



Mary Taylor, CPA  
Auditor of State



**WESTERN BROWN LOCAL SCHOOL DISTRICT  
BROWN COUNTY**

**TABLE OF CONTENTS**

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

**This page intentionally left blank.**

**WESTERN BROWN LOCAL SCHOOL DISTRICT  
BROWN COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2007**

| Federal Grantor/<br>Pass Through Grantor<br>Program Title    | Pass Through<br>Entity<br>Number | Federal<br>CFDA<br>Number | Receipts                     | Non-Cash<br>Receipts    | Disbursements                | Non-Cash<br>Disbursements |
|--|----------------------------------|---------------------------|------------------------------|-------------------------|------------------------------|---------------------------|
| <b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>                 |                                  |                           |                              |                         |                              |                           |
| <i>Passed Through Ohio Department of Education:</i>          |                                  |                           |                              |                         |                              |                           |
| Food Distribution Program                                    | N/A                              | 10.550                    | \$0                          | \$111,253               | \$0                          | \$107,722                 |
| Nutrition Cluster:   |                                  |                           |                              |                         |                              |                           |
| National School Breakfast Program                            | 05-PU-2007                       | 10.553                    | 179,345                      |                         | 179,345                      |                           |
| National School Lunch Program                                | LL-P4-2007                       | 10.555                    | 353,200                      |                         | 353,200                      |                           |
| Total U.S. Department of Agriculture - Nutrition Cluster     |                                  |                           | 532,545                      |                         | 532,545                      |                           |
| Total Department of Agriculture                              |                                  |                           | <b>532,545</b>               | <b>111,253</b>          | <b>532,545</b>               | <b>107,722</b>            |
| <b><u>U.S. DEPARTMENT OF DEFENSE (ARMY)</u></b>              |                                  |                           |                              |                         |                              |                           |
| National Guard Civilian Youth Opportunities                  | N/A                              | 12.404                    | <b>48,833</b>                | <b>0</b>                | <b>48,833</b>                | <b>0</b>                  |
| <b><u>U.S. DEPARTMENT OF EDUCATION</u></b>                   |                                  |                           |                              |                         |                              |                           |
| <i>Passed Through Ohio Department of Education:</i>          |                                  |                           |                              |                         |                              |                           |
| Special Education Grants to States<br>(IDEA Part B)          | 6B-SF-06<br>6B-SF-07             | 84.027<br>84.027          | 32,177<br>711,881<br>744,058 | 0                       | 41,214<br>710,600<br>751,814 | 0                         |
| Title I Grants to Local Educational Agencies                 | C1-S1-06<br>C1-S1-07             | 84.010<br>84.010          | 53,879<br>423,894<br>477,773 | 0                       | 73,205<br>422,108<br>495,313 | 0                         |
| Safe and Drug-Free Schools and Communities -<br>State Grants | DR-S1-06<br>DR-S1-07             | 84.186<br>84.186          | 2,251<br>13,525<br>15,776    | 0                       | 7,633<br>13,481<br>21,114    | 0                         |
| Innovative Educational Program Strategies                    | C2-S1-06<br>C2-S1-07             | 84.298<br>84.298          | 0<br>8,391<br>8,391          | 0                       | 3,298<br>8,391<br>11,689     | 0                         |
| Improving Teacher Quality                                    | TR-S1-06<br>TR-S1-07             | 84.367<br>84.367          | 282<br>123,015<br>123,297    | 0                       | 11,421<br>122,951<br>134,372 | 0                         |
| Technology Literacy Challenge Grant                          | TJ-S1-06<br>TJ-S1-07             | 84.318<br>84.318          | 0<br>5,456<br>5,456          | 0                       | 4,102<br>5,456<br>9,558      | 0                         |
| Total Department of Education                                |                                  |                           | <b>1,374,751</b>             | <b>0</b>                | <b>1,423,860</b>             | <b>0</b>                  |
| <b>Totals</b>  |                                  |                           | <b><u>\$1,956,129</u></b>    | <b><u>\$111,253</u></b> | <b><u>\$2,005,238</u></b>    | <b><u>\$107,722</u></b>   |

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

**WESTERN BROWN LOCAL SCHOOL DISTRICT  
BROWN COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
JUNE 30, 2007**

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B— NUTRITION CLUSTER**

Cash receipts from the U.S Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

**NOTE C – FOOD INVENTORY**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.



# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Western Brown Local School District  
Brown County  
524 West Main Street  
Mt. Orab, Ohio 45154

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Western Brown Local School District, Brown County, Ohio (the District), as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 19, 2007. 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 the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted a certain matter that we reported to the District's management in a separate letter dated December 19, 2007.

### **Compliance and Other Matters**

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as item 2006-001.

We did note certain noncompliance or other matters that we reported to the Government's management in a separate letter dated December 19, 2007.

We intend this report solely for the information and use of management, District elected officials, federal awarding agencies, and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

December 19, 2007





# Mary Taylor, CPA

## Auditor of State

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

Western Brown Local School District  
Brown County  
524 West Main Street  
Mt. Orab, Ohio 45154

To the Board of Education:

#### Compliance

We have audited the compliance of Western Brown Local School District, Brown County, Ohio (the District), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended June 30, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe 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 apply to its major federal program for the year ended June 30, 2007.

#### Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the 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 directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### **Federal Awards Expenditures Schedule**

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Western Brown Local School District, Brown County, Ohio as of and for the year ended June 30, 2007, and have issued our report thereon dated December 19, 2007. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, Board of Education, and federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

December 19, 2007

**WESTERN BROWN LOCAL SCHOOL DISTRICT  
BROWN COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2007**

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

|                     |   |   |
|---------------------|---|---|
| <b>(d)(1)(i)</b>    | <b>Type of Financial Statement Opinion</b>  | Unqualified                                 |
| <b>(d)(1)(ii)</b>   | <b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>                        | No  |
| <b>(d)(1)(ii)</b>   | <b>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b> | No  |
| <b>(d)(1)(iii)</b>  | <b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>                              | Yes   |
| <b>(d)(1)(iv)</b>   | <b>Were there any material internal control weaknesses reported for major federal programs?</b>                             | No  |
| <b>(d)(1)(iv)</b>   | <b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>               | No  |
| <b>(d)(1)(v)</b>    | <b>Type of Major Programs' Compliance Opinion</b>   | Unqualified                                 |
| <b>(d)(1)(vi)</b>   | <b>Are there any reportable findings under § .510?</b>  | No  |
| <b>(d)(1)(vii)</b>  | <b>Major Programs (list):</b>   | > Nutrition Cluster<br>CFDA# 10.553; 10.555 |
| <b>(d)(1)(viii)</b> | <b>Dollar Threshold: Type A/B Programs</b>  | Type A: > \$ 300,000<br>Type B: all others  |
| <b>(d)(1)(ix)</b>   | <b>Low Risk Auditee?</b>  | Yes   |

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

**FINDING NUMBER 2006-001**

**Non-Compliance Citation**

**Ohio Rev. Code, Section 5705.41(D)**, requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code

1. "Then and Now" certificate – If the fiscal officer can certify that both at the time that the contract or order was made ("then"), and at the time that the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Board can authorize the drawing of a warrant for the payment of the amount due. The Board has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Board.

2. Blanket Certificate – Fiscal officers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. Super Blanket Certificate – The Board may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

The District did not properly certify the availability of funds for purchase commitments for 18 percent or 11 out of 60 expenditures tested and none of the exceptions above applied. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

The District should use the encumbrance method of accounting by certifying funds on purchase orders. During our search for unrecorded liabilities, we found that the District had not always obtained purchase orders and encumbered for services provided and none of the exceptions listed above were utilized.

**FINDING NUMBER 2006-001  
(Continued)**

Failure to properly encumber could result in overspending funds and negative cash fund balances. Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the District's funds exceeding budgetary spending limitations, we recommend that the treasurer certify that the funds are or will be available prior to the obligation by the District. When prior certification is not possible, "then and now" certification should be used.

We recommend the District certify purchases to which 5705.41(D) applies. The most convenient certification method is to use purchase orders that include the certification language 5705.41(D) requires to authorize disbursements. The treasurer should sign the certification at the time the treasurer incurs a commitment, and only when the requirements of 5705.41(D) are satisfied. The treasurer should post approved purchase commitments to the proper appropriation code, to reduce the available appropriation.

**Officials' Response:**

We did not receive a response from Officials to this finding.

|  |
|--|
| <b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b> |
|--|

None.



**WESTERN BROWN**  
*LOCAL SCHOOL DISTRICT*  
MT. ORAB, OHIO

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

*FOR THE FISCAL YEAR  
ENDED JUNE 30, 2007*





*WESTERN BROWN LOCAL SCHOOL DISTRICT*

*MT. ORAB, OHIO*

*COMPREHENSIVE ANNUAL  
FINANCIAL REPORT*

*FOR THE FISCAL YEAR ENDED JUNE 30, 2007*

Issued by:  
Treasurer's Office

Denny Dunlap, Treasurer

**This page intentionally left blank.**

# **INTRODUCTORY SECTION**

**This page intentionally left blank.**

**Western Brown Local School District**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2007**

*Table of Contents*

| <b>I. Introductory Section</b>   | <u>Page</u> |
|--|-------------|
| Title Page   |             |
| Table of Contents .....  | i           |
| Letter of Transmittal .....  | iv          |
| Principal Officials .....  | x           |
| Organizational Chart.....  | xi          |
| Consultants and Advisors .....   | xii         |
| GFOA Certificate of Achievement for Excellence in Financial Reporting.....   | xiii        |
| ASBO Certificate of Excellence in Financial Reporting .....  | xiv         |
| Strategic Plan .....   | xv          |
| <br>   |             |
| <b>II. Financial Section</b>   |             |
| Independent Accountants' Report .....  | 1           |
| Management's Discussion and Analysis .....   | 3           |
| <br>   |             |
| Basic Financial Statements:  |             |
| Government-wide Financial Statements:  |             |
| Statement of Net Assets .....  | 14          |
| Statement of Activities.....   | 15          |
| <br>   |             |
| Fund Financial Statements:   |             |
| Balance Sheet - Governmental Funds.....  | 16          |
| Reconciliation of Total Governmental Fund Balances to<br>Net Assets of Governmental Activities .....   | 17          |
| Statement of Revenues, Expenditures and Changes in Fund<br>Balances - Governmental Funds .....   | 18          |
| Reconciliation of the Statement of Revenues, Expenditures and<br>Changes in Fund Balances of Governmental Funds to<br>the Statement of Activities..... | 19          |
| Statement of Revenues, Expenditures and Changes in Fund<br>Balance - Budget (Non-GAAP Basis) and Actual - General Fund.....                            | 20          |
| Statement of Fund Net Assets - Proprietary Fund .....  | 21          |
| Statement of Revenues, Expenses and Changes in Fund<br>Net Assets - Proprietary Fund.....  | 22          |
| Statement of Cash Flows - Proprietary Fund.....  | 23          |
| Statement of Fiduciary Net Assets - Fiduciary Funds .....  | 24          |
| Statement of Changes in Fiduciary Net Assets - Fiduciary Fund.....   | 25          |
| <br>   |             |
| Notes to the Basic Financial Statements.....   | 26          |
| <br>   |             |
| Combining and Individual Fund Statements and Schedules:  |             |
| Combining Statements - Nonmajor Funds:   |             |
| Fund Descriptions .....  | 56          |
| Combining Balance Sheet - Nonmajor Governmental Funds.....   | 59          |
| Combining Balance Sheet - Nonmajor Special Revenue Funds.....  | 60          |

**Western Brown Local School District**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2007**

*Table of Contents*  
*(continued)*

|  |     |
|--|-----|
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....                  | 64  |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....               | 65  |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds .....             | 70  |
| Statement of Changes in Fiduciary Assets and Liabilities - Agency Fund .....   | 71  |
| Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual: |     |
| Major Funds:   |     |
| General Fund .....   | 74  |
| Debt Service.....  | 78  |
| Nonmajor Funds:  |     |
| Memorial Fund.....   | 79  |
| Uniform School Supplies.....   | 80  |
| Public School Support .....  | 81  |
| Other Grant .....  | 82  |
| Classroom Facility Maintenance .....   | 83  |
| District Managed Activity .....  | 84  |
| Educational Management Information Systems .....   | 85  |
| OneNet .....   | 86  |
| Professional Development .....   | 87  |
| Ohio Reads.....  | 88  |
| Alternative School .....   | 89  |
| Poverty Based Assistance .....   | 90  |
| Miscellaneous State Grants.....  | 91  |
| Title VI-B.....  | 92  |
| Title I.....   | 93  |
| Title VI.....  | 94  |
| Drug Free Grant .....  | 95  |
| Telecommunications Act Grant .....   | 96  |
| Reducing Class Size.....   | 97  |
| Miscellaneous Federal Grants.....  | 98  |
| Western Brown Construction Project .....   | 99  |
| SchoolNet.....   | 100 |
| Food Service .....   | 101 |

**II. Statistical Section**

|   |    |
|---|----|
| Statistical Tables Descriptions.....  | S1 |
| Net Assets by Component - Last Eight Fiscal Years.....                                  | S2 |
| Changes in Net Assets - Last Eight Fiscal Years.....                                    | S4 |
| Program Revenues by Function, Governmental Activities<br>- Last Eight Fiscal Years..... | S8 |

**Western Brown Local School District**  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2007

*Table of Contents*  
(continued)

|  |     |
|--|-----|
| Fund Balances, Governmental Funds - Last Ten Fiscal Years .....              | S10 |
| Changes in Fund Balances - Last Ten Fiscal Years.....                        | S12 |
| Assessed and Estimated Actual Value of Taxable Property                      |     |
| - Last Ten Years.....  | S14 |
| Property Tax Rates (Per \$1,000 of Assessed Valuation)                       |     |
| - Direct and Overlapping Governments   |     |
| - Last Ten Collection (Calendar) Years .....                                 | S16 |
| Property Tax Levies and Collections  |     |
| - Last Ten Collection (Calendar) Years.....                                  | S18 |
| Principal Tax Payers - Real Property - 2007 and 2002.....                    | S19 |
| Ratio of Debt to Estimated Actual Value, Personal Income and Debt per Capita |     |
| - Last Ten Fiscal Years .....  | S20 |
| Legal Debt Margin - Last Ten Fiscal Years .....                              | S22 |
| Computation of Direct and Overlapping Debt                                   |     |
| - Governmental Activities.....   | S24 |
| Demographic and Economic Statistics - Last Ten Years .....                   | S25 |
| Principal Employers - 2007 and 2006.....                                     | S26 |
| Per Pupil Cost - Last Ten Fiscal Years .....                                 | S27 |
| School District Employees by Function/Program                                |     |
| - Last Ten Fiscal Years .....  | S28 |
| Building Statistics - Last Ten Fiscal Years.....                             | S30 |
| Teacher to Student Ratio - Last Ten Fiscal Years .....                       | S32 |
| Percentage of Students who Receive Free and Reduced Lunches                  |     |
| - Last Six Fiscal Years .....  | S33 |

# WESTERN BROWN LOCAL SCHOOL DISTRICT

## BOARD OF EDUCATION

William H. Neal, President

James W. Herrmann, Vice President

JoAnn C. Hildebrandt

Bruce S. Wallace

Dennis R. Wright



524 West Main Street  
Mt. Orab, Ohio 45154  
(937) 444-2044 Fax (937) 444-4303

## ADMINISTRATION

Jeffrey Royalty, Superintendent

Denny Dunlap, CPA, Treasurer

William Garrett, Assistant Superintendent

Eva M. Lanter, Executive Secretary

Jina Bohl, Director of Curriculum and Instruction

Kendra Ryrd, Special Education Coordinator

Dan Colonel, Maintenance Supervisor

Joe Howser, Transportation Supervisor

Stella Napier, Food Service Director

December 19, 2007

To the Citizens and  
Board of Education of the  
Western Brown Local School District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Western Brown Local School District (the "School District") for the fiscal year ended June 30, 2007. This Comprehensive Annual Financial Report, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to government entities. The intent of this report is to provide the taxpayers of the Western Brown Local School District with comprehensive financial data in a format that enables them to gain a true understanding of the School District's financial affairs as well as provide management with better financial information for future decision making.

State law requires that every general purpose local government file its financial statements with the Auditor of State and publish their availability within 150 days of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2007.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Auditor of State of Ohio has issued an unqualified ("clean") opinion on the Western Brown Local School District's financial statements for the fiscal year ended June 30, 2007. The Independent Accountants' Report is located at the front of the Financial Section of this report.

Management's discussion and analysis immediately follows the Independent Accountants' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.



## **FORMATION OF THE SCHOOL DISTRICT**

The Western Brown Local School District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities and special education programs.

The Western Brown Local School District was established July 12, 1971 with the merger of Hamersville Local School into Mt. Orab Local School. With the merger, Hamersville had a building for K-8 and Mt. Orab had two buildings, one for K-8 and a 9-12 high school building that combined both community's students.

In 1997, the Western Brown Local School District received notice from the Ohio School Facilities Commission that it would be eligible for new school buildings. A study was done and recommended that the Western Brown Local School District build a new 9-12 high school, a new K-8 building in Hamersville, additions and renovations to the old high school to make it a 5-8 middle school for Mt. Orab, and additions and renovations to the Mt. Orab Elementary building to make it a K-4 for Mt. Orab.

The estimated cost for the building project was \$53,467,552. On November 4, 1997, the residents of Western Brown Local School District passed a levy for the School District's share of the project which was \$5,688,997. The remaining balance of \$47,778,555 was paid by the State of Ohio.

## **FORM OF GOVERNMENT AND REPORTING ENTITY**

The Board of Education of the Western Brown Local School District is a five member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body and policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the School District's tax dollars, and approves the annual appropriation resolution.

The current Board members, their terms and years on the Board as of June 30, 2007, are:

| <u>Board Member</u> | <u>Current Term</u>   | <u>Total Years</u> |
|---------------------|-----------------------|--------------------|
| Bruce Wallace       | Jan. 2006 - Dec. 2009 | 22 - 1/3           |
| William Neal        | Jan. 2004 - Dec. 2007 | 15 - 1/2           |
| JoAnn Hildebrandt   | Jan. 2004 - Dec. 2007 | 3 - 1/2            |
| James Herrmann      | Jan. 2004 - Dec. 2007 | 15 - 1/2           |
| Dennis Wright       | Jan. 2006 - Dec. 2009 | 1 - 1/2            |

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations, except financial operations, of the School District. Jeff Royalty was appointed Superintendent on January 11, 2004. Mr. Royalty's contract expired on July 31, 2006 and was renewed through July 31, 2008.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board for all financial operations, investments, and the custody of all School District funds and assets. The Treasurer also serves as Secretary to the Board. Denny Dunlap was initially appointed Treasurer on March 12, 1991. His current four year contract will expire in January 2009.

The School District employs 335 full-time, part-time and seasonal employees. These employees include certified, non-certified and administrative personnel providing services to 3,314 students.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. This includes general operations, food service, and student 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 participates in three jointly governed organizations, one public entity shared risk and insurance purchasing pool and one insurance purchasing pool. These organizations are the South Central Ohio Computer Association (SCOCA), the Hopewell Special Education Regional Resource Center (Hopewell), the Unified Purchasing Cooperative of the Ohio River Valley (UPC), the Brown County Schools Benefits Consortium, and the Ohio School Boards Association Workers' Compensation Group Rating Plan. These organizations are presented in Notes 15, 16 and 17 to the basic financial statements.

The School Board is required to adopt an annual budget no later than the close of the fiscal year for the following fiscal year. This annual budget serves as the foundation of the Western Brown Local School District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The legal level of budgetary control is established at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

## **ECONOMIC CONDITION AND OUTLOOK**

The Western Brown Local School District is located in the Northwest corner of Brown County, approximately 35 miles east of Cincinnati and includes two population centers: Mt. Orab and Hamersville. Both municipalities are located within an hour of Cincinnati's attractions. Since they are closely located to a metropolitan area, many of the residents are employed outside the School District.

With Mt. Orab and Hamersville being rural communities in Southern Ohio, the unemployment rate of 6.60 percent continues to be higher than the State of Ohio rate of 6.10 percent. This is largely due to the area being a farming community. Mt. Orab is seeing more growth than Hamersville. A major highway goes through Mt. Orab, which helps the community. Housing developments are being built. A lot of small business are starting to come to the area. The School District approved a request from the Village of Mt. Orab for a Tax Increment Financing District. By approving this, the Village can be competitive and bring in new business and new housing to the community. It was also announced in 2006 that Clermont Mercy Hospital will build a hospital in Mt. Orab. This should provide additional growth for the community.

The School District served 3,314 students during the 2007 fiscal year. School District facilities include one senior high school (9-12), and three buildings that serve K-8; one at Mt. Orab serving Pre K-4, one at Mt. Orab serving grades K-8 and one at Hamersville serving grades K-8. The Western Brown High School and Hamersville Middle and Elementary School were constructed in 2002. The Mt. Orab Middle School was constructed in 1957, with additions in 1971, 1984, 1992 and 1998. The Mt. Orab Elementary school was constructed in 1971 with additions in 1988 and 1998.

The School District's enrollment declined by 53 students during fiscal year 2007. While our enrollment has not increased as we expected in the past years, we did not expect our enrollment to decline. While the Mt. Orab side of the School District is increasing, our enrollment is decreasing on the Hamersville side. Students enrolled through open enrollment continue to increase and provide a revenue source for the School District.

## **FINANCIAL TRENDS**

Since fiscal year 2001, the School District's expenditures have exceeded its revenues. With the cuts the School District implemented this fiscal year we were able to reduce the amount expenditures exceeded revenue. Even with the cuts implemented, we will continue to monitor our expenditures due to our revenue not increasing, as our enrollment is decreasing and State funding will not increase in fiscal year 2008.

## **FINANCIAL PLANNING AND POLICIES**

During fiscal year 2007, the School District continued to review all expenditures in order to save money and bring our expenditures in line with our revenue. With our enrollment not increasing as we expected, we continue to see if we can reduce teaching staff. The School District also renewed a Memorandum of Understanding with the Teacher's union. This MOU is for employees with 35 or more years of service. It allows them to retire and be rehired by the School District at a lower salary for the next five years. This provided savings to the School District.

The State of Ohio budget bill, HB 66 signed into law June of 2005, has not been a positive bill for the School District. The per pupil funding provided 2.20 percent growth for each fiscal year. The bill also phases out tangible personal property taxes. The School District will lose two percent of its General Fund revenue starting in fiscal year 2011.

## **MAJOR INITIATIVES**

With major facilities projects completed, the School District's focus for the past couple of years has been on efficiency in regards to energy and operations. Bringing our bus fleet on site has proven to be a major savings for the School District with an average savings of 1,500 gallons of fuel per month since its inception. Close management of lighting and HVAC has also contributed to major savings in electric consumption for the School District. The School District is beginning to work with Duke Energy on an energy conservation initiative beginning with our high school building which is the largest user.

We have tapped into community support in order to beautify our athletic complex with landscaping with little or no cost to the School District.

The School District continues to focus its improvement efforts on several fronts including:

- Continued Improvement on the State report card
- Developing the strengths of its stakeholders
- Increasing leadership capacity
- Becoming a team based organization

The Treasurer plans to continue to prepare the Comprehensive Annual Financial Report in future fiscal years.

## **AWARDS AND ACKNOWLEDGEMENTS**

### 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 (Certificate of Achievement) to the Western Brown Local School District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2006. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of State and local government financial reports.

In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one fiscal year only. The Western Brown Local School District believes our current report conforms to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### ASBO CERTIFICATE

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2006 to the Western Brown Local School District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after extensive review of the report by an expert panel of certified public accountants and practicing school business officials.

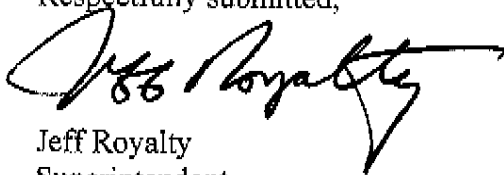
The Western Brown Local School District believes our current report conforms to the ASBO's principles and standards and we are submitting it to ABSO to determine its eligibility for an award.

### ACKNOWLEDGMENTS

A note of sincere appreciation is extended to the many conscientious people who have contributed their time and effort to the preparation of this report. A special thank you is also extended to the Auditor of State's Local Government Services Section for all of their efforts and contributions in the preparation of this Comprehensive Annual Financial Report.

The support and commitment to excellence by the Western Brown Board of Education was vital to the successful preparation and issuance of this report.

Respectfully submitted,

A handwritten signature in black ink that reads "Jeff Royalty". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Jeff Royalty  
Superintendent

A handwritten signature in black ink that reads "Denny Dunlap, CPA". The signature is cursive and includes the title "CPA" at the end.

Denny Dunlap, CPA  
Treasurer

*Western Brown Local School District  
Principal Officials  
June 30, 2007*

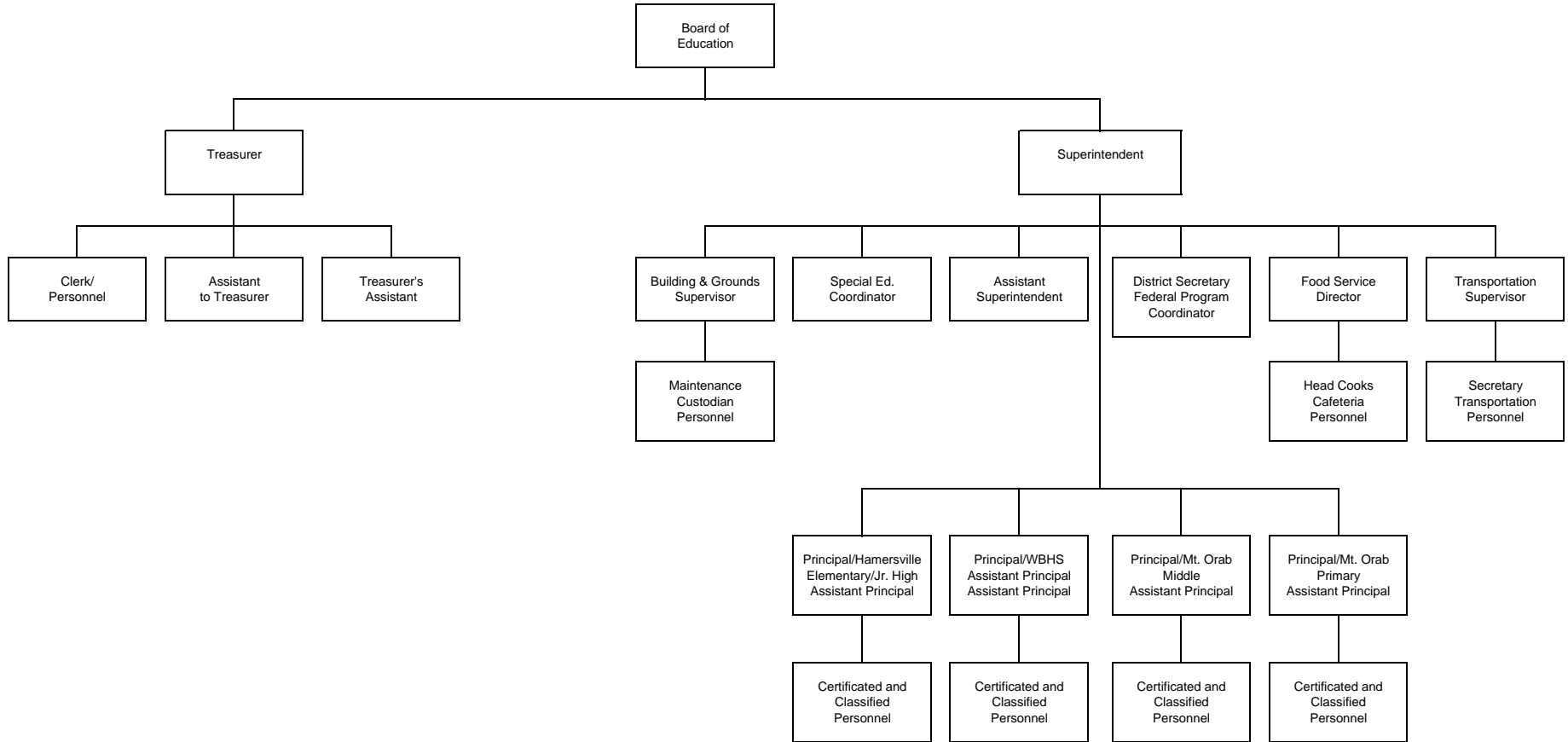
ELECTED OFFICIALS

President, Board of Education ..... Bruce Wallace  
Vice President, Board of Education..... William Neal  
Board Member ..... JoAnn Hildebrandt  
Board Member..... James Herrmann  
Board Member..... Dennis Wright

ADMINISTRATIVE OFFICIALS

Superintendent ..... Jeff Royalty  
Treasurer ..... Denny Dunlap  
Assistant Superintendent ..... Bill Garrett  
Special Education Coordinator ..... Kendra Byrd  
Buildings and Grounds Supervisor ..... Dan Colonel  
Transportation Supervisor..... Joe Howser

**Western Brown Local School District  
Organizational Chart  
June 30, 2007**



***Western Brown Local School District  
Consultants and Advisors  
June 30, 2007***

**Architects**

---

Steed Hammond Paul  
82 Williams Avenue  
Hamilton, OH 45011

**Bond Counsel**

---

Peck, Shaffer & Williams LLP  
Suite 900  
201 East Fifth Street  
Cincinnati, OH 45202

**Independent Auditor**

---

Mary Taylor, Auditor of State  
Audit Division  
88 East Broad Street  
Columbus, OH 45215

**CAFR Preparation Consultants**

---

Mary Taylor, Auditor of State  
Local Government Services Section  
88 East Broad Street  
Columbus, OH 45215

**Workers' Compensation/  
Unemployment**

---

Gates McDonald Health Plus  
P.O. Box 182720  
Columbus, OH 43218

**Investment Advisor**

---

Baird & Co.  
Suite 2500  
10 West Broad Street  
Columbus, OH 43215-3418

**Legal Counsel**

---

Ennis, Roberts & Fischer  
121 West Ninth Street  
Cincinnati, OH 45202

Whalen & Compton  
565 Wolfledges Parkway  
P.O. Box 2020  
Akron, OH 44309-2020

**Official Depositories**

---

National Bank & Trust  
452 West Main Street  
Mt. Orab, OH 45154

State Treasury Asset Reserve of Ohio  
1228 Euclid Avenue  
Cleveland, OH 44115

National City Bank  
155 East Broad Street  
Columbus, OH 43251-0061

NCB, FSB  
139 South High Street  
Hillsboro, OH 45133



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Western Brown  
Local School District  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2006

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.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2006

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

President

Executive Director

# *Western Brown Local Schools*

## Strategic Plan

Adopted by the Western Brown Board of Education  
June 30, 2007

---

### Beliefs

- Every person has worth and value.
- Education is a shared responsibility of faculty, staff, community, administration, students and family.
- A safe, trusting, creative and disciplined environment is vital for teaching and learning.
- A strong democracy depends on well educated citizens.
- Learning is a life long process.

### Mission Statement

In partnership with family and community, the Western Brown Local School District will graduate outstanding citizens capable of confidently adapting and competing in the ever-changing global society, by guaranteeing that a quality staff delivers a rigorous and relevant education in a safe, creative, and disciplined atmosphere.

### Strategic Parameters

- We will always make decisions that are in the best interest of our students.
- Site-based decisions will always be consistent with the strategic plan.
- Priority will always be given to the K-12 instructional program as defined by approved course of study.

- No new program will be accepted unless:
  - it is consistent with the strategic plan;
  - benefits clearly exceed costs; and
  - provisions are made for staff development and program evaluation.

No program or service will be retained unless benefits justify costs and it contributes to the mission.

- We will not condone any behavior which diminishes the dignity or self worth of any student, staff or community member.

## Goals

- All students will graduate from high school.
- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in reading/language arts.
- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in mathematics.
- Students with disabilities will have Individualized Educational Program goals and measures aligned with the academic content standards.
- All students will be educated in learning environments that are safe, drug free, and conducive in learning.
- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in science.
- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in citizenship.
- The Western Brown Local School District will provide meaningful opportunities for family and community involvement in the educational process.

# **FINANCIAL SECTION**

**This page intentionally left blank.**



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Western Brown Local School District  
Brown County  
524 West Main Street  
Mt. Orab, Ohio 45154

To the Board of Education

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Western Brown Local School District, Brown County, Ohio (the "District"), as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Western Brown Local School District, Brown County, Ohio, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, and the budgetary comparison for the General 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 December 19, 2007, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules, and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

December 19, 2007



***Western Brown Local School District***  
***Management's Discussion and Analysis***  
***For the Fiscal Year Ended June 30, 2007***  
***Unaudited***

The discussion and analysis of Western Brown Local School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2007. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements and Management's Discussion and Analysis for State and Local Government issued June 1999.

**Financial Highlights**

- In total, net assets decreased \$1,499,758. Net assets of governmental activities decreased \$1,424,255 and net assets of the business-type activity decreased by \$75,503. Governmental expenses decreased by \$676,806, due primarily to decreases in regular instruction, while governmental revenues increased by \$826,142. In addition, capital assets of governmental activities decreased by \$1,900,029 and long-term liabilities of governmental activities decreased by \$205,301.
- Governmental general revenues accounted for \$22,858,060, or 85 percent of total revenues. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for \$4,060,008 or 15 percent of total governmental revenues of \$26,918,068.
- Total assets of governmental activities decreased by \$1,708,476.
- The School District had \$28,342,323 in expenses related to governmental activities; only \$4,060,008 of these expenses were offset by program specific charges for services, grants, contributions and interest. General revenues (primarily grants, entitlements and property taxes) of \$22,858,060 were used to provide for these programs along with unrestricted net assets from prior years.

***Western Brown Local School District***  
***Management's Discussion and Analysis***  
***For the Fiscal Year Ended June 30, 2007***  
***Unaudited***

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Western Brown Local School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's major funds with all other nonmajor funds presented in total in one column. The major funds for the Western Brown Local School District are the General Fund and the Debt Service Fund.

**Reporting the School District as a Whole**

One of the most important questions asked about the School District is "How did we do financially during fiscal year 2007?" The *Statement of Net Assets* and the *Statement of Activities*, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all *assets* and *liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. However, the School District's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the School District's property tax base, current property tax laws in Ohio restricting revenue growth, required educational programs and other factors.

**Western Brown Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2007*  
*Unaudited*

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- **Governmental Activities** - Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- **Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District's food service program is reported as a business-type activity.

### **Reporting the School District's Most Significant Funds**

#### **Fund Financial Statements**

The analysis of the School District's major funds begins on page 9. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's major funds.

**Governmental Funds** - Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements.

**Proprietary Fund** - The proprietary fund uses the same basis of accounting as business-type activities; therefore, the statements for the proprietary fund will essentially match.

