

FAIRBORN CITY SCHOOL DISTRICT
FAIRBORN, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Prepared by:

Randal A. Scherf, Treasurer



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Fairborn City School District
306 E. Whittier Avenue
Fairborn, Ohio 45324

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

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

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

JIM PETRO
Auditor of State

December 30, 2000

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**FAIRBORN CITY SCHOOL DISTRICT
FAIRBORN, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2000**

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

Title Page	i
Table of Contents	iii
Letter of Transmittal	vi
ASBO Certificate of Excellence in Financial Reporting	xiii
GFOA Certificate of Achievement for Excellence in Financial Reporting	xiv
List of Principal Officials	xv
Organizational Chart	xvi
Board of Education	xvii
State of Ohio Map	xviii

II. FINANCIAL SECTION

INDEPENDENT ACCOUNTANT'S REPORT	1
GENERAL PURPOSE FINANCIAL STATEMENTS	
Combined Balance Sheet	
All Fund Types and Account Groups	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances	
All Governmental Fund Types and Expendable Trust Fund	6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Non-GAAP Budgetary Basis)	
All Governmental Fund Types	8
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance	
All Proprietary Fund Type and Non-Expendable Trust Fund	10
Combined Statement of Cash Flows	
All Proprietary Fund Type and Non-Expendable Trust Fund	11
Notes to the General Purpose Financial Statements	13
COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES	
General Fund:	
General Fund Description	35
Special Revenue Funds:	
Description of Funds	37
Combining Balance Sheet	40
Combining Statement of Revenues, Expenditures & Changes in Fund Balance ...	46

**FAIRBORN CITY SCHOOL DISTRICT
FAIRBORN, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2000**

TABLE OF CONTENTS

Schedule of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Non-GAAP Budgetary Basis)	
Gifted Students Special Revenue Fund.....	51
Public School Support Special Revenue Fund	52
Wellness Block Grant Special Revenue Fund.....	53
Venture Capital East Special Revenue Fund.....	54
Extracurricular Student Activities Special Revenue Fund	55
Auxiliary Services Special Revenue Fund	56
Teacher Development Special Revenue Fund	57
Excellence in Education Special Revenue Fund.....	58
Management Information Special Revenue Fund.....	59
Entry Year Program Special Revenue Fund	60
Disadvantaged Pupil Impact Aid Special Revenue Fund	61
School Net Professional Development Special Revenue Fund	62
Textbook Subsidy Special Revenue Fund.....	63
Ohio Reads Special Revenue Fund.....	64
School Conflict Grant Special Revenue Fund.....	65
Title VI B/Preschool Special Revenue Fund.....	66
Eisenhower Grant Special Revenue Fund.....	67
Title I Special Revenue Fund.....	68
Title VI Special Revenue Fund.....	69
EHA Pre-School Special Revenue Fund.....	70
E-Rate Special Revenue Fund.....	71
Raising the Bar Special Revenue Fund.....	72
Drug Free Schools Special Revenue Fund.....	73
Debt Service Fund:	
Description of Fund.....	75
Capital Project Funds:	
Description of Funds	77
Combining Balance Sheet.....	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	80
Schedule of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Non-GAAP Budgetary Basis)	
Building-Capital Projects Fund	82
Permanent Improvement-Capital Projects Fund.....	83
School Net-Capital Projects Fund	84
Technology Equity-Capital Projects Fund	85
Power-Up Grant Capital Projects Fund.....	86
Individual Grant Capital Projects Fund.....	87

**FAIRBORN CITY SCHOOL DISTRICT
FAIRBORN, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2000**

TABLE OF CONTENTS

Enterprise Funds:	
Description of Fund	89
Combining Balance Sheet	90
Combining Statement of Revenues, Expenses & Changes in Retained Earnings	91
Combining Statement of Cash Flows	92
Fiduciary Funds:	
Description of Fund	93
Combining Balance Sheet	94
Combining Statement of Changes in Assets and Liabilities -All Agency Funds...	95
General Fixed Assets Account Group:	
Description of Account Group	97
Schedule of General Fixed Assets by Source	98
Schedule of General Fixed Assets by Function and Type	99
Schedule of Changes in General Fixed Assets by Function	100

III. STATISTICAL SECTION

General Fund Revenues by Source	101
General Fund Expenditures by Function:	102
Property Tax Levies and Collections	103
Assessed and Estimated Actual Value of Taxable Property	104
Property Tax Rates	105
Ratio of Net General Bonded Debt to Assessed Value & Net Bonded Debt per Capita	106
Computation of Legal Debt Margin	107
Computation of Direct and Overlapping Debt.....	108
Ratio of Annual Debt Service Expenditures.....	109
Demographic Statistics	110
Construction, Bank Deposits and Property Values	111
Real and Tangible Personal Property, Top Ten Principal Taxpayers	112
Miscellaneous Statistical Data.....	113

Fairborn City Schools

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Steve Clifton
Superintendent

Randal Scherf
Treasurer

Joyellen Paolo
Deputy Superintendent
Student Services

John Jahoda
Personnel

Nancy Sturtz
Curriculum

Michael Gum
Business Manager

December 15, 2000

To the Citizens and Board of Education of the Fairborn City School District:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Fairborn City School District. The information reported is for the fiscal year which ended June 30, 2000. The report contains financial statements, supplemental statements and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for 1999-00 fiscal year.

Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects. Our report is designed to present fairly the financial position, results of operation and cash flows of the various funds and account groups of the District.

This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District.

Our report is divided into three sections:

The Introductory Section includes a table of contents, this transmittal letter, a list of principal officials and the District's organizational chart.

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

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

This report includes all funds and account groups of the District. The District also acts as fiscal agent for State funds distributed to private schools located within the District boundaries. This activity is included in the reporting entity as a special revenue fund due to the District's administrative involvement in the distribution of the funds. The private schools served are Mary Help of Christians and Montessori Children's Center. Although these organizations share operational and service similarity with the District, each is a separate and distinct entity. Because of their independent nature, none of these organizations' financial statements are included in this report.

FAIRBORN CITY SCHOOL DISTRICT

Community Overview

Fairborn City School District is in Fairborn, Ohio located northeast of Dayton at the intersection of I-70 & I-675. The District serves an area of 40 square miles encompassing both the city of Fairborn and Bath Township. The community continues to grow. The total population in the city of Fairborn increased from 29,702 in 1980 to 31,300 in 1990. Fairborn is home to Wright State University, the Nutter Center, Wright-Patterson AFB and the Fairborn Branch of the Greene County Library. The Parks & Recreation Department maintains 383.54 acres of park land consisting of 13 parks, a 36-acre nature reserve, and the Kauffman Avenue Bikeway. The City of Fairborn also has a strong Chamber of Commerce that coordinates business partnerships with each of our schools.

Local Economic Conditions

Fairborn City Schools are located within Greene County, northeast of Dayton. Greene County has a strong economy with unemployment rates consistently below state and national averages. The area has enjoyed recent growth in retail, business and industrial parks, as well as, a boom in residential building.

The Fairborn community has benefited from its location off of I-675, which is just minutes from I-75 and I-70. The east side of the community, off of I-675, has seen tremendous growth in single family dwellings. In the past year this area has seen construction of a business park that includes offices, light industrial and research companies as well as retail stores and restaurants. Continued growth is expected over the next several years. In addition to this growth, the downtown business district has undergone revitalization efforts expected to continue over the next five years.

District Description

The Fairborn City School District has five elementary schools, one junior high school and one high school. Fairborn High School is accredited with the North Central Association of Colleges and Schools. Five Points Elementary School is the largest elementary school in Ohio. The District also operates a variety of other facilities, including a central administration building, a maintenance office, a transportation office and several sports fields.

In Fairborn, students are offered a full range of programs and services. Academics for elementary and high school students include: general, vocational, gifted and college preparatory programs. A diversity of co-curricular activities is offered to allow for personal growth and development beyond the classroom.

Fairborn's academic program also prepares students to meet the challenges of the ever-changing technological age. The District boasts a state-of-the-art computer network; 1500 computers throughout the district on an Ethernet system utilizing Microsoft NT 4.0. Our connection to the internet through T1 line provides speeds up to 1.54 megabits per second. All of our classrooms are wired for computer network services. In addition to computer labs at our junior high and high school, each school library has two Pentium-based multimedia computers. Libraries also have digital cameras, scanners, LCD projectors and internet access.

District Statistics

Official enrollment for the 1999-00 school year	5,888 students
Average daily	5,459 in grades K-12
Pupil/Teacher Ratio in grades K-12	27.1 to 1

District Highlights

Five Fairborn High School seniors were named National Merit Finalists during the 1999-2000 school year.

Three Fairborn High School seniors were named Commended Scholars during the 1999-2000 school year.

Six Fairborn High School seniors earned Academy Nominations during the 1999-2000 school year.

Highlights cont.

Fairborn Schools provided over 1,300 hours of staff development training on the use of technology.

Interest from more than \$650,000 in grants are used for post-high school student scholarships

The community demonstrated its support of the schools by passage of a 27 year, \$20,575,000 (2.9 mil) bond issue in November of 1999 to renew, repair and restore the school facilities.

East Elementary was awarded the Ohio Reads Community Grant (\$30,000) and a Venture Capital Grant (\$25,000).

Baker Junior High School was awarded \$375,000 grant from the "Raising the Bar in the Middle Grades Program".

Proceeds from more than \$10,000 in grants are used for teacher initiatives

Current Initiatives-Continuous Improvement Plan

On May 8, 2000 the Fairborn City Schools Board of Education voted to accept a Continuous Improvement Plan for the District. The plan details a vision, mission and specific strategies to meet the 28 standards measured by the Ohio Department of Education on the District's annual report card.

During the school year, more than 120 parents, business and community leaders, district personnel, vocational personnel and community organizations worked on six different action teams listed below. Each team developed between 9-12 actions to be funded and implemented over the next three years. Details of the plan can be viewed on the District's web site: www.fairborn.k12.oh.us.

