Source: Stark County Auditor

(1) Assessed values are for the 2000 collection year.

Tuslaw Local School District

Principal Taxpayers

Tangible Personal Property Tax

December 31, 2000

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Total Assessed Value</u>
Grief Bros. Corp. of Ohio, Inc.	\$4,185,650	54.80 %
Americold Logistics LLC	435,126	5.70
Oster Sand and Gravel Inc.	284,660	3.73
Dixon Ticonderoga Company	235,310	3.08
Massillon Cable TV Inc.	184,818	2.42
A P Green Refractories Inc.	156,790	2.05
Hendricks Vacuum Forming Inc.	142,000	1.86
B F Plastics Inc.	<u>126,800</u>	<u>1.66</u>
Total	<u>\$5,751,154</u>	<u>75.30 %</u>
Total Assessed Value	<u>\$7,637,159</u>	

Source: Stark County Auditor

(1) Assessed values are for the 2000 collection year.

Tuslaw Local School District
Enrollment Statistics
Last Ten Fiscal Years

<u>Year</u>	<u>General Fund Expenditures (1)</u>	<u>Average Daily Membership</u>	<u>Per Pupil Cost</u>
2001	\$7,602,202	1,383	\$5,497
2000	6,893,386	1,388	4,966
1999	6,376,032	1,373	4,644
1998	6,157,994	1,381	4,459
1997	6,124,548	1,389	4,409
1996	5,792,860	1,384	4,186
1995	5,937,930	1,350	4,398
1994	5,218,280	1,295	4,030
1993	4,998,587	1,228	4,071
1992	5,457,106	1,252	4,359

Source: School District Financial Records

(1) 1995 through 1999 on accrual basis.
All other years based on cash basis

Tuslaw Local School District

Teacher Education and Experience

June 30, 2001

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	59	67 %
Master's Degree	<u>29</u>	<u>33</u>
Total	<u><u>88</u></u>	<u><u>100 %</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Teachers</u>
0 - 5	28	32 %
6 - 10	20	23
11 and over	<u>40</u>	<u>45</u>
	<u><u>88</u></u>	<u><u>100 %</u></u>

Sources: School District Personnel Records



STATE OF OHIO
OFFICE OF THE AUDITOR

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TUSLAW LOCAL SCHOOL DISTRICT

STARK 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 3, 2002**