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2007**  
**Unaudited**

**The School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for fiscal years 2007 and 2006:

(Table 1)  
**Net Assets**

|  | Governmental Activities |              | Business-Type Activities |             | Total        |              |
|--|-------------------------|--------------|--------------------------|-------------|--------------|--------------|
|  | 2007                    | 2006         | 2007                     | 2006        | 2007         | 2006         |
| <b>Assets</b>                          |                         |              |                          |             |              |              |
| Current and other Assets               | \$11,063,225            | \$10,871,672 | \$279,967                | \$235,923   | \$11,343,192 | \$11,107,595 |
| Capital Assets                         | 53,318,801              | 55,218,830   | 1,793,601                | 1,905,617   | 55,112,402   | 57,124,447   |
| Total Assets                           | 64,382,026              | 66,090,502   | 2,073,568                | 2,141,540   | 66,455,594   | 68,232,042   |
| <b>Liabilities</b>                     |                         |              |                          |             |              |              |
| Long-Term Liabilities                  | (7,431,342)             | (7,636,643)  | (21,203)                 | (22,362)    | (7,452,545)  | (7,659,005)  |
| Other Liabilities                      | (6,571,201)             | (6,650,121)  | (134,936)                | (126,246)   | (6,706,137)  | (6,776,367)  |
| Total Liabilities                      | (14,002,543)            | (14,286,764) | (156,139)                | (148,608)   | (14,158,682) | (14,435,372) |
| <b>Net Assets</b>                      |                         |              |                          |             |              |              |
| Invested in Capital Assets Net of Debt | 47,291,229              | 48,946,361   | 1,793,601                | 1,905,617   | 49,084,830   | 50,851,978   |
| Restricted                             | 3,887,581               | 3,333,682    | 0                        | 0           | 3,887,581    | 3,333,682    |
| Unrestricted (Deficit)                 | (799,327)               | (476,305)    | 123,828                  | 87,315      | (675,499)    | (388,990)    |
| Total Net Assets                       | \$50,379,483            | \$51,803,738 | \$1,917,429              | \$1,992,932 | \$52,296,912 | \$53,796,670 |

Restricted net assets increased \$553,899 during fiscal year 2007. This was due to increases in the set-aside for textbooks and the receipt of \$123,898 in half-mill equalization payments on the State foundation settlement.

Unrestricted net assets of governmental activities decreased \$323,022 during fiscal year 2007. This was due mainly to the School District moving unrestricted monies to cover negative net assets related to restricted programs.

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2007**  
**Unaudited**

Table 2 shows the changes in net assets for fiscal years 2007 and 2006.

(Table 2)  
**Changes in Net Assets**

|  | Governmental<br>Activities<br>2007 | Governmental<br>Activities<br>2006 | Business-Type<br>Activities<br>2007 | Business-Type<br>Activities<br>2006 | Total<br>2007       | Total<br>2006<br>Restated |
|--|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|---------------------|---------------------------|
| <b>Revenues</b>  |                                    |                                    |                                     |                                     |                     |                           |
| Program Revenues:  |                                    |                                    |                                     |                                     |                     |                           |
| Charges for Services and Sales                                 | \$1,314,834                        | \$1,126,436                        | \$625,630                           | \$637,513                           | \$1,940,464         | \$1,763,949               |
| Operating Grants, Contributions and Interest                   | 2,745,174                          | 2,573,020                          | 758,600                             | 613,495                             | 3,503,774           | 3,186,515                 |
| Capital Grants and Contributions                               | 0                                  | 71,992                             | 0                                   | 0                                   | 0                   | 71,992                    |
| <b>Total Program Revenues</b>                                  | <b>4,060,008</b>                   | <b>3,771,448</b>                   | <b>1,384,230</b>                    | <b>1,251,008</b>                    | <b>5,444,238</b>    | <b>5,022,456</b>          |
| General Revenues:  |                                    |                                    |                                     |                                     |                     |                           |
| Property Taxes   | 4,873,459                          | 4,679,613                          | 0                                   | 0                                   | 4,873,459           | 4,679,613                 |
| Grants and Entitlements not<br>Restricted to Specific Programs | 17,584,596                         | 17,302,267                         | 0                                   | 0                                   | 17,584,596          | 17,302,267                |
| Investment Earnings  | 261,884                            | 182,083                            | 0                                   | 0                                   | 261,884             | 182,083                   |
| Contributions and Donations                                    | 9,672                              | 18,265                             | 0                                   | 0                                   | 9,672               | 18,265                    |
| Miscellaneous  | 128,449                            | 138,250                            | 25,779                              | 17,548                              | 154,228             | 155,798                   |
| <b>Total General Revenues</b>                                  | <b>22,858,060</b>                  | <b>22,320,478</b>                  | <b>25,779</b>                       | <b>17,548</b>                       | <b>22,883,839</b>   | <b>22,338,026</b>         |
| <b>Total Revenues</b>  | <b>26,918,068</b>                  | <b>26,091,926</b>                  | <b>1,410,009</b>                    | <b>1,268,556</b>                    | <b>28,328,077</b>   | <b>27,360,482</b>         |
| <b>Program Expenses</b>  |                                    |                                    |                                     |                                     |                     |                           |
| Instruction:   |                                    |                                    |                                     |                                     |                     |                           |
| Regular  | 14,051,085                         | 14,703,897                         | 0                                   | 0                                   | 14,051,085          | 14,703,897                |
| Special  | 3,028,459                          | 2,751,167                          | 0                                   | 0                                   | 3,028,459           | 2,751,167                 |
| Vocational   | 254,430                            | 319,570                            | 0                                   | 0                                   | 254,430             | 319,570                   |
| Student Intervention Services                                  | 87,630                             | 101,933                            | 0                                   | 0                                   | 87,630              | 101,933                   |
| Support Services:  |                                    |                                    |                                     |                                     |                     |                           |
| Pupils   | 1,042,719                          | 1,083,805                          | 0                                   | 0                                   | 1,042,719           | 1,083,805                 |
| Instructional Staff  | 833,832                            | 1,029,535                          | 0                                   | 0                                   | 833,832             | 1,029,535                 |
| Board of Education   | 17,796                             | 25,214                             | 0                                   | 0                                   | 17,796              | 25,214                    |
| Administration   | 2,252,897                          | 2,323,665                          | 0                                   | 0                                   | 2,252,897           | 2,323,665                 |
| Fiscal   | 526,057                            | 487,405                            | 0                                   | 0                                   | 526,057             | 487,405                   |
| Business   | 168                                | 23,666                             | 0                                   | 0                                   | 168                 | 23,666                    |
| Operation and Maintenance of Plant                             | 2,824,911                          | 2,866,079                          | 0                                   | 0                                   | 2,824,911           | 2,866,079                 |
| Pupil Transportation   | 2,235,642                          | 2,107,161                          | 0                                   | 0                                   | 2,235,642           | 2,107,161                 |
| Central  | 225,768                            | 181,968                            | 0                                   | 0                                   | 225,768             | 181,968                   |
| Operation of Non-Instructional Services                        | 2,865                              | 3,578                              | 0                                   | 0                                   | 2,865               | 3,578                     |
| Extracurricular Activities                                     | 648,268                            | 692,746                            | 0                                   | 0                                   | 648,268             | 692,746                   |
| Interest and Fiscal Charges                                    | 309,796                            | 317,740                            | 0                                   | 0                                   | 309,796             | 317,740                   |
| Food Service   | 0                                  | 0                                  | 1,485,512                           | 1,383,302                           | 1,485,512           | 1,383,302                 |
| <b>Total Expenses</b>  | <b>28,342,323</b>                  | <b>29,019,129</b>                  | <b>1,485,512</b>                    | <b>1,383,302</b>                    | <b>29,827,835</b>   | <b>30,402,431</b>         |
| Decrease in Net Assets   | (1,424,255)                        | (2,927,203)                        | (75,503)                            | (114,746)                           | (1,499,758)         | (3,041,949)               |
| Net Assets at Beginning of Year                                | 51,803,738                         | 54,730,941                         | 1,992,932                           | 2,107,678                           | 53,796,670          | 56,838,619                |
| <b>Net Assets at End of Year</b>                               | <b>\$50,379,483</b>                | <b>\$51,803,738</b>                | <b>\$1,917,429</b>                  | <b>\$1,992,932</b>                  | <b>\$52,296,912</b> | <b>\$53,796,670</b>       |

Capital grants and contributions decreased by \$71,992 in the governmental activities. In fiscal year 2006, the School District received private donations in the General Fund to assist in the building of new tennis courts. Also, grant monies were received in the School Net Capital Projects Fund in fiscal year 2006 that were not received in fiscal year 2007.

Regular instruction decreased by \$652,812 in the governmental activities. This is due to the purchase of new math and social studies textbooks in fiscal year 2006.

Special instruction increased by \$277,292 in the governmental activities. In 2007, the School District received additional services and incurred cost increases to serve special needs students.

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2007**  
**Unaudited**

Support services instructional staff decreased by \$195,703 in the governmental activities. This is due to the retirement of employees that were not replaced.

Support services pupil transportation increased by \$128,481 in the governmental activities. This is due to an increase in transportation staff, new bus routes that have increased time and fringe benefits to employees, and additional special needs drivers.

**Governmental Activities**

The School District remains heavily reliant on State funding. Grants and Entitlements made up 65 percent of revenues for governmental activities of the Western Brown Local School District for fiscal year 2007.

Instruction comprises 61 percent of governmental program expenses. Support services expenses make up 35 percent of governmental expenses.

The Statement of Activities shows the cost of program services and the charges for services and sales and grants and contributions offsetting those services. In Table 3, the total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Net costs are costs that must be covered by unrestricted State aid (State Foundation) or local taxes. The difference in these two columns would represent restricted grants, fees and donations.

(Table 3)

**Governmental Activities**

|   | Total Cost<br>of Services<br>2007 | Total Cost<br>of Services<br>2006 | Net Cost<br>of Services<br>2007 | Net Cost<br>of Services<br>2006 |
|---|-----------------------------------|-----------------------------------|---------------------------------|---------------------------------|
| Instruction                             | \$17,421,604                      | \$17,876,567                      | (\$14,142,365)                  | (\$15,257,542)                  |
| Support Services                        | 9,959,790                         | 10,128,498                        | (9,288,291)                     | (9,125,788)                     |
| Operation of Non-Instructional Services | 2,865                             | 3,578                             | 326                             | 268                             |
| Extracurricular Activities              | 648,268                           | 692,746                           | (542,189)                       | (546,879)                       |
| Interest and Fiscal Charges             | 309,796                           | 317,740                           | (309,796)                       | (317,740)                       |
| <b>Total Expenses</b>                   | <b>\$28,342,323</b>               | <b>\$29,019,129</b>               | <b>(\$24,282,315)</b>           | <b>(\$25,247,681)</b>           |

**Business-Type Activities**

The only business-type activity is the food service operation. This program had revenues of \$1,410,009 and expenses of \$1,485,512 for fiscal year 2007. Of the revenues, \$625,630 was charges for services and sales and \$758,600 was from State and Federal grants. Business activities receive no support from tax revenues. The School District will continue to monitor the charges and costs of this activity. If it becomes necessary, the School District will increase the charges for this activity.

***Western Brown Local School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2007  
Unaudited***

**The School District's Funds**

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$26,901,557 and expenditures of \$26,657,334. The net change in fund balance for the fiscal year was most significant in the Debt Service Fund, an increase of \$105,849. This was due to tax and intergovernmental revenues exceeding the amount required for debt service during the fiscal year.

The General Fund saw a decrease in fund balance of \$25,582 which was the result of increases in regular and special instruction and several support services expenditures.

**General Fund - Budget Highlights**

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2007 the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures. A summary of the General Fund's original and final budgeted amounts is listed on page 20, as well as the actual amounts. A variance comparison is presented between the final budgeted amount and the actual amounts.

For the General Fund, the original budget basis revenue was \$23,817,402 with a final budget estimate of \$23,810,121. The difference of \$7,281 was primarily due to decreases in tax revenues. The School District's final actual revenues were \$23,857,379 at fiscal year-end, which represented a \$47,258 increase over final budgeted revenues. This difference was primarily due to increases in tuition and fees.

Original budget basis appropriations were \$24,186,015 with a final budget estimate of \$24,234,015. The difference of \$48,000 was primarily due to increases in regular instruction and principal retirement. The School District's final actual expenditures were \$24,187,802 at fiscal year-end, which represented a \$46,213 decrease over final budgeted appropriations. This difference was primarily due to decreases in regular instruction and support services operation and maintenance of plant.

The School District's ending unobligated cash balance was \$147,687 above the final budgeted amount.

**Western Brown Local School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2007**  
*Unaudited*

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal year 2007, the School District had \$55,112,402 invested in land, buildings and improvements, furniture and equipment, and vehicles. Table 4 shows fiscal year 2007 balances compared to fiscal year 2006:

(Table 4)

**Capital Assets at June 30**  
**(Net of Depreciation)**

|                            | Governmental Activities |                     | Business-Type Activities |                    | Total               |                     |
|----------------------------|-------------------------|---------------------|--------------------------|--------------------|---------------------|---------------------|
|                            | 2007                    | 2006                | 2007                     | 2006               | 2007                | 2006                |
| Land                       | \$2,515,954             | \$2,515,954         | \$0                      | \$0                | \$2,515,954         | \$2,515,954         |
| Buildings and Improvements | 48,130,666              | 49,730,401          | 1,080,106                | 1,117,658          | 49,210,772          | 50,848,059          |
| Furniture and Equipment    | 2,025,522               | 2,355,957           | 713,495                  | 787,959            | 2,739,017           | 3,143,916           |
| Vehicles                   | 646,659                 | 616,518             | 0                        | 0                  | 646,659             | 616,518             |
| Totals                     | <u>\$53,318,801</u>     | <u>\$55,218,830</u> | <u>\$1,793,601</u>       | <u>\$1,905,617</u> | <u>\$55,112,402</u> | <u>\$57,124,447</u> |

Net capital assets decreased from the prior fiscal year. The amount of depreciation was greater than the additions to capital assets, resulting in a net decrease for the fiscal year. The School District purchased new classroom and administration equipment. Also, the blacktop was repaired and resealed at the Mt. Orab Middle School.

For more information on capital assets, refer to note 8 to the basic financial statements.

**Debt**

At June 30, 2007, the School District had \$5,560,000 in bonds outstanding, \$240,000 of which is due within one year. Table 5 summarizes bonds outstanding at fiscal year-end of 2007 and 2006:

(Table 5)

**Outstanding Debt, at Fiscal Year-End**

|                               | 2007               | 2006               |
|-------------------------------|--------------------|--------------------|
| General Obligation Bonds:     |                    |                    |
| 1998 School Improvement Bonds | <u>\$5,560,000</u> | <u>\$5,775,000</u> |



***Western Brown Local School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2007  
Unaudited***

On June 15, 1998, the School District issued \$7,164,600 in voted general obligation bonds for the purpose of acquiring land, constructing new classroom facilities, and making renovations to existing buildings. The final payment is due in fiscal year 2021.

At June 30, 2007 the School District's overall legal debt margin was \$17,110,153 with an unvoted debt margin of \$231,997. The School District had a AA- bond rating by Standard and Poor's Rating Service on the 1998 School Improvement Bonds.

For more information about debt, refer to note 14 to the basic financial statements

### **District Challenges for the Future**

A major concern for the School District is that expenditures continue to exceed revenues in the General Fund. Our School District is primarily dependent on State funding for its operations and due to State provided gap-aid, running a levy to increase revenue is not a viable option because the School District's loss in State aid would be greater than the increase in tax revenue. The 2007-2008 and 2008-2009 Biennium Budget provides little relief for the School District, as the first year of the Biennium finds ourselves flat funded and the second year shows only a modest increase.

The School District's enrollment overall is declining slightly, driven by significant decreases in the Hamersville attendance area. We continue to see increasing numbers of open enrollment students coming into the School District, which serve as an offset to those leaving the School District. We have also learned the critical importance of accurate EMIS reporting in regard to enrollment and will continue our vigilance in that area to be certain that every child and their percent of time is counted properly for maximum State funding.

The School District continues to monitor and deal with home schooling and community schools, which constitute a significant drain on revenues for us. The deployment of the Virtual Learning Academy in conjunction with the Brown County Educational Service Center is an attempt on our part to offer alternatives to these other educational options. We are also currently closely monitoring the Community Schools Average Daily Membership website on a weekly basis in order to challenge community school enrollments that in fact are not accurate. In regard to home schooling, we are seeing a modest decline in parents seeking this option.

It is highly unfortunate that we continue to work during a time of unprecedented accountability for student performance results in education and at the same time are more unsure than ever about the future of the State funding of education. This is especially distasteful, as our School District has just been recognized by the Ohio Department of Education as well as all buildings being rated as "Effective" as reported on the Ohio Local Report Card. If we find ourselves in the position of making cuts to staff and programs, can we expect to continue that progress and move on into the Excellent category? We have many needs for continual improvement for the educational program in the Western Brown Local School District and our staff is giving an outstanding effort. What we really need is for someone in Columbus to provide the leadership that will provide a Constitutional funding system in Ohio. This is the only way that we can ensure the greatest educational opportunities for the children of this School District.

*Western Brown Local School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2007  
Unaudited*

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information contact Denny Dunlap, Treasurer at Western Brown Local School District, 524 West Main Street, Mt. Orab, OH 45154, or e-mail at [denny\\_wb@scoca-k12.org](mailto:denny_wb@scoca-k12.org).

# Basic Financial Statements

**Western Brown Local School District**  
**Statement of Net Assets**  
**June 30, 2007**

|   | Governmental<br>Activities | Business-Type<br>Activity | Total               |
|---|----------------------------|---------------------------|---------------------|
| <b><u>Assets:</u></b>                           |                            |                           |                     |
| Equity in Pooled Cash and Cash Equivalents      | \$5,904,592                | \$190,586                 | \$6,095,178         |
| Accrued Interest Receivable                     | 2,511                      | 0                         | 2,511               |
| Prepaid Items                                   | 13,804                     | 0                         | 13,804              |
| Inventory Held for Resale                       | 0                          | 9,745                     | 9,745               |
| Materials and Supplies Inventory                | 0                          | 2,320                     | 2,320               |
| Intergovernmental Receivable                    | 160,002                    | 76,130                    | 236,132             |
| Taxes Receivable                                | 4,959,844                  | 0                         | 4,959,844           |
| Accounts Receivable                             | 5,044                      | 1,186                     | 6,230               |
| Cash and Cash Equivalents with Fiscal Agents    | 5,000                      | 0                         | 5,000               |
| Deferred Charges                                | 12,428                     | 0                         | 12,428              |
| Capital Assets:                                 |                            |                           |                     |
| Land  | 2,515,954                  | 0                         | 2,515,954           |
| Depreciable Capital Assets, Net                 | 50,802,847                 | 1,793,601                 | 52,596,448          |
| <i>Total Assets</i>                             | <u>64,382,026</u>          | <u>2,073,568</u>          | <u>66,455,594</u>   |
| <b><u>Liabilities:</u></b>                      |                            |                           |                     |
| Accounts Payable                                | 45,504                     | 0                         | 45,504              |
| Accrued Wages and Benefits                      | 2,170,821                  | 84,387                    | 2,255,208           |
| Matured Compensated Absences Payable            | 215,571                    | 0                         | 215,571             |
| Intergovernmental Payable                       | 622,241                    | 50,549                    | 672,790             |
| Deferred Revenue                                | 3,488,858                  | 0                         | 3,488,858           |
| Matured Interest Payable                        | 5,000                      | 0                         | 5,000               |
| Accrued Interest Payable                        | 23,206                     | 0                         | 23,206              |
| Long-Term Liabilities:                          |                            |                           |                     |
| Due Within One Year                             | 450,455                    | 1,271                     | 451,726             |
| Due in More Than One Year                       | 6,980,887                  | 19,932                    | 7,000,819           |
| <i>Total Liabilities</i>                        | <u>14,002,543</u>          | <u>156,139</u>            | <u>14,158,682</u>   |
| <b><u>Net Assets:</u></b>                       |                            |                           |                     |
| Invested in Capital Assets, Net of Related Debt | 47,291,229                 | 1,793,601                 | 49,084,830          |
| Restricted for:                                 |                            |                           |                     |
| Debt Service                                    | 1,787,001                  | 0                         | 1,787,001           |
| Capital Projects                                | 719,152                    | 0                         | 719,152             |
| Classroom Facilities                            | 736,086                    | 0                         | 736,086             |
| Other Purposes                                  | 325,876                    | 0                         | 325,876             |
| Set-Asides                                      | 319,466                    | 0                         | 319,466             |
| Unrestricted (Deficit)                          | (799,327)                  | 123,828                   | (675,499)           |
| <i>Total Net Assets</i>                         | <u>\$50,379,483</u>        | <u>\$1,917,429</u>        | <u>\$52,296,912</u> |

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
**Statement of Activities**  
For the Fiscal Year Ended June 30, 2007

|   | Program Revenues    |                                      |   | Net (Expense) Revenue<br>and Changes in Net Assets |                           |                       |
|---|---------------------|--------------------------------------|---|--|---------------------------|-----------------------|
|   | Expenses            | Charges for<br>Services and<br>Sales | Operating<br>Grants,<br>Contributions<br>and Interest | Governmental<br>Activities                         | Business-Type<br>Activity | Total                 |
| <b><u>Governmental Activities:</u></b>              |                     |                                      |   |  |                           |                       |
| Instruction:  |                     |                                      |   |  |                           |                       |
| Regular   | \$14,051,085        | \$1,016,663                          | \$260,733   | (\$12,773,689)                                     | \$0                       | (\$12,773,689)        |
| Special   | 3,028,459           | 161,032                              | 1,741,683   | (1,125,744)  | 0                         | (1,125,744)           |
| Vocational  | 254,430             | 16,658                               | 79,138  | (158,634)  | 0                         | (158,634)             |
| Student Intervention Services                       | 87,630              | 3,332                                | 0   | (84,298)   | 0                         | (84,298)              |
| Support Services:                                   |                     |                                      |   |  |                           |                       |
| Pupils  | 1,042,719           | 0                                    | 335,209   | (707,510)  | 0                         | (707,510)             |
| Instructional Staff                                 | 833,832             | 0                                    | 38,578  | (795,254)  | 0                         | (795,254)             |
| Board of Education                                  | 17,796              | 0                                    | 0   | (17,796)   | 0                         | (17,796)              |
| Administration                                      | 2,252,897           | 0                                    | 145,956   | (2,106,941)  | 0                         | (2,106,941)           |
| Fiscal  | 526,057             | 0                                    | 0   | (526,057)  | 0                         | (526,057)             |
| Business  | 168                 | 0                                    | 66  | (102)  | 0                         | (102)                 |
| Operation and                                       |                     |                                      |   |  |                           |                       |
| Maintenance of Plant                                | 2,824,911           | 11,230                               | 0   | (2,813,681)  | 0                         | (2,813,681)           |
| Pupil Transportation                                | 2,235,642           | 0                                    | 86,255  | (2,149,387)  | 0                         | (2,149,387)           |
| Central   | 225,768             | 0                                    | 54,205  | (171,563)  | 0                         | (171,563)             |
| Operation of Non-Instructional                      |                     |                                      |   |  |                           |                       |
| Services  | 2,865               | 0                                    | 3,191   | 326  | 0                         | 326                   |
| Extracurricular Activities                          | 648,268             | 105,919                              | 160   | (542,189)  | 0                         | (542,189)             |
| Interest and Fiscal Charges                         | 309,796             | 0                                    | 0   | (309,796)  | 0                         | (309,796)             |
| <b>Total Governmental Activities</b>                | <b>28,342,323</b>   | <b>1,314,834</b>                     | <b>2,745,174</b>                                      | <b>(24,282,315)</b>                                | <b>0</b>                  | <b>(24,282,315)</b>   |
| <b><u>Business-Type Activity:</u></b>               |                     |                                      |   |  |                           |                       |
| Food Service  | 1,485,512           | 625,630                              | 758,600   | 0  | (101,282)                 | (101,282)             |
| <b>Totals</b>                                       | <b>\$29,827,835</b> | <b>\$1,940,464</b>                   | <b>\$3,503,774</b>                                    | <b>(\$24,282,315)</b>                              | <b>(\$101,282)</b>        | <b>(\$24,383,597)</b> |
| <b><u>General Revenues:</u></b>                     |                     |                                      |   |  |                           |                       |
| Property Taxes Levied for:                          |                     |                                      |   |  |                           |                       |
| General Purposes                                    |                     |                                      |   | 4,251,580  | 0                         | 4,251,580             |
| Debt Service  |                     |                                      |   | 533,573  | 0                         | 533,573               |
| Capital Outlay                                      |                     |                                      |   | 88,306   | 0                         | 88,306                |
| Grants and Entitlements                             |                     |                                      |   |  |                           |                       |
| not Restricted to Specific Programs                 |                     |                                      |   | 17,584,596   | 0                         | 17,584,596            |
| Investment Earnings                                 |                     |                                      |   | 261,884  | 0                         | 261,884               |
| Contributions and Donations                         |                     |                                      |   | 9,672  | 0                         | 9,672                 |
| Miscellaneous                                       |                     |                                      |   | 128,449  | 25,779                    | 154,228               |
| <b>Total General Revenues</b>                       |                     |                                      |   | <b>22,858,060</b>                                  | <b>25,779</b>             | <b>22,883,839</b>     |
| Change in Net Assets                                |                     |                                      |   | (1,424,255)  | (75,503)                  | (1,499,758)           |
| <b>Net Assets at Beginning of Year - (Restated)</b> |                     |                                      |   | <b>51,803,738</b>                                  | <b>1,992,932</b>          | <b>53,796,670</b>     |
| <b>Net Assets at End of Year</b>                    |                     |                                      |   | <b>\$50,379,483</b>                                | <b>\$1,917,429</b>        | <b>\$52,296,912</b>   |

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Balance Sheet*  
**Governmental Funds**  
*June 30, 2007*

|   | General            | Debt<br>Service    | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|--------------------|--------------------|--------------------------------|--------------------------------|
| <b><u>Assets:</u></b>                                   |                    |                    |                                |                                |
| Equity in Pooled Cash and Cash Equivalents              | \$2,113,468        | \$1,646,445        | \$1,825,213                    | \$5,585,126                    |
| Cash and Cash Equivalents with Fiscal Agents            | 0                  | 5,000              | 0                              | 5,000                          |
| <b>Restricted Assets:</b>                               |                    |                    |                                |                                |
| Equity in Pooled Cash and Cash Equivalents              | 319,466            | 0                  | 0                              | 319,466                        |
| <b>Receivables:</b>                                     |                    |                    |                                |                                |
| Taxes   | 4,321,169          | 547,046            | 91,629                         | 4,959,844                      |
| Accounts  | 1,316              | 0                  | 3,728                          | 5,044                          |
| Intergovernmental                                       | 21,503             | 1,310              | 137,189                        | 160,002                        |
| Interfund   | 18,700             | 0                  | 0                              | 18,700                         |
| Accrued Interest  | 2,511              | 0                  | 0                              | 2,511                          |
| Prepaid Items   | 13,804             | 0                  | 0                              | 13,804                         |
| <b>Total Assets</b>                                     | <b>\$6,811,937</b> | <b>\$2,199,801</b> | <b>\$2,057,759</b>             | <b>\$11,069,497</b>            |
| <b><u>Liabilities and Fund Balances:</u></b>            |                    |                    |                                |                                |
| <b><u>Liabilities:</u></b>                              |                    |                    |                                |                                |
| Accounts Payable  | \$43,718           | \$0                | \$1,786                        | \$45,504                       |
| Accrued Wages and Benefits                              | 2,028,246          | 0                  | 142,575                        | 2,170,821                      |
| Matured Compensated Absences Payable                    | 215,571            | 0                  | 0                              | 215,571                        |
| Interfund Payable                                       | 0                  | 0                  | 18,700                         | 18,700                         |
| Intergovernmental Payable                               | 600,423            | 0                  | 21,818                         | 622,241                        |
| Deferred Revenue  | 3,181,067          | 404,406            | 89,472                         | 3,674,945                      |
| Matured Interest Payable                                | 0                  | 5,000              | 0                              | 5,000                          |
| <b>Total Liabilities</b>                                | <b>6,069,025</b>   | <b>409,406</b>     | <b>274,351</b>                 | <b>6,752,782</b>               |
| <b><u>Fund Balances:</u></b>                            |                    |                    |                                |                                |
| Reserved for Encumbrances                               | 147,844            | 0                  | 70,628                         | 218,472                        |
| Reserved for Property Taxes                             | 1,132,514          | 141,564            | 22,610                         | 1,296,688                      |
| Reserved for Textbooks                                  | 319,466            | 0                  | 0                              | 319,466                        |
| <b>Unreserved, Undesignated (Deficit), Reported in:</b> |                    |                    |                                |                                |
| General Fund  | (856,912)          | 0                  | 0                              | (856,912)                      |
| Special Revenue Funds                                   | 0                  | 0                  | 971,018                        | 971,018                        |
| Debt Service Fund                                       | 0                  | 1,648,831          | 0                              | 1,648,831                      |
| Capital Projects Funds                                  | 0                  | 0                  | 719,152                        | 719,152                        |
| <b>Total Fund Balances</b>                              | <b>742,912</b>     | <b>1,790,395</b>   | <b>1,783,408</b>               | <b>4,316,715</b>               |
| <b>Total Liabilities and Fund Balances</b>              | <b>\$6,811,937</b> | <b>\$2,199,801</b> | <b>\$2,057,759</b>             | <b>\$11,069,497</b>            |

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities*  
 June 30, 2007

**Total Governmental Fund Balances** \$4,316,715

***Amounts reported for governmental activities in the  
 Statement of Net Assets are different because:***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

|                          |                     |            |
|--------------------------|---------------------|------------|
| Land                     | 2,515,954           |            |
| Other capital assets     | 71,912,074          |            |
| Accumulated depreciation | <u>(21,109,227)</u> |            |
| Total capital assets     |                     | 53,318,801 |

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

|                   |               |         |
|-------------------|---------------|---------|
| Taxes             | 152,344       |         |
| Intergovernmental | <u>33,743</u> |         |
|                   |               | 186,087 |

Governmental funds report capital lease issuance costs as expenditures, whereas these amounts are deferred and amortized in the Statement of Activities.