The actions listed below have been funded for the current school year.

1. Challenging Instruction and Curriculum-adding science intervention class at Fairborn High School
2. Career Exploration and Development-using SCANS competencies to integrate work habits/skills in classrooms.
3. Partners in Education-involving more parents and community members in volunteer service.
4. Effective Communication-updating the district web site and creating parent handout on dispute resolution.
5. Financial Policy-studying financial budget and options.
6. Professional Development and Mentoring-adding one elementary and one secondary instructional supervisors; financing staff development workshops; and creating List Servs for District teachers.

Future Initiatives-Continuous Improvement Plan

The following Continuous Improvement Projects will be funded for the 2000-01 school year:

1. Additional hours for the Parent Center employee
2. Subs for curriculum committee meetings to identify grade level and course competencies.
3. Needs assessment for professional development
4. Set up workshops for college credit with Wright State University.
5. Update phone system.

Board of Education

The Fairborn City Schools' Board of Education is made up of five citizens who are elected by school district voters to serve four-year terms. The Board's major function is to develop operating policies that will best serve the needs of students. The Board derives its authority and responsibility from state and federal law. The Board employs the Superintendent to execute the policies and provide leadership to the staff.

The Board serves as the taxing authority, contracting body and policy initiator of the operation of the District. The Board is also responsible for the adoption of the tax budget, the annual operating budget and approves all expenditures

of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

Regular meetings of the Board of Education are held on the second Monday of each month at Fairborn High School, in the Information Center, 900 East Dayton-Yellow Springs Road, at 7 p.m. Special meetings are scheduled as needed. The time and location is announced at least twenty-four hours in advance. All Board of Education meetings are open to the public and the agenda includes a time for public participation.

Superintendent and Treasurer

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Mr. Steve Clifton was initially appointed as Superintendent effective January 8, 1996. In August of 2000, Mr. Clifton passed away and Mrs. Joy Paolo was named by the Board of Education as Acting Superintendent.

The Treasurer is the chief financial officer of the District and is directly responsible to the Board for all financial operations, investments, custody of all District funds and assets and serves as Secretary to the Board. Mr. Randal Scherf was initially appointed Treasurer effective January 20, 1997 and his current contract will expire in January of 2003.

All other District employees are responsible to the Superintendent and are employed by the Board upon recommendation of the Superintendent.

Internal Controls

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

Budgetary Controls

The District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Ohio Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year end are carried forward to succeeding years and are not reappropriated. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. As is customary for Ohio School Districts, the Board of Education amends the District's budget at year end resulting in zero variances for all line items in the District's budgetary financial statements.

General Government Functions

Revenues for the District's general operating fund totaled \$33,109,827 an increase of \$2,047,606 from 1999. The six percent increase in revenues is primarily the result of an increase in tax revenue caused by an increase in federal and state funding.

The following schedule presents a summary of revenues for the fiscal year ended June 30, 2000 and the amount and percentage of increases and decreases in relation to the 1999 fiscal year:

Revenues by Source	2000 Amount	Percent of Total	Increase <Decrease>	% of Increase <Decrease>
Taxes	13,024,004	39%	<11,079>	<1>%
Intergovernmental	18,122,761	54%	1,319,496	8 %
Earnings on investments	929,316	3%	445,237	92%
Tuition & fees	147,945	1%	<10,893>	<7%.
Extracurricular activities	44,730	0%	3,894	10 %
Other local revenues	841,071	3%	300,951	56%
Total revenues	\$33,109,827	100%	\$2,047,606	6%

Expenditures for the general operating fund totaled \$31,806,491 an increase of \$2,027,597 over 1999. This overall increase of 7% is primarily the result of an increase in instruction caused by increased teacher's salaries and purchases of computers and textbooks.

The following schedule presents a summary of expenditures for the General Fund for the fiscal year ended June 30, 2000 and the amount and percentage of increases or decreases in relation to the 1999 fiscal year:

Expenditures by Function	2000 Amount	Percent of Total	Increase <Decrease>	% of Increase <Decrease>
Instruction:				
Regular	15,460,391	49%	1,026,251	7%
Special	2,700,912	9%	57,158	2%
Vocational	5,042	0%	5,030	100%
Other	1,375,650	4%	158,195	13%
Support services:				
Pupil	1,629,664	5%	104,456	7%
Instructional staff	1,117,083	4%	98,420	10%
Board of Education	35,102	0%	1,852	6%
Administration	2,002,537	6%	102,994	5%
Fiscal	637,565	2%	40,391	7%
Business	221,512	1%	2,700	1%
Operations/maintenance	3,742,891	12%	<87,855>	<2%>
Pupil transportation	1,924,035	6%	329,954	21%
Central	523,134	7%	213,752	69%
Operation of				
non-instructional services	338	0%	176	100%
Extracurricular activities	430,635	1%	<25,877>	<6%>
Total expenditures	\$31,806,491	100%	\$2,027,597	7%

Special Revenue Funds

Special Revenue Funds account for certain revenue sources restricted by law or other form actions to be expended for a specific purpose. The sources are primarily grants and entitlements. All Special Revenue Funds on a combined basis operated with \$2,333,925 in revenues and \$2,397,098 in expenditures in 2000.