12,428

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

|                           |                    |                    |
|---------------------------|--------------------|--------------------|
| Bonds payable             | (5,560,000)        |                    |
| Accrued interest on bonds | (23,206)           |                    |
| Capital leases payable    | (480,000)          |                    |
| Compensated absences      | <u>(1,391,342)</u> |                    |
| Total liabilities         |                    | <u>(7,454,548)</u> |

**Net Assets of Governmental Activities** \$50,379,483

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2007*

|  | General           | Debt<br>Service    | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|-------------------|--------------------|--------------------------------|--------------------------------|
| <b><u>Revenues:</u></b>                                |                   |                    |                                |                                |
| Taxes  | \$4,255,419       | \$531,904          | \$88,384                       | \$4,875,707                    |
| Intergovernmental                                      | 18,407,750        | 86,807             | 1,811,903                      | 20,306,460                     |
| Interest   | 234,559           | 0                  | 27,325                         | 261,884                        |
| Tuition and Fees                                       | 1,110,565         | 0                  | 87,120                         | 1,197,685                      |
| Extracurricular Activities                             | 0                 | 0                  | 105,919                        | 105,919                        |
| Rent   | 11,230            | 0                  | 0                              | 11,230                         |
| Contributions and Donations                            | 2,450             | 0                  | 11,773                         | 14,223                         |
| Miscellaneous  | 27,351            | 0                  | 101,098                        | 128,449                        |
| <i>Total Revenues</i>                                  | <u>24,049,324</u> | <u>618,711</u>     | <u>2,233,522</u>               | <u>26,901,557</u>              |
| <b><u>Expenditures:</u></b>                            |                   |                    |                                |                                |
| Current:   |                   |                    |                                |                                |
| Instruction:   |                   |                    |                                |                                |
| Regular  | 12,273,888        | 0                  | 394,576                        | 12,668,464                     |
| Special  | 2,124,995         | 0                  | 800,485                        | 2,925,480                      |
| Vocational   | 220,087           | 0                  | 0                              | 220,087                        |
| Student Intervention Services                          | 42,595            | 0                  | 45,035                         | 87,630                         |
| Support Services:                                      |                   |                    |                                |                                |
| Pupils   | 620,596           | 0                  | 352,464                        | 973,060                        |
| Instructional Staff                                    | 746,023           | 0                  | 77,015                         | 823,038                        |
| Board of Education                                     | 17,796            | 0                  | 0                              | 17,796                         |
| Administration   | 1,815,625         | 0                  | 165,158                        | 1,980,783                      |
| Fiscal   | 481,160           | 12,626             | 8,340                          | 502,126                        |
| Business   | 0                 | 0                  | 168                            | 168                            |
| Operation and Maintenance of Plant                     | 2,728,957         | 0                  | 71,667                         | 2,800,624                      |
| Pupil Transportation                                   | 2,251,693         | 0                  | 0                              | 2,251,693                      |
| Central  | 213,451           | 0                  | 23,126                         | 236,577                        |
| Operation of Non-Instructional Services                | 0                 | 0                  | 2,865                          | 2,865                          |
| Extracurricular Activities                             | 405,184           | 0                  | 117,334                        | 522,518                        |
| Capital Outlay   | 60,153            | 0                  | 1,535                          | 61,688                         |
| Debt Service:  |                   |                    |                                |                                |
| Principal Retirement                                   | 58,000            | 215,000            | 0                              | 273,000                        |
| Interest and Fiscal Charges                            | 24,501            | 285,236            | 0                              | 309,737                        |
| <i>Total Expenditures</i>                              | <u>24,084,704</u> | <u>512,862</u>     | <u>2,059,768</u>               | <u>26,657,334</u>              |
| <i>Excess of Revenues Over (Under) Expenditures</i>    | (35,380)          | 105,849            | 173,754                        | 244,223                        |
| <b><u>Other Financing Sources:</u></b>                 |                   |                    |                                |                                |
| Proceeds from Sale of Capital Assets                   | 9,798             | 0                  | 0                              | 9,798                          |
| <i>Net Change in Fund Balances</i>                     | (25,582)          | 105,849            | 173,754                        | 254,021                        |
| <i>Fund Balances at Beginning of Year - (Restated)</i> | <u>768,494</u>    | <u>1,684,546</u>   | <u>1,609,654</u>               | <u>4,062,694</u>               |
| <i>Fund Balances at End of Year</i>                    | <u>\$742,912</u>  | <u>\$1,790,395</u> | <u>\$1,783,408</u>             | <u>\$4,316,715</u>             |

See accompanying notes to the basic financial statements



**Western Brown Local School District**  
*Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Fiscal Year Ended June 30, 2007*

**Net Change in Fund Balances - Total Governmental Funds** \$254,021

***Amounts reported for governmental activities in the  
Statement of Activities are different because:***

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

|  |             |             |
|--|-------------|-------------|
| Capital asset additions                            | 318,140     |             |
| Depreciation expense                               | (2,195,819) |             |
| Excess of capital outlay over depreciation expense | (1,877,679) | (1,877,679) |

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of the capital assets are removed from the capital asset account in the Statement of Net Assets and offset against the proceeds from the sale of capital assets resulting in a loss on the sale of capital assets in the Statement of Activities.

|                                      |          |          |
|--------------------------------------|----------|----------|
| Proceeds from Sale of Capital Assets | (9,798)  |          |
| Loss on Disposal of Capital Assets   | (12,552) |          |
|                                      | (22,350) | (22,350) |

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues changed by this amount this year.

|                           |         |        |
|---------------------------|---------|--------|
| Delinquent Property Taxes | (2,248) |        |
| Intergovernmental         | 18,759  |        |
|                           | 16,511  | 16,511 |

Governmental funds report bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the Statement of Activities. (956)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current fiscal year, these amounts consist of:

|                                |         |         |
|--------------------------------|---------|---------|
| Bond principal retirement      | 215,000 |         |
| Capital lease payments         | 58,000  |         |
| Total long-term debt repayment | 273,000 | 273,000 |

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional amount of interest on the Statement of Activities is the result of the following:

|                              |  |     |
|------------------------------|--|-----|
| Decrease in accrued interest |  | 897 |
|------------------------------|--|-----|

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

|                                  |  |          |
|----------------------------------|--|----------|
| Increase in compensated absences |  | (67,699) |
|----------------------------------|--|----------|

**Change in Net Assets of Governmental Activities** (\$1,424,255)

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2007*

|   | Budgeted Amounts   |                    | Actual             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|--------------------|--------------------|---|
|   | Original           | Final              |                    |   |
| <b><u>Revenues:</u></b>                         |                    |                    |                    |   |
| Taxes   | \$4,536,083        | \$4,087,270        | \$4,090,038        | \$2,768   |
| Intergovernmental                               | 17,936,206         | 18,393,324         | 18,388,322         | (5,002)   |
| Interest  | 222,323            | 210,551            | 227,927            | 17,376  |
| Tuition and Fees                                | 1,083,259          | 1,080,476          | 1,110,565          | 30,089  |
| Rent  | 10,954             | 8,500              | 11,230             | 2,730   |
| Contributions and Donations                     | 2,390              | 0                  | 2,450              | 2,450   |
| Miscellaneous                                   | 26,187             | 30,000             | 26,847             | (3,153)   |
| <b>Total Revenues</b>                           | <b>23,817,402</b>  | <b>23,810,121</b>  | <b>23,857,379</b>  | <b>47,258</b>   |
| <b><u>Expenditures:</u></b>                     |                    |                    |                    |   |
| Current:  |                    |                    |                    |   |
| Instruction:                                    |                    |                    |                    |   |
| Regular   | 11,159,920         | 11,174,920         | 10,921,386         | 253,534   |
| Special   | 2,037,447          | 2,043,447          | 2,141,526          | (98,079)  |
| Vocational                                      | 234,192            | 234,192            | 262,799            | (28,607)  |
| Other   | 1,237,890          | 1,237,890          | 1,335,564          | (97,674)  |
| Support Services:                               |                    |                    |                    |   |
| Pupils  | 567,451            | 567,451            | 659,045            | (91,594)  |
| Instructional Staff                             | 697,851            | 697,851            | 778,718            | (80,867)  |
| Board of Education                              | 26,424             | 26,424             | 17,954             | 8,470   |
| Administration                                  | 1,758,589          | 1,758,589          | 1,715,020          | 43,569  |
| Fiscal  | 481,937            | 481,937            | 482,020            | (83)  |
| Business  | 15,000             | 15,000             | 56                 | 14,944  |
| Operation and Maintenance of Plant              | 3,187,516          | 3,187,516          | 2,773,231          | 414,285   |
| Pupil Transportation                            | 2,010,300          | 2,010,300          | 2,289,008          | (278,708)   |
| Central   | 223,107            | 223,107            | 215,673            | 7,434   |
| Extracurricular Activities                      | 420,913            | 420,913            | 408,246            | 12,667  |
| Capital Outlay                                  | 72,478             | 72,478             | 105,055            | (32,577)  |
| Debt Service:                                   |                    |                    |                    |   |
| Principal Retirement                            | 31,000             | 58,000             | 58,000             | 0   |
| Interest and Fiscal Charges                     | 24,000             | 24,000             | 24,501             | (501)   |
| <b>Total Expenditures</b>                       | <b>24,186,015</b>  | <b>24,234,015</b>  | <b>24,187,802</b>  | <b>46,213</b>   |
| Excess of Revenues Over<br>(Under) Expenditures | (368,613)          | (423,894)          | (330,423)          | 93,471  |
| <b><u>Other Financing Sources (Uses):</u></b>   |                    |                    |                    |   |
| Proceeds from Sale of Capital Assets            | 0                  | 0                  | 9,798              | 9,798   |
| Refund of Prior Year Expenditures               | 0                  | 0                  | 13,118             | 13,118  |
| Advances In                                     | 75,000             | 25,000             | 31,558             | 6,558   |
| Advances Out                                    | (75,000)           | (75,000)           | (50,258)           | 24,742  |
| <b>Total Other Financing Sources (Uses)</b>     | <b>0</b>           | <b>(50,000)</b>    | <b>4,216</b>       | <b>54,216</b>   |
| Net Change in Fund Balance                      | (368,613)          | (473,894)          | (326,207)          | 147,687   |
| Fund Balance at Beginning of Year               | 2,390,787          | 2,390,787          | 2,390,787          | 0   |
| Prior Year Encumbrances Appropriated            | 172,897            | 172,897            | 172,897            | 0   |
| <b>Fund Balance at End of Year</b>              | <b>\$2,195,071</b> | <b>\$2,089,790</b> | <b>\$2,237,477</b> | <b>\$147,687</b>  |

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Fund Net Assets*  
*Proprietary Fund*  
*June 30, 2007*

|  | Food<br>Service |
|--|-----------------|
| <b><u>Assets:</u></b>                      |                 |
| <b><u>Current Assets:</u></b>              |                 |
| Equity in Pooled Cash and Cash Equivalents | \$190,586       |
| Accounts Receivable                        | 1,186           |
| Intergovernmental Receivable               | 76,130          |
| Inventory Held for Resale                  | 9,745           |
| Materials and Supplies Inventory           | 2,320           |
| <i>Total Current Assets</i>                | 279,967         |
| <b><u>Noncurrent Assets:</u></b>           |                 |
| Capital Assets, Net                        | 1,793,601       |
| <i>Total Assets</i>                        | 2,073,568       |
| <b><u>Liabilities:</u></b>                 |                 |
| <b><u>Current Liabilities:</u></b>         |                 |
| Accrued Wages and Benefits                 | 84,387          |
| Compensated Absences Payable               | 1,271           |
| Intergovernmental Payable                  | 50,549          |
| <i>Total Current Liabilities</i>           | 136,207         |
| <b><u>Long-term Liabilities:</u></b>       |                 |
| Compensated Absences Payable               | 19,932          |
| <i>Total Liabilities</i>                   | 156,139         |
| <b><u>Net Assets:</u></b>                  |                 |
| Invested in Capital Assets                 | 1,793,601       |
| Unrestricted                               | 123,828         |
| <i>Total Net Assets</i>                    | \$1,917,429     |

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2007*

|  | Food<br>Service    |
|--|--------------------|
| <b><u>Operating Revenues:</u></b>                    |                    |
| Sales  | \$625,630          |
| Miscellaneous  | 25,779             |
|  | 651,409            |
| <br><b><u>Operating Expenses:</u></b>                |                    |
| Salaries   | 385,904            |
| Fringe Benefits                                      | 275,764            |
| Purchased Services                                   | 12,234             |
| Materials and Supplies                               | 38,055             |
| Cost of Sales  | 631,544            |
| Depreciation   | 119,817            |
|  | 1,463,318          |
| <i>Total Operating Revenues</i>                      | <i>651,409</i>     |
| <i>Total Operating Expenses</i>                      | <i>1,463,318</i>   |
| <i>Operating Loss</i>                                | <i>(811,909)</i>   |
| <br><b><u>Non-Operating Revenues (Expenses):</u></b> |                    |
| Donated Commodities                                  | 111,331            |
| Operating Grants                                     | 636,408            |
| Interest   | 10,861             |
| Loss on Sale of Capital Assets                       | (22,194)           |
|  | 736,406            |
| <i>Total Non-Operating Revenues (Expenses)</i>       | <i>736,406</i>     |
| <i>Change in Net Assets</i>                          | <i>(75,503)</i>    |
| <i>Net Assets at Beginning of Year</i>               | <i>1,992,932</i>   |
| <i>Net Assets at End of Year</i>                     | <i>\$1,917,429</i> |

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Cash Flows*  
*Proprietary Fund*  
*For the Fiscal Year Ended June 30, 2007*

|   | Food<br>Service |
|---|-----------------|
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>         |                 |
| <b>Cash Flows from Operating Activities</b>                     |                 |
| Cash Received from Customers                                    | \$625,630       |
| Cash Received from Others                                       | 25,143          |
| Cash Payments on Employee Benefits                              | (269,793)       |
| Cash Payments to Employees for Services                         | (384,266)       |
| Cash Payments to Suppliers for Goods and Services               | (573,712)       |
| <i>Net Cash Used for Operating Activities</i>                   | (576,998)       |
| <b>Cash Flows from Noncapital Financing Activities</b>          |                 |
| Operating Grants Received                                       | 560,278         |
| <b>Cash Flows from Capital and Related Financing Activities</b> |                 |
| Payments for Capital Acquisitions                               | (29,995)        |
| <b>Cash Flows from Investing Activities</b>                     |                 |
| Interest  | 10,861          |
| <i>Net Decrease in Cash and Cash Equivalents</i>                | (35,854)        |
| <i>Cash and Cash Equivalents at Beginning of Year</i>           | 226,440         |
| <i>Cash and Cash Equivalents at End of Year</i>                 | \$190,586       |
| <b>Reconciliation of Operating Loss to Net</b>                  |                 |
| <b>Cash Used for Operating Activities</b>                       |                 |
| Operating Loss  | (\$811,909)     |
| <b>Adjustments to Reconcile Operating Loss to</b>               |                 |
| <b>Net Cash Used for Operating Activities</b>                   |                 |
| Depreciation  | 119,817         |
| Donated Commodities Received During Year                        | 111,331         |
| (Increase) Decrease In Assets                                   |                 |
| Inventory Held for Resale                                       | (3,171)         |
| Materials and Supplies Inventory                                | 39              |
| Accounts Receivable   | (636)           |
| Increase (Decrease) in Liabilities                              |                 |
| Accounts Payable  | (6,393)         |
| Accrued Wages and Benefits                                      | 5,761           |
| Compensated Absences Payable                                    | (1,159)         |
| Intergovernmental Payable                                       | 9,322           |
| Total Adjustments   | 234,911         |
| <i>Net Cash Used for Operating Activities</i>                   | (\$576,998)     |

**Non-Cash Transactions**

During fiscal year 2007, the Food Service Enterprise Fund received \$111,331 in donated commodities.

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*June 30, 2007*

|  | Private Purpose<br>Trust | Agency   |
|--|--------------------------|----------|
|  | Scholarship              |          |
| <b><u>Assets:</u></b>                      |                          |          |
| Equity in Pooled Cash and Cash Equivalents | \$18,918                 | \$92,459 |
| <b><u>Liabilities:</u></b>                 |                          |          |
| Undistributed Monies                       | 0                        | \$92,459 |
| <b><u>Net Assets:</u></b>                  |                          |          |
| Held in Trust for Scholarships             | 18,918                   |          |
| <i>Total Net Assets</i>                    | \$18,918                 |          |

See accompanying notes to the basic financial statements

**Western Brown Local School District**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Fund*  
*For the Fiscal Year Ended June 30, 2007*

|  | Private Purpose<br>Trust |
|--|--------------------------|
|  | Scholarship              |
| <b><u>Additions:</u></b>               |                          |
| Contributions and Donations            | \$4,187                  |
| Interest                               | 366                      |
|  | 4,553                    |
| <i>Total Additions</i>                 | 4,553                    |
| <b><u>Deductions:</u></b>              |                          |
| Scholarships Awarded                   | 3,550                    |
|  | 1,003                    |
| <i>Change in Net Assets</i>            | 1,003                    |
| <i>Net Assets at Beginning of Year</i> | 17,915                   |
|  | \$18,918                 |
| <i>Net Assets at End of Year</i>       | \$18,918                 |

See accompanying notes to the basic financial statements

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

Western Brown Local School District (the “School District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally elected Board of Education (five members) and is responsible for the education of the residents of the School District. The Board controls the School District's four instructional support facilities staffed by 121 non-certificated, 184 teaching and 30 administrative employees providing education to 3,314 students.

The School District serves an area of approximately 141 square miles. It is located in Brown County, and includes the Village of Mt. Orab, the Village of Hamersville and portions of surrounding townships.

**Reporting Entity**

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service, and student 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 participates in three jointly governed organizations, one public entity shared risk and insurance purchasing pool and one insurance purchasing pool. These organizations are the South Central Ohio Computer Association (SCOCA), the Hopewell Special Education Regional Resource Center (Hopewell), the Unified Purchasing Cooperative of the Ohio River Valley (UPC), the Brown County Schools Benefits Consortium, and the Ohio School Boards Association Workers’ Compensation Group Rating Plan. These organizations are presented in Notes 15, 16 and 17 to the basic financial statements.



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

The financial statements of the Western Brown Local 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 governmental and business-type activities and to its proprietary fund provided they do not conflict with or contradict GASB pronouncements. The School District has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989, to its business-type activity and enterprise fund. The more significant of the School District's accounting policies are described below.

**A. Basis of Presentation**

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements normally distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for its single business-type activity. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be spent to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business-type activity or governmental program is self-financing or draws from the general revenues of the School District.

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

**B. Fund Accounting**

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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.

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

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no internal service funds.

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Enterprise Fund - Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services. The only enterprise fund of the School District accounts for the financial transactions related to food service operations.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary funds are a private purpose trust fund and an agency fund. The private purpose trust fund accounts for college scholarship programs for students. The School District's agency fund accounts for those student activities which consist of a student body, student president, student treasurer and faculty advisor.

**C. Measurement Focus**

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the Statement of Net Assets. The Statement of Activities reports increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Fund Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. The Statement of Cash Flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The private purpose trust fund is reported using the economic resources measurement focus.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The government-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined, and “available” means that the resources are collectible within the current fiscal year, or are expected to be collected soon thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal 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 6). 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 fiscal 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.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available for advance, student fees, grants and interest.

**Deferred Revenue**

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Property taxes for which there is an enforceable legal claim as of June 30, 2007 but which were levied to finance fiscal year 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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.

**E. Cash and Cash Equivalents**

To improve cash management, all cash received by the School District is pooled. Monies for all funds, including the proprietary fund, are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. The School District utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the financial statements as "Cash and Cash Equivalents with Fiscal Agents" and represents deposits.

During fiscal year 2007, the School District's investments were limited to certificates of deposit, money market mutual funds and funds invested in the State Treasury Asset Reserve of Ohio (STAROhio). Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. For investments in open-end mutual funds, the fair value is determined by the fund's current share price.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2007.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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 during fiscal year 2007 amounted to \$234,559, which includes \$129,896 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash and cash equivalents.

**F. Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund represent amounts required by Statute to be set aside by the School District to purchase textbooks (see Note 18).

**G. Fund Balance Reserves**

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, property taxes and textbooks.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute for fiscal year 2007.

**H. Inventory**

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories consist of purchased and donated food held for resale and consumable supplies.

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**J. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the government-wide Statement of Net Assets and in the fund.

All capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; 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.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

| Description                | Governmental<br>Activities<br>Estimated Lives | Business-Type<br>Activity<br>Estimated Lives |
|----------------------------|---|--|
| Buildings and Improvements | 10 – 75 years                                 | 10 – 75 years                                |
| Furniture and Equipment    | 5 – 20 years                                  | 10 years                                     |
| Vehicles                   | 3 - 15 years                                  | N/A  |

**K. 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. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

**L. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the proprietary funds are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current fiscal year. Bonds and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**M. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for music and athletic programs and student activities, and federal and State grants restricted to expenditures for specified purposes.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Net Assets reports \$3,887,581 of restricted net assets, none of which are restricted by enabling legislation.

**N. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are classified as non-operating.



**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**O. Internal Activity**

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**P. Estimates**

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

**Q. Budgetary Process**

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund. The School District did not anticipate any activity in the Teacher Development Special Revenue Fund, and none occurred. Therefore, no budgetary statements are presented for this fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate that was in effect at the time the final appropriations were passed.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year, including all supplemental appropriations.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Accountability**

At June 30, 2007, the Teacher Development, Alternative School, Title VI-B, and Title I nonmajor special revenue funds had deficit fund balances of \$234, \$1,916, \$13,554 and \$46,452, respectively. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**B. Compliance**

The District did not properly encumber all funds as required by Ohio Revised Code, section 5705.41(D).

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the General Fund is 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 are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING** (Continued)

5. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statement. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

| Net Change in Fund Balance |             |
|----------------------------|-------------|
| GAAP Basis                 | (\$25,582)  |
| Adjustments:               |             |
| Revenue Accruals           | (174,532)   |
| Expenditure Accruals       | 88,064      |
| Encumbrances               | (191,162)   |
| Advances                   | (18,700)    |
| Unrecorded Cash            | (4,295)     |
| Budget Basis               | (\$326,207) |

**NOTE 5 - CASH AND CASH EQUIVALENTS**

Monies held by the School District are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the School District treasury. Active 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 Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 5 - DEPOSITS AND INVESTMENTS** (Continued)

2. Bonds, notes, debentures, or any other obligation or security 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;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

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. Investments may only be made through specified dealers and institutions.

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year-end, \$700,811 of the School District's bank balance of \$1,991,882 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

*Western Brown Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2007*

---

**NOTE 5 - DEPOSITS AND INVESTMENTS** (Continued)

Investments

As of June 30, 2007, the School District had the following investments, which are in an internal investment pool:

| <u>Investment Type</u>                         | <u>Fair Value</u>  | <u>Maturity</u>    |
|--|--------------------|--------------------|
| STAROhio                                       | \$3,055,911        | Average 38.56 Days |
| Goldman Sachs Financial Square Government Fund | 1,394,707          | Average 36 Days    |
| Total Investments                              | <u>\$4,450,618</u> |                    |

Interest Rate Risk

The School District has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk

STAROhio and the Goldman Sachs Financial Square Government Fund both carry ratings of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market mutual fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. The School District has no investment policy that would further limit its investment choices.

**NOTE 6 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis while the School District fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2007 represents collections of calendar year 2006 taxes. Real property taxes received in calendar year 2007 were levied after April 1, 2006, on the assessed value listed as of January 1, 2006, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market 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.

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 6 - PROPERTY TAXES** (Continued)

Public utility property tax revenue received in calendar year 2007 represents collections of calendar year 2006 taxes. Public utility real and tangible personal property taxes received in calendar year 2007 became a lien December 31, 2005, were levied after April 1, 2006, and are collected in 2007 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar year 2007 (other than public utility property tax) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2007 were levied after April 1, 2006, on the value as of December 31, 2006. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out. The assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. Payments 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. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30. This year, the June 2007 tangible personal property tax was not received until July 2007.

The School District receives property taxes from Brown County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2007, are available to finance fiscal year 2007 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2007 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The amount available as an advance at June 30, 2007, was \$1,132,514 in the General Fund, \$141,564 in the Debt Service Fund and \$22,610 in the Other Governmental Funds. The amount available as an advance at June 30, 2006, was \$955,942 in the General Fund, \$119,493 in the Debt Service Fund and \$21,889 in the Other Governmental Funds.

**Western Brown Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 6 - PROPERTY TAXES** (Continued)

The assessed values upon which fiscal year 2007 taxes were collected are:

|   | 2006 Second-<br>Half Collections |         | 2007 First-<br>Half Collections |         |
|---|----------------------------------|---------|---------------------------------|---------|
|   | Amount                           | Percent | Amount                          | Percent |
| Real Estate                                   | \$191,150,950                    | 91.59%  | \$225,537,190                   | 94.77%  |
| Public Utility Personal                       | 8,383,120                        | 4.02%   | 8,252,990                       | 3.47%   |
| General Business Personal                     | 9,164,247                        | 4.39%   | 4,198,610                       | 1.76%   |
| Total Assessed Value                          | \$208,698,317                    | 100.00% | \$237,988,790                   | 100.00% |
| Tax rate per \$1,000 of<br>assessed valuation | \$23.00                          |         | \$23.00                         |         |

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2007, consisted of property taxes, accounts, intergovernmental grants, interfund and interest. All receivables, except for delinquent property taxes, are considered collectible in full and will be received in one year due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. The intergovernmental receivables are as follows:

|   | Amounts   |
|---|-----------|
| <b><u>Governmental Activities:</u></b>      |           |
| Alternative School Grant                    | \$4,720   |
| Miscellaneous State Grants                  | 42,129    |
| Title VI-B - Special Education IDEA Grant   | 36,624    |
| Title I - Targeted Assistance Grant         | 28,625    |
| Title VI Grant                              | 2,095     |
| Reducing Class Size Grant                   | 22,708    |
| \$10,000 Exemption                          | 13,101    |
| Tuition                                     | 10,000    |
| Total Governmental Activities               | 160,002   |
| <b><u>Business-Type Activity:</u></b>       |           |
| Food Service - Federal Lunch Reimbursements | 76,130    |
| Total Intergovernmental Receivables         | \$236,132 |

**Western Brown Local School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2007

---

**NOTE 8 - CAPITAL ASSETS**

Capital assets activity for the fiscal year ended June 30, 2007, was as follows:

|  | Balance<br>6/30/06  | Additions            | Deductions        | Balance<br>6/30/07  |
|--|---------------------|----------------------|-------------------|---------------------|
|  | <u>          </u>   | <u>          </u>    | <u>          </u> | <u>          </u>   |
| <b>Governmental Activities:</b>              |                     |                      |                   |                     |
| Capital Assets, Not Being Depreciated:       |                     |                      |                   |                     |
| Land   | \$2,515,954         | \$0                  | \$0               | \$2,515,954         |
|  | <u>          </u>   | <u>          </u>    | <u>          </u> | <u>          </u>   |
| Capital Assets, Being Depreciated:           |                     |                      |                   |                     |
| Buildings and Improvements                   | 62,503,934          | 64,666               | (47,052)          | 62,521,548          |
| Furniture and Equipment                      | 6,912,766           | 45,747               | 0                 | 6,958,513           |
| Vehicles                                     | 2,268,433           | 207,727              | (44,147)          | 2,432,013           |
| Total Capital Assets, Being Depreciated      | <u>71,685,133</u>   | <u>318,140</u>       | <u>(91,199)</u>   | <u>71,912,074</u>   |
| Less Accumulated Depreciation:               |                     |                      |                   |                     |
| Buildings and Improvements                   | (12,773,533)        | (1,642,051)          | 24,702            | (14,390,882)        |
| Furniture and Equipment                      | (4,556,809)         | (376,182)            | 0                 | (4,932,991)         |
| Vehicles                                     | (1,651,915)         | (177,586)            | 44,147            | (1,785,354)         |
| Total Accumulated Depreciation               | <u>(18,982,257)</u> | <u>(2,195,819) *</u> | <u>68,849</u>     | <u>(21,109,227)</u> |
| Total Capital Assets, Being Depreciated, Net | <u>52,702,876</u>   | <u>(1,877,679)</u>   | <u>(22,350)</u>   | <u>50,802,847</u>   |
| Governmental Activities Capital Assets, Net  | <u>\$55,218,830</u> | <u>(\$1,877,679)</u> | <u>(\$22,350)</u> | <u>\$53,318,801</u> |



**Western Brown Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

**NOTE 8 - CAPITAL ASSETS** (Continued)

|   | Balance<br>6/30/06 | Additions  | Deductions | Balance<br>6/30/07 |
|---|--------------------|------------|------------|--------------------|
| <b><u>Business-Type Activity:</u></b>   |                    |            |            |                    |
| Capital Assets, Being Depreciated:      |                    |            |            |                    |
| Buildings and Improvements              | \$1,422,497        | \$0        | \$0        | \$1,422,497        |
| Furniture and Equipment                 | 1,269,389          | 29,995     | (44,390)   | 1,254,994          |
| Total Capital Assets, Being Depreciated | 2,691,886          | 29,995     | (44,390)   | 2,677,491          |
| Less Accumulated Depreciation:          |                    |            |            |                    |
| Buildings and Improvements              | (304,839)          | (37,552)   | 0          | (342,391)          |
| Furniture and Equipment                 | (481,430)          | (82,265)   | 22,196     | (541,499)          |
| Total Accumulated Depreciation          | (786,269)          | (119,817)  | 22,196     | (883,890)          |
| Business-Type Activity                  |                    |            |            |                    |
| Capital Assets, Net                     | \$1,905,617        | (\$89,822) | (\$22,194) | \$1,793,601        |

\* Depreciation expense was charged to governmental functions as follows:

|                                    |             |
|------------------------------------|-------------|
| Instruction:                       |             |
| Regular                            | \$1,364,589 |
| Special                            | 95,502      |
| Vocational                         | 32,137      |
| Support Services:                  |             |
| Pupils                             | 61,067      |
| Instructional Staff                | 6,277       |
| Administration                     | 275,777     |
| Fiscal                             | 13,471      |
| Operation and Maintenance of Plant | 32,756      |
| Pupil Transportation               | 183,770     |
| Central                            | 4,723       |
| Extracurricular Activities         | 125,750     |
| Total Depreciation Expense         | \$2,195,819 |

**NOTE 9 - RISK MANAGEMENT**

**A. Property and Liability**

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 2007, the School District contracted with Indiana Insurance Company for general liability insurance with a \$1,000,000 single occurrence limit and a \$2,000,000 aggregate. The School District also contracts with Indiana Insurance Company for commercial umbrella liability insurance with a \$3,000,000 single occurrence and aggregate limit. Property is protected by the Indiana Insurance Company and holds a \$1,000 deductible. The School District's vehicles are covered by the Indiana Insurance Company under a business policy and hold a \$500 deductible for comprehensive and collision with a \$1,000,000 limit on any accident. School Board errors and omissions coverage is provided by Indiana Insurance Company and has a \$1,000,000 limit. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**B. Workers' Compensation**

For fiscal year 2007, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 17). 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. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

**C. Employee Medical**

The School District participates in the Brown County Schools Benefits Consortium (the Consortium), a public entity shared risk and insurance purchasing pool (Note 16) consisting of six districts. Medical coverage is purchased through Medical Mutual and the dental coverage is being provided through a shared risk pool based on member districts' number of employees. The School District is responsible for providing a current listing of enrolled employees and for providing timely pro-rata payments of premiums to the Consortium for employee health coverage and dental benefits. The Consortium is responsible for the management and operation of the program. Upon termination from the Consortium, for any reason, the terminated member shall assume and be responsible for the payment of any delinquent contributions relating to the medical insurance and all dental claims related to its employees from the date of termination, regardless of the date such claims were incurred.

**NOTE 10 - DEFINED BENEFIT PENSION PLANS**

**A. School Employee Retirement System**

The School District contributes to the School Employees Retirement System (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. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476, or by calling toll-free (800) 878-5853. It is also posted on SERS' website, [www.ohsers.org](http://www.ohsers.org), under Forms and Publications.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District 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 2007, 10.68 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2007, 2006 and 2005 were \$384,186, \$353,157 and \$369,980 respectively; 46.07 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005.

**B. State Teachers Retirement System**

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling toll-free (888) 227-7877, or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org).

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 10 - DEFINED BENEFIT PENSION PLANS** (Continued)

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2007, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2006, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2007, 2006, and 2005 were \$1,436,374, \$1,423,619, and \$1,372,161 respectively; 83.09 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005. Contributions to the DC and Combined Plans for fiscal year 2007 were \$2,206 made by the School District and \$17,725 made by the plan members.

**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 of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2007, one member of the Board of Education has elected Social Security. The Board's liability is 6.2 percent of wages.

*Western Brown Local School District*  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

---

**NOTE 11 - POSTEMPLOYMENT BENEFITS**

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

All STRS Ohio retirees who participated in the DB or Combined Plans and their dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care cost will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2007, the STRS Ohio Board allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$110,490 for fiscal year 2007.

STRS Ohio pays health care benefits from the Health Care Stabilization Fund. At June 30, 2006, (the latest information available) the balance in the Fund was \$3.5 billion. For the fiscal year ended June 30, 2006, net health care costs paid by STRS Ohio were \$282,743,000 and STRS Ohio had 119,184 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. All retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility, and retirement status.

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, 2007, employer contributions to fund health care benefits were 3.32 percent of covered payroll, compared to 3.42 percent of covered payroll for fiscal year 2006. 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 2007, the minimum pay was established at \$35,800. However, the surcharge is capped at two percent of each employer's SERS salaries. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2007 fiscal year equaled \$165,766.

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 the projected claims less premium contributions for the next fiscal year. Expenses for health care at June 30, 2006, (the latest information available), were \$158,751,207. At June 30, 2006, SERS had net assets available for payment of health care benefits of \$295.6 million. SERS has 59,492 participants eligible to receive benefits.

**NOTE 12 - EMPLOYEE BENEFITS**

**A. Compensated Absences**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements, Board resolutions and State laws. Eligible classified employees and administrators earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and administrators who are not on a twelve month contract do not earn vacation time.

Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month for a total of 15 days of sick leave for each fiscal year under contract. 225 days of sick leave may be accumulated during regular employment for teachers, administrators, and classified personnel. Upon severance from the School District, payment is made for one-half of administrators' unused sick leave credit and one-fourth of teachers' and classified employees' accumulated, but unused sick leave credit.

**B. Insurance Benefits**

The School District provides life insurance and accidental death and dismemberment insurance to most employees through a private insurance carrier. Vision insurance is provided by Vision Service Plan.

**NOTE 13 - CAPITALIZED LEASES - LESSEE DISCLOSURE**

In fiscal year 2003, the School District entered into a lease-purchase agreement for the construction of a new School District administration building. The School District is leasing the project from Rickenbacker Port Authority. Rickenbacker Port Authority will retain title to the project during the lease term. Rickenbacker Port Authority has assigned National City Bank as trustee. The School District makes semi-annual lease payments to National City Bank. Interest rates are based on a calculation of the TBMA Index. The lease is renewable annually and expires in fiscal year 2020. The intention of the School District is to renew the lease annually.

In fiscal year 2007, the School District made the third scheduled principal payment of \$31,000 and an additional principal payment of \$27,000. The principal amount owed on the lease at fiscal year-end is \$480,000.

At fiscal year-end, capital assets under this lease have been capitalized as buildings in the Statement of Net Assets for governmental activities in the amount of \$991,436.

The assets acquired through capital leases are as follows:

**Western Brown Local School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2007

**NOTE 13 - CAPITALIZED LEASES - LESSEE DISCLOSURE** (Continued)

|                         | Asset<br>Value | Accumulated<br>Depreciation | Net Book<br>Value |
|-------------------------|----------------|-----------------------------|-------------------|
| Asset:                  |                |                             |                   |
| Administration Building | \$991,436      | \$158,630                   | \$832,806         |

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2007.

| Fiscal Year<br>Ending June 30,          | Total<br>Payments |
|---|-------------------|
| 2008                                    | \$52,942          |
| 2009                                    | 52,038            |
| 2010                                    | 52,430            |
| 2011                                    | 51,751            |
| 2012                                    | 51,025            |
| 2013-2017                               | 253,482           |
| 2018-2020                               | 97,413            |
| Total                                   | 611,081           |
| Less: Amount Representing Interest      | (131,081)         |
| Present Value of Minimum Lease Payments | \$480,000         |

**NOTE 14 - LONG-TERM LIABILITIES**

The change in the School District's long-term liabilities during fiscal year 2007 were as follows:

|   | Amount<br>Outstanding<br>6/30/06 | Additions | Deductions | Amount<br>Outstanding<br>6/30/07 | Amounts Due<br>in One Year |
|---|----------------------------------|-----------|------------|----------------------------------|----------------------------|
| <b><u>Governmental Activities:</u></b>  |                                  |           |            |                                  |                            |
| School Improvement                      |                                  |           |            |                                  |                            |
| Bonds 1998 5.01%                        | \$5,775,000                      | \$0       | \$215,000  | \$5,560,000                      | \$240,000                  |
| Compensated Absences                    | 1,323,643                        | 361,984   | 294,285    | 1,391,342                        | 178,455                    |
| Capital Leases                          | 538,000                          | 0         | 58,000     | 480,000                          | 32,000                     |
| Total General                           |                                  |           |            |                                  |                            |
| Long-Term Liabilities                   | \$7,636,643                      | \$361,984 | \$567,285  | \$7,431,342                      | \$450,455                  |
| <b><u>Business-Type Activities:</u></b> |                                  |           |            |                                  |                            |
| Compensated Absences                    | \$22,362                         | \$0       | \$1,159    | \$21,203                         | \$1,271                    |

*Western Brown Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2007*

---

**NOTE 14 - LONG-TERM LIABILITIES** (Continued)

School Improvement Bonds 1998

On June 15, 1998, the School District issued \$7,164,600 in voted general obligation bonds for the purpose of acquiring land, constructing new classroom facilities, and making renovations to existing classrooms. These bonds are being paid from property tax revenues. The Ohio Department of Education, School Finance, announced that the School District was eligible for State school building assistance funding on June 2, 1997. The bond issue satisfied the local match required to receive State assistance for the construction project. The bonds were issued for a twenty-three year period with final maturity in December 2020. These bonds are being paid from the Debt Service Fund.

Compensated absences will be paid from the General, Alternative School, Title VI-B, Title I, Title VI, Drug Free Grant, Reducing Class Size and Food Service funds. Capital lease obligations will be paid from the General Fund.

The School District's overall legal debt margin was \$17,110,153 with an unvoted debt margin of \$231,997 at June 30, 2007.

Principal and interest requirements to retire general obligation debt outstanding at June 30, 2007 are as follows:

School Improvement Bonds 1998

| Fiscal Year<br>Ending June 30, | Principal   | Interest    | Total       |
|--------------------------------|-------------|-------------|-------------|
| 2008                           | \$240,000   | \$275,052   | \$515,052   |
| 2009                           | 255,000     | 263,851     | 518,851     |
| 2010                           | 270,000     | 251,840     | 521,840     |
| 2011                           | 300,000     | 238,655     | 538,655     |
| 2012                           | 315,000     | 223,333     | 538,333     |
| 2013-2017                      | 1,995,000   | 827,019     | 2,822,019   |
| 2018-2021                      | 2,185,000   | 227,625     | 2,412,625   |
| Total                          | \$5,560,000 | \$2,307,375 | \$7,867,375 |



**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS**

**A. South Central Ohio Computer Association**

The School District is a participant in the South Central Ohio Computer Association (SCOCA), which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Adams, Brown, Gallia, Highland, Pickaway, Pike, Ross, Scioto, Vinton, Jackson and Lawrence Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCA consists of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, plus a representative of the fiscal agent. The School District paid SCOCA \$145,891 for services provided during the fiscal year. Financial information can be obtained from their fiscal agent, the Pike County Joint Vocational School District, P.O. Box 577, 175 Beaver Creek Rd., Piketon, Ohio, 45661.

**B. Hopewell Special Education Regional Resource Center**

The Hopewell Special Education Regional Resource Center (Hopewell) is a jointly governed organization created by the Ohio Department of Education at the request of the participating school districts to offer direct and related services to low incidence handicapped students of the region. Eighteen local, city, and exempted village school districts receive services from Hopewell. Hopewell is operated under regulations and policies established by the Ohio Department of Education, and its own advisory board. The advisory board is made up of superintendents from the eighteen school districts or their designee, plus a representative from the Southern Ohio Educational Service Center, a representative from the board of mental retardation and developmental disabilities, two joint vocational school superintendents and five parents of handicapped children living in the region. The Southern Ohio Educational Service Center acts as fiscal agent. Hopewell receives funding from the contracts with each of the member school districts and federal and State grants. The School District paid \$189,787 to Hopewell during the fiscal year. To obtain financial information, write to Hopewell at the Southern Ohio Educational Service Center, 3321 Airborne Drive, Wilmington, Ohio, 45177.

**C. Unified Purchasing Cooperative of the Ohio River Valley**

The Unified Purchasing Cooperative of the Ohio River Valley (UPC) is a purchasing cooperative made up of 44 public school districts and three joint vocational school districts in Brown, Butler, Clermont and Hamilton Counties in Ohio, as well as districts in Kentucky and Indiana. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the UPC.

*Western Brown Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2007*

---

**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS** (Continued)

The Board of Directors is elected from among the active members and consists of one representative each from Brown, Butler, Clermont and Hamilton Counties, as well as one representative from Kentucky, one from Indiana, and one at-large representative from a public school district with an enrollment greater than 5,000 students. In addition, the superintendents of the Hamilton County Educational Service Center and the Clermont County Educational Service Center also serve on the Board of Directors. The Hamilton County Educational Service Center serves as fiscal agent. Sixty days prior notice is necessary for withdrawal from the UPC.

During fiscal year 2007, the School District paid \$600 to the UPC. Financial information can be obtained from Don Rabe, Treasurer, Hamilton County Educational Service Center, at 11083 Hamilton Avenue, Cincinnati, Ohio, 45231.

**NOTE 16 - PUBLIC ENTITY SHARED RISK AND INSURANCE PURCHASING POOL**

**Brown County Schools Benefits Consortium**

The Brown County Schools Benefits Consortium, a public entity shared risk and insurance purchasing pool, currently operates to provide medical insurance (insurance purchasing pool) and dental coverage (public entity shared risk pool) to enrolled employees of the consortium members and to eligible dependents of those enrolled employees. Six Brown County school districts (Eastern, Fayetteville-Perry, Georgetown, Ripley-Union-Lewis-Huntington, Southern Hills Joint Vocational, and Western Brown Schools) along with the Brown County Educational Service Center and Lynchburg-Clay Local School District in Highland County have entered into an agreement to form the Brown County Schools Benefits Consortium. The Consortium is governed by a seven member board consisting of the superintendents of each participating school district along with the superintendent of the Brown County Educational Service Center. The overall objectives of the consortium are to formulate and administer a program of medical and dental insurance for the benefit of the consortium members' employees and their dependents. The consortium contracts with Medical Mutual of Ohio to provide medical insurance directly to consortium member employees. The Educational Service Center pays premiums to the consortium based on employee membership. For dental coverage the consortium acts as a public entity shared risk pool. Each member district pays dental premiums based on the consortium estimates of future claims. If the member district's dental claims exceed its premiums, there is no individual supplemental assessment; on the other hand, if the Educational Service Center's claims are low, it will not receive a refund. Dental coverage is administered through a third party administrator, CoreSource. Participating member district's pay an administrative fee to the fiscal agent to cover the costs associated with the administering of the Consortium. To obtain financial information write to Brown County Educational Service Center at 325 West State St., Georgetown, Ohio 45121.

*Western Brown Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2007*

---

**NOTE 17 - INSURANCE PURCHASING POOL**

**Ohio School Boards Association Workers' Compensation Group Rating Plan**

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

**NOTE 18 - SET-ASIDE CALCULATIONS**

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 fiscal year-end or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year-end and carried forward to be used for the same purposes in future fiscal years.

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

|  | Textbooks        | Capital<br>Acquisition |
|--|------------------|------------------------|
| Set-aside Reserve Balance as of June 30, 2006          | \$82,367         | \$0                    |
| Current Fiscal Year Set-Aside Requirement              | 488,931          | 488,931                |
| Current Fiscal Year Offsets                            | 0                | (227,865)              |
| Qualifying Disbursements                               | (251,832)        | (483,286)              |
| Totals   | <u>\$319,466</u> | <u>(\$222,220)</u>     |
| Set-aside Reserve Balance as of June 30, 2007          | <u>\$319,466</u> | <u>\$0</u>             |
| Required Set-aside Balances Carried Forward to FY 2008 | <u>\$319,466</u> | <u>\$0</u>             |

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for capital acquisition, this extra amount may not be used to reduce the set-aside requirements of future fiscal years. Negative amounts are therefore not presented as being carried forward to the next fiscal year for the capital acquisition set-aside.

**NOTE 19 - CONTINGENCIES**

**A. Grants**

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2007.

**B. Litigation**

The School District is not party to any legal proceedings.

**NOTE 20 - SUBSEQUENT EVENT**

On August 29, 2007, the School District received a \$500,000 settlement for improper installation of the Middle School HVAC system. Part of this settlement will be paid to the Ohio School Facilities Commission, however, the amount is yet to be determined.

**Western Brown Local School District**  
**Combining and Individual Fund Statements and Schedules**

*Western Brown Local School District*

*Fund Descriptions*

*Special Revenue Funds*

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. The following are descriptions of the School District's nonmajor Special Revenue Funds:

*Nonmajor Special Revenue Funds*

**MEMORIAL FUND** - This fund accounts for donations received by the School District to be used for the purchase of new signs and a bench to be placed on the grounds of the new school buildings.

**UNIFORM SCHOOL SUPPLIES** - This fund accounts for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the School District. Revenues derived from such sale is to be used for school purposes or activities in connection with the school.

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

**OTHER GRANT** - This fund accounts for the proceeds of specific revenue sources, except for State and federal grants that are legally restricted to expenditures for specified purposes.

**CLASSROOM FACILITY MAINTENANCE** - This fund accounts for property tax revenues that are restricted to expenditures for the maintenance and upkeep of School District classroom facilities.

**DISTRICT MANAGED ACTIVITY** - This fund accounts for those student activity programs which have student participation in the activity but do not have student management of the programs.

**TEACHER DEVELOPMENT** - This fund accounts for assistance provided to local school districts for the development of in-service programs. The School District did not anticipate any activity in this fund, and none occurred. Therefore, no budgetary statement is presented.

**EDUCATIONAL MANAGEMENT INFORMATION SYSTEMS** - This fund accounts for hardware and software development, or other costs associated with the requirements of the management information system.

**ONENET** - This fund accounts for monies appropriated for Ohio Educational Computer Network connections.

*(continued)*

*Western Brown Local School District*

*Fund Descriptions*

*Nonmajor Special Revenue Funds (Continued)*

**PROFESSIONAL DEVELOPMENT** - This fund accounts for the revenues and expenditures associated with a limited number of professional development subsidy grants.

**OHIO READS** - This fund accounts for State monies and operating expenditures associated with administering the Ohio Reads Program. The Ohio Reads Program is intended to improve reading outcomes, especially on the fourth grade reading proficiency test.

**ALTERNATIVE SCHOOL** - This fund accounts for State monies and expenditures for alternative educational programs for existing and new, at-risk and delinquent youth.

**POVERTY BASED ASSISTANCE** - This fund accounts for monies which are provided for the improvement of the educational and cultural status of disadvantaged pupils.

**MISCELLANEOUS STATE GRANTS** - This fund accounts for various monies received from State agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

**TITLE VI-B** - This fund accounts for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

**TITLE I** - This fund accounts for federal funds expended for services provided to meet special educational needs of educationally deprived children.

**TITLE VI** - This fund accounts for federal funds used to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; and programs to enhance personal excellence of students and student achievement.

**DRUG FREE GRANT** - This fund accounts for federal funds used to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

**TELECOMMUNICATIONS ACT GRANT** - This fund accounts for monies refunded from telecommunications vendors. This money will be used to pay telecommunications bills or will be transferred to the General Fund.

*(continued)*

*Western Brown Local School District*

*Fund Descriptions*

*Nonmajor Special Revenue Funds (Continued)*

**REDUCING CLASS SIZE** - This fund accounts for federal funds used to hire additional classroom teachers in grades one through three, so that the number of students per teacher will be reduced.

**MISCELLANEOUS FEDERAL GRANTS** - This fund accounts for the proceeds of specific federal grants that are legally restricted to expenditures for specific purposes.

*Capital Projects Funds*

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

*Nonmajor Capital Projects Funds*

**WESTERN BROWN CONSTRUCTION PROJECT** - This fund is used to account for all debt proceeds and interest received and expended in connection with the contracts entered into by the School District and the Ohio School Facilities Commission for the building and equipping of the new and remodeled classroom facilities.

**SCHOOL NET** - This fund accounts for State grant monies used for the installation of wiring and the purchase of a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.

*Agency Fund*

Agency Funds are used to account for assets held by the School District as an agent for individuals, private organizations, other governmental units, and/or other funds. The following is the description of the School District's Agency Fund:

**STUDENT MANAGED ACTIVITY** - This fund accounts for student activity programs which have student participation in the activity and have students involved in the management of the program.



**Western Brown Local School District**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2007**

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Capital<br>Projects<br>Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---|---|--|
| <b><u>Assets:</u></b>                        |   |   |  |
| Equity in Pooled Cash and Cash Equivalents   | \$1,106,061                             | \$719,152                               | \$1,825,213                                |
| Receivables:                                 |   |   |  |
| Taxes  | 91,629                                  | 0                                       | 91,629                                     |
| Accounts                                     | 3,728                                   | 0                                       | 3,728                                      |
| Intergovernmental                            | 137,189                                 | 0                                       | 137,189                                    |
|  | <b>\$1,338,607</b>                      | <b>\$719,152</b>                        | <b>\$2,057,759</b>                         |
| <b><u>Liabilities and Fund Balances:</u></b> |   |   |  |
| <b><u>Liabilities:</u></b>                   |   |   |  |
| Accounts Payable                             | \$1,786                                 | \$0                                     | \$1,786                                    |
| Accrued Wages and Benefits                   | 142,575                                 | 0                                       | 142,575                                    |
| Interfund Payable                            | 18,700                                  | 0                                       | 18,700                                     |
| Intergovernmental Payable                    | 21,818                                  | 0                                       | 21,818                                     |
| Deferred Revenue                             | 89,472                                  | 0                                       | 89,472                                     |
|  | <b>274,351</b>                          | <b>0</b>                                | <b>274,351</b>                             |
| <b><u>Fund Balances:</u></b>                 |   |   |  |
| Reserved for Encumbrances                    | 70,628                                  | 0                                       | 70,628                                     |
| Reserved for Property Taxes                  | 22,610                                  | 0                                       | 22,610                                     |
| Unreserved, Undesignated                     | 971,018                                 | 719,152                                 | 1,690,170                                  |
|  | <b>1,064,256</b>                        | <b>719,152</b>                          | <b>1,783,408</b>                           |
| <b>Total Fund Balances</b>                   | <b>1,064,256</b>                        | <b>719,152</b>                          | <b>1,783,408</b>                           |
| <b>Total Liabilities and Fund Balances</b>   | <b>\$1,338,607</b>                      | <b>\$719,152</b>                        | <b>\$2,057,759</b>                         |

**Western Brown Local School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2007**

|  | Memorial<br>Fund | Uniform<br>School<br>Supplies | Public<br>School<br>Support | Other<br>Grant  |
|--|------------------|-------------------------------|-----------------------------|-----------------|
| <b><u>Assets:</u></b>                        |                  |                               |                             |                 |
| Equity in Pooled Cash and Cash Equivalents   | \$1,302          | \$158,693                     | \$83,763                    | \$25,592        |
| Receivables:                                 |                  |                               |                             |                 |
| Taxes  | 0                | 0                             | 0                           | 0               |
| Accounts                                     | 0                | 0                             | 3,728                       | 0               |
| Intergovernmental                            | 0                | 0                             | 0                           | 0               |
| <i>Total Assets</i>                          | <u>\$1,302</u>   | <u>\$158,693</u>              | <u>\$87,491</u>             | <u>\$25,592</u> |
| <b><u>Liabilities and Fund Balances:</u></b> |                  |                               |                             |                 |
| <b><u>Liabilities:</u></b>                   |                  |                               |                             |                 |
| Accounts Payable                             | \$0              | \$0                           | \$0                         | \$0             |
| Accrued Wages and Benefits                   | 0                | 0                             | 0                           | 0               |
| Interfund Payable                            | 0                | 0                             | 0                           | 0               |
| Intergovernmental Payable                    | 0                | 926                           | 0                           | 238             |
| Deferred Revenue                             | 0                | 0                             | 0                           | 0               |
| <i>Total Liabilities</i>                     | <u>0</u>         | <u>926</u>                    | <u>0</u>                    | <u>238</u>      |
| <b><u>Fund Balances:</u></b>                 |                  |                               |                             |                 |
| Reserved for Encumbrances                    | 0                | 11,044                        | 12,325                      | 527             |
| Reserved for Property Taxes                  | 0                | 0                             | 0                           | 0               |
| Unreserved, Undesignated (Deficit)           | 1,302            | 146,723                       | 75,166                      | 24,827          |
| <i>Total Fund Balances (Deficit)</i>         | <u>1,302</u>     | <u>157,767</u>                | <u>87,491</u>               | <u>25,354</u>   |
| <i>Total Liabilities and Fund Balances</i>   | <u>\$1,302</u>   | <u>\$158,693</u>              | <u>\$87,491</u>             | <u>\$25,592</u> |

| Classroom<br>Facility<br>Maintenance | District<br>Managed<br>Activity | Teacher<br>Development | Educational<br>Management<br>Information<br>Systems | Ohio<br>Reads  |
|--------------------------------------|---------------------------------|------------------------|---|----------------|
| \$709,698                            | \$25,198                        | 0                      | \$11,907  | \$2,948        |
| 91,629                               | 0                               | 0                      | 0   | 0              |
| 0                                    | 0                               | 0                      | 0   | 0              |
| 288                                  | 0                               | 0                      | 0   | 0              |
| <u>\$801,615</u>                     | <u>\$25,198</u>                 | <u>\$0</u>             | <u>\$11,907</u>                                     | <u>\$2,948</u> |
| \$0                                  | \$0                             | \$0                    | \$0   | \$0            |
| 0                                    | 0                               | 0                      | 2,061   | 0              |
| 0                                    | 0                               | 0                      | 0   | 0              |
| 0                                    | 0                               | 234                    | 848   | 829            |
| 68,830                               | 0                               | 0                      | 0   | 0              |
| <u>68,830</u>                        | <u>0</u>                        | <u>234</u>             | <u>2,909</u>  | <u>829</u>     |
| 8,912                                | 16,146                          | 0                      | 0   | 2,949          |
| 22,610                               | 0                               | 0                      | 0   | 0              |
| 701,263                              | 9,052                           | (234)                  | 8,998   | (830)          |
| <u>732,785</u>                       | <u>25,198</u>                   | <u>(234)</u>           | <u>8,998</u>  | <u>2,119</u>   |
| <u>\$801,615</u>                     | <u>\$25,198</u>                 | <u>\$0</u>             | <u>\$11,907</u>                                     | <u>\$2,948</u> |

(continued)

**Western Brown Local School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2007**  
*(continued)*

|  | Alternative<br>School | Poverty<br>Based<br>Assistance | Miscellaneous<br>State Grants | Title VI-B      |
|--|-----------------------|--------------------------------|-------------------------------|-----------------|
| <b><u>Assets:</u></b>                        |                       |                                |                               |                 |
| Equity in Pooled Cash and Cash Equivalents   | \$3,684               | \$17,197                       | \$20,700                      | \$1,278         |
| Receivables:                                 |                       |                                |                               |                 |
| Taxes  | 0                     | 0                              | 0                             | 0               |
| Accounts                                     | 0                     | 0                              | 0                             | 0               |
| Intergovernmental                            | 4,720                 | 0                              | 42,129                        | 36,624          |
| <i>Total Assets</i>                          | <u>\$8,404</u>        | <u>\$17,197</u>                | <u>\$62,829</u>               | <u>\$37,902</u> |
| <b><u>Liabilities and Fund Balances:</u></b> |                       |                                |                               |                 |
| <b><u>Liabilities:</u></b>                   |                       |                                |                               |                 |
| Accounts Payable                             | \$0                   | 0                              | 0                             | \$0             |
| Accrued Wages and Benefits                   | 10,017                | 0                              | 0                             | 45,727          |
| Interfund Payable                            | 0                     | 0                              | 18,700                        | 0               |
| Intergovernmental Payable                    | 303                   | 301                            | 0                             | 5,729           |
| Deferred Revenue                             | 0                     | 0                              | 19,016                        | 0               |
| <i>Total Liabilities</i>                     | <u>10,320</u>         | <u>301</u>                     | <u>37,716</u>                 | <u>51,456</u>   |
| <b><u>Fund Balances:</u></b>                 |                       |                                |                               |                 |
| Reserved for Encumbrances                    | 0                     | 0                              | 18,725                        | 0               |
| Reserved for Property Taxes                  | 0                     | 0                              | 0                             | 0               |
| Unreserved, Undesignated (Deficit)           | (1,916)               | 16,896                         | 6,388                         | (13,554)        |
| <i>Total Fund Balances (Deficit)</i>         | <u>(1,916)</u>        | <u>16,896</u>                  | <u>25,113</u>                 | <u>(13,554)</u> |
| <i>Total Liabilities and Fund Balances</i>   | <u>\$8,404</u>        | <u>\$17,197</u>                | <u>\$62,829</u>               | <u>\$37,902</u> |

| Title I         | Title VI       | Drug Free Grant | Tele-communications Act Grant | Reducing Class Size | Total Nonmajor Special Revenue Funds |
|-----------------|----------------|-----------------|-------------------------------|---------------------|--------------------------------------|
| \$1,784         | \$0            | \$46            | \$42,206                      | \$65                | \$1,106,061                          |
| 0               | 0              | 0               | 0                             | 0                   | 91,629                               |
| 0               | 0              | 0               | 0                             | 0                   | 3,728                                |
| 28,625          | 2,095          | 0               | 0                             | 22,708              | 137,189                              |
| <u>\$30,409</u> | <u>\$2,095</u> | <u>\$46</u>     | <u>\$42,206</u>               | <u>\$22,773</u>     | <u>\$1,338,607</u>                   |
| \$1,786         | \$0            | \$0             | \$0                           | \$0                 | \$1,786                              |
| 65,539          | 0              | 0               | 0                             | 19,231              | 142,575                              |
| 0               | 0              | 0               | 0                             | 0                   | 18,700                               |
| 9,536           | 0              | 0               | 0                             | 2,874               | 21,818                               |
| 0               | 1,626          | 0               | 0                             | 0                   | 89,472                               |
| <u>76,861</u>   | <u>1,626</u>   | <u>0</u>        | <u>0</u>                      | <u>22,105</u>       | <u>274,351</u>                       |
| 0               | 0              | 0               | 0                             | 0                   | 70,628                               |
| 0               | 0              | 0               | 0                             | 0                   | 22,610                               |
| (46,452)        | 469            | 46              | 42,206                        | 668                 | 971,018                              |
| <u>(46,452)</u> | <u>469</u>     | <u>46</u>       | <u>42,206</u>                 | <u>668</u>          | <u>1,064,256</u>                     |
| <u>\$30,409</u> | <u>\$2,095</u> | <u>\$46</u>     | <u>\$42,206</u>               | <u>\$22,773</u>     | <u>\$1,338,607</u>                   |

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2007*

|   | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Capital<br>Projects<br>Funds | Total Nonmajor<br>Governmental<br>Funds |
|---|---|--|---|
| <b><u>Revenues:</u></b>                   |   |  |   |
| Taxes                                     | \$88,384                                | \$0                                      | \$88,384                                |
| Intergovernmental                         | 1,811,903                               | 0  | 1,811,903                               |
| Interest                                  | 0                                       | 27,325                                   | 27,325                                  |
| Tuition and Fees                          | 87,120                                  | 0  | 87,120                                  |
| Extracurricular Activities                | 105,919                                 | 0  | 105,919                                 |
| Contributions and Donations               | 11,773                                  | 0  | 11,773                                  |
| Miscellaneous                             | 101,098                                 | 0  | 101,098                                 |
| <i>Total Revenues</i>                     | <u>2,206,197</u>                        | <u>27,325</u>                            | <u>2,233,522</u>                        |
| <b><u>Expenditures:</u></b>               |   |  |   |
| Current:                                  |   |  |   |
| Instruction:                              |   |  |   |
| Regular                                   | 383,500                                 | 11,076                                   | 394,576                                 |
| Special                                   | 800,485                                 | 0  | 800,485                                 |
| Student Intervention Services             | 45,035                                  | 0  | 45,035                                  |
| Support Services:                         |   |  |   |
| Pupils                                    | 352,464                                 | 0  | 352,464                                 |
| Instructional Staff                       | 77,015                                  | 0  | 77,015                                  |
| Administration                            | 165,158                                 | 0  | 165,158                                 |
| Fiscal                                    | 8,340                                   | 0  | 8,340                                   |
| Business                                  | 168                                     | 0  | 168                                     |
| Operation and Maintenance of Plant        | 71,667                                  | 0  | 71,667                                  |
| Central                                   | 23,126                                  | 0  | 23,126                                  |
| Operation of Non-Instructional Services   | 2,865                                   | 0  | 2,865                                   |
| Extracurricular Activities                | 117,334                                 | 0  | 117,334                                 |
| Capital Outlay                            | 0                                       | 1,535                                    | 1,535                                   |
| <i>Total Expenditures</i>                 | <u>2,047,157</u>                        | <u>12,611</u>                            | <u>2,059,768</u>                        |
| <i>Net Change in Fund Balances</i>        | 159,040                                 | 14,714                                   | 173,754                                 |
| <i>Fund Balances at Beginning of Year</i> | <u>905,216</u>                          | <u>704,438</u>                           | <u>1,609,654</u>                        |
| <i>Fund Balances at End of Year</i>       | <u><u>\$1,064,256</u></u>               | <u><u>\$719,152</u></u>                  | <u><u>\$1,783,408</u></u>               |

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2007*

|   | Memorial<br>Fund      | Uniform<br>School<br>Supplies | Public<br>School<br>Support | Other<br>Grant         |
|---|-----------------------|-------------------------------|-----------------------------|------------------------|
| <b><u>Revenues:</u></b>                             |                       |                               |                             |                        |
| Taxes   | \$0                   | \$0                           | \$0                         | \$0                    |
| Intergovernmental                                   | 0                     | 0                             | 0                           | 18,476                 |
| Tuition and Fees                                    | 0                     | 87,120                        | 0                           | 0                      |
| Extracurricular Activities                          | 0                     | 0                             | 0                           | 0                      |
| Contributions and Donations                         | 516                   | 0                             | 7,906                       | 3,191                  |
| Miscellaneous                                       | 0                     | 0                             | 101,098                     | 0                      |
| <i>Total Revenues</i>                               | <u>516</u>            | <u>87,120</u>                 | <u>109,004</u>              | <u>21,667</u>          |
| <b><u>Expenditures:</u></b>                         |                       |                               |                             |                        |
| Current:  |                       |                               |                             |                        |
| Instruction:  |                       |                               |                             |                        |
| Regular   | 0                     | 86,417                        | 45,320                      | 14,256                 |
| Special   | 0                     | 0                             | 0                           | 0                      |
| Student Intervention Services                       | 0                     | 0                             | 0                           | 0                      |
| Support Services:                                   |                       |                               |                             |                        |
| Pupils  | 0                     | 0                             | 2,258                       | 0                      |
| Instructional Staff                                 | 0                     | 0                             | 38,405                      | 0                      |
| Administration                                      | 0                     | 0                             | 361                         | 0                      |
| Fiscal  | 0                     | 0                             | 0                           | 0                      |
| Business  | 0                     | 0                             | 0                           | 0                      |
| Operation and Maintenance of Plant                  | 0                     | 0                             | 0                           | 0                      |
| Central   | 0                     | 0                             | 0                           | 0                      |
| Operation of Non-Instructional Services             | 0                     | 0                             | 0                           | 2,865                  |
| Extracurricular Activities                          | 0                     | 0                             | 16,360                      | 0                      |
| <i>Total Expenditures</i>                           | <u>0</u>              | <u>86,417</u>                 | <u>102,704</u>              | <u>17,121</u>          |
| <i>Net Change in Fund Balances</i>                  | 516                   | 703                           | 6,300                       | 4,546                  |
| <i>Fund Balances (Deficit) at Beginning of Year</i> | <u>786</u>            | <u>157,064</u>                | <u>81,191</u>               | <u>20,808</u>          |
| <i>Fund Balances (Deficit) at End of Year</i>       | <u><u>\$1,302</u></u> | <u><u>\$157,767</u></u>       | <u><u>\$87,491</u></u>      | <u><u>\$25,354</u></u> |

*(continued)*

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2007*  
*(continued)*

|   | Classroom<br>Facility<br>Maintenance | District<br>Managed<br>Activity | Teacher<br>Development | Educational<br>Management<br>Information<br>Systems |
|---|--------------------------------------|---------------------------------|------------------------|---|
| <b><u>Revenues:</u></b>                             |                                      |                                 |                        |   |
| Taxes   | \$88,384                             | \$0                             | \$0                    | \$0   |
| Intergovernmental                                   | 139,922                              | 0                               | 0                      | 11,172  |
| Tuition and Fees                                    | 0                                    | 0                               | 0                      | 0   |
| Extracurricular Activities                          | 0                                    | 105,919                         | 0                      | 0   |
| Contributions and Donations                         | 0                                    | 160                             | 0                      | 0   |
| Miscellaneous                                       | 0                                    | 0                               | 0                      | 0   |
| <i>Total Revenues</i>                               | <u>228,306</u>                       | <u>106,079</u>                  | <u>0</u>               | <u>11,172</u>                                       |
| <b><u>Expenditures:</u></b>                         |                                      |                                 |                        |   |
| Current:  |                                      |                                 |                        |   |
| Instruction:  |                                      |                                 |                        |   |
| Regular   | 0                                    | 0                               | 234                    | 0   |
| Special   | 0                                    | 0                               | 0                      | 0   |
| Student Intervention Services                       | 0                                    | 0                               | 0                      | 0   |
| Support Services:                                   |                                      |                                 |                        |   |
| Pupils  | 0                                    | 0                               | 0                      | 0   |
| Instructional Staff                                 | 0                                    | 0                               | 0                      | 0   |
| Administration                                      | 0                                    | 0                               | 0                      | 18,956  |
| Fiscal  | 8,340                                | 0                               | 0                      | 0   |
| Business  | 0                                    | 0                               | 0                      | 0   |
| Operation and Maintenance of Plant                  | 71,667                               | 0                               | 0                      | 0   |
| Central   | 0                                    | 0                               | 0                      | 0   |
| Operation of Non-Instructional Services             | 0                                    | 0                               | 0                      | 0   |
| Extracurricular Activities                          | 0                                    | 100,974                         | 0                      | 0   |
| <i>Total Expenditures</i>                           | <u>80,007</u>                        | <u>100,974</u>                  | <u>234</u>             | <u>18,956</u>                                       |
| <i>Net Change in Fund Balances</i>                  | 148,299                              | 5,105                           | (234)                  | (7,784)   |
| <i>Fund Balances (Deficit) at Beginning of Year</i> | <u>584,486</u>                       | <u>20,093</u>                   | <u>0</u>               | <u>16,782</u>                                       |
| <i>Fund Balances (Deficit) at End of Year</i>       | <u><u>\$732,785</u></u>              | <u><u>\$25,198</u></u>          | <u><u>(\$234)</u></u>  | <u><u>\$8,998</u></u>                               |



| OneNet | Professional Development | Ohio Reads | Alternative School | Poverty Based Assistance | Miscellaneous State Grants |
|--------|--------------------------|------------|--------------------|--------------------------|----------------------------|
| \$0    | \$0                      | \$0        | \$0                | \$0                      | \$0                        |
| 12,000 | 3,300                    | 64,000     | 58,039             | 57,178                   | 33,545                     |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 12,000 | 3,300                    | 64,000     | 58,039             | 57,178                   | 33,545                     |
| 0      | 7,225                    | 26,652     | 52,998             | 93                       | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 8,432                      |
| 0      | 0                        | 0          | 0                  | 45,035                   | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 0      | 0                        | 35,785     | 0                  | 0                        | 0                          |
| 0      | 0                        | 1,884      | 1,650              | 0                        | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 12,000 | 0                        | 0          | 0                  | 0                        | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 0      | 0                        | 0          | 0                  | 0                        | 0                          |
| 12,000 | 7,225                    | 64,321     | 54,648             | 45,128                   | 8,432                      |
| 0      | (3,925)                  | (321)      | 3,391              | 12,050                   | 25,113                     |
| 0      | 3,925                    | 2,440      | (5,307)            | 4,846                    | 0                          |
| \$0    | \$0                      | \$2,119    | (\$1,916)          | \$16,896                 | \$25,113                   |

(continued)

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2007*  
*(continued)*

|   | Title VI-B               | Title I                  | Title VI            | Drug Free<br>Grant |
|---|--------------------------|--------------------------|---------------------|--------------------|
| <b><u>Revenues:</u></b>                             |                          |                          |                     |                    |
| Taxes   | \$0                      | \$0                      | \$0                 | \$0                |
| Intergovernmental                                   | 748,505                  | 450,297                  | 8,860               | 13,225             |
| 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>748,505</u>           | <u>450,297</u>           | <u>8,860</u>        | <u>13,225</u>      |
| <b><u>Expenditures:</u></b>                         |                          |                          |                     |                    |
| Current:  |                          |                          |                     |                    |
| Instruction:  |                          |                          |                     |                    |
| Regular   | 0                        | 0                        | 10,533              | 6,782              |
| Special   | 320,037                  | 472,016                  | 0                   | 0                  |
| Student Intervention Services                       | 0                        | 0                        | 0                   | 0                  |
| Support Services:                                   |                          |                          |                     |                    |
| Pupils  | 342,356                  | 0                        | 0                   | 7,850              |
| Instructional Staff                                 | 2,825                    | 0                        | 0                   | 0                  |
| Administration                                      | 98,586                   | 27,133                   | 238                 | 5,657              |
| Fiscal  | 0                        | 0                        | 0                   | 0                  |
| Business  | 0                        | 63                       | 0                   | 0                  |
| Operation and Maintenance of Plant                  | 0                        | 0                        | 0                   | 0                  |
| Central   | 0                        | 0                        | 0                   | 0                  |
| Operation of Non-Instructional Services             | 0                        | 0                        | 0                   | 0                  |
| Extracurricular Activities                          | 0                        | 0                        | 0                   | 0                  |
| <i>Total Expenditures</i>                           | <u>763,804</u>           | <u>499,212</u>           | <u>10,771</u>       | <u>20,289</u>      |
| <i>Net Change in Fund Balances</i>                  | (15,299)                 | (48,915)                 | (1,911)             | (7,064)            |
| <i>Fund Balances (Deficit) at Beginning of Year</i> | <u>1,745</u>             | <u>2,463</u>             | <u>2,380</u>        | <u>7,110</u>       |
| <i>Fund Balances (Deficit) at End of Year</i>       | <u><u>(\$13,554)</u></u> | <u><u>(\$46,452)</u></u> | <u><u>\$469</u></u> | <u><u>\$46</u></u> |

| Tele-communications<br>Act Grant | Reducing<br>Class Size | Miscellaneous<br>Federal Grants | Total<br>Nonmajor<br>Special Revenue<br>Funds |
|----------------------------------|------------------------|---------------------------------|---|
| \$0                              | \$0                    | \$0                             | \$88,384                                      |
| 42,205                           | 145,723                | 5,456                           | 1,811,903                                     |
| 0                                | 0                      | 0                               | 87,120  |
| 0                                | 0                      | 0                               | 105,919                                       |
| 0                                | 0                      | 0                               | 11,773  |
| 0                                | 0                      | 0                               | 101,098                                       |
| 42,205                           | 145,723                | 5,456                           | 2,206,197                                     |
| 0                                | 127,534                | 5,456                           | 383,500                                       |
| 0                                | 0                      | 0                               | 800,485                                       |
| 0                                | 0                      | 0                               | 45,035  |
| 0                                | 0                      | 0                               | 352,464                                       |
| 0                                | 0                      | 0                               | 77,015  |
| 0                                | 7,445                  | 3,248                           | 165,158                                       |
| 0                                | 0                      | 0                               | 8,340   |
| 0                                | 0                      | 105                             | 168   |
| 0                                | 0                      | 0                               | 71,667  |
| 11,126                           | 0                      | 0                               | 23,126  |
| 0                                | 0                      | 0                               | 2,865   |
| 0                                | 0                      | 0                               | 117,334                                       |
| 11,126                           | 134,979                | 8,809                           | 2,047,157                                     |
| 31,079                           | 10,744                 | (3,353)                         | 159,040                                       |
| 11,127                           | (10,076)               | 3,353                           | 905,216                                       |
| \$42,206                         | \$668                  | \$0                             | \$1,064,256                                   |

**Western Brown Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2007*

|   | Western<br>Brown<br>Construction<br>Project | School<br>Net | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|---|---|---------------|--|
| <b><u>Revenues:</u></b>                   |   |               |  |
| Interest                                  | \$27,325                                    | \$0           | \$27,325                                       |
| <b><u>Expenditures:</u></b>               |   |               |  |
| Current:                                  |   |               |  |
| Instruction:                              |   |               |  |
| Regular                                   | 0   | 11,076        | 11,076   |
| Capital Outlay                            | 1,535                                       | 0             | 1,535  |
| <i>Total Expenditures</i>                 | 1,535                                       | 11,076        | 12,611   |
| <i>Net Changes in Fund Balance</i>        | 25,790                                      | (11,076)      | 14,714   |
| <i>Fund Balances at Beginning of Year</i> | 693,362                                     | 11,076        | 704,438  |
| <i>Fund Balances at End of Year</i>       | \$719,152                                   | \$0           | \$719,152                                      |