Capital Projects Fund

The Capital Projects Fund was set up in fiscal year 1997 to account for the proceeds of energy conservation notes. The notes were used to finance improvements to existing facilities, which improved energy efficiency. The District's Capital Project Funds ended the 2000 fiscal year with a total fund equity deficit of \$323,565.

Fiduciary Funds

Trust and Agency Funds require a fiduciary relationship in their management by the District. The Trust Funds currently carried on the records of the District consist of an Expendable Trust and a Nonexpendable Trust Fund. The District has one Agency Fund, the Student Activities Fund. Trust and Agency Fund assets totaled \$784,186.

Enterprise Funds

The District's Enterprise Funds are the Food Service Fund and Uniform School Supply Fund. These funds are similar in nature to profit making activities found in the private sector and are managed accordingly. District Enterprise Funds operated in 2000 with \$847,482 in operating revenues and recorded a net loss of \$40,824.

Debt Administration

An energy conservation bond was outstanding in the amount of \$946,567. A bond to purchase buses was outstanding in the amount of \$920,000. The District issued notes in the amount of \$19,800,000 in the capital projects fund for school improvements.

Cash Management

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. The District utilizes the Star Ohio program investment pool operated by the Treasurer of State for ready cash and yield. U.S. Agencies and commercial paper are utilized for longer term investments. Investment earnings for all funds during the fiscal year was \$1,657,978.

Risk Management

The District continues to protect its assets through a comprehensive insurance program. Insurance policies for fleet liability, property loss and boiler and machinery coverage are purchased from the Indiana Insurance Company. General liability, excess liability, directors, and officers coverage is provided by the Wausau Insurance Company. Employee health insurance coverage is provided by United Health Care and Standard Life Insurance. In addition, the District offers a full range of supplementary retirements plans for eligible staff members.

Independent Audit

The State of Ohio requires an annual audit by either the Ohio Auditor of State or by an independent public accounting firm. Plattenburg and Associates, Inc. was selected by the State Auditor and the District to perform the audit for the fiscal year ended June 30, 2000. The auditor's unqualified opinion rendered on the District's general purpose financial statements, and their report on the combining and individual fund statements and schedules, is included in the financial section of this Comprehensive Annual Financial Report.

Awards

The District received the coveted Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for the 1999 Comprehensive Financial Report. This year's report will also be submitted for this award. We feel that the contents of the report are easily readable, efficiently organized and conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The District believes our current report conforms to the Certificate Of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

The District received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO) for the 1999 Comprehensive Financial Report. This year's report will also be submitted for this

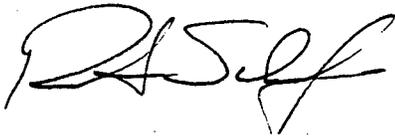
award. This award certifies that a Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an extensive review of the report by an expert panel of certified public accountants and practicing school business officials. The District believes our current report meets ASBO requirements.

Acknowledgements

Our CAFR is dedicated to the memory of Steve Clifton. It was his vision and dedication to the district that increased our financial stability and service to our students and parents. His enthusiasm and guidance will be missed.

My appreciation also goes to the service of the entire Treasurer's staff for assisting in the preparation of this report. The support and commitment to excellence by the Fairborn City Schools' Board of Education was also vital to the continuing efforts to improve our financial management and reporting.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Scherf". The signature is fluid and cursive, with a large initial "R" and a long, sweeping tail.

Randal A. Scherf, Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairborn City School
District, Ohio