**Western Brown Local School District**  
*Statement of Changes in Fiduciary Assets and Liabilities*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2007*

|  | <u>Balance at</u><br><u>6/30/06</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance at</u><br><u>6/30/07</u> |
|--|-------------------------------------|------------------|-------------------|-------------------------------------|
| <b><u>STUDENT MANAGED ACTIVITY</u></b>     |                                     |                  |                   |                                     |
| <b><u>Assets:</u></b>                      |                                     |                  |                   |                                     |
| Equity in Pooled Cash and Cash Equivalents | <u>\$79,342</u>                     | <u>\$192,643</u> | <u>\$179,526</u>  | <u>\$92,459</u>                     |
| <b><u>Liabilities:</u></b>                 |                                     |                  |                   |                                     |
| Undistributed Monies                       | <u>\$79,342</u>                     | <u>\$192,643</u> | <u>\$179,526</u>  | <u>\$92,459</u>                     |

**THIS PAGE INTENTIONALLY LEFT BLANK**

Western Brown Local School District

Individual Fund Schedules of Revenues, Expenditures/Expenses  
and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2007*

|                             | Budgeted Amounts  |                   | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------|-------------------|-------------------|-------------------|---|
|                             | Original          | Final             |                   |   |
| <b><u>Revenues:</u></b>     |                   |                   |                   |   |
| Taxes                       | \$4,536,083       | \$4,087,270       | \$4,090,038       | \$2,768   |
| Intergovernmental           | 17,936,206        | 18,393,324        | 18,388,322        | (5,002)   |
| Interest                    | 222,323           | 210,551           | 227,927           | 17,376  |
| Tuition and Fees            | 1,083,259         | 1,080,476         | 1,110,565         | 30,089  |
| Rent                        | 10,954            | 8,500             | 11,230            | 2,730   |
| Contributions and Donations | 2,390             | 0                 | 2,450             | 2,450   |
| Miscellaneous               | 26,187            | 30,000            | 26,847            | (3,153)   |
| <i>Total Revenues</i>       | <i>23,817,402</i> | <i>23,810,121</i> | <i>23,857,379</i> | <i>47,258</i>   |
| <b><u>Expenditures:</u></b> |                   |                   |                   |   |
| Current:                    |                   |                   |                   |   |
| Instruction:                |                   |                   |                   |   |
| Regular:                    |                   |                   |                   |   |
| Salaries and Wages          | 7,732,708         | 7,732,708         | 7,660,204         | 72,504  |
| Fringe Benefits             | 2,926,801         | 2,926,801         | 2,826,938         | 99,863  |
| Purchased Services          | 147,027           | 147,027           | 130,582           | 16,445  |
| Materials and Supplies      | 328,384           | 343,384           | 303,662           | 39,722  |
| Capital Outlay - New        | 25,000            | 25,000            | 0                 | 25,000  |
| <i>Total Regular</i>        | <i>11,159,920</i> | <i>11,174,920</i> | <i>10,921,386</i> | <i>253,534</i>  |
| Special:                    |                   |                   |                   |   |
| Salaries and Wages          | 806,706           | 806,706           | 816,379           | (9,673)   |
| Fringe Benefits             | 298,366           | 298,366           | 317,964           | (19,598)  |
| Purchased Services          | 931,437           | 931,437           | 997,577           | (66,140)  |
| Materials and Supplies      | 938               | 938               | 3,679             | (2,741)   |
| Capital Outlay - New        | 0                 | 6,000             | 5,927             | 73  |
| <i>Total Special</i>        | <i>2,037,447</i>  | <i>2,043,447</i>  | <i>2,141,526</i>  | <i>(98,079)</i>   |
| Vocational:                 |                   |                   |                   |   |
| Salaries and Wages          | 149,690           | 149,690           | 150,684           | (994)   |
| Fringe Benefits             | 42,802            | 42,802            | 76,541            | (33,739)  |
| Purchased Services          | 6,300             | 6,300             | 4,968             | 1,332   |
| Materials and Supplies      | 30,900            | 30,900            | 26,263            | 4,637   |
| Other                       | 4,500             | 4,500             | 4,343             | 157   |
| <i>Total Vocational</i>     | <i>234,192</i>    | <i>234,192</i>    | <i>262,799</i>    | <i>(28,607)</i>   |
| Other:                      |                   |                   |                   |   |
| Purchased Services          | 1,237,890         | 1,237,890         | 1,335,545         | (97,655)  |
| Materials and Supplies      | 0                 | 0                 | 19                | (19)  |
| <i>Total Other</i>          | <i>1,237,890</i>  | <i>1,237,890</i>  | <i>1,335,564</i>  | <i>(97,674)</i>   |
| <i>Total Instruction</i>    | <i>14,669,449</i> | <i>14,690,449</i> | <i>14,661,275</i> | <i>29,174</i>   |
| Support Services:           |                   |                   |                   |   |
| Pupils:                     |                   |                   |                   |   |
| Salaries and Wages          | 410,544           | 410,544           | 416,413           | (5,869)   |
| Fringe Benefits             | 142,377           | 142,377           | 174,343           | (31,966)  |
| Purchased Services          | 3,200             | 3,200             | 63,274            | (60,074)  |
| Materials and Supplies      | 11,330            | 11,330            | 4,515             | 6,815   |
| Other                       | 0                 | 0                 | 500               | (500)   |
| <i>Total Pupils</i>         | <i>\$567,451</i>  | <i>\$567,451</i>  | <i>\$659,045</i>  | <i>(\$91,594)</i>                                       |

*(continued)*



**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2007*  
*(continued)*

|   | Budgeted Amounts   |                    | Actual             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|--------------------|--------------------|---|
|   | Original           | Final              |                    | (Negative)  |
| <b>Instructional Staff:</b>                     |                    |                    |                    |   |
| Salaries and Wages                              | \$436,458          | \$436,458          | \$465,945          | (\$29,487)  |
| Fringe Benefits                                 | 235,453            | 235,453            | 292,805            | (57,352)  |
| Purchased Services                              | 1,400              | 1,400              | 19                 | 1,381   |
| Materials and Supplies                          | 24,540             | 24,540             | 19,349             | 5,191   |
| Other   | 0                  | 0                  | 600                | (600)   |
| <b>Total Instructional Staff</b>                | <b>697,851</b>     | <b>697,851</b>     | <b>778,718</b>     | <b>(80,867)</b>   |
| <b>Board of Education:</b>                      |                    |                    |                    |   |
| Salaries and Wages                              | 10,000             | 10,000             | 8,000              | 2,000   |
| Fringe Benefits                                 | 1,024              | 1,024              | 145                | 879   |
| Purchased Services                              | 5,300              | 5,300              | 4,886              | 414   |
| Materials and Supplies                          | 0                  | 0                  | 620                | (620)   |
| Other   | 10,100             | 10,100             | 4,303              | 5,797   |
| <b>Total Board of Education</b>                 | <b>26,424</b>      | <b>26,424</b>      | <b>17,954</b>      | <b>8,470</b>  |
| <b>Administration:</b>                          |                    |                    |                    |   |
| Salaries and Wages                              | 1,072,388          | 1,072,388          | 1,092,196          | (19,808)  |
| Fringe Benefits                                 | 443,726            | 443,726            | 413,344            | 30,382  |
| Purchased Services                              | 158,719            | 158,719            | 133,559            | 25,160  |
| Materials and Supplies                          | 23,756             | 23,756             | 15,551             | 8,205   |
| Other   | 60,000             | 60,000             | 60,370             | (370)   |
| <b>Total Administration</b>                     | <b>1,758,589</b>   | <b>1,758,589</b>   | <b>1,715,020</b>   | <b>43,569</b>   |
| <b>Fiscal:</b>                                  |                    |                    |                    |   |
| Salaries and Wages                              | 218,096            | 218,096            | 218,570            | (474)   |
| Fringe Benefits                                 | 77,152             | 77,152             | 77,611             | (459)   |
| Purchased Services                              | 16,175             | 16,175             | 26,247             | (10,072)  |
| Materials and Supplies                          | 8,014              | 8,014              | 6,823              | 1,191   |
| Other   | 162,500            | 162,500            | 152,769            | 9,731   |
| <b>Total Fiscal</b>                             | <b>481,937</b>     | <b>481,937</b>     | <b>482,020</b>     | <b>(83)</b>   |
| <b>Business:</b>                                |                    |                    |                    |   |
| Salaries and Wages                              | 0                  | 0                  | 54                 | (54)  |
| Fringe Benefits                                 | 15,000             | 15,000             | 2                  | 14,998  |
| <b>Total Business</b>                           | <b>15,000</b>      | <b>15,000</b>      | <b>56</b>          | <b>14,944</b>   |
| <b>Operation and Maintenance of Plant:</b>      |                    |                    |                    |   |
| Salaries and Wages                              | 1,167,024          | 1,167,024          | 1,012,336          | 154,688   |
| Fringe Benefits                                 | 515,553            | 515,553            | 529,585            | (14,032)  |
| Purchased Services                              | 1,263,708          | 1,263,708          | 1,034,404          | 229,304   |
| Materials and Supplies                          | 215,348            | 215,348            | 189,116            | 26,232  |
| Capital Outlay - New                            | 25,000             | 25,000             | 6,000              | 19,000  |
| Other   | 883                | 883                | 1,790              | (907)   |
| <b>Total Operation and Maintenance of Plant</b> | <b>3,187,516</b>   | <b>3,187,516</b>   | <b>2,773,231</b>   | <b>414,285</b>  |
| <b>Pupil Transportation:</b>                    |                    |                    |                    |   |
| Salaries and Wages                              | 793,095            | 793,095            | 902,974            | (109,879)   |
| Fringe Benefits                                 | 544,836            | 544,836            | 540,233            | 4,603   |
| Purchased Services                              | 192,371            | 192,371            | 214,731            | (22,360)  |
| Materials and Supplies                          | 414,344            | 414,344            | 423,835            | (9,491)   |
| Capital Outlay - New                            | 64,904             | 64,904             | 201,894            | (136,990)   |
| Capital Outlay - Replacement                    | 0                  | 0                  | 4,916              | (4,916)   |
| Other   | 750                | 750                | 425                | 325   |
| <b>Total Pupil Transportation</b>               | <b>\$2,010,300</b> | <b>\$2,010,300</b> | <b>\$2,289,008</b> | <b>(\$278,708)</b>                                      |

*(continued)*

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2007*  
*(continued)*

|   | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|------------------|------------------|---|
|   | Original         | Final            |                  |   |
| Central:  |                  |                  |                  |   |
| Salaries and Wages                                    | \$43,922         | \$43,922         | \$44,646         | (\$724)   |
| Fringe Benefits                                       | 11,837           | 11,837           | 11,401           | 436   |
| Purchased Services                                    | 55,696           | 55,696           | 25,665           | 30,031  |
| Materials and Supplies                                | 21,652           | 21,652           | 31,288           | (9,636)   |
| Capital Outlay - New                                  | 15,000           | 15,000           | 0                | 15,000  |
| Other   | 75,000           | 75,000           | 102,673          | (27,673)  |
| <b>Total Central</b>                                  | <b>223,107</b>   | <b>223,107</b>   | <b>215,673</b>   | <b>7,434</b>  |
| <b>Total Support Services</b>                         | <b>8,968,175</b> | <b>8,968,175</b> | <b>8,930,725</b> | <b>37,450</b>   |
| Extracurricular Activities:                           |                  |                  |                  |   |
| Academic and Subject Oriented Activities:             |                  |                  |                  |   |
| Salaries and Wages                                    | 315,712          | 315,712          | 66,834           | 248,878   |
| Fringe Benefits                                       | 12,200           | 12,200           | 11,886           | 314   |
| Purchased Services                                    | 12,000           | 12,000           | 3,949            | 8,051   |
| Materials and Supplies                                | 8,000            | 8,000            | 298              | 7,702   |
| <b>Total Academic and Subject Oriented Activities</b> | <b>347,912</b>   | <b>347,912</b>   | <b>82,967</b>    | <b>264,945</b>  |
| Sports Oriented Activities:                           |                  |                  |                  |   |
| Salaries and Wages                                    | 0                | 0                | 250,689          | (250,689)   |
| Fringe Benefits                                       | 49,705           | 49,705           | 48,539           | 1,166   |
| Purchased Services                                    | 18,296           | 18,296           | 23,780           | (5,484)   |
| Materials and Supplies                                | 5,000            | 5,000            | 2,271            | 2,729   |
| <b>Total Sports Oriented Activities</b>               | <b>73,001</b>    | <b>73,001</b>    | <b>325,279</b>   | <b>(252,278)</b>  |
| <b>Total Extracurricular Activities</b>               | <b>420,913</b>   | <b>420,913</b>   | <b>408,246</b>   | <b>12,667</b>   |
| Capital Outlay:                                       |                  |                  |                  |   |
| Facilities Acquisition and Construction Services:     |                  |                  |                  |   |
| Site Acquisition Services:                            |                  |                  |                  |   |
| Capital Outlay - New                                  | 20,730           | 20,730           | 20,730           | 0   |
| Site Improvement Services:                            |                  |                  |                  |   |
| Capital Outlay - New                                  | 0                | 20,000           | 26,860           | (6,860)   |
| Capital Outlay - Replacement                          | 23,458           | 23,458           | 47,708           | (24,250)  |
| <b>Total Site Improvement Services</b>                | <b>23,458</b>    | <b>43,458</b>    | <b>74,568</b>    | <b>(31,110)</b>   |
| Architecture and Engineering Services:                |                  |                  |                  |   |
| Purchased Services                                    | 8,290            | 8,290            | 0                | 8,290   |
| Building Acquisition and Construction Services:       |                  |                  |                  |   |
| Capital Outlay - New                                  | 0                | 0                | 9,757            | (9,757)   |
| <b>Total Capital Outlay</b>                           | <b>\$52,478</b>  | <b>\$72,478</b>  | <b>\$105,055</b> | <b>(\$32,577)</b>                                       |

*(continued)*

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2007*  
*(continued)*

|   | Budgeted Amounts   |                    | Actual             | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|--------------------|--------------------|---|
|   | Original           | Final              |                    |   |
| Debt Service:                                 |                    |                    |                    |   |
| Principal Retirement                          | \$31,000           | \$58,000           | \$58,000           | \$0   |
| Interest and Fiscal Charges                   | 24,000             | 24,000             | 24,501             | (501)   |
| Total Debt Service                            | 55,000             | 82,000             | 82,501             | (501)   |
| <i>Total Expenditures</i>                     | 24,186,015         | 24,234,015         | 24,187,802         | 46,213  |
| Excess of Revenues Over (Under) Expenditures  | (368,613)          | (423,894)          | (330,423)          | 93,471  |
| <b><u>Other Financing Sources (Uses):</u></b> |                    |                    |                    |   |
| Proceeds from Sale of Capital Assets          | 0                  | 0                  | 9,798              | 9,798   |
| Refund of Prior Year Expenditures             | 0                  | 0                  | 13,118             | 13,118  |
| Advances In                                   | 75,000             | 25,000             | 31,558             | 6,558   |
| Advances Out                                  | (75,000)           | (75,000)           | (50,258)           | 24,742  |
| <i>Total Other Financing Sources (Uses)</i>   | 0                  | (50,000)           | 4,216              | 54,216  |
| Net Change in Fund Balance                    | (368,613)          | (473,894)          | (326,207)          | 147,687   |
| Fund Balance at Beginning of Year             | 2,390,787          | 2,390,787          | 2,390,787          | 0   |
| Prior Year Encumbrances Appropriated          | 172,897            | 172,897            | 172,897            | 0   |
| Fund Balance at End of Year                   | <u>\$2,195,071</u> | <u>\$2,089,790</u> | <u>\$2,237,477</u> | <u>\$147,687</u>  |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Debt Service*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u>   |                           | <u>Actual</u>             | Variance with         |
|-----------------------------------|---------------------------|---------------------------|---------------------------|-----------------------|
|                                   | <u>Original</u>           | <u>Final</u>              |                           | Final Budget          |
|                                   |                           |                           |                           | Positive              |
|                                   |                           |                           |                           | (Negative)            |
| <b><u>Revenues:</u></b>           |                           |                           |                           |                       |
| Taxes                             | \$635,000                 | \$517,210                 | \$511,232                 | (\$5,978)             |
| Intergovernmental                 | 0                         | 80,790                    | 86,807                    | 6,017                 |
| <i>Total Revenues</i>             | <u>635,000</u>            | <u>598,000</u>            | <u>598,039</u>            | <u>39</u>             |
| <b><u>Expenditures:</u></b>       |                           |                           |                           |                       |
| Current:                          |                           |                           |                           |                       |
| Support Services:                 |                           |                           |                           |                       |
| Fiscal:                           |                           |                           |                           |                       |
| Other                             | 21,050                    | 21,050                    | 12,626                    | 8,424                 |
| Debt Service:                     |                           |                           |                           |                       |
| Principal Retirement              | 215,000                   | 215,000                   | 215,000                   | 0                     |
| Interest and Fiscal Charges       | 285,236                   | 285,236                   | 285,236                   | 0                     |
| Total Debt Service                | <u>500,236</u>            | <u>500,236</u>            | <u>500,236</u>            | <u>0</u>              |
| <i>Total Expenditures</i>         | <u>521,286</u>            | <u>521,286</u>            | <u>512,862</u>            | <u>8,424</u>          |
| Net Change in Fund Balance        | 113,714                   | 76,714                    | 85,177                    | 8,463                 |
| Fund Balance at Beginning of Year | <u>1,561,268</u>          | <u>1,561,268</u>          | <u>1,561,268</u>          | <u>0</u>              |
| Fund Balance at End of Year       | <u><u>\$1,674,982</u></u> | <u><u>\$1,637,982</u></u> | <u><u>\$1,646,445</u></u> | <u><u>\$8,463</u></u> |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Memorial Fund*  
*For the Fiscal Year Ended June 30, 2007*

|   | Budgeted Amounts |       | Actual  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|-------|---------|---|
|   | Original         | Final |         |   |
| <b><u>Revenues:</u></b>                           |                  |       |         |   |
| Contributions and Donations                       | \$0              | \$516 | \$516   | \$0   |
| <b><u>Expenditures:</u></b>                       |                  |       |         |   |
| Capital Outlay:                                   |                  |       |         |   |
| Facilities Acquisition and Construction Services: |                  |       |         |   |
| Site Acquisition Services:                        |                  |       |         |   |
| Other   | 786              | 786   | 0       | 786   |
| Net Change in Fund Balance                        | (786)            | (270) | 516     | 786   |
| Fund Balance at Beginning of Year                 | 786              | 786   | 786     | 0   |
| Fund Balance at End of Year                       | \$0              | \$516 | \$1,302 | \$786   |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Uniform School Supplies*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u> |                         | <u>Actual</u>           | Variance with                          |
|-----------------------------------|-------------------------|-------------------------|-------------------------|--|
|                                   | <u>Original</u>         | <u>Final</u>            |                         | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>           |                         |                         |                         |  |
| Tuition and Fees                  | \$69,000                | \$84,300                | \$87,152                | \$2,852                                |
| <b><u>Expenditures:</u></b>       |                         |                         |                         |  |
| Current:                          |                         |                         |                         |  |
| Instruction:                      |                         |                         |                         |  |
| Regular:                          |                         |                         |                         |  |
| Materials and Supplies            | <u>68,000</u>           | <u>134,000</u>          | <u>97,461</u>           | <u>36,539</u>                          |
| Net Change in Fund Balance        | 1,000                   | (49,700)                | (10,309)                | 39,391                                 |
| Fund Balance at Beginning of Year | <u>157,030</u>          | <u>157,030</u>          | <u>157,030</u>          | <u>0</u>                               |
| Fund Balance at End of Year       | <u><u>\$158,030</u></u> | <u><u>\$107,330</u></u> | <u><u>\$146,721</u></u> | <u><u>\$39,391</u></u>                 |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support*  
*For the Fiscal Year Ended June 30, 2007*

|  | Budgeted Amounts |                 | Actual          | Variance with<br>Final Budget |
|--|------------------|-----------------|-----------------|-------------------------------|
|  | Original         | Final           |                 | Positive<br>(Negative)        |
| <b><u>Revenues:</u></b>                        |                  |                 |                 |                               |
| Extracurricular Activities                     | \$80,039         | \$76,100        | \$81,659        | \$5,559                       |
| Contributions and Donations                    | 7,749            | 13,000          | 7,906           | (5,094)                       |
| Miscellaneous                                  | 19,212           | 17,800          | 19,601          | 1,801                         |
| <i>Total Revenues</i>                          | <u>107,000</u>   | <u>106,900</u>  | <u>109,166</u>  | <u>2,266</u>                  |
| <b><u>Expenditures:</u></b>                    |                  |                 |                 |                               |
| Current:                                       |                  |                 |                 |                               |
| Instruction:                                   |                  |                 |                 |                               |
| Regular:                                       |                  |                 |                 |                               |
| Purchased Services                             | 11,772           | 11,772          | 9,533           | 2,239                         |
| Materials and Supplies                         | 40,596           | 40,596          | 38,797          | 1,799                         |
| Capital Outlay - New                           | 239              | 239             | 1,365           | (1,126)                       |
| Other  | 6,800            | 6,800           | 5,331           | 1,469                         |
| Total Instruction                              | <u>59,407</u>    | <u>59,407</u>   | <u>55,026</u>   | <u>4,381</u>                  |
| Support Services:                              |                  |                 |                 |                               |
| Pupils:  |                  |                 |                 |                               |
| Purchased Services                             | 0                | 0               | 2,258           | (2,258)                       |
| Instructional Staff:                           |                  |                 |                 |                               |
| Materials and Supplies                         | 45,540           | 45,540          | 41,558          | 3,982                         |
| Administration:                                |                  |                 |                 |                               |
| Materials and Supplies                         | 0                | 0               | 361             | (361)                         |
| Total Support Services                         | <u>45,540</u>    | <u>45,540</u>   | <u>44,177</u>   | <u>1,363</u>                  |
| Extracurricular Activities:                    |                  |                 |                 |                               |
| Academic and Subject Oriented Activities:      |                  |                 |                 |                               |
| Purchased Services                             | 0                | 0               | 349             | (349)                         |
| Other  | 23,112           | 23,112          | 14,584          | 8,528                         |
| Total Academic and Subject Oriented Activities | <u>23,112</u>    | <u>23,112</u>   | <u>14,933</u>   | <u>8,179</u>                  |
| Sports Oriented Activities:                    |                  |                 |                 |                               |
| Materials and Supplies                         | 0                | 0               | 1,500           | (1,500)                       |
| Total Extracurricular Activities               | <u>23,112</u>    | <u>23,112</u>   | <u>16,433</u>   | <u>6,679</u>                  |
| <i>Total Expenditures</i>                      | <u>128,059</u>   | <u>128,059</u>  | <u>115,636</u>  | <u>12,423</u>                 |
| Net Change in Fund Balance                     | (21,059)         | (21,159)        | (6,470)         | 14,689                        |
| Fund Balance at Beginning of Year              | 70,348           | 70,348          | 70,348          | 0                             |
| Prior Year Encumbrances Appropriated           | 7,559            | 7,559           | 7,559           | 0                             |
| Fund Balance at End of Year                    | <u>\$56,848</u>  | <u>\$56,748</u> | <u>\$71,437</u> | <u>\$14,689</u>               |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Other Grant*  
*For the Fiscal Year Ended June 30, 2007*

|  | <u>Budgeted Amounts</u> |                 |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------|-----------------|-----------------|---|
|  | <u>Original</u>         | <u>Final</u>    | <u>Actual</u>   |   |
| <b><u>Revenues:</u></b>                  |                         |                 |                 |   |
| Intergovernmental                        | \$11,006                | \$15,343        | \$18,476        | \$3,133   |
| Contributions and Donations              | 1,901                   | 3,191           | 3,191           | 0   |
| <i>Total Revenues</i>                    | <u>12,907</u>           | <u>18,534</u>   | <u>21,667</u>   | <u>3,133</u>  |
| <b><u>Expenditures:</u></b>              |                         |                 |                 |   |
| Current:                                 |                         |                 |                 |   |
| Instruction:                             |                         |                 |                 |   |
| Regular:                                 |                         |                 |                 |   |
| Purchased Services                       | 14,452                  | 6,788           | 4,250           | 2,538   |
| Materials and Supplies                   | 18,455                  | 19,155          | 13,327          | 5,828   |
| Total Instruction                        | 32,907                  | 25,943          | 17,577          | 8,366   |
| Operation of Non-Instructional Services: |                         |                 |                 |   |
| Community Services:                      |                         |                 |                 |   |
| Materials and Supplies                   | 3,600                   | 3,600           | 2,865           | 735   |
| <i>Total Expenditures</i>                | <u>36,507</u>           | <u>29,543</u>   | <u>20,442</u>   | <u>9,101</u>  |
| Net Change in Fund Balance               | (23,600)                | (11,009)        | 1,225           | 12,234  |
| Fund Balance at Beginning of Year        | 17,793                  | 17,793          | 17,793          | 0   |
| Prior Year Encumbrances Appropriated     | 5,809                   | 5,809           | 5,809           | 0   |
| Fund Balance at End of Year              | <u>\$2</u>              | <u>\$12,593</u> | <u>\$24,827</u> | <u>\$12,234</u>   |



**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Classroom Facility Maintenance*  
*For the Fiscal Year Ended June 30, 2007*

|  | Budgeted Amounts |           | Actual    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------|-----------|-----------|---|
|  | Original         | Final     |           |   |
| <b><u>Revenues:</u></b>                  |                  |           |           |   |
| Taxes                                    | \$93,000         | \$86,642  | \$87,943  | \$1,301   |
| Intergovernmental                        | 0                | 116,358   | 139,922   | 23,564  |
| <i>Total Revenues</i>                    | 93,000           | 203,000   | 227,865   | 24,865  |
| <b><u>Expenditures:</u></b>              |                  |           |           |   |
| Current:                                 |                  |           |           |   |
| Support Services:                        |                  |           |           |   |
| Fiscal:                                  |                  |           |           |   |
| Other                                    | 6,550            | 6,550     | 8,340     | (1,790)   |
| Operation and Maintenance of Plant:      |                  |           |           |   |
| Salaries and Wages                       | 0                | 0         | 44,189    | (44,189)  |
| Fringe Benefits                          | 0                | 0         | 105       | (105)   |
| Purchased Services                       | 350,000          | 350,000   | 27,679    | 322,321   |
| Materials and Supplies                   | 0                | 0         | 8,606     | (8,606)   |
| Total Operation and Maintenance of Plant | 350,000          | 350,000   | 80,579    | 269,421   |
| Total Support Services                   | 356,550          | 356,550   | 88,919    | 267,631   |
| Capital Outlay:                          |                  |           |           |   |
| Site Improvement Services:               |                  |           |           |   |
| Capital Outlay - Replacement             | 13,618           | 13,618    | 9,696     | 3,922   |
| <i>Total Expenditures</i>                | 370,168          | 370,168   | 98,615    | 271,553   |
| Net Change in Fund Balance               | (277,168)        | (167,168) | 129,250   | 296,418   |
| Fund Balance at Beginning of Year        | 557,920          | 557,920   | 557,920   | 0   |
| Prior Year Encumbrances Appropriated     | 13,618           | 13,618    | 13,618    | 0   |
| Fund Balance at End of Year              | \$294,370        | \$404,370 | \$700,788 | \$296,418   |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*District Managed Activity*  
*For the Fiscal Year Ended June 30, 2007*

|                                      | Budgeted Amounts |           | Actual    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|------------------|-----------|-----------|---|
|                                      | Original         | Final     |           |   |
| <b><u>Revenues:</u></b>              |                  |           |           |   |
| Extracurricular Activities           | \$114,000        | \$105,690 | \$105,919 | \$229   |
| Contributions and Donations          | 0                | 0         | 160       | 160   |
| <i>Total Revenues</i>                | 114,000          | 105,690   | 106,079   | 389   |
| <b><u>Expenditures:</u></b>          |                  |           |           |   |
| Current:                             |                  |           |           |   |
| Extracurricular Activities:          |                  |           |           |   |
| Sports Oriented Activities:          |                  |           |           |   |
| Purchased Services                   | 62,141           | 62,141    | 55,659    | 6,482   |
| Materials and Supplies               | 66,411           | 66,411    | 70,543    | (4,132)   |
| Capital Outlay - New                 | 5,500            | 5,500     | 0         | 5,500   |
| <i>Total Expenditures</i>            | 134,052          | 134,052   | 126,202   | 7,850   |
| Net Change in Fund Balance           | (20,052)         | (28,362)  | (20,123)  | 8,239   |
| Fund Balance at Beginning of Year    | 10,624           | 10,624    | 10,624    | 0   |
| Prior Year Encumbrances Appropriated | 18,552           | 18,552    | 18,552    | 0   |
| Fund Balance at End of Year          | \$9,124          | \$814     | \$9,053   | \$8,239   |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Educational Management Information Systems*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u> |                        | <u>Actual</u>          | Variance with                          |
|-----------------------------------|-------------------------|------------------------|------------------------|--|
|                                   | <u>Original</u>         | <u>Final</u>           |                        | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>           |                         |                        |                        |  |
| Intergovernmental                 | \$10,950                | \$10,950               | \$11,172               | \$222                                  |
| <b><u>Expenditures:</u></b>       |                         |                        |                        |  |
| Current:                          |                         |                        |                        |  |
| Support Services:                 |                         |                        |                        |  |
| Administration:                   |                         |                        |                        |  |
| Salaries and Wages                | 10,500                  | 14,000                 | 12,666                 | 1,334                                  |
| Fringe Benefits                   | 4,450                   | 4,450                  | 4,391                  | 59                                     |
| Purchased Services                | 750                     | 750                    | 1,099                  | (349)                                  |
| <i>Total Expenditures</i>         | <u>15,700</u>           | <u>19,200</u>          | <u>18,156</u>          | <u>1,044</u>                           |
| Net Change in Fund Balance        | (4,750)                 | (8,250)                | (6,984)                | 1,266                                  |
| Fund Balance at Beginning of Year | <u>18,891</u>           | <u>18,891</u>          | <u>18,891</u>          | <u>0</u>                               |
| Fund Balance at End of Year       | <u><u>\$14,141</u></u>  | <u><u>\$10,641</u></u> | <u><u>\$11,907</u></u> | <u><u>\$1,266</u></u>                  |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*OneNet*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | Budgeted Amounts |          | Actual   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------|------------------|----------|----------|---|
|                                   | Original         | Final    |          |   |
| <b><u>Revenues:</u></b>           |                  |          |          |   |
| Intergovernmental                 | \$12,000         | \$12,000 | \$12,000 | \$0   |
| <b><u>Expenditures:</u></b>       |                  |          |          |   |
| Current:                          |                  |          |          |   |
| Support Services:                 |                  |          |          |   |
| Central:                          |                  |          |          |   |
| Purchased Services                | 12,000           | 12,000   | 12,000   | 0   |
| Net Change in Fund Balance        | 0                | 0        | 0        | 0   |
| Fund Balance at Beginning of Year | 0                | 0        | 0        | 0   |
| Fund Balance at End of Year       | \$0              | \$0      | \$0      | \$0   |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Professional Development*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u> |              |               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------|-------------------------|--------------|---------------|---|
|                                   | <u>Original</u>         | <u>Final</u> | <u>Actual</u> |   |
| <b><u>Revenues:</u></b>           |                         |              |               |   |
| Intergovernmental                 | \$4,140                 | \$3,300      | \$3,300       | \$0   |
| <b><u>Expenditures:</u></b>       |                         |              |               |   |
| Current:                          |                         |              |               |   |
| Instruction:                      |                         |              |               |   |
| Regular:                          |                         |              |               |   |
| Purchased Services                | 4,140                   | 7,225        | 7,225         | 0   |
| Net Change in Fund Balance        | 0                       | (3,925)      | (3,925)       | 0   |
| Fund Balance at Beginning of Year | 3,925                   | 3,925        | 3,925         | 0   |
| Fund Balance at End of Year       | <u>\$3,925</u>          | <u>\$0</u>   | <u>\$0</u>    | <u>\$0</u>  |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ohio Reads*  
*For the Fiscal Year Ended June 30, 2007*

|                                      | <u>Budgeted Amounts</u> |              |               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|-------------------------|--------------|---------------|---|
|                                      | <u>Original</u>         | <u>Final</u> | <u>Actual</u> |   |
| <b><u>Revenues:</u></b>              |                         |              |               |   |
| Intergovernmental                    | \$60,000                | \$64,000     | \$64,000      | \$0   |
| <b><u>Expenditures:</u></b>          |                         |              |               |   |
| Current:                             |                         |              |               |   |
| Instruction:                         |                         |              |               |   |
| Regular:                             |                         |              |               |   |
| Salaries and Wages                   | 0                       | 1,100        | 1,100         | 0   |
| Purchased Services                   | 0                       | 118          | 118           | 0   |
| Materials and Supplies               | 4,440                   | 28,374       | 28,374        | 0   |
| Total Instruction                    | 4,440                   | 29,592       | 29,592        | 0   |
| Support Services:                    |                         |              |               |   |
| Instructional Staff:                 |                         |              |               |   |
| Salaries and Wages                   | 60,000                  | 35,900       | 35,900        | 0   |
| Administration:                      |                         |              |               |   |
| Purchased Services                   | 0                       | 4,000        | 4,000         | 0   |
| Total Support Services               | 60,000                  | 39,900       | 39,900        | 0   |
| <i>Total Expenditures</i>            | 64,440                  | 69,492       | 69,492        | 0   |
| Net Change in Fund Balance           | (4,440)                 | (5,492)      | (5,492)       | 0   |
| Fund Balance at Beginning of Year    | 1,052                   | 1,052        | 1,052         | 0   |
| Prior Year Encumbrances Appropriated | 4,440                   | 4,440        | 4,440         | 0   |
| Fund Balance at End of Year          | <u>\$1,052</u>          | <u>\$0</u>   | <u>\$0</u>    | <u>\$0</u>  |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Alternative School*  
*For the Fiscal Year Ended June 30, 2007*

|   | Budgeted Amounts |          | Actual   | Variance with                          |
|---|------------------|----------|----------|--|
|   | Original         | Final    |          | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>                       |                  |          |          |  |
| Intergovernmental                             | \$65,000         | \$53,319 | \$53,319 | \$0                                    |
| <b><u>Expenditures:</u></b>                   |                  |          |          |  |
| Current:                                      |                  |          |          |  |
| Instruction:                                  |                  |          |          |  |
| Regular:                                      |                  |          |          |  |
| Salaries and Wages                            | 65,000           | 47,985   | 47,985   | 0                                      |
| Support Services:                             |                  |          |          |  |
| Administration:                               |                  |          |          |  |
| Purchased Services                            | 0                | 1,650    | 1,650    | 0                                      |
| <i>Total Expenditures</i>                     | 65,000           | 49,635   | 49,635   | 0                                      |
| Excess of Revenues Over Expenditures          | 0                | 3,684    | 3,684    | 0                                      |
| <b><u>Other Financing Sources (Uses):</u></b> |                  |          |          |  |
| Advances In                                   | 0                | 600      | 600      | 0                                      |
| Advances Out                                  | 0                | (600)    | (600)    | 0                                      |
| <i>Total Other Financing Sources (Uses)</i>   | 0                | 0        | 0        | 0                                      |
| Net Change in Fund Balance                    | 0                | 3,684    | 3,684    | 0                                      |
| Fund Balance at Beginning of Year             | 0                | 0        | 0        | 0                                      |
| Fund Balance at End of Year                   | \$0              | \$3,684  | \$3,684  | \$0                                    |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Poverty Based Assistance*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u> |                |                 | Variance with                          |
|-----------------------------------|-------------------------|----------------|-----------------|--|
|                                   | <u>Original</u>         | <u>Final</u>   | <u>Actual</u>   | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>           |                         |                |                 |  |
| Intergovernmental                 | \$57,178                | \$57,178       | \$57,178        | \$0                                    |
| <b><u>Expenditures:</u></b>       |                         |                |                 |  |
| Current:                          |                         |                |                 |  |
| Instruction:                      |                         |                |                 |  |
| Regular:                          |                         |                |                 |  |
| Purchased Services                | 57,178                  | 57,178         | 0               | 57,178                                 |
| Other:                            |                         |                |                 |  |
| Salaries and Wages                | 0                       | 0              | 27,295          | (27,295)                               |
| Fringe Benefits                   | 0                       | 0              | 325             | (325)                                  |
| Purchased Services                | 0                       | 0              | 17,415          | (17,415)                               |
| Total Other                       | 0                       | 0              | 45,035          | (45,035)                               |
| <i>Total Expenditures</i>         | 57,178                  | 57,178         | 45,035          | 12,143                                 |
| Net Change in Fund Balance        | 0                       | 0              | 12,143          | 12,143                                 |
| Fund Balance at Beginning of Year | 5,054                   | 5,054          | 5,054           | 0                                      |
| Fund Balance at End of Year       | <u>\$5,054</u>          | <u>\$5,054</u> | <u>\$17,197</u> | <u>\$12,143</u>                        |



**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous State Grants*  
*For the Fiscal Year Ended June 30, 2007*

|  | <u>Budgeted Amounts</u> |               | Actual         | Variance with          |
|--|-------------------------|---------------|----------------|------------------------|
|  | <u>Original</u>         | <u>Final</u>  |                | Final Budget           |
|  |                         |               |                | Positive<br>(Negative) |
| <b><u>Revenues:</u></b>                      |                         |               |                |                        |
| Intergovernmental                            | \$0                     | \$10,432      | \$10,432       | \$0                    |
| <b><u>Expenditures:</u></b>                  |                         |               |                |                        |
| Current:                                     |                         |               |                |                        |
| Instruction:                                 |                         |               |                |                        |
| Special Instruction:                         |                         |               |                |                        |
| Purchased Services                           | 0                       | 8,432         | 8,432          | 0                      |
| Support Services:                            |                         |               |                |                        |
| Administration:                              |                         |               |                |                        |
| Purchased Services                           | 0                       | 20,700        | 18,725         | 1,975                  |
| <i>Total Expenditures</i>                    | <u>0</u>                | <u>29,132</u> | <u>27,157</u>  | <u>1,975</u>           |
| Excess of Revenues Over (Under) Expenditures | 0                       | (18,700)      | (16,725)       | 1,975                  |
| <b><u>Other Financing Sources:</u></b>       |                         |               |                |                        |
| Advances In                                  | 0                       | 18,700        | 18,700         | 0                      |
| Net Change in Fund Balance                   | 0                       | 0             | 1,975          | 1,975                  |
| Fund Balance at Beginning of Year            | 0                       | 0             | 0              | 0                      |
| Fund Balance at End of Year                  | <u>\$0</u>              | <u>\$0</u>    | <u>\$1,975</u> | <u>\$1,975</u>         |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI-B*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u> |                |                | Variance with                          |
|-----------------------------------|-------------------------|----------------|----------------|--|
|                                   | <u>Original</u>         | <u>Final</u>   | <u>Actual</u>  | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>           |                         |                |                |  |
| Intergovernmental                 | \$811,493               | \$744,058      | \$744,058      | \$0                                    |
| <b><u>Expenditures:</u></b>       |                         |                |                |  |
| Current:                          |                         |                |                |  |
| Instruction:                      |                         |                |                |  |
| Special:                          |                         |                |                |  |
| Salaries and Wages                | 786,065                 | 157,621        | 157,621        | 0                                      |
| Fringe Benefits                   | 8,819                   | 33,100         | 33,100         | 0                                      |
| Purchased Services                | 0                       | 117,906        | 117,906        | 0                                      |
| Total Instruction                 | 794,884                 | 308,627        | 308,627        | 0                                      |
| Support Services:                 |                         |                |                |  |
| Pupils:                           |                         |                |                |  |
| Salaries and Wages                | 0                       | 21,421         | 21,421         | 0                                      |
| Fringe Benefits                   | 0                       | 3,376          | 3,376          | 0                                      |
| Purchased Services                | 0                       | 313,479        | 313,479        | 0                                      |
| Total Pupils                      | 0                       | 338,276        | 338,276        | 0                                      |
| Instructional Staff:              |                         |                |                |  |
| Salaries and Wages                | 2,494                   | 4,011          | 4,074          | (63)                                   |
| Fringe Benefits                   | 1,276                   | 638            | 704            | (66)                                   |
| Purchased Services                | 851                     | 0              | 0              | 0                                      |
| Total Instructional Staff         | 4,621                   | 4,649          | 4,778          | (129)                                  |
| Administration:                   |                         |                |                |  |
| Salaries and Wages                | 18,148                  | 86,821         | 86,758         | 63                                     |
| Fringe Benefits                   | 2,451                   | 13,016         | 12,950         | 66                                     |
| Total Administration              | 20,599                  | 99,837         | 99,708         | 129                                    |
| Business:                         |                         |                |                |  |
| Salaries and Wages                | 421                     | 423            | 423            | 0                                      |
| Total Support Services            | 25,641                  | 443,185        | 443,185        | 0                                      |
| <b>Total Expenditures</b>         | <b>820,525</b>          | <b>751,812</b> | <b>751,812</b> | <b>0</b>                               |
| Net Change in Fund Balance        | (9,032)                 | (7,754)        | (7,754)        | 0                                      |
| Fund Balance at Beginning of Year | 9,032                   | 9,032          | 9,032          | 0                                      |
| Fund Balance at End of Year       | <u>\$0</u>              | <u>\$1,278</u> | <u>\$1,278</u> | <u>\$0</u>                             |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Title I**  
*For the Fiscal Year Ended June 30, 2007*

|   | <u>Budgeted Amounts</u> |              |               | Variance with                          |
|---|-------------------------|--------------|---------------|--|
|   | <u>Original</u>         | <u>Final</u> | <u>Actual</u> | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>                       |                         |              |               |  |
| Intergovernmental                             | \$549,851               | \$477,773    | \$477,773     | \$0                                    |
| <b><u>Expenditures:</u></b>                   |                         |              |               |  |
| Current:                                      |                         |              |               |  |
| Instruction:                                  |                         |              |               |  |
| Special:                                      |                         |              |               |  |
| Salaries and Wages                            | 417,660                 | 336,420      | 336,420       | 0                                      |
| Fringe Benefits                               | 140,252                 | 124,082      | 124,082       | 0                                      |
| Purchased Services                            | 0                       | 6,676        | 6,676         | 0                                      |
| Materials and Supplies                        | 0                       | 2,647        | 2,647         | 0                                      |
| Total Instruction                             | 557,912                 | 469,825      | 469,825       | 0                                      |
| Support Services:                             |                         |              |               |  |
| Administration:                               |                         |              |               |  |
| Salaries and Wages                            | 3,672                   | 27,216       | 27,216        | 0                                      |
| Purchased Services                            | 7,535                   | 0            | 0             | 0                                      |
| Total Administration                          | 11,207                  | 27,216       | 27,216        | 0                                      |
| Business:                                     |                         |              |               |  |
| Salaries and Wages                            | 58                      | 58           | 58            | 0                                      |
| Total Support Services                        | 11,265                  | 27,274       | 27,274        | 0                                      |
| <i>Total Expenditures</i>                     | 574,781                 | 497,099      | 497,099       | 0                                      |
| Excess of Revenues Under Expenditures         | (24,930)                | (19,326)     | (19,326)      | 0                                      |
| <b><u>Other Financing Sources (Uses):</u></b> |                         |              |               |  |
| Advances In                                   | 18,500                  | 18,500       | 18,500        | 0                                      |
| Advances Out                                  | (18,500)                | (18,500)     | (18,500)      | 0                                      |
| <i>Total Other Financing Sources (Uses)</i>   | 0                       | 0            | 0             | 0                                      |
| Net Change in Fund Balance                    | (24,930)                | (19,326)     | (19,326)      | 0                                      |
| Fund Balance at Beginning of Year             | 19,326                  | 19,326       | 19,326        | 0                                      |
| Fund Balance at End of Year                   | (\$5,604)               | \$0          | \$0           | \$0                                    |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u> |              |               | Variance with                          |
|-----------------------------------|-------------------------|--------------|---------------|--|
|                                   | <u>Original</u>         | <u>Final</u> | <u>Actual</u> | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>           |                         |              |               |  |
| Intergovernmental                 | \$19,292                | \$8,391      | \$8,391       | \$0                                    |
| <b><u>Expenditures:</u></b>       |                         |              |               |  |
| Current:                          |                         |              |               |  |
| Instruction:                      |                         |              |               |  |
| Regular:                          |                         |              |               |  |
| Salaries and Wages                | 8,945                   | 10,645       | 10,645        | 0                                      |
| Purchased Services                | 612                     | 0            | 0             | 0                                      |
| Total Instruction                 | 9,557                   | 10,645       | 10,645        | 0                                      |
| Support Services:                 |                         |              |               |  |
| Administration:                   |                         |              |               |  |
| Salaries and Wages                | 72                      | 275          | 275           | 0                                      |
| Business:                         |                         |              |               |  |
| Salaries and Wages                | 857                     | 769          | 769           | 0                                      |
| Total Support Services            | 929                     | 1,044        | 1,044         | 0                                      |
| <i>Total Expenditures</i>         | 10,486                  | 11,689       | 11,689        | 0                                      |
| Net Change in Fund Balance        | 8,806                   | (3,298)      | (3,298)       | 0                                      |
| Fund Balance at Beginning of Year | 3,298                   | 3,298        | 3,298         | 0                                      |
| Fund Balance at End of Year       | <u>\$12,104</u>         | <u>\$0</u>   | <u>\$0</u>    | <u>\$0</u>                             |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Free Grant*  
*For the Fiscal Year Ended June 30, 2007*

|   | <u>Budgeted Amounts</u> |               |               | Variance with                          |
|---|-------------------------|---------------|---------------|--|
|   | <u>Original</u>         | <u>Final</u>  | <u>Actual</u> | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>                       |                         |               |               |  |
| Intergovernmental                             | \$21,551                | \$15,776      | \$15,776      | \$0                                    |
| <b><u>Expenditures:</u></b>                   |                         |               |               |  |
| Current:                                      |                         |               |               |  |
| Instruction:                                  |                         |               |               |  |
| Regular:                                      |                         |               |               |  |
| Purchased Services                            | 1,761                   | 6,883         | 6,883         | 0                                      |
| Support Services:                             |                         |               |               |  |
| Pupils:                                       |                         |               |               |  |
| Purchased Services                            | 0                       | 7,850         | 7,850         | 0                                      |
| Administration:                               |                         |               |               |  |
| Salaries and Wages                            | 13,279                  | 274           | 274           | 0                                      |
| Purchased Services                            | 0                       | 5,410         | 5,410         | 0                                      |
| Total Administration                          | 13,279                  | 5,684         | 5,684         | 0                                      |
| Business:                                     |                         |               |               |  |
| Salaries and Wages                            | 695                     | 696           | 696           | 0                                      |
| Total Support Services                        | 13,974                  | 14,230        | 14,230        | 0                                      |
| <b>Total Expenditures</b>                     | <b>15,735</b>           | <b>21,113</b> | <b>21,113</b> | <b>0</b>                               |
| Excess of Revenues Over (Under) Expenditures  | 5,816                   | (5,337)       | (5,337)       | 0                                      |
| <b><u>Other Financing Sources (Uses):</u></b> |                         |               |               |  |
| Advances In                                   | 100                     | 100           | 100           | 0                                      |
| Advances Out                                  | (100)                   | (100)         | (100)         | 0                                      |
| <b>Total Other Financing Sources (Uses)</b>   | <b>0</b>                | <b>0</b>      | <b>0</b>      | <b>0</b>                               |
| Net Change in Fund Balance                    | 5,816                   | (5,337)       | (5,337)       | 0                                      |
| Fund Balance at Beginning of Year             | 5,383                   | 5,383         | 5,383         | 0                                      |
| Fund Balance at End of Year                   | <u>\$11,199</u>         | <u>\$46</u>   | <u>\$46</u>   | <u>\$0</u>                             |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Telecommunications Act Grant*  
*For the Fiscal Year Ended June 30, 2007*

|                                      | <u>Budgeted Amounts</u> |              |                 | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|-------------------------|--------------|-----------------|---|
|                                      | <u>Original</u>         | <u>Final</u> | <u>Actual</u>   |   |
| <b><u>Revenues:</u></b>              |                         |              |                 |   |
| Intergovernmental                    | \$0                     | \$42,205     | \$42,205        | \$0   |
| <b><u>Expenditures:</u></b>          |                         |              |                 |   |
| Current:                             |                         |              |                 |   |
| Support Services:                    |                         |              |                 |   |
| Central:                             |                         |              |                 |   |
| Purchased Services                   | 0                       | 52,206       | 10,000          | 42,206  |
| Capital Outlay - New                 | 12,140                  | 12,140       | 12,140          | 0   |
| <i>Total Expenditures</i>            | 12,140                  | 64,346       | 22,140          | 42,206  |
| Net Change in Fund Balance           | (12,140)                | (22,141)     | 20,065          | 42,206  |
| Fund Balance at Beginning of Year    | 10,001                  | 10,001       | 10,001          | 0   |
| Prior Year Encumbrances Appropriated | 12,140                  | 12,140       | 12,140          | 0   |
| Fund Balance at End of Year          | <u>\$10,001</u>         | <u>\$0</u>   | <u>\$42,206</u> | <u>\$42,206</u>   |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Reducing Class Size*  
*For the Fiscal Year Ended June 30, 2007*

|   | <u>Budgeted Amounts</u> |              |               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------------|--------------|---------------|---|
|   | <u>Original</u>         | <u>Final</u> | <u>Actual</u> |   |
| <b><u>Revenues:</u></b>                       |                         |              |               |   |
| Intergovernmental                             | \$264,098               | \$123,297    | \$123,297     | \$0   |
| <b><u>Expenditures:</u></b>                   |                         |              |               |   |
| Current:                                      |                         |              |               |   |
| Instruction:                                  |                         |              |               |   |
| Regular:                                      |                         |              |               |   |
| Salaries and Wages                            | 118,459                 | 96,821       | 96,821        | 0   |
| Fringe Benefits                               | 142,816                 | 29,705       | 29,705        | 0   |
| Total Instruction                             | 261,275                 | 126,526      | 126,526       | 0   |
| Support Services:                             |                         |              |               |   |
| Administration:                               |                         |              |               |   |
| Salaries and Wages                            | 1,155                   | 8,053        | 8,053         | 0   |
| Purchased Services                            | 12,346                  | (670)        | (670)         | 0   |
| Total Administration                          | 13,501                  | 7,383        | 7,383         | 0   |
| Business:                                     |                         |              |               |   |
| Salaries and Wages                            | 461                     | 462          | 462           | 0   |
| Total Support Services                        | 13,962                  | 7,845        | 7,845         | 0   |
| <i>Total Expenditures</i>                     | 275,237                 | 134,371      | 134,371       | 0   |
| Excess of Revenues Under Expenditures         | (11,139)                | (11,074)     | (11,074)      | 0   |
| <b><u>Other Financing Sources (Uses):</u></b> |                         |              |               |   |
| Advances In                                   | 8,958                   | 8,958        | 8,958         | 0   |
| Advances Out                                  | (8,958)                 | (8,958)      | (8,958)       | 0   |
| <i>Total Other Financing Sources (Uses)</i>   | 0                       | 0            | 0             | 0   |
| Net Change in Fund Balance                    | (11,139)                | (11,074)     | (11,074)      | 0   |
| Fund Balance at Beginning of Year             | 11,139                  | 11,139       | 11,139        | 0   |
| Fund Balance at End of Year                   | <u>\$0</u>              | <u>\$65</u>  | <u>\$65</u>   | <u>\$0</u>  |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u> |              |               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------|-------------------------|--------------|---------------|---|
|                                   | <u>Original</u>         | <u>Final</u> | <u>Actual</u> |   |
| <b><u>Revenues:</u></b>           |                         |              |               |   |
| Intergovernmental                 | \$16,248                | \$5,456      | \$5,456       | \$0   |
| <b><u>Expenditures:</u></b>       |                         |              |               |   |
| Current:                          |                         |              |               |   |
| Instruction:                      |                         |              |               |   |
| Regular:                          |                         |              |               |   |
| Salaries and Wages                | 0                       | 5,456        | 5,456         | 0   |
| Purchased Services                | 5,022                   | 0            | 0             | 0   |
| Total Instruction                 | 5,022                   | 5,456        | 5,456         | 0   |
| Support Services:                 |                         |              |               |   |
| Administration:                   |                         |              |               |   |
| Salaries and Wages                | 6,282                   | 3,282        | 3,282         | 0   |
| Business:                         |                         |              |               |   |
| Salaries and Wages                | 1,069                   | 820          | 820           | 0   |
| Total Support Services            | 7,351                   | 4,102        | 4,102         | 0   |
| <i>Total Expenditures</i>         | 12,373                  | 9,558        | 9,558         | 0   |
| Net Change in Fund Balance        | 3,875                   | (4,102)      | (4,102)       | 0   |
| Fund Balance at Beginning of Year | 4,102                   | 4,102        | 4,102         | 0   |
| Fund Balance at End of Year       | <u>\$7,977</u>          | <u>\$0</u>   | <u>\$0</u>    | <u>\$0</u>  |



**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Western Brown Construction Project*  
*For the Fiscal Year Ended June 30, 2007*

|   | <u>Budgeted Amounts</u> |                | <u>Actual</u>    | Variance with                          |
|---|-------------------------|----------------|------------------|--|
|   | <u>Original</u>         | <u>Final</u>   |                  | Final Budget<br>Positive<br>(Negative) |
| <b><u>Revenues:</u></b>                         |                         |                |                  |  |
| Interest  | \$10,001                | \$10,001       | \$27,325         | \$17,324                               |
| <b><u>Expenditures:</u></b>                     |                         |                |                  |  |
| Capital Outlay:                                 |                         |                |                  |  |
| Building Acquisition and Construction Services: |                         |                |                  |  |
| Purchased Services                              | 1,636                   | 1,636          | 3,215            | (1,579)                                |
| Capital Outlay - New                            | 701,115                 | 701,115        | 0                | 701,115                                |
| <i>Total Expenditures</i>                       | <u>702,751</u>          | <u>702,751</u> | <u>3,215</u>     | <u>699,536</u>                         |
| Net Change in Fund Balance                      | (692,750)               | (692,750)      | 24,110           | 716,860                                |
| Fund Balance at Beginning of Year               | 693,407                 | 693,407        | 693,407          | 0                                      |
| Prior Year Encumbrances Appropriated            | <u>1,636</u>            | <u>1,636</u>   | <u>1,636</u>     | <u>0</u>                               |
| Fund Balance at End of Year                     | <u>\$2,293</u>          | <u>\$2,293</u> | <u>\$719,153</u> | <u>\$716,860</u>                       |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*SchoolNet*  
*For the Fiscal Year Ended June 30, 2007*

|                                   | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|-----------------------------------|-------------------------|-------------------|-------------------|---|
|                                   | <u>Original</u>         | <u>Final</u>      |                   |   |
| <b><u>Revenues:</u></b>           |                         |                   |                   |   |
| Intergovernmental                 | \$37,000                | \$0               | \$0               | \$0   |
| <b><u>Expenditures:</u></b>       |                         |                   |                   |   |
| Current:                          |                         |                   |                   |   |
| Instruction:                      |                         |                   |                   |   |
| Regular:                          |                         |                   |                   |   |
| Capital Outlay - New              | <u>37,000</u>           | <u>11,076</u>     | <u>11,076</u>     | <u>0</u>  |
| Net Change in Fund Balance        | 0                       | (11,076)          | (11,076)          | 0   |
| Fund Balance at Beginning of Year | <u>11,076</u>           | <u>11,076</u>     | <u>11,076</u>     | <u>0</u>  |
| Fund Balance at End of Year       | <u><u>\$11,076</u></u>  | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$0</u></u>   |

**WESTERN BROWN LOCAL SCHOOL DISTRICT**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Food Service*  
*For the Fiscal Year Ended June 30, 2007*

|                                      | <u>Budgeted Amounts</u> |                         |                         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|-------------------------|-------------------------|-------------------------|---|
|                                      | <u>Original</u>         | <u>Final</u>            | <u>Actual</u>           |   |
| <b><u>Revenues:</u></b>              |                         |                         |                         |   |
| Sales                                | \$612,260               | \$626,000               | \$625,630               | (\$370)   |
| Interest                             | 10,629                  | 0                       | 10,861                  | 10,861  |
| Federal and State Subsidies          | 548,305                 | 557,900                 | 560,278                 | 2,378   |
| Other Revenues                       | 24,606                  | 23,200                  | 25,143                  | 1,943   |
| <i>Total Revenues</i>                | <u>1,195,800</u>        | <u>1,207,100</u>        | <u>1,221,912</u>        | <u>14,812</u>   |
| <b><u>Expenses:</u></b>              |                         |                         |                         |   |
| Salaries                             | 391,000                 | 491,000                 | 384,266                 | 106,734   |
| Fringe Benefits                      | 287,358                 | 287,358                 | 269,793                 | 17,565  |
| Purchased Services                   | 7,000                   | 13,845                  | 12,514                  | 1,331   |
| Materials and Supplies               | 540,498                 | 540,655                 | 561,703                 | (21,048)  |
| Capital Outlay - New                 | 0                       | 0                       | 13                      | (13)  |
| Capital Outlay - Replacement         | 0                       | 0                       | 29,995                  | (29,995)  |
| <i>Total Expenses</i>                | <u>1,225,856</u>        | <u>1,332,858</u>        | <u>1,258,284</u>        | <u>74,574</u>   |
| <i>Net Change in Fund Balance</i>    | (30,056)                | (125,758)               | (36,372)                | 89,386  |
| Fund Balance at Beginning of Year    | 219,438                 | 219,438                 | 219,438                 | 0   |
| Prior Year Encumbrances Appropriated | <u>7,002</u>            | <u>7,002</u>            | <u>7,002</u>            | <u>0</u>  |
| Fund Balance at End of Year          | <u><u>\$196,384</u></u> | <u><u>\$100,682</u></u> | <u><u>\$190,068</u></u> | <u><u>\$89,386</u></u>                                  |

**THIS PAGE INTENTIONALLY LEFT BLANK**

# **STATISTICAL SECTION**

**This page intentionally left blank.**

## Statistical Section

This part of the Western Brown Local School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

| <b><u>Contents</u></b>  | <b><u>Page(s)</u></b> |
|---|-----------------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.   | S2-S13                |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.   | S14-S19               |
| <b>Debt Capacity</b><br>These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.         | S20-S24               |
| <b>Economic and Demographic Information</b><br>These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.                            | S25-S26               |
| <b>Operating Information</b><br>These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs. | S27-S33               |

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant fiscal year. The School District implemented GASB Statement No. 34 in 2000; schedules presenting government-wide information include information beginning in that fiscal year.

**Western Brown Local School District**  
*Net Assets by Component*  
*Last Eight Fiscal Years*  
*(accrual basis of accounting)*

|   | <u>2000</u>                | <u>2001</u>                | <u>2002</u>                | <u>2003</u>                |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <b><u>Governmental Activities:</u></b>          |                            |                            |                            |                            |
| Invested in Capital Assets, Net of Related Debt | \$27,950,343               | \$50,234,994               | \$54,382,759               | \$53,812,800               |
| Restricted for:                                 |                            |                            |                            |                            |
| Debt Service                                    | 720,668                    | 1,025,227                  | 1,200,826                  | 1,278,683                  |
| Capital Projects                                | 31,096,187                 | 8,071,299                  | 2,383,815                  | 3,407,766                  |
| Other Purposes                                  | 1,382,398                  | 1,025,497                  | 658,867                    | 827,117                    |
| Set-Asides                                      | 0                          | 0                          | 0                          | 0                          |
| Unrestricted (Deficit)                          | <u>(4,196,147)</u>         | <u>1,852,180</u>           | <u>2,191,495</u>           | <u>(1,024,935)</u>         |
| Total Governmental Activities Net Assets        | <u>\$56,953,449</u>        | <u>\$62,209,197</u>        | <u>\$60,817,762</u>        | <u>\$58,301,431</u>        |
| <b><u>Business-type Activities:</u></b>         |                            |                            |                            |                            |
| Invested in Capital Assets, Net of Related Debt | \$125,642                  | \$2,175,985                | \$2,344,334                | \$2,232,744                |
| Unrestricted                                    | <u>60,606</u>              | <u>151,622</u>             | <u>188,005</u>             | <u>171,498</u>             |
| Total Business-type Activities Net Assets       | <u>\$186,248</u>           | <u>\$2,327,607</u>         | <u>\$2,532,339</u>         | <u>\$2,404,242</u>         |
| <b><u>Primary Government:</u></b>               |                            |                            |                            |                            |
| Invested in Capital Assets, Net of Related Debt | \$28,075,985               | \$52,410,979               | \$56,727,093               | \$56,045,544               |
| Restricted                                      | 33,199,253                 | 10,122,023                 | 4,243,508                  | 5,513,566                  |
| Unrestricted (Deficit)                          | <u>(4,135,541)</u>         | <u>2,003,802</u>           | <u>2,379,500</u>           | <u>(853,437)</u>           |
| Total Primary Government Net Assets             | <u><u>\$57,139,697</u></u> | <u><u>\$64,536,804</u></u> | <u><u>\$63,350,101</u></u> | <u><u>\$60,705,673</u></u> |



| <u>2004</u>                | <u>2005</u>                | <u>2006</u>                | <u>2007</u>                |
|----------------------------|----------------------------|----------------------------|----------------------------|
| \$52,270,245               | \$51,070,621               | \$48,946,361               | \$47,291,229               |
| 1,404,525                  | 1,589,643                  | 1,679,299                  | 1,787,001                  |
| 2,337,331                  | 1,137,508                  | 733,409                    | 719,152                    |
| 1,150,675                  | 898,263                    | 838,607                    | 1,061,962                  |
| 0                          | 327,633                    | 82,367                     | 319,466                    |
| <u>(665,002)</u>           | <u>(292,727)</u>           | <u>(476,305)</u>           | <u>(799,327)</u>           |
| <u>\$56,497,774</u>        | <u>\$54,730,941</u>        | <u>\$51,803,738</u>        | <u>\$50,379,483</u>        |
| \$2,111,448                | \$2,033,945                | \$1,905,617                | \$1,793,601                |
| <u>97,274</u>              | <u>73,733</u>              | <u>87,315</u>              | <u>123,828</u>             |
| <u>\$2,208,722</u>         | <u>\$2,107,678</u>         | <u>\$1,992,932</u>         | <u>\$1,917,429</u>         |
| \$54,381,693               | \$53,104,566               | \$50,851,978               | \$49,084,830               |
| 4,892,531                  | 3,953,047                  | 3,333,682                  | 3,887,581                  |
| <u>(567,728)</u>           | <u>(218,994)</u>           | <u>(388,990)</u>           | <u>(675,499)</u>           |
| <u><u>\$58,706,496</u></u> | <u><u>\$56,838,619</u></u> | <u><u>\$53,796,670</u></u> | <u><u>\$52,296,912</u></u> |

**Western Brown Local School District**

*Changes in Net Assets*

*Last Eight Fiscal Years*

|   | 2000               | 2001               | 2002               | 2003               |
|---|--------------------|--------------------|--------------------|--------------------|
| <b><u>Expenses:</u></b>                               |                    |                    |                    |                    |
| <b><u>Governmental Activities:</u></b>                |                    |                    |                    |                    |
| Instruction:  |                    |                    |                    |                    |
| Regular   | \$8,068,695        | \$10,067,185       | \$12,180,875       | \$12,465,772       |
| Special   | 1,719,676          | 1,862,292          | 1,804,213          | 2,242,856          |
| Vocational  | \$199,223          | \$247,993          | 265,181            | 273,998            |
| Other   | 246,475            | 322,220            | 0                  | 0                  |
| Student Intervention Services                         | 0                  | 0                  | 0                  | 0                  |
| Support Services:                                     |                    |                    |                    |                    |
| Pupils  | 648,298            | 781,023            | 972,090            | 1,084,700          |
| Instructional Staff                                   | 585,093            | 733,883            | 871,741            | 886,418            |
| Board of Education                                    | 17,873             | 19,462             | 30,269             | 18,213             |
| Administration  | 1,415,779          | 1,818,114          | 1,973,300          | 2,126,037          |
| Fiscal  | 399,413            | 412,367            | 457,010            | 485,519            |
| Business  | 0                  | 15,950             | 115                | 0                  |
| Operation and Maintenance of Plant                    | 1,163,058          | 1,441,306          | 2,164,658          | 2,534,729          |
| Pupil Transportation                                  | 1,335,397          | 1,473,213          | 1,609,885          | 1,662,716          |
| Central   | 39,941             | 61,637             | 70,364             | 97,847             |
| Operation of Non-Instructional Services               | 2,124              | 3,093              | 73,801             | 1,916              |
| Extracurricular Activities                            | 254,892            | 291,069            | 401,793            | 521,942            |
| Interest and Fiscal Charges                           | 357,420            | 341,112            | 330,800            | 338,146            |
| <i>Total Governmental Activities Expenses</i>         | <u>16,453,357</u>  | <u>19,891,919</u>  | <u>23,206,095</u>  | <u>24,740,809</u>  |
| <b><u>Business-type Activities:</u></b>               |                    |                    |                    |                    |
| Food Service  | 953,772            | 1,013,583          | 1,109,624          | 1,148,095          |
| <i>Total Expenses</i>                                 | <u>17,407,129</u>  | <u>20,905,502</u>  | <u>24,315,719</u>  | <u>25,888,904</u>  |
| <b><u>Program Revenues:</u></b>                       |                    |                    |                    |                    |
| <b><u>Governmental Activities:</u></b>                |                    |                    |                    |                    |
| Charges for Services and Sales                        |                    |                    |                    |                    |
| Regular Instruction                                   | 156,222            | 95,952             | 136,802            | 149,335            |
| Special Instruction                                   | 0                  | 0                  | 0                  | 0                  |
| Vocational Instruction                                | 0                  | 0                  | 0                  | 0                  |
| Student Intervention Services                         | 0                  | 0                  | 0                  | 0                  |
| Pupils Support  | 0                  | 0                  | 315                | 1,901              |
| Instructional Staff Support                           | 21,142             | 0                  | 18,100             | 29,823             |
| Board of Education Support                            | 0                  | 0                  | 0                  | 0                  |
| Administration Support                                | 12,290             | 0                  | 3,394              | 0                  |
| Fiscal Support  | 0                  | 0                  | 0                  | 0                  |
| Operation and Maintenance of Plant Support            | 0                  | 0                  | 0                  | 0                  |
| Pupil Transportation Support                          | 0                  | 0                  | 0                  | 0                  |
| Central Support                                       | 0                  | 0                  | 0                  | 0                  |
| Operation of Non-Instructional Services               | 67                 | 0                  | 0                  | 0                  |
| Extracurricular Activities                            | 70,758             | 153,313            | 102,895            | 105,427            |
| Operating Grants and Contributions                    | 1,798,652          | 1,029,607          | 1,828,883          | 1,801,397          |
| Capital Grants and Contributions                      | 283,058            | 164,651            | 187,682            | 67,045             |
| <i>Total Governmental Activities Program Revenues</i> | <u>\$2,342,189</u> | <u>\$1,443,523</u> | <u>\$2,278,071</u> | <u>\$2,154,928</u> |

| 2004         | 2005         | 2006         | 2007         |
|--------------|--------------|--------------|--------------|
| \$13,157,172 | \$13,628,477 | \$14,703,897 | \$14,051,085 |
| 2,100,815    | 2,596,384    | 2,751,167    | 3,028,459    |
| 269,774      | 288,623      | 319,570      | 254,430      |
| 0            | 0            | 0            | 0            |
| 0            | 0            | 101,933      | 87,630       |
| 1,064,124    | 1,095,373    | 1,083,805    | 1,042,719    |
| 904,816      | 878,219      | 1,029,535    | 833,832      |
| 26,087       | 23,317       | 25,214       | 17,796       |
| 2,092,474    | 2,178,806    | 2,323,665    | 2,252,897    |
| 625,984      | 534,234      | 487,405      | 526,057      |
| 294          | 31,641       | 23,666       | 168          |
| 3,098,831    | 2,821,977    | 2,866,079    | 2,824,911    |
| 1,769,004    | 1,920,582    | 2,107,161    | 2,235,642    |
| 179,493      | 211,797      | 181,968      | 225,768      |
| 1,887        | 46,862       | 3,578        | 2,865        |
| 568,400      | 640,459      | 692,746      | 648,268      |
| 333,859      | 321,848      | 317,740      | 309,796      |
| 26,193,014   | 27,218,599   | 29,019,129   | 28,342,323   |
| 1,199,293    | 1,266,525    | 1,383,302    | 1,485,512    |
| 27,392,307   | 28,485,124   | 30,402,431   | 29,827,835   |
| 369,450      | 503,348      | 567,375      | 1,016,663    |
| 40,150       | 75,845       | 79,065       | 161,032      |
| 5,736        | 8,427        | 11,349       | 16,658       |
| 0            | 0            | 0            | 3,332        |
| 23,399       | 25,281       | 29,129       | 0            |
| 28,267       | 33,709       | 32,912       | 0            |
| 0            | 0            | 1,050        | 0            |
| 45,886       | 67,417       | 71,026       | 0            |
| 17,207       | 16,854       | 18,253       | 0            |
| 74,564       | 109,553      | 115,193      | 11,230       |
| 45,886       | 67,417       | 83,321       | 0            |
| 0            | 0            | 6,896        | 0            |
| 0            | 0            | 0            | 0            |
| 197,859      | 104,415      | 110,867      | 105,919      |
| 2,253,283    | 2,484,693    | 2,573,020    | 2,745,174    |
| 78,650       | 0            | 71,992       | 0            |
| \$3,180,337  | \$3,496,959  | \$3,771,448  | \$4,060,008  |