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

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



Carol Brubaker
President

Jeffrey L. Esser
Executive Director

**FAIRBORN CITY SCHOOL DISTRICT, OHIO
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2000**

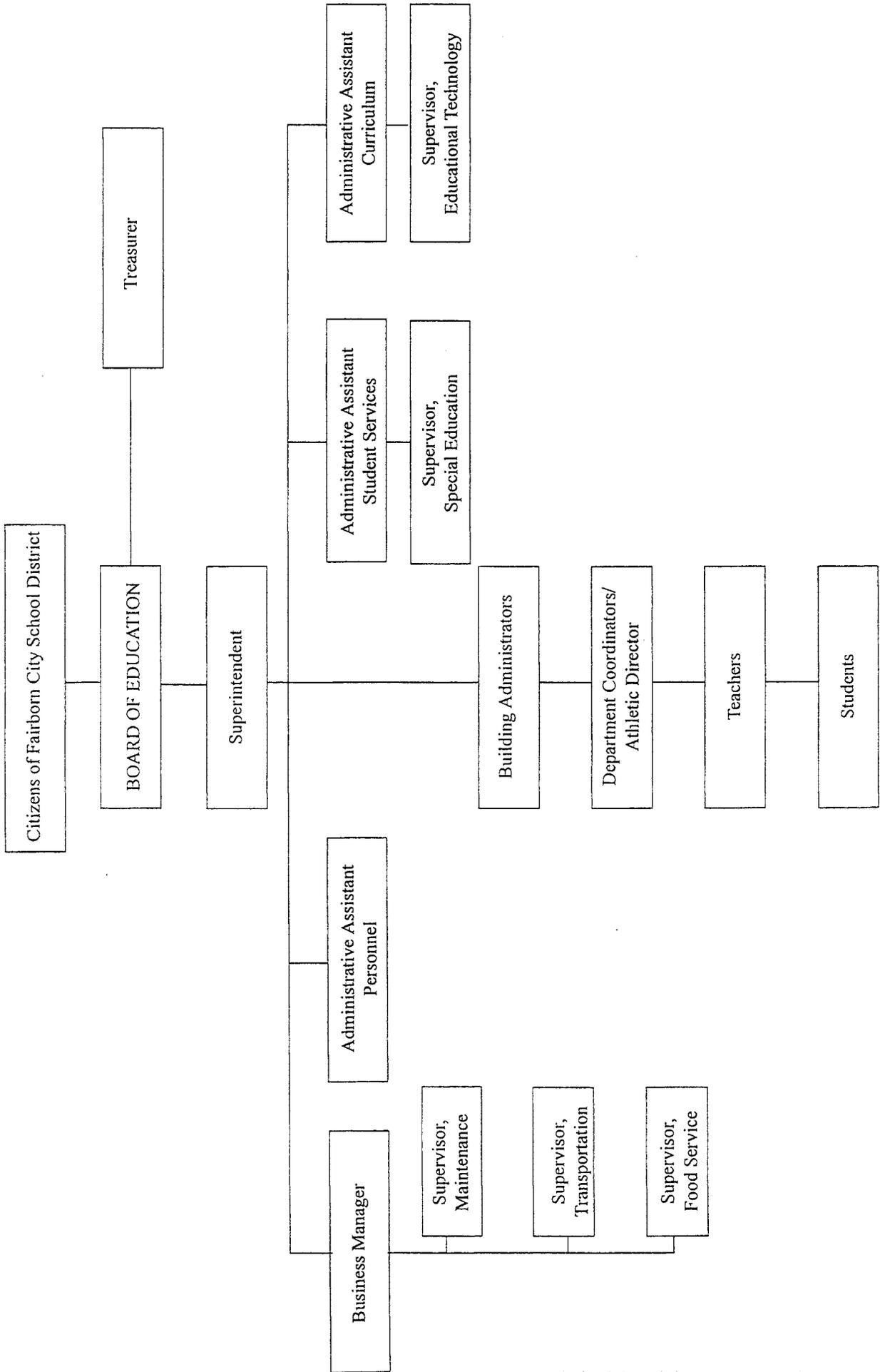
BOARD OF EDUCATION

President	Mrs. Stephanie Webb
Vice President	Mr. Gary Bays
Board Member	Dr. Bill Marshak
Board Member	Mr. Dennis Murphy
Board Member	Mr. Steve Reichard

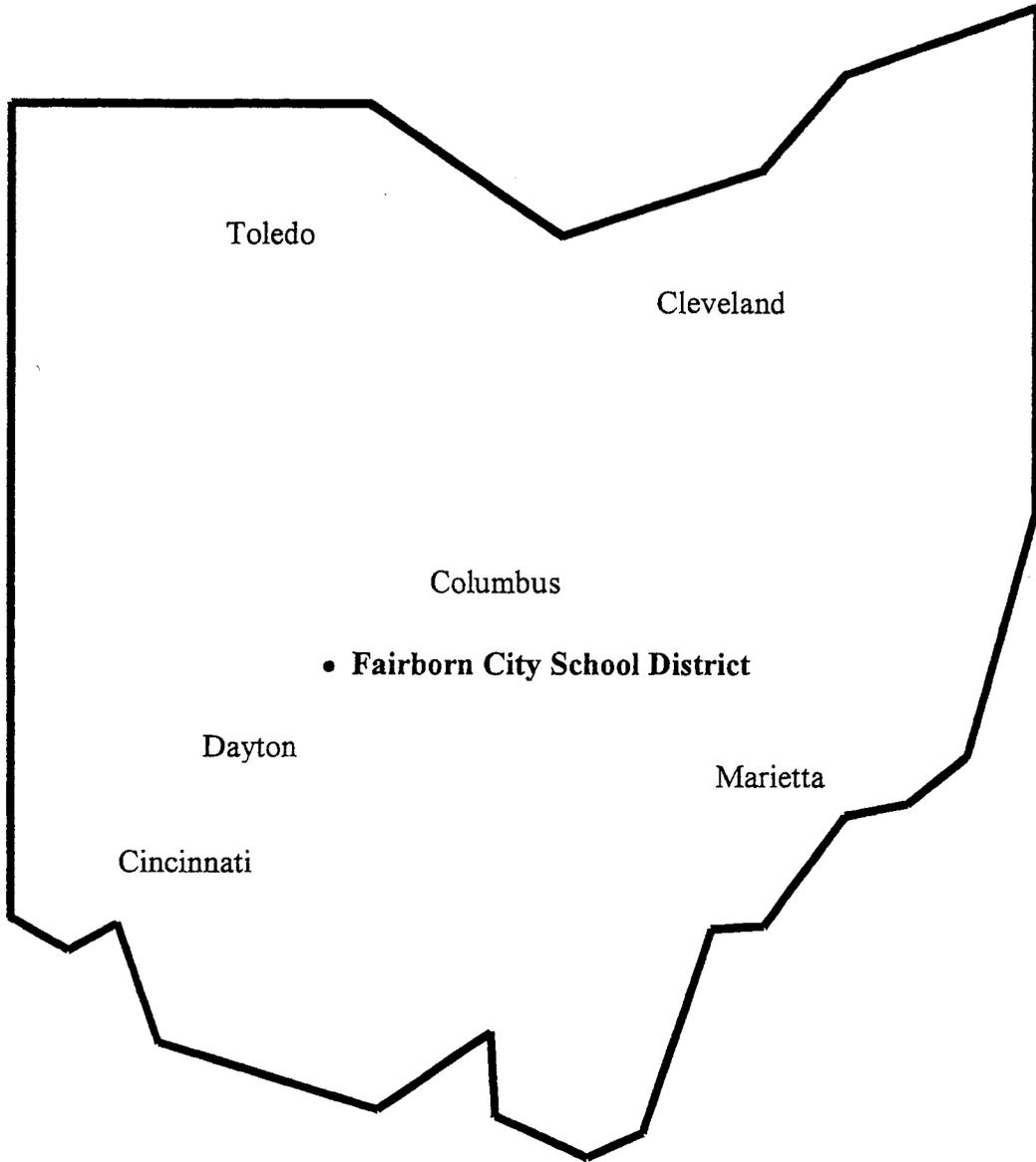
ADMINISTRATIVE OFFICIALS

Superintendent	Mr. Steve Clifton
Treasurer	Mr. Randy Scherf
Deputy Superintendent	Mrs. Joy Paolo
Administrative Assistant, Personnel	Mr. John Jahoda
Administrative Assistant, Curriculum	Mrs. Nancy Sturtz
Business Manager	Mr. Michael Gum

ORGANIZATIONAL CHART FAIRBORN CITY SCHOOLS



MAP OF OHIO





Independent Auditor's Report

December 7, 2000

Board of Education
Fairborn City School District
Fairborn, Ohio

We have audited the accompanying general purpose financial statements of the Fairborn City School District (the District), as of and for the year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

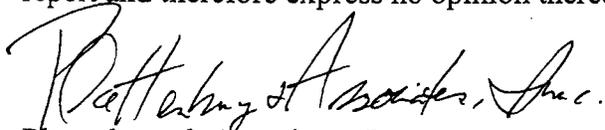
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In accordance with *Governmental Auditing Standards*, we have also issued a report dated December 7, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

A handwritten signature in cursive script, appearing to read "Plattenburg & Associates, Inc.", written in black ink.

Plattenburg & Associates, Inc.
Certified Public Accountants

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FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combined Balance Sheet

All Fund Types and Account Groups

June 30, 2000

GOVERNMENTAL FUND TYPES				
ASSETS AND OTHER DEBITS:	General	Special Revenue	Debt Service	Capital Projects
Assets				
Equity in pooled cash and cash equivalents	\$4,612,199	\$718,509	\$1,180,556	\$19,192,841
Restricted cash	691,000	0	0	0
Receivables:				
Taxes	12,135,972	0	1,324,439	0
Accounts	353,045	6,790	0	0
Intergovernmental	79,966	0	0	0
Accrued Interest	322,381	0	0	526,716
Interfund receivable	68,442	0	0	0
Inventory held for resale	0	0	0	0
Fixed assets (net, where applicable, of accumulated depreciation)	0	0	0	0
Other debits				
Amount available in Debt Service Fund for retirement fo general obligation bonds	0	0	0	0
Amount to be provided from general government resources	0	0	0	0
TOTAL ASSETS AND OTHER DEBITS	<u><u>18,263,005</u></u>	<u><u>725,299</u></u>	<u><u>2,504,995</u></u>	<u><u>19,719,557</u></u>
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
Liabilities				
Accounts payable	327,256	16,234	0	216,937
Accrued wages and benefits	2,552,681	225,724	0	0
Compensated absences payable	323,172	1,043	0	0
Interfund payable	0	41,877	0	26,185
Deferred revenue	9,637,296	0	1,144,999	0
Due to students	0	0	0	0
Notes payable	0	0	0	19,800,000
Bonds payable	0	0	0	0
Total liabilities	<u><u>12,840,405</u></u>	<u><u>284,878</u></u>	<u><u>1,144,999</u></u>	<u><u>20,043,122</u></u>
Fund Equity and other credits:				
Investment in general fixed assets	0	0	0	0
Retained earnings:				
Unreserved	0	0	0	0
Fund balances:				
Reserved:				
Reserved for property taxes	1,416,959	0	179,440	0
Reserved for encumbrances	654,062	62,510	0	5,210,444
Reserved for endowments	0	0	0	0
Reserved for set-aside	691,000	0	0	0
Unreserved:				
Undesignated	2,660,579	377,911	1,180,556	(5,534,009)
Total fund equity and other credits	<u><u>5,422,600</u></u>	<u><u>440,421</u></u>	<u><u>1,359,996</u></u>	<u><u>(323,565)</u></u>
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	<u><u>\$18,263,005</u></u>	<u><u>\$725,299</u></u>	<u><u>\$2,504,995</u></u>	<u><u>\$19,719,557</u></u>