(continued)

**Western Brown Local School District**

*Changes in Net Assets*

*Last Eight Fiscal Years*

*(continued)*

|   | <u>2000</u>           | <u>2001</u>           | <u>2002</u>           | <u>2003</u>           |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| <b><u>Business-type Activities:</u></b>                             |                       |                       |                       |                       |
| Food Service  |                       |                       |                       |                       |
| Charges for Services and Sales                                      | \$614,916             | \$623,757             | \$631,462             | \$609,331             |
| Operating Grants and Contributions                                  | 363,891               | 348,812               | 388,620               | 381,847               |
| <i>Total Business-type Activity Program Revenues</i>                | <u>978,807</u>        | <u>972,569</u>        | <u>1,020,082</u>      | <u>991,178</u>        |
| <br><i>Total Program Revenues</i>                                   | <br><u>3,320,996</u>  | <br><u>2,416,092</u>  | <br><u>3,298,153</u>  | <br><u>3,146,106</u>  |
| <br><b><u>Net (Expense)/Revenue:</u></b>                            |                       |                       |                       |                       |
| Governmental Activities   | (14,111,168)          | (18,448,396)          | (20,928,024)          | (22,585,881)          |
| Business-type Activities  | 25,035                | (41,014)              | (89,542)              | (156,917)             |
| <i>Total Net (Expense)/Revenue</i>                                  | <u>(14,086,133)</u>   | <u>(18,489,410)</u>   | <u>(21,017,566)</u>   | <u>(22,742,798)</u>   |
| <br><b><u>General Revenues and Other Changes in Net Assets:</u></b> |                       |                       |                       |                       |
| <b><u>Governmental Activities:</u></b>                              |                       |                       |                       |                       |
| Property Taxes Levied for:  |                       |                       |                       |                       |
| General Purposes  | 2,777,773             | 3,012,419             | 3,283,024             | 3,304,693             |
| Debt Service  | 0                     | 0                     | 0                     | 528,751               |
| Capital Outlay  | 722,177               | 783,205               | 672,444               | 82,614                |
| Grants and Entitlements not   |                       |                       |                       |                       |
| Restricted to Specific Programs                                     | 13,072,046            | 13,715,161            | 15,421,480            | 15,899,676            |
| Unrestricted Contributions and Donations                            | 0                     | 0                     | 8,096                 | 0                     |
| Investment Earnings   | 1,042,221             | 1,148,868             | 306,638               | 126,630               |
| Gain on Sale of Capital Assets                                      | 0                     | 0                     | 0                     | 53,143                |
| Miscellaneous   | 290,924               | 88,103                | 127,206               | 82,964                |
| Transfers   | (56,226)              | (2,004,712)           | (282,299)             | (8,921)               |
| <i>Total Governmental Activities</i>                                | <u>17,848,915</u>     | <u>16,743,044</u>     | <u>19,536,589</u>     | <u>20,069,550</u>     |
| <br><b><u>Business-type Activities:</u></b>                         |                       |                       |                       |                       |
| Grants and Entitlements not   |                       |                       |                       |                       |
| Restricted to Specific Programs                                     | 0                     | 8,955                 | 0                     | 2,720                 |
| Investment Earnings   | 0                     | 0                     | 4,581                 | 0                     |
| Miscellaneous   | 0                     | 0                     | 7,394                 | 17,179                |
| Transfers   | 56,226                | 2,004,712             | 282,299               | 8,921                 |
| <i>Total Business-type Activities</i>                               | <u>56,226</u>         | <u>2,013,667</u>      | <u>294,274</u>        | <u>28,820</u>         |
| <br><i>Total Primary Government</i>                                 | <br><u>17,905,141</u> | <br><u>18,756,711</u> | <br><u>19,830,863</u> | <br><u>20,098,370</u> |
| <br><b><u>Change in Net Assets:</u></b>                             |                       |                       |                       |                       |
| Governmental Activities   | 3,737,747             | (1,705,352)           | (1,391,435)           | (2,516,331)           |
| Business-type Activities  | 81,261                | 1,972,653             | 204,732               | (128,097)             |
| <i>Total Change in Net Assets</i>                                   | <u>\$3,819,008</u>    | <u>\$267,301</u>      | <u>(\$1,186,703)</u>  | <u>(\$2,644,428)</u>  |

| <u>2004</u>         | <u>2005</u>         | <u>2006</u>         | <u>2007</u>         |
|---------------------|---------------------|---------------------|---------------------|
| \$584,299           | \$596,124           | \$637,513           | \$625,630           |
| 400,574             | 506,964             | 613,495             | 758,600             |
| <u>984,873</u>      | <u>1,103,088</u>    | <u>1,251,008</u>    | <u>1,384,230</u>    |
| <u>4,165,210</u>    | <u>4,600,047</u>    | <u>5,022,456</u>    | <u>5,444,238</u>    |
| (23,012,677)        | (23,721,640)        | (25,247,681)        | (24,282,315)        |
| (214,420)           | (163,437)           | (132,294)           | (101,282)           |
| <u>(23,227,097)</u> | <u>(23,885,077)</u> | <u>(25,379,975)</u> | <u>(24,383,597)</u> |
| 3,396,506           | 3,954,688           | 4,050,425           | 4,251,580           |
| 552,220             | 623,941             | 535,614             | 533,573             |
| 135,571             | 89,958              | 93,574              | 88,306              |
| 16,729,287          | 17,078,312          | 17,302,267          | 17,584,596          |
| 0                   | 5,841               | 18,265              | 9,672               |
| 65,060              | 103,622             | 182,083             | 261,884             |
| 276,088             | 0                   | 0                   | 0                   |
| 54,288              | 142,060             | 138,250             | 128,449             |
| 0                   | (43,615)            | 0                   | 0                   |
| <u>21,209,020</u>   | <u>21,954,807</u>   | <u>22,320,478</u>   | <u>22,858,060</u>   |
| 0                   | 0                   | 0                   | 0                   |
| 1,592               | 0                   | 0                   | 0                   |
| 17,308              | 18,778              | 17,548              | 25,779              |
| 0                   | 43,615              | 0                   | 0                   |
| <u>18,900</u>       | <u>62,393</u>       | <u>17,548</u>       | <u>25,779</u>       |
| <u>21,227,920</u>   | <u>22,017,200</u>   | <u>22,338,026</u>   | <u>22,883,839</u>   |
| (1,803,657)         | (1,766,833)         | (2,927,203)         | (1,424,255)         |
| (195,520)           | (101,044)           | (114,746)           | (75,503)            |
| <u>(1,999,177)</u>  | <u>(1,867,877)</u>  | <u>(3,041,949)</u>  | <u>(1,499,758)</u>  |

**Western Brown Local School District**  
*Program Revenues by Function, Governmental Activities*  
*Last Eight Fiscal Years*  
*(accrual basis of accounting)*

|  | <u>2000</u>        | <u>2001</u>        | <u>2002</u>        | <u>2003</u>        |
|--|--------------------|--------------------|--------------------|--------------------|
| <b><u>Governmental Activities:</u></b>     |                    |                    |                    |                    |
| Function:                                  |                    |                    |                    |                    |
| Regular Instruction                        | \$762,291          | \$524,215          | \$728,968          | \$479,630          |
| Special Instruction                        | 905,078            | 297,467            | 895,369            | 1,030,478          |
| Vocational Instruction                     | 0                  | 0                  | 62,577             | 0                  |
| Student Intervention Services              | 0                  | 0                  | 0                  | 0                  |
| Pupils Support                             | 99,991             | 107,173            | 155,069            | 223,983            |
| Instructional Staff Support                | 21,271             | 47,150             | 78,142             | 103,451            |
| Board of Education Support                 | 0                  | 0                  | 0                  | 0                  |
| Administration Support                     | 328,823            | 179,126            | 201,356            | 156,167            |
| Fiscal Support                             | 12,601             | 8,393              | 9,172              | 9,397              |
| Business Support                           | 0                  | 0                  | 0                  | 0                  |
| Operation and Maintenance of Plant Support | 0                  | 0                  | 0                  | 0                  |
| Pupil Transportation Support               | 104,659            | 101,480            | 0                  | 0                  |
| Central Support                            | 12,604             | 14,219             | 0                  | 12,361             |
| Operation of Non-Instructional Services    | 4,029              | 2,648              | 267                | 2,017              |
| Extracurricular Activities                 | 90,842             | 161,652            | 147,151            | 137,444            |
| Total Program Revenues                     | <u>\$2,342,189</u> | <u>\$1,443,523</u> | <u>\$2,278,071</u> | <u>\$2,154,928</u> |

| <u>2004</u>               | <u>2005</u>               | <u>2006</u>               | <u>2007</u>               |
|---------------------------|---------------------------|---------------------------|---------------------------|
| \$795,667                 | \$846,693                 | \$906,390                 | \$1,277,396               |
| \$1,330,330.00            | 1,425,496                 | 1,623,649                 | 1,902,715                 |
| 74,870                    | 80,040                    | 88,986                    | 95,796                    |
| 0                         | 0                         | 0                         | 3,332                     |
| 382,288                   | 410,951                   | 249,948                   | 335,209                   |
| 55,221                    | 71,814                    | 179,508                   | 38,578                    |
| 0                         | 0                         | 1,050                     | 0                         |
| 203,220                   | 248,155                   | 240,241                   | 145,956                   |
| 19,224                    | 16,854                    | 18,253                    | 0                         |
| 0                         | 25,750                    | 18,046                    | 66                        |
| 74,564                    | 109,553                   | 115,193                   | 11,230                    |
| 45,886                    | 142,194                   | 161,575                   | 86,255                    |
| 0                         | 12,000                    | 18,896                    | 54,205                    |
| 1,208                     | 3,044                     | 3,846                     | 3,191                     |
| <u>197,859</u>            | <u>104,415</u>            | <u>145,867</u>            | <u>106,079</u>            |
| <u><u>\$3,180,337</u></u> | <u><u>\$3,496,959</u></u> | <u><u>\$3,771,448</u></u> | <u><u>\$4,060,008</u></u> |

**Western Brown Local School District**  
**Fund Balances, Governmental Funds**  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

|   | <u>1998</u>               | <u>1999</u>                | <u>2000</u>                | <u>2001</u>                |
|---|---------------------------|----------------------------|----------------------------|----------------------------|
| General Fund                              |                           |                            |                            |                            |
| Reserved                                  | \$644,950                 | \$928,917                  | \$991,644                  | \$1,468,817                |
| Unreserved (Deficit)                      | <u>(799,323)</u>          | <u>(130,273)</u>           | <u>1,266,604</u>           | <u>1,400,369</u>           |
| Total General Fund                        | <u>(154,373)</u>          | <u>798,644</u>             | <u>2,258,248</u>           | <u>2,869,186</u>           |
| All Other Governmental Funds              |                           |                            |                            |                            |
| Reserved                                  | 137,919                   | 4,155,625                  | 780,811                    | 5,799,919                  |
| Unreserved, Undesignated,<br>Reported in: |                           |                            |                            |                            |
| Special Revenue Funds                     | 240,713                   | 280,212                    | 714,953                    | 824,210                    |
| Debt Service Fund                         | 321,060                   | 360,325                    | 609,157                    | 891,993                    |
| Capital Projects Funds                    | <u>6,113,909</u>          | <u>7,699,645</u>           | <u>16,248,771</u>          | <u>2,370,497</u>           |
| Total All Other Governmental Funds        | <u>6,813,601</u>          | <u>12,495,807</u>          | <u>18,353,692</u>          | <u>9,886,619</u>           |
| Total Governmental Funds                  | <u><u>\$6,659,228</u></u> | <u><u>\$13,294,451</u></u> | <u><u>\$20,611,940</u></u> | <u><u>\$12,755,805</u></u> |



| <u>2002</u>        | <u>2003</u>        | <u>2004</u>        | <u>2005</u>        | <u>2006</u>        | <u>2007</u>        |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$1,448,229        | \$2,328,325        | \$1,207,910        | \$1,664,886        | \$1,238,665        | \$1,599,824        |
| <u>1,894,687</u>   | <u>51,614</u>      | <u>280,613</u>     | <u>(417,369)</u>   | <u>(470,171)</u>   | <u>(856,912)</u>   |
| <u>3,342,916</u>   | <u>2,379,939</u>   | <u>1,488,523</u>   | <u>1,247,517</u>   | <u>768,494</u>     | <u>742,912</u>     |
| 395,295            | 266,407            | 136,694            | 659,603            | 169,829            | 234,802            |
| 583,928            | 662,252            | 798,834            | 876,730            | 856,516            | 971,018            |
| 1,086,384          | 1,171,367          | 1,325,663          | 1,470,683          | 1,565,053          | 1,648,831          |
| <u>2,197,615</u>   | <u>1,844,901</u>   | <u>1,608,143</u>   | <u>619,028</u>     | <u>702,802</u>     | <u>719,152</u>     |
| <u>4,263,222</u>   | <u>3,944,927</u>   | <u>3,869,334</u>   | <u>3,626,044</u>   | <u>3,294,200</u>   | <u>3,573,803</u>   |
| <u>\$7,606,138</u> | <u>\$6,324,866</u> | <u>\$5,357,857</u> | <u>\$4,873,561</u> | <u>\$4,062,694</u> | <u>\$4,316,715</u> |

**Western Brown Local School District**  
**Changes in Fund Balances**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

|  | 1998               | 1999               | 2000               | 2001                 |
|--|--------------------|--------------------|--------------------|----------------------|
| <b><u>Revenues:</u></b>  |                    |                    |                    |                      |
| Taxes  | \$2,928,840        | \$3,372,682        | \$3,391,359        | \$3,717,413          |
| Intergovernmental  | \$11,726,451       | \$20,804,415       | 38,529,501         | 30,562,605           |
| Interest   | 156,887            | 491,425            | 1,042,221          | 1,148,868            |
| Tuition and Fees   | 10,445             | 4,921              | 126,643            | 95,952               |
| Extracurricular Activities   | 102,754            | 118,572            | 133,836            | 153,313              |
| Contributions and Donations  | 13,905             | 25,511             | 25,971             | 24,931               |
| Rent   | 102                | 104                | 0                  | 46                   |
| Miscellaneous  | 116,445            | 70,449             | 290,924            | 88,057               |
| <b>Total Revenues</b>  | <b>15,055,829</b>  | <b>24,888,079</b>  | <b>43,540,455</b>  | <b>35,791,185</b>    |
| <b><u>Expenditures:</u></b>  |                    |                    |                    |                      |
| <b>Current:</b>  |                    |                    |                    |                      |
| <b>Instruction:</b>  |                    |                    |                    |                      |
| Regular  | 6,599,280          | 6,986,880          | 7,562,398          | 8,815,842            |
| Special  | 1,179,633          | 1,637,025          | 1,696,333          | 1,798,908            |
| Vocational   | 225,227            | 238,702            | 201,082            | 235,505              |
| Other  | 53,207             | 74,237             | 246,475            | 322,220              |
| Student Intervention Services                                      | 0                  | 0                  | 0                  | 0                    |
| <b>Support Services:</b>   |                    |                    |                    |                      |
| Pupils   | 516,812            | 613,454            | 668,085            | 737,671              |
| Instructional Staff  | 534,698            | 565,070            | 588,016            | 715,753              |
| Board of Education   | 20,193             | 19,871             | 17,463             | 19,691               |
| Administration   | 1,259,446          | 1,322,121          | 1,372,313          | 1,696,706            |
| Fiscal   | 314,902            | 316,568            | 370,393            | 394,236              |
| Business   | 0                  | 0                  | 0                  | 0                    |
| Operation and Maintenance of Plant                                 | 1,066,097          | 1,061,173          | 1,157,787          | 1,431,397            |
| Pupil Transportation   | 1,005,717          | 1,118,240          | 1,394,202          | 1,625,326            |
| Central  | 18,470             | 26,581             | 27,274             | 35,632               |
| Operation of Non-Instructional Services                            | 2,197              | 2,110              | 2,124              | 3,093                |
| Extracurricular Activities   | 210,195            | 224,208            | 246,507            | 266,885              |
| Capital Outlay   | 2,775,367          | 3,264,502          | 20,034,990         | 25,207,716           |
| <b>Debt Service:</b>   |                    |                    |                    |                      |
| Principal Retirement   | 83,936             | 394,329            | 227,863            | 212,185              |
| Interest and Fiscal Charges  | 48,931             | 362,785            | 353,435            | 342,182              |
| <b>Total Expenditures</b>  | <b>15,914,308</b>  | <b>18,227,856</b>  | <b>36,166,740</b>  | <b>43,860,948</b>    |
| <b>Excess of Revenues Over<br/>(Under) Expenditures</b>            | <b>(858,479)</b>   | <b>6,660,223</b>   | <b>7,373,715</b>   | <b>(8,069,763)</b>   |
| <b><u>Other Financing Sources (Uses):</u></b>                      |                    |                    |                    |                      |
| Proceeds from Sale of Capital Assets                               | 3,077              | 0                  | 0                  | 213,628              |
| General Obligation Bonds Issued                                    | 7,279,600          | 0                  | 0                  | 0                    |
| Inception of Capital Lease   | 0                  | 0                  | 0                  | 0                    |
| Transfers In   | 261,313            | 117,609            | 112,005            | 0                    |
| Transfers Out  | (261,313)          | (142,609)          | (168,231)          | 0                    |
| <b>Total Other Financing Sources (Uses)</b>                        | <b>7,282,677</b>   | <b>(25,000)</b>    | <b>(56,226)</b>    | <b>213,628</b>       |
| <b>Net Change in Fund Balances</b>                                 | <b>\$6,424,198</b> | <b>\$6,635,223</b> | <b>\$7,317,489</b> | <b>(\$7,856,135)</b> |
| <b>Debt Service as a Percentage of<br/>Noncapital Expenditures</b> | <b>1.0%</b>        | <b>5.1%</b>        | <b>3.6%</b>        | <b>3.0%</b>          |

| 2002                 | 2003                 | 2004               | 2005               | 2006               | 2007              |
|----------------------|----------------------|--------------------|--------------------|--------------------|-------------------|
| \$4,045,516          | \$3,699,848          | \$4,248,472        | \$4,661,605        | \$4,680,792        | \$4,875,707       |
| 17,688,565           | 17,711,280           | 19,058,488         | 19,407,256         | 20,044,154         | 20,306,460        |
| 306,638              | 126,630              | 65,060             | 103,622            | 182,083            | 261,884           |
| \$81,376.00          | 73,402               | 635,271            | 907,851            | 1,015,569          | 1,197,685         |
| 177,630              | 197,649              | 197,859            | 104,415            | 110,867            | 105,919           |
| 58,555               | 49,468               | 10,102             | 8,885              | 57,111             | 14,223            |
| 0                    | 0                    | 0                  | 0                  | 0                  | 11,230            |
| 134,706              | 98,399               | 69,562             | 142,060            | 140,250            | 128,449           |
| <u>22,492,986</u>    | <u>21,956,676</u>    | <u>24,284,814</u>  | <u>25,335,694</u>  | <u>26,230,826</u>  | <u>26,901,557</u> |
| 10,393,020           | 10,647,348           | 11,599,196         | 11,918,062         | 12,710,950         | 12,668,464        |
| 1,723,141            | 2,129,407            | 2,023,942          | 2,426,572          | 2,673,191          | 2,925,480         |
| 237,884              | 230,475              | 233,561            | 251,460            | 293,065            | 220,087           |
| 0                    | 0                    | 0                  | 0                  | 0                  | 0                 |
| 0                    | 0                    | 0                  | 0                  | 101,933            | 87,630            |
| 916,806              | 1,001,563            | 995,329            | 1,025,420          | 995,537            | 973,060           |
| 856,387              | 861,362              | 882,559            | 858,842            | 1,063,031          | 823,038           |
| 30,438               | 18,208               | 26,104             | 23,317             | 25,214             | 17,796            |
| 1,740,695            | 1,796,803            | 1,845,501          | 1,861,765          | 1,922,762          | 1,980,783         |
| 443,539              | 453,750              | 603,353            | 510,261            | 457,776            | 502,126           |
| 115                  | 0                    | 294                | 31,641             | 23,666             | 168               |
| 2,225,489            | 2,459,572            | 2,844,385          | 2,754,605          | 2,822,968          | 2,800,624         |
| 1,733,213            | 1,838,405            | 1,666,455          | 1,797,817          | 2,033,526          | 2,251,693         |
| 70,304               | 96,431               | 181,903            | 212,270            | 192,540            | 236,577           |
| 54,351               | 1,916                | 1,700              | 46,862             | 3,578              | 2,865             |
| 362,070              | 443,485              | 487,731            | 533,401            | 577,560            | 522,518           |
| 6,349,331            | 1,767,310            | 1,323,343          | 1,004,905          | 599,884            | 61,688            |
| 222,249              | 207,569              | 605,000            | 241,000            | 230,000            | 273,000           |
| 331,935              | 355,546              | 333,681            | 321,790            | 317,619            | 309,737           |
| <u>27,690,967</u>    | <u>24,309,150</u>    | <u>25,654,037</u>  | <u>25,819,990</u>  | <u>27,044,800</u>  | <u>26,657,334</u> |
| (5,197,981)          | (2,352,474)          | (1,369,223)        | (484,296)          | (813,974)          | 244,223           |
| 48,314               | 54,202               | 402,214            | 0                  | 3,107              | 9,798             |
| 0                    | 0                    | 0                  | 0                  | 0                  | 0                 |
| 0                    | 1,017,000            | 0                  | 0                  | 0                  | 0                 |
| 0                    | 0                    | 0                  | 0                  | 41                 | 0                 |
| 0                    | 0                    | 0                  | 0                  | (41)               | 0                 |
| <u>48,314</u>        | <u>1,071,202</u>     | <u>402,214</u>     | <u>0</u>           | <u>3,107</u>       | <u>9,798</u>      |
| <u>(\$5,149,667)</u> | <u>(\$1,281,272)</u> | <u>(\$967,009)</u> | <u>(\$484,296)</u> | <u>(\$810,867)</u> | <u>\$254,021</u>  |
| 2.6%                 | 2.5%                 | 3.9%               | 2.3%               | 2.1%               | 2.2%              |

**Western Brown Local School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

| Collection<br>Year | Real Property                |                              |                              | Tangible Personal Property |                              |
|--------------------|------------------------------|------------------------------|------------------------------|----------------------------|------------------------------|
|                    | Assessed Value               |                              | Estimated<br>Actual<br>Value | Public Utility             |                              |
|                    | Residential/<br>Agricultural | Commercial/<br>Industrial/PU |                              | Assessed<br>Value          | Estimated<br>Actual<br>Value |
| 1998               | \$98,148,410                 | \$11,155,470                 | \$312,296,800                | \$15,732,280               | \$19,665,350                 |
| 1999               | 100,939,470                  | 11,341,440                   | 320,802,600                  | 16,132,710                 | 20,165,888                   |
| 2000               | 106,861,160                  | 11,458,100                   | 338,055,029                  | 15,131,770                 | 18,914,713                   |
| 2001               | 128,159,730                  | 10,019,580                   | 394,798,029                  | 15,303,270                 | 19,129,088                   |
| 2002               | 133,250,960                  | 15,035,190                   | 423,674,714                  | 7,796,490                  | 9,745,613                    |
| 2003               | 139,999,030                  | 16,001,850                   | 445,716,800                  | 8,089,690                  | 10,112,113                   |
| 2004               | 160,347,390                  | 17,789,940                   | 508,963,800                  | 8,247,680                  | 10,309,600                   |
| 2005               | 167,878,040                  | 16,149,780                   | 525,793,771                  | 8,307,630                  | 10,384,538                   |
| 2006               | 173,569,980                  | 17,580,970                   | 546,145,571                  | 8,383,120                  | 10,478,900                   |
| 2007               | 202,644,720                  | 22,892,470                   | 644,391,971                  | 8,252,990                  | 10,316,238                   |

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

**Source:** Western Brown Local School District records.

| Tangible Personal Property |                              | Total         |               |        | Weighted<br>Average<br>Tax Rate |
|----------------------------|------------------------------|---------------|---------------|--------|---------------------------------|
| General Business           |                              | Assessed      | Estimated     | Ratio  |                                 |
| Assessed<br>Value          | Estimated<br>Actual<br>Value | Value         | Value         |        |                                 |
| \$10,316,380               | \$41,265,520                 | \$135,352,540 | \$373,227,670 | 36.27% | \$20.50                         |
| 1,064,670                  | 4,258,680                    | 129,478,290   | 345,227,168   | 37.51% | \$20.50                         |
| 8,771,935                  | 35,087,740                   | 142,222,965   | 392,057,481   | 36.28% | \$20.50                         |
| 11,096,690                 | 44,386,760                   | 164,579,270   | 458,313,876   | 35.91% | \$20.50                         |
| 11,338,708                 | 45,354,832                   | 167,421,348   | 478,775,159   | 34.97% | \$20.19                         |
| 9,720,179                  | 38,880,716                   | 173,810,749   | 494,709,629   | 35.13% | \$20.21                         |
| 9,837,558                  | 39,350,232                   | 196,222,568   | 558,623,632   | 35.13% | \$20.23                         |
| 9,247,660                  | 36,990,640                   | 201,583,110   | 573,168,949   | 35.17% | \$20.25                         |
| 9,164,247                  | 48,875,984                   | 208,698,317   | 605,500,455   | 34.47% | \$20.13                         |
| 4,198,610                  | 33,588,880                   | 237,988,790   | 688,297,089   | 34.58% | \$20.17                         |

**Western Brown Local School District**  
**Property Tax Rates (Per \$1,000 of Assessed Valuation)**  
**Direct and Overlapping Governments**  
**Last Ten Collection (Calendar) Years**

|  | 1998         | 1999         | 2000         | 2001         |
|--|--------------|--------------|--------------|--------------|
| <b>UNVOTED MILLAGE:</b>                          |              |              |              |              |
| Operating  | \$4.70       | \$4.70       | \$4.70       | \$4.70       |
| <b>VOTED MILLAGE - BY LEVY:</b>                  |              |              |              |              |
| 1976 Current Expense                             |              |              |              |              |
| Residential/Agricultural Real                    | 15.30        | 15.30        | 15.30        | 15.30        |
| Commercial/Industrial and Public Utility Real    | 15.30        | 15.30        | 15.30        | 15.30        |
| General Business and Public Utility Personal     | 15.30        | 15.30        | 15.30        | 15.30        |
| 1997 Bond (\$5,659,600)                          |              |              |              |              |
| Residential/Agricultural Real                    | 3.70         | 3.70         | 3.70         | 3.70         |
| Commercial/Industrial and Public Utility Real    | 3.70         | 3.70         | 3.70         | 3.70         |
| General Business and Public Utility Personal     | 3.70         | 3.70         | 3.70         | 3.70         |
| 1997 Bond (\$1,505,000)                          |              |              |              |              |
| Residential/Agricultural Real                    | 1.00         | 1.00         | 1.00         | 1.00         |
| Commercial/Industrial and Public Utility Real    | 1.00         | 1.00         | 1.00         | 1.00         |
| General Business and Public Utility Personal     | 1.00         | 1.00         | 1.00         | 1.00         |
| 2001 Capital Improvement                         |              |              |              |              |
| Residential/Agricultural Real                    | 0.50         | 0.50         | 0.50         | 0.50         |
| Commercial/Industrial and Public Utility Real    | 0.50         | 0.50         | 0.50         | 0.50         |
| General Business and Public Utility Personal     | 0.50         | 0.50         | 0.50         | 0.50         |
| <b>TOTAL VOTED MILLAGE BY TYPE OF PROPERTY</b>   |              |              |              |              |
| Residential/Agricultural Real                    | 20.50        | 20.50        | 20.50        | 20.50        |
| Commercial/Industrial and Public Utility Real    | 20.50        | 20.50        | 20.50        | 20.50        |
| General Business and Public Utility Personal     | 20.50        | 20.50        | 20.50        | 20.50        |
| <b>TOTAL SCHOOL DISTRICT MILLAGE</b>             |              |              |              |              |
|  | <b>25.20</b> | <b>25.20</b> | <b>25.20</b> | <b>25.20</b> |
| <b>OVERLAPPING RATES BY TAXING DISTRICT</b>      |              |              |              |              |
| <b>TOWNSHIPS:</b>                                |              |              |              |              |
| Residential/Agricultural Real                    | 0.10 - 2.41  | 0.10 - 2.41  | 0.10 - 2.08  | 0.10 - 2.08  |
| Commercial/Industrial and Public Utility Real    | 0.10 - 2.50  | 0.10 - 2.50  | 0.10 - 2.45  | 0.10 - 2.45  |
| General Business and Public Utility Personal     | 0.10 - 3.00  | 0.10 - 3.00  | 0.10 - 3.00  | 0.10 - 3.00  |
| <b>CORPORATIONS:</b>                             |              |              |              |              |
| Residential/Agricultural Real                    | 0.60 - 2.10  | 0.60 - 2.10  | 0.60 - 2.10  | 0.60 - 3.31  |
| Commercial/Industrial and Public Utility Real    | 0.60 - 2.80  | 0.60 - 2.80  | 0.60 - 2.80  | 0.60 - 3.52  |
| General Business and Public Utility Personal     | 0.60 - 4.00  | 0.60 - 4.00  | 0.60 - 4.00  | 0.60 - 4.00  |
| <b>SOUTHERN HILLS JOINT VOCATIONAL DISTRICT:</b> |              |              |              |              |
| Residential/Agricultural Real                    | 3.40         | 3.40         | 3.40         | 2.91         |
| Commercial/Industrial and Public Utility Real    | 4.09         | 4.09         | 4.10         | 3.56         |
| General Business and Public Utility Personal     | 5.80         | 5.80         | 5.80         | 5.80         |
| <b>COUNTY AND OTHER UNITS:</b>                   |              |              |              |              |
| <b>BROWN COUNTY</b>                              |              |              |              |              |
| Residential/Agricultural Real                    | 4.63         | 4.63         | 5.04         | 4.88         |
| Commercial/Industrial and Public Utility Real    | 4.78         | 4.78         | 5.09         | 4.93         |
| General Business and Public Utility Personal     | 5.80         | 5.80         | 5.80         | 5.80         |
| <b>CLERMONT COUNTY</b>                           |              |              |              |              |
| Residential/Agricultural Real                    | 6.71         | 6.70         | 6.37         | 6.37         |
| Commercial/Industrial and Public Utility Real    | 7.20         | 7.20         | 7.15         | 7.14         |
| General Business and Public Utility Personal     | 9.25         | 9.25         | 9.25         | 9.25         |
| <b>BROWN COUNTY PUBLIC LIBRARY</b>               |              |              |              |              |
| Residential/Agricultural Real                    | 1.00         | 1.00         | 1.00         | 1.00         |
| Commercial/Industrial and Public Utility Real    | 1.00         | 1.00         | 1.00         | 1.00         |
| General Business and Public Utility Personal     | 1.00         | 1.00         | 1.00         | 1.00         |
| <b>BETHEL-TATE JOINT AMBULANCE DISTRICT</b>      |              |              |              |              |
| Residential/Agricultural Real                    | 3.98         | 5.26         | 4.55         | 4.55         |
| Commercial/Industrial and Public Utility Real    | 3.87         | 5.16         | 5.05         | 5.05         |
| General Business and Public Utility Personal     | 5.30         | 6.60         | 6.60         | 6.60         |

Source: Ohio Department of Taxation

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue for that year.