See accompanying notes

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPES	ACCOUNT GROUPS			Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations		
Enterprise	Trust and Agency				
\$487,972	\$779,359	\$0	\$0	\$26,971,436	
0	0	0	0	691,000	
0	0	0	0	13,460,411	
0	1,005	0	0	360,840	
0	0	0	0	79,966	
0	3,822	0	0	852,919	
0	0	0	0	68,442	
9,842	0	0	0	9,842	
372,295	0	23,312,124	0	23,684,419	
0	0	0	1,180,556	1,180,556	
0	0	0	4,777,629	4,777,629	
<u>870,109</u>	<u>784,186</u>	<u>23,312,124</u>	<u>5,958,185</u>	<u>72,137,460</u>	
1,162	319	0	0	561,908	
37,012	0	0	224,117	3,039,534	
15,482	0	0	3,867,501	4,207,198	
0	380	0	0	68,442	
3,827	0	0	0	10,786,122	
0	77,608	0	0	77,608	
0	0	0	0	19,800,000	
0	0	0	1,866,567	1,866,567	
<u>57,483</u>	<u>78,307</u>	<u>0</u>	<u>5,958,185</u>	<u>40,407,379</u>	
0	0	23,312,124	0	23,312,124	
812,626	0	0	0	812,626	
0	0	0	0	1,596,399	
0	0	0	0	5,927,016	
0	525,264	0	0	525,264	
0	0	0	0	691,000	
<u>0</u>	<u>180,615</u>	<u>0</u>	<u>0</u>	<u>(1,134,348)</u>	
<u>812,626</u>	<u>705,879</u>	<u>23,312,124</u>	<u>0</u>	<u>31,730,081</u>	
<u>\$870,109</u>	<u>\$784,186</u>	<u>\$23,312,124</u>	<u>\$5,958,185</u>	<u>\$72,137,460</u>	

FAIRBORN CITY SCHOOL DISTRICT, OHIO
 Combined Statement of Revenues, Expenditures
 And Changes in Fund Balances
 All Governmental Fund Types and Expendable Trust Fund
 For The Fiscal Year Ended June 30, 2000

GOVERNMENTAL FUND TYPES

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Revenues:				
Taxes	\$13,024,004	\$0	\$1,022,622	\$0
Intergovernmental	18,122,761	1,969,920	0	159,373
Investment revenue	929,316	0	0	678,833
Tuition and fees	147,945	1,100	0	0
Extracurricular activities	44,730	220,007	0	0
Other revenues	841,071	142,898	0	0
Total revenues	<u>33,109,827</u>	<u>2,333,925</u>	<u>1,022,622</u>	<u>838,206</u>
Expenditures:				
Current:				
Instruction:				
Regular	15,460,391	739,043	0	7,162
Special	2,700,912	695,778	0	0
Vocational	5,042	0	0	0
Other	1,375,650	0	0	0
Support services:				
Pupil	1,629,664	252,399	0	0
Instructional Staff	1,117,083	306,643	0	73,321
Board of Education	35,102	0	0	0
Administration	2,002,537	45,944	0	0
Fiscal	637,565	0	11,242	0
Business	221,512	0	0	0
Operations and maintenance	3,742,891	0	0	1,853,166
Pupil Transportation	1,924,035	0	0	0
Central	523,134	650	0	0
Operation of non-instructional services				
Extracurricular activities	338	243,934	0	0
Capital outlay	430,635	111,905	0	0
Debt Service:	0	802	0	400,419
Principal retirement	0	0	235,600	0
Interest and fiscal charges	0	0	75,233	0
Total Expenditures	<u>31,806,491</u>	<u>2,397,098</u>	<u>322,075</u>	<u>2,334,068</u>
Excess of revenues over (under) expenditures	<u>1,303,336</u>	<u>(63,173)</u>	<u>700,547</u>	<u>(1,495,862)</u>
Other financing sources (uses):				
Proceeds of sale of fixed assets	2,647	0	0	0
Operating transfers in	0	0	300,000	0
Operating transfers (out)	(301,000)	0	0	0
Total other financing sources (uses)	<u>(298,353)</u>	<u>0</u>	<u>300,000</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>1,004,983</u>	<u>(63,173)</u>	<u>1,000,547</u>	<u>(1,495,862)</u>
Fund balance, July 1	4,417,617	503,594	359,449	1,172,297
Fund balance, June 30	<u>\$5,422,600</u>	<u>\$440,421</u>	<u>\$1,359,996</u>	<u>(\$323,565)</u>