Rates may only be raised by obtaining the approval of the voters at a public election.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

As real property values increase from inflation, voted levies that were approved at a specific rate (current operating levies and permanent improvement levies) are reduced so that the same property does not generate additional revenue. When the sum of these voted levies that are intended to fund operations plus the unvoted inside millage used to fund operations reaches 20 mills, no additional reductions in rates occur.

| 2002         | 2003         | 2004         | 2005         | 2006         | 2007         |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$4.70       | \$4.70       | \$4.70       | \$4.70       | \$4.70       | \$4.70       |
| 15.30        | 15.30        | 15.30        | 15.30        | 15.30        | 15.30        |
| 15.30        | 15.30        | 15.30        | 15.30        | 15.30        | 15.30        |
| 15.30        | 15.30        | 15.30        | 15.30        | 15.30        | 15.30        |
| 2.70         | 2.70         | 2.70         | 2.70         | 2.00         | 2.00         |
| 2.70         | 2.70         | 2.70         | 2.70         | 2.00         | 2.00         |
| 2.70         | 2.70         | 2.70         | 2.70         | 2.00         | 2.00         |
| 0.50         | 0.50         | 0.50         | 0.50         | 0.50         | 0.50         |
| 0.50         | 0.50         | 0.50         | 0.50         | 0.50         | 0.50         |
| 0.50         | 0.50         | 0.50         | 0.50         | 0.50         | 0.50         |
| 0.50         | 0.50         | 0.45         | 0.45         | 0.45         | 0.40         |
| 0.50         | 0.50         | 0.47         | 0.50         | 0.50         | 0.40         |
| 0.50         | 0.50         | 0.50         | 0.50         | 0.50         | 0.50         |
| 19.00        | 19.00        | 18.95        | 18.95        | 18.25        | 18.20        |
| 19.00        | 19.00        | 18.97        | 19.00        | 18.30        | 18.20        |
| 19.00        | 19.00        | 19.00        | 19.00        | 18.30        | 18.30        |
| <b>23.70</b> | <b>23.70</b> | <b>23.70</b> | <b>23.70</b> | <b>23.00</b> | <b>23.00</b> |
| 0.10 - 2.08  | 0.10 - 1.84  | 0.10 - 4.10  | 0.10 - 4.10  | 0.10 - 4.10  | 0.10 - 3.67  |
| 0.10 - 2.45  | 0.10 - 2.15  | 0.10 - 4.10  | 0.10 - 4.10  | 0.10 - 4.10  | 0.10 - 3.74  |
| 0.10 - 3.00  | 0.10 - 3.00  | 0.10 - 4.10  | 0.10 - 4.10  | 0.10 - 4.10  | 0.10 - 4.10  |
| 0.60 - 3.31  | 0.60 - 3.31  | 0.60 - 2.97  | 0.60 - 2.97  | 0.60 - 2.97  | 0.60 - 2.61  |
| 0.60 - 3.52  | 0.60 - 3.52  | 0.60 - 3.32  | 0.60 - 3.58  | 0.60 - 3.58  | 0.60 - 2.91  |
| 0.60 - 4.00  | 0.60 - 4.00  | 0.60 - 4.00  | 0.60 - 4.00  | 0.60 - 4.00  | 0.60 - 4.00  |
| 2.91         | 2.91         | 2.64         | 2.43         | 3.43         | 3.06         |
| 3.57         | 3.60         | 3.41         | 3.16         | 4.16         | 3.59         |
| 5.80         | 5.80         | 5.80         | 5.40         | 6.40         | 6.40         |
| 4.88         | 4.88         | 4.77         | 4.77         | 4.78         | 4.67         |
| 4.93         | 4.94         | 4.88         | 4.90         | 4.90         | 4.75         |
| 5.80         | 5.80         | 5.80         | 5.80         | 5.80         | 5.80         |
| 7.28         | 6.41         | 7.16         | 7.16         | 6.79         | 7.42         |
| 7.80         | 6.83         | 7.63         | 7.63         | 7.37         | 7.90         |
| 9.35         | 8.60         | 9.35         | 9.35         | 9.35         | 9.55         |
| 1.00         | 0.75         | 0.75         | 0.75         | 0.75         | 0.50         |
| 1.00         | 0.75         | 0.75         | 0.75         | 0.75         | 0.50         |
| 1.00         | 0.75         | 0.75         | 0.75         | 0.75         | 0.50         |
| 4.55         | 4.02         | 0.00         | 0.00         | 0.00         | 0.00         |
| 5.05         | 4.44         | 0.00         | 0.00         | 0.00         | 0.00         |
| 6.60         | 6.60         | 0.00         | 0.00         | 0.00         | 0.00         |

**Western Brown Local School District**  
**Property Tax Levies and Collections**  
**Last Ten Collection (Calendar) Years (1)**

| Collection Year (2) | Current Tax Levy | Current Tax Collections (1) | Percent of Current Tax Collections to Current Tax Levy | Delinquent Tax Collections (3) | Total Tax Collections | Percent of Total Tax Collections to Current Tax Levy |
|---------------------|------------------|-----------------------------|--|--------------------------------|-----------------------|--|
| 1997                | \$2,366,746      | \$2,230,989                 | 94.26%   | \$97,492                       | \$2,328,481           | 98.38%   |
| 1998                | 3,152,355        | 2,971,413                   | 94.26%   | 128,169                        | 3,099,582             | 98.33%   |
| 1999                | 3,499,080        | 2,994,064                   | 85.57%   | 192,717                        | 3,186,781             | 91.07%   |
| 2000                | 3,619,000        | 2,773,798                   | 76.65%   | 201,748                        | 2,975,546             | 82.22%   |
| 2001                | 3,996,074        | 2,784,616                   | 69.68%   | 230,414                        | 3,015,030             | 75.45%   |
| 2002                | 3,996,074        | 3,498,450                   | 87.55%   | 230,908                        | 3,729,358             | 93.33%   |
| 2003                | 4,153,755        | 3,620,965                   | 87.17%   | 226,570                        | 3,847,535             | 92.63%   |
| 2004                | 4,213,785        | 3,600,460                   | 85.44%   | 322,475                        | 3,922,935             | 93.10%   |
| 2005                | 4,043,336        | 3,770,901                   | 93.26%   | 307,254                        | 4,078,155             | 100.86%  |
| 2006                | 5,216,214        | 3,849,893                   | 73.81%   | 145,651                        | 3,995,544             | 76.60%   |

**Source:** Brown County Auditor

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2007 information cannot be presented because all collections have not been made by June 30, 2007.
- (3) The County does not identify delinquent tax collections by tax year.



**Western Brown Local School District**  
*Principal Tax Payers*  
*Real Property*  
*2007 and 2002 (1)*

| Name of Taxpayer             | 2007                 |   |
|------------------------------|----------------------|---|
|                              | Assessed Value       | Percent of Real Property Assessed Value |
| Kroger Limited Partnership   | \$5,655,485          | 2.51%                                   |
| Cincinnati Milacron          | 4,953,141            | 2.20%                                   |
| Locust Ridge Land Corp.      | 2,904,342            | 1.29%                                   |
| Scottwood Commons            | 2,043,914            | 0.91%                                   |
| Brown County Industrial Park | 1,971,228            | 0.87%                                   |
| Davis Realty Corporation     | 1,827,257            | 0.81%                                   |
| Timothy Hale                 | 1,819,942            | 0.81%                                   |
| Shriji Krupa LLC             | 1,741,400            | 0.77%                                   |
| Avajee Rookie                | 1,692,720            | 0.75%                                   |
| Alma Monk Trustee            | 1,319,142            | 0.58%                                   |
| Totals                       | <u>\$25,928,571</u>  | <u>11.50%</u>                           |
| Total Assessed Valuation     | <u>\$225,537,190</u> | <u>100.00%</u>                          |

| Name of Taxpayer           | 2002                 |   |
|----------------------------|----------------------|---|
|                            | Assessed Value       | Percent of Real Property Assessed Value |
| Kroger Limited Partnership | \$4,892,400          | 3.30%                                   |
| Cincinnati Milacron        | 4,047,600            | 2.73%                                   |
| Trinity Industries         | 3,974,114            | 2.68%                                   |
| Ava Jo Bohl                | 1,537,857            | 1.04%                                   |
| BHM Enterprises            | 1,423,342            | 0.96%                                   |
| Howard Meeker L & F        | 1,254,742            | 0.85%                                   |
| Countrytyme Lebanon        | 1,208,600            | 0.82%                                   |
| Scottwood Commons          | 1,143,800            | 0.77%                                   |
| Lake Grant Ltd             | 1,092,142            | 0.74%                                   |
| N A L Company              | 1,072,171            | 0.72%                                   |
| Totals                     | <u>\$21,646,768</u>  | <u>14.60%</u>                           |
| Total Assessed Valuation   | <u>\$148,286,150</u> | <u>100.00%</u>                          |

(1) The amounts represent the assessed values upon which 2006 and 2002 collections were based.

**Source:** Brown County Auditor.  
1997 - 2001 information was not available.  
Tangible Personal Property information was also not available.

**Western Brown Local School District**  
*Ratio of Debt to Estimated Actual Value,  
 Personal Income and Debt per Capita  
 Last Ten Fiscal Years*

| Fiscal Year | Population (1) | Estimated Actual Value of Taxable Property(2) | General Bonded Debt             |  |                        |                                 |
|-------------|----------------|---|---------------------------------|--|------------------------|---------------------------------|
|             |                |   | General Bonded Debt Outstanding | Ratio of Bonded Debt to Estimated Actual Value | Bonded Debt per Capita | General Bonded Debt Outstanding |
| 1998        | 12,347         | \$373,227,670                                 | \$7,474,400                     | 2.00%  | \$605.36               | \$7,474,400                     |
| 1999        | 12,347         | 345,227,168                                   | 7,120,400                       | 2.06%  | 576.69                 | 7,120,400                       |
| 2000        | 15,717         | 392,057,481                                   | 6,931,000                       | 1.77%  | 440.99                 | 6,931,000                       |
| 2001        | 15,717         | 458,313,876                                   | 6,676,000                       | 1.46%  | 424.76                 | 6,676,000                       |
| 2002        | 15,717         | 478,775,159                                   | 6,508,000                       | 1.36%  | 414.07                 | 6,508,000                       |
| 2003        | 15,717         | 494,709,629                                   | 6,330,000                       | 1.28%  | 402.75                 | 6,330,000                       |
| 2004        | 15,717         | 558,623,632                                   | 6,165,000                       | 1.10%  | 392.25                 | 6,165,000                       |
| 2005        | 15,717         | 573,168,949                                   | 5,975,000                       | 1.04%  | 380.16                 | 5,975,000                       |
| 2006        | 15,717         | 605,500,455                                   | 5,775,000                       | 0.95%  | 367.44                 | 5,775,000                       |
| 2007        | 15,717         | 688,297,089                                   | 5,560,000                       | 0.81%  | 353.76                 | 5,560,000                       |

**Sources:** (1) National Center for Education Statistics  
 1998-1999 from 1990 U.S. Census Data  
 2000-2007 from 2000 U.S. Census Data

(2) Ohio Department of Taxation

(3) See S25 for personal income data. The ratios for 1998-1999 were calculated using data from 1990 U.S. Census. The ratios for 2000-2007 were calculated using data from the 2000 U.S. Census.

General Debt

| Energy<br>Conservation<br>Notes | Capital<br>Leases | Total<br>Debt | Ratio of<br>General Debt to<br>Estimated<br>Actual Value | Percentage<br>of Personal<br>Income (3) | General<br>Debt<br>Per Capita |
|---------------------------------|-------------------|---------------|--|---|-------------------------------|
| \$113,589                       | \$48,206          | \$7,636,195   | 2.05%  | 5.80%                                   | \$618.47                      |
| 89,522                          | 31,944            | 7,241,866     | 2.10%  | 5.50%                                   | 586.53                        |
| 64,232                          | 18,771            | 7,014,003     | 1.79%  | 2.61%                                   | 446.27                        |
| 37,612                          | 6,206             | 6,719,818     | 1.47%  | 2.50%                                   | 427.55                        |
| 9,569                           | 0                 | 6,517,569     | 1.36%  | 2.43%                                   | 414.68                        |
| 0                               | 1,017,000         | 7,347,000     | 1.49%  | 2.74%                                   | 467.46                        |
| 0                               | 597,000           | 6,762,000     | 1.21%  | 2.52%                                   | 430.23                        |
| 0                               | 568,000           | 6,543,000     | 1.14%  | 2.44%                                   | 416.30                        |
| 0                               | 538,000           | 6,313,000     | 1.04%  | 2.35%                                   | 401.67                        |
| 0                               | 480,000           | 6,040,000     | 0.88%  | 2.25%                                   | 384.30                        |

**Western Brown Local School District**  
*Legal Debt Margin*  
*Last Ten Fiscal Years*

|  | 1998          | 1999          | 2000          | 2001          |
|--|---------------|---------------|---------------|---------------|
| Assessed Valuation (1)   | \$135,352,540 | \$129,478,290 | \$142,222,965 | \$164,579,270 |
| Less:  |               |               |               |               |
| General Business Personal Property                                     | 0             | 0             | 0             | 0             |
| Railroad and Telephone Tangible Property                               | 0             | 0             | 0             | 0             |
| Total Assessed Valuation used to calculate<br>Legal Debt Margin        | 135,352,540   | 129,478,290   | 142,222,965   | 164,579,270   |
| Debt Limit - 9% of Assessed Value (2)                                  | 12,181,729    | 11,653,046    | 12,800,067    | 14,812,134    |
| Amount of Debt Applicable to Debt Limit                                |               |               |               |               |
| Gross Indebtedness   | 7,474,400     | 7,345,922     | 6,995,232     | 6,795,612     |
| Less Exempt Debt   | 0             | (225,522)     | (166,232)     | (119,612)     |
| Less Amount Available in Debt Service                                  | (415,001)     | (473,360)     | (700,415)     | (990,387)     |
| Amount of Debt Subject to Limit  | 7,059,399     | 6,647,040     | 6,128,585     | 5,685,613     |
| Legal Debt Margin  | \$5,122,330   | \$5,006,006   | \$6,671,482   | \$9,126,521   |
| Legal Debt Margin as a Percentage of the<br>Debt Limit                 | 42.05%        | 42.96%        | 52.12%        | 61.62%        |
| Unvoted Debt Limit - .10% of Assessed Value (2)                        | \$135,353     | \$129,478     | \$142,223     | \$164,579     |
| Amount of Debt Subject to Limit  | 0             | 0             | 0             | 0             |
| Unvoted Legal Debt Margin  | \$135,353     | \$129,478     | \$142,223     | \$164,579     |
| Unvoted Legal Debt Margin as a Percentage of<br>the Unvoted Debt Limit | 100.00%       | 100.00%       | 100.00%       | 100.00%       |

**Source:** Ohio Department of Taxation and School District Financial records

(1) For fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

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

| 2002               | 2003                | 2004                | 2005                | 2006                | 2007                |
|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$167,421,348      | \$173,810,749       | \$196,222,568       | \$201,583,110       | \$208,698,317       | \$237,988,790       |
| 0                  | 0                   | 0                   | 0                   | (9,164,247)         | (4,198,610)         |
| <u>0</u>           | <u>0</u>            | <u>0</u>            | <u>0</u>            | <u>(2,139,510)</u>  | <u>(1,792,870)</u>  |
| 167,421,348        | 173,810,749         | 196,222,568         | 201,583,110         | 197,394,560         | 231,997,310         |
| <u>15,067,921</u>  | <u>15,642,967</u>   | <u>17,660,031</u>   | <u>18,142,480</u>   | <u>17,765,510</u>   | <u>20,879,758</u>   |
| 6,579,569          | 6,372,000           | 6,187,000           | 5,975,000           | 5,775,000           | 5,560,000           |
| (71,569)           | (42,000)            | (22,000)            | 0                   | 0                   | 0                   |
| <u>(1,187,762)</u> | <u>(1,263,046)</u>  | <u>(1,410,236)</u>  | <u>(1,593,513)</u>  | <u>(1,684,546)</u>  | <u>(1,790,395)</u>  |
| <u>5,320,238</u>   | <u>5,066,954</u>    | <u>4,754,764</u>    | <u>4,381,487</u>    | <u>4,090,454</u>    | <u>3,769,605</u>    |
| <u>\$9,747,683</u> | <u>\$10,576,013</u> | <u>\$12,905,267</u> | <u>\$13,760,993</u> | <u>\$13,675,056</u> | <u>\$17,110,153</u> |
| 64.69%             | 67.61%              | 73.08%              | 75.85%              | 76.98%              | 81.95%              |
| \$167,421          | \$173,811           | \$196,223           | \$201,583           | \$197,395           | \$231,997           |
| <u>0</u>           | <u>0</u>            | <u>0</u>            | <u>0</u>            | <u>0</u>            | <u>0</u>            |
| <u>\$167,421</u>   | <u>\$173,811</u>    | <u>\$196,223</u>    | <u>\$201,583</u>    | <u>\$197,395</u>    | <u>\$231,997</u>    |
| 100.00%            | 100.00%             | 100.00%             | 100.00%             | 100.00%             | 100.00%             |

**Western Brown Local School District**  
*Computation of Direct and Overlapping Debt*  
*Governmental Activities*  
*June 30, 2007*

|   | <u>General Debt<br/>Outstanding</u> | <u>Percentage<br/>Applicable to<br/>School District (1)</u> | <u>Amount of<br/>Direct and<br/>Overlapping Debt</u> |
|---|-------------------------------------|---|--|
| <b>Direct:</b>                                  |                                     |   |  |
| General Obligation Bonds                        | \$5,560,000                         | 100.00%   | \$5,560,000  |
| Capital Leases                                  | <u>480,000</u>                      | 100.00%   | <u>480,000</u>                                       |
| <b>Total Direct</b>                             | <u>6,040,000</u>                    |   | <u>6,040,000</u>                                     |
| <b>Overlapping:</b>                             |                                     |   |  |
| Brown County General Obligation Bonds           | 2,107,772                           | 41.07%  | 865,662  |
| Southern Hills Joint Vocational School District | 2,104,790                           | 35.13%  | 739,413  |
| Village of Mt. Orab                             | <u>4,062,936</u>                    | 100.00%   | 4,062,936  |
| <b>Total Overlapping</b>                        | <u>8,275,498</u>                    |   | <u>5,668,010</u>                                     |
| <b>Total</b>                                    | <u><u>\$14,315,498</u></u>          |   | <u><u>\$11,708,010</u></u>                           |

**Sources:** Western Brown Local School District records  
Brown County Auditor

Percentages were determined by dividing the total assessed valuation of the School District by each overlapping subdivision's assessed valuation within the School District.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken in account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

**Western Brown Local School District**  
*Demographic and Economic Statistics*  
*Last Ten Years*

| <u>Year</u> | <u>Population (1)</u> | <u>Personal Income (2)</u><br>(in thousands) | <u>Per Capita Personal Income (1)</u> | <u>Median Household Income (1)</u> | <u>Brown County Unemployment Rate (3)</u> |
|-------------|-----------------------|--|---------------------------------------|------------------------------------|---|
| 1998        | 12,347                | \$131,668,408                                | \$10,664                              | N/A                                | 5.50%                                     |
| 1999        | 12,347                | 131,668,408                                  | 10,664                                | N/A                                | 5.30%                                     |
| 2000        | 15,717                | 268,477,794                                  | 17,082                                | 41,045                             | 5.90%                                     |
| 2001        | 15,717                | 268,477,794                                  | 17,082                                | 41,045                             | 5.50%                                     |
| 2002        | 15,717                | 268,477,794                                  | 17,082                                | 41,045                             | 7.20%                                     |
| 2003        | 15,717                | 268,477,794                                  | 17,082                                | 41,045                             | 6.20%                                     |
| 2004        | 15,717                | 268,477,794                                  | 17,082                                | 41,045                             | 6.20%                                     |
| 2005        | 15,717                | 268,477,794                                  | 17,082                                | 41,045                             | 6.50%                                     |
| 2006        | 15,717                | 268,477,794                                  | 17,082                                | 41,045                             | 6.20%                                     |
| 2007        | 15,717                | 268,477,794                                  | 17,082                                | 41,045                             | 6.60%                                     |

**Sources:** (1) National Center for Education Statistics  
1998-1999 from 1990 U.S. Census Data  
2000-2007 from 2000 U.S. Census Data  
1998-1999 Median Household Income not available.

(2) Computation of Per Capita Personal Income  
multiplied by population

(3) Ohio Department of Jobs and Family Services

**Western Brown Local School District**  
Principal Employers  
2007 and 2006

|                                     |                                   | 2007                |      |
|-------------------------------------|-----------------------------------|---------------------|------|
| Employer                            | Nature of Business                | Number of Employees | Rank |
| Western Brown Local School District | Education                         | 335                 | 1    |
| Kroger                              | Retail Grocer                     | 287                 | 2    |
| Cincinnati Milacron                 | Plastic Injection                 | 230                 | 3    |
| McDonald's                          | Food Service                      | 127                 | 4    |
| Hawklne Nevada                      | Farm Implements                   | 110                 | 5    |
| N A L Company                       | Paper Products                    | 50                  | 6    |
| Kibler Lumber                       | Retail Lumber                     | 45                  | 7    |
| Liberty Sheet Metal                 | Manufacturing                     | 40                  | 8    |
| Cincinnati Wood & Dowel             | Wood Products                     | 40                  | 9    |
| Stevens Plumbing & Mechanical       | Commercial Plumbing & Fabrication | 39                  | 10   |
| Mt. Orab Ford                       | Auto Sales                        | 30                  | 11   |
| Total                               |                                   | 998                 |      |

|                                     |                                   | 2006                |      |
|-------------------------------------|-----------------------------------|---------------------|------|
| Employer                            | Nature of Business                | Number of Employees | Rank |
| Western Brown Local School District | Education                         | 340                 | 1    |
| Kroger                              | Retail Grocer                     | 287                 | 2    |
| Cincinnati Milacron                 | Plastic Injection                 | 263                 | 3    |
| McDonald's                          | Food Service                      | 127                 | 4    |
| N A L Company                       | Paper Products                    | 50                  | 5    |
| Kibler Lumber                       | Retail Lumber                     | 45                  | 6    |
| Liberty Sheet Metal                 | Manufacturing                     | 40                  | 7    |
| Cincinnati Wood & Dowel             | Wood Products                     | 40                  | 8    |
| Hawklne Nevada                      | Farm Implements                   | 40                  | 9    |
| Stevens Plumbing & Mechanical       | Commercial Plumbing & Fabrication | 37                  | 10   |
| Village of Mt. Orab                 | Government                        | 32                  | 11   |
| Mt. Orab Ford                       | Auto Sales                        | 30                  | 12   |
| Total                               |                                   | 991                 |      |

**Source:** Brown County Department of Economic Development

(1) Historical data prior to 2006 and information on total employment within the School District was not available.



**Western Brown Local School District**  
*Per Pupil Cost*  
*Last Ten Fiscal Years*

| Fiscal Year | Enrollment | General Government     |                | Governmental Activities |                |
|-------------|------------|------------------------|----------------|-------------------------|----------------|
|             |            | Total Expenditures (1) | Per Pupil Cost | Total Expenses (2)      | Per Pupil Cost |
| 1998        | 3,219      | \$15,781,141           | \$4,902        | N/A                     | N/A            |
| 1999        | 3,312      | 17,469,237             | 5,275          | N/A                     | N/A            |
| 2000        | 3,381      | 35,585,442             | 10,525         | \$16,095,937            | \$4,761        |
| 2001        | 3,287      | 43,306,581             | 13,175         | 19,550,807              | 5,948          |
| 2002        | 3,335      | 27,136,783             | 8,137          | 22,875,295              | 6,859          |
| 2003        | 3,356      | 23,746,035             | 7,076          | 24,899,220              | 7,419          |
| 2004        | 3,365      | 24,562,128             | 7,299          | 25,859,155              | 7,685          |
| 2005        | 3,383      | 25,257,200             | 7,466          | 26,896,751              | 7,951          |
| 2006        | 3,367      | 26,501,894             | 7,871          | 28,706,102              | 8,526          |
| 2007        | 3,314      | 26,074,597             | 7,868          | 28,032,527              | 8,459          |

**Source:** Western Brown Local School District Records

(1) Excludes debt service expenditures

(2) The School District implemented GASB Statement No. 34 in fiscal year 2000.  
The Total Expenses do not include interest and fiscal charges.

**Western Brown Local School District**  
*School District Employees by Function/Program*  
*Last Ten Fiscal Years*

| Function/Program                          | 1998       | 1999       | 2000       | 2001       |
|---|------------|------------|------------|------------|
| <b>Regular Instruction</b>                |            |            |            |            |
| Elementary Classroom Teachers             | 88         | 88         | 89         | 89         |
| High School Classroom Teachers            | 29         | 29         | 29         | 35         |
| <b>Special Instruction</b>                |            |            |            |            |
| Elementary Classroom Teachers             | 11         | 11         | 11         | 11         |
| High School Classroom Teachers            | 3          | 4          | 4          | 4          |
| <b>Vocational Instruction</b>             |            |            |            |            |
| High School Classroom Teachers            | 4          | 3          | 3          | 3          |
| <b>Pupil Support Services</b>             |            |            |            |            |
| Guidance Counselors                       | 5          | 5          | 5          | 5          |
| Librarians                                | 3          | 3          | 3          | 3          |
| Psychologists                             | 0          | 0          | 0          | 0          |
| Speech and Language Pathologists          | 0          | 0          | 0          | 0          |
| Nurses                                    | 2          | 2          | 2          | 2          |
| Aides                                     | 13         | 13         | 13         | 13         |
| <b>Administrators</b>                     |            |            |            |            |
| Elementary                                | 6          | 6          | 6          | 6          |
| High School                               | 3          | 3          | 3          | 3          |
| District                                  | 13         | 13         | 13         | 13         |
| Secretaries                               | 4          | 4          | 4          | 4          |
| Secretaries' Assistants                   | 4          | 4          | 4          | 4          |
| Fiscal Services                           | 4          | 4          | 4          | 4          |
| <b>Operation and Maintenance of Plant</b> |            |            |            |            |
| Custodians                                | 14         | 14         | 14         | 16         |
| Maintenance                               | 2          | 2          | 2          | 2          |
| <b>Pupil Transportation</b>               |            |            |            |            |
| Bus Drivers                               | 32         | 34         | 35         | 38         |
| Bus Aides                                 | 2          | 2          | 2          | 2          |
| Van Drivers                               | 0          | 0          | 0          | 0          |
| <b>Food Service Program</b>               |            |            |            |            |
| Elementary Cooks                          | 12         | 12         | 12         | 12         |
| High School Cooks                         | 6          | 6          | 6          | 6          |
| Totals:                                   | <u>260</u> | <u>262</u> | <u>264</u> | <u>275</u> |

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee. The count is performed on September 1 of each year.

**Source:** Western Brown Local School District records.

| <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 132         | 130         | 130         | 129         | 129         | 125         |
| 35          | 35          | 35          | 36          | 36          | 36          |
| 11          | 11          | 11          | 13          | 14          | 14          |
| 4           | 4           | 4           | 5           | 5           | 6           |
| 3           | 3           | 3           | 3           | 3           | 3           |
| 5           | 5           | 5           | 5           | 5           | 5           |
| 3           | 3           | 3           | 3           | 3           | 3           |
| 0           | 0           | 0           | 0           | 1           | 1           |
| 0           | 0           | 0           | 0           | 0           | 0           |
| 2           | 2           | 2           | 2           | 2           | 1           |
| 13          | 13          | 13          | 13          | 13          | 13          |
| 6           | 6           | 6           | 6           | 6           | 6           |
| 3           | 3           | 3           | 3           | 3           | 3           |
| 13          | 13          | 13          | 13          | 13          | 13          |
| 4           | 4           | 4           | 4           | 4           | 4           |
| 4           | 4           | 4           | 4           | 4           | 4           |
| 4           | 4           | 4           | 4           | 4           | 4           |
| 23          | 27          | 27          | 26          | 26          | 26          |
| 2           | 2           | 2           | 3           | 3           | 3           |
| 38          | 39          | 39          | 39          | 39          | 38          |
| 2           | 3           | 3           | 3           | 3           | 3           |
| 0           | 0           | 0           | 0           | 0           | 0           |
| 12          | 18          | 18          | 18          | 18          | 18          |
| 6           | 6           | 6           | 0           | 6           | 6           |
| <u>325</u>  | <u>335</u>  | <u>335</u>  | <u>332</u>  | <u>340</u>  | <u>335</u>  |

**Western Brown Local School District**  
**Building Statistics**  
**Last Ten Fiscal Years**

|   | 1998    | 1999    | 2000    | 2001    |
|---|---------|---------|---------|---------|
| <b><u>Mt. Orab Elementary/Middle School:</u></b>          |         |         |         |         |
| Constructed in 1971                                       |         |         |         |         |
| Additions in 1988 and 1998                                |         |         |         |         |
| Total Building Square Footage                             | 87,370  | 87,370  | 100,965 | 100,965 |
| Enrollment Grades K-8 1997 - 2001                         | 1,491   | 1,549   | 1,577   | 1,527   |
| Enrollment Grades K-4 2002 - Present                      | N/A     | N/A     | N/A     | N/A     |
| Student Capacity  | 1,100   | 1,100   | 1,100   | 1,100   |
| Regular Instruction Classrooms                            | 54      | 54      | 54      | 54      |
| Regular Instruction Teachers                              | 54      | 54      | 54      | 54      |
| Special Instruction Classrooms                            | 7       | 7       | 7       | 7       |
| Special Instruction Teachers                              | 7       | 7       | 7       | 7       |
| <b><u>Mt. Orab Middle School:</u></b>                     |         |         |         |         |
| Converted from the old High School                        |         |         |         |         |
| Constructed in 1957                                       |         |         |         |         |
| Additions in 1971, 1984, 1992 and 1998                    |         |         |         |         |
| Total Building Square Footage                             | N/A     | N/A     | N/A     | N/A     |
| Enrollment Grades K-8                                     | N/A     | N/A     | N/A     | N/A     |
| Student Capacity  | N/A     | N/A     | N/A     | N/A     |
| Regular Instruction Classrooms                            | N/A     | N/A     | N/A     | N/A     |
| Regular Instruction Teachers                              | N/A     | N/A     | N/A     | N/A     |
| Special Instruction Classrooms                            | N/A     | N/A     | N/A     | N/A     |
| Special Instruction Teachers                              | N/A     | N/A     | N/A     | N/A     |
| <b><u>Hamersville Elementary School:</u></b>              |         |         |         |         |
| Constructed in 1922                                       |         |         |         |         |
| Additions in 1940, 1957, 1960 and 1968                    |         |         |         |         |
| Total Building Square Footage                             | 151,250 | 151,250 | 151,250 | 151,250 |
| Enrollment Grades K-8                                     | 838     | 870     | 886     | 858     |
| Student Capacity  | 675     | 675     | 675     | 675     |
| Regular Instruction Classrooms                            | 35      | 35      | 35      | 35      |
| Regular Instruction Teachers                              | 34      | 34      | 35      | 35      |
| Special Instruction Classrooms                            | 4       | 4       | 4       | 4       |
| Special Instruction Teachers                              | 4       | 4       | 4       | 4       |
| <b><u>Hamersville Elementary &amp; Middle School:</u></b> |         |         |         |         |
| Constructed in 2002                                       |         |         |         |         |
| Total Building Square Footage                             | N/A     | N/A     | N/A     | N/A     |
| Enrollment Grades K-8                                     | N/A     | N/A     | N/A     | N/A     |
| Student Capacity  | N/A     | N/A     | N/A     | N/A     |
| Regular Instruction Classrooms                            | N/A     | N/A     | N/A     | N/A     |
| Regular Instruction Teachers                              | N/A     | N/A     | N/A     | N/A     |
| Special Instruction Classrooms                            | N/A     | N/A     | N/A     | N/A     |
| Special Instruction Teachers                              | N/A     | N/A     | N/A     | N/A     |
| <b><u>Western Brown High School:</u></b>                  |         |         |         |         |
| Constructed in 1957                                       |         |         |         |         |
| Additions in 1971, 1984, 1992 and 1998                    |         |         |         |         |
| Total Building Square Footage                             | 64,085  | 64,085  | 64,085  | 64,085  |
| Enrollment Grades 9-12                                    | 890     | 893     | 918     | 902     |
| Student Capacity  | 564     | 564     | 564     | 564     |
| Regular Instruction Classrooms                            | 26      | 26      | 26      | 26      |
| Regular Instruction Teachers                              | 26      | 26      | 26      | 26      |
| Special Instruction Classrooms                            | 4       | 4       | 4       | 4       |
| Special Instruction Teachers                              | 3       | 4       | 4       | 4       |
| <b><u>Western Brown High School:</u></b>                  |         |         |         |         |
| Constructed in 2002                                       |         |         |         |         |
| Total Building Square Footage                             | N/A     | N/A     | N/A     | N/A     |
| Enrollment Grades 9-12                                    | N/A     | N/A     | N/A     | N/A     |
| Student Capacity  | N/A     | N/A     | N/A     | N/A     |
| Regular Instruction Classrooms                            | N/A     | N/A     | N/A     | N/A     |
| Regular Instruction Teachers                              | N/A     | N/A     | N/A     | N/A     |
| Special Instruction Classrooms                            | N/A     | N/A     | N/A     | N/A     |
| Special Instruction Teachers                              | N/A     | N/A     | N/A     | N/A     |

**Source:** Western Brown Local School District records.

| 2002    | 2003    | 2004    | 2005    | 2006    | 2007    |
|---------|---------|---------|---------|---------|---------|
| 100,965 | 100,965 | 100,965 | 100,965 | 100,965 | 100,965 |
| 0       | 0       | 0       | 0       | 0       | 0       |
| 855     | 853     | 871     | 859     | 883     | 851     |
| 1,100   | 1,100   | 1,100   | 1,100   | 1,100   | 1,100   |
| 44      | 44      | 44      | 44      | 44      | 44      |
| 38      | 38      | 37      | 37      | 38      | 38      |
| 4       | 4       | 4       | 4       | 4       | 4       |
| 2       | 2       | 2       | 2       | 3       | 3       |
| 94,851  | 94,851  | 94,851  | 94,851  | 94,851  | 94,851  |
| 672     | 727     | 755     | 769     | 728     | 744     |
| 1,000   | 1,000   | 1,000   | 1,000   | 1,000   | 1,000   |
| 34      | 34      | 34      | 34      | 34      | 34      |
| 29      | 29      | 29      | 30      | 32      | 32      |
| 7       | 7       | 7       | 7       | 7       | 7       |
| 5       | 5       | 5       | 6       | 6       | 6       |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| 129,780 | 129,780 | 129,780 | 129,780 | 129,780 | 129,780 |
| 859     | 819     | 783     | 768     | 701     | 663     |
| 1,100   | 1,100   | 1,100   | 1,100   | 1,100   | 1,100   |
| 36      | 36      | 36      | 36      | 36      | 36      |
| 35      | 35      | 34      | 32      | 32      | 32      |
| 8       | 8       | 8       | 8       | 8       | 8       |
| 4       | 4       | 4       | 5       | 5       | 5       |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| 189,729 | 189,729 | 189,729 | 189,729 | 189,729 | 189,729 |
| 949     | 957     | 956     | 1,024   | 1,055   | 1,056   |
| 1,200   | 1,200   | 1,200   | 1,200   | 1,200   | 1,200   |
| 40      | 40      | 40      | 40      | 40      | 40      |
| 35      | 35      | 35      | 36      | 36      | 36      |
| 5       | 5       | 5       | 5       | 5       | 5       |
| 4       | 4       | 4       | 5       | 5       | 5       |

**Western Brown Local School District**  
*Teacher to Student Ratio*  
*Last Ten Fiscal Years*

| Year | Average<br>Number of<br>Students per Teacher (1) | State<br>Average (2) |
|------|--|----------------------|
| 1998 | 23.8   | 20.4                 |
| 1999 | 24.5   | 18.6                 |
| 2000 | 24.9   | 18.1                 |
| 2001 | 23.1   | 18.0                 |
| 2002 | 18.0   | 16.9                 |
| 2003 | 18.3   | 16.5                 |
| 2004 | 18.4   | 18.5                 |
| 2005 | 18.2   | 18.5                 |
| 2006 | 18.0   | 18.6                 |
| 2007 | 18.0   | 19.6                 |

**Sources:** (1) Western Brown Local School District records.

(2) Ohio Department of Education EMIS Data (Power User Reports).

**Western Brown Local School District**  
*Percentage of Students who Receive Free and Reduced Lunches*  
*Last Six Fiscal Years*

| District Buildings        | 2002   | 2003   | 2004   | 2005   | 2006   | 2007   |
|---------------------------|--------|--------|--------|--------|--------|--------|
| Hamersville Elementary    | 38.07% | 36.25% | 34.56% | 37.60% | 42.02% | 39.23% |
| Mt. Orab Elementary       | 32.37  | 32.05  | 32.26  | 38.94  | 37.66  | 40.31  |
| Mt. Orab Middle School    | 27.83  | 26.85  | 35.99  | 37.23  | 36.91  | 37.94  |
| Western Brown High School | 16.89  | 14.69  | 15.17  | 18.12  | 24.45  | 27.73  |

Information prior to 2002 was not available.

**Source:** Ohio Department of Education







**Mary Taylor, CPA**  
Auditor of State

**WESTERN BROWN LOCAL SCHOOL DISTRICT**

**BROWN 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 31, 2008**