See accompanying notes

FIDUCIARY
FUND TYPE

<u>Expendable Trust</u>	<u>Totals (Memorandum Only)</u>
\$0	\$14,046,626
0	20,252,054
0	1,608,149
0	149,045
0	264,737
24,670	1,008,639
<u>24,670</u>	<u>37,329,250</u>
1,100	16,207,696
0	3,396,690
0	5,042
0	1,375,650
0	1,882,063
0	1,497,047
0	35,102
0	2,048,481
0	648,807
0	221,512
0	5,596,057
0	1,924,035
0	523,784
5,062	249,334
0	542,540
0	401,221
0	235,600
0	75,233
<u>6,162</u>	<u>36,865,894</u>
18,508	463,356
0	2,647
1,000	301,000
0	(301,000)
<u>1,000</u>	<u>2,647</u>
19,508	466,003
24,000	6,476,957
<u>\$43,508</u>	<u>\$6,942,960</u>

FAIRBORN CITY SCHOOL DISTRICT, OHIO

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

	General			Special Revenue		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Taxes	\$12,774,604	\$12,774,604	\$0	\$0	\$0	\$0
Intergovernmental	18,043,596	18,043,596	0	1,958,121	1,958,121	0
Interest	592,856	592,856	0	0	0	0
Tuition & fees	178,383	178,383	0	1,100	1,100	0
Extracurricular activities	44,730	44,730	0	219,697	219,697	0
Other revenues	669,082	669,082	0	139,844	139,844	0
Total revenues	32,303,251	32,303,251	0	2,318,762	2,318,762	0
Expenditures:						
Current:						
Instruction:						
Regular	15,620,832	15,620,832	0	751,052	751,052	0
Special	2,844,643	2,844,643	0	719,247	719,247	0
Vocational	5,042	5,042	0	0	0	0
Other	1,382,915	1,382,915	0	803	803	0
Support services						
Pupil	1,692,795	1,692,795	0	252,875	252,875	0
Instructional staff	1,150,742	1,150,742	0	331,835	331,835	0
Board of Education	35,875	35,875	0	0	0	0
Administration	2,057,337	2,057,337	0	45,978	45,978	0
Fiscal	646,547	646,547	0	0	0	0
Business	222,331	222,331	0	0	0	0
Operation and maintenance	3,933,904	3,933,904	0	0	0	0
Pupil transportation	2,121,103	2,121,103	0	0	0	0
Central	512,842	512,842	0	1,402	1,402	0
Operation of Non-Instructional services	338	338	0	179,976	179,976	0
Extracurricular activities	436,579	436,579	0	119,305	119,305	0
Capital outlay	0	0	0	0	0	0
Debt Service:						
Principal retirement	0	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0	0
Total expenditures	32,663,825	32,663,825	0	2,402,473	2,402,473	0
Excess of revenues over (under) expenditures	(360,574)	(360,574)	0	(83,711)	(83,711)	0
Other financing sources (uses):						
Proceeds of sale of fixed assets	2,647	2,647	0	0	0	0
Proceeds of bonds	0	0	0	0	0	0
Advances in	66,749	66,749	0	0	0	0
Advances (out)	(26,185)	(26,185)	0	0	0	0
Operating transfers in	351,525	351,525	0	0	0	0
Operating transfers (out)	(652,525)	(652,525)	0	0	0	0
Total other financing sources (uses)	(257,789)	(257,789)	0	0	0	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(618,363)	(618,363)	0	(83,711)	(83,711)	0
Fund balance, July 1	5,150,327	5,150,327	0	727,968	727,968	0
Fund balance, June 30	4,531,964	4,531,964	0	644,257	644,257	0

See accompanying notes

Debt Service		
Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$843,182	\$15,468	(\$827,714)
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
843,182	15,468	(827,714)

Capital Projects		
Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$0	\$0	\$0
159,374	159,374	0
152,117	152,117	0
0	0	0
0	0	0
0	0	0
311,491	311,491	0

0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
11,243	11,243	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
235,600	235,600	0
286,038	286,038	0
532,881	532,881	0

7,162	7,162	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
80,415	80,415	0
0	0	0
0	0	0
0	0	0
0	0	0
284,217	284,217	0
974,638	974,638	0
0	0	0
0	0	0
0	0	0
0	0	0
6,205,175	6,205,175	0
0	0	0
0	0	0
7,551,607	7,551,607	0

310,301	(517,413)	(827,714)
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(7,240,116)	(7,240,116)	0
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0	0	0
0	0	0
0	0	0
0	0	0
420,000	420,000	0
(120,000)	(120,000)	0
300,000	300,000	0

0	0	0
19,800,000	19,800,000	0
26,185	26,185	0
(66,749)	(66,749)	0
0	0	0
0	0	0
19,759,436	19,759,436	0

610,301	(217,413)	(827,714)
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12,519,320	12,519,320	0
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359,449	359,449	0
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1,246,119	1,246,119	0
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969,750	142,036	(827,714)
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13,765,439	13,765,439	0
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FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combined Statement of Revenues, Expenses

And Changes in Retained Earnings/Fund Balance

All Proprietary Fund Type and Non-Expendable Trust Fund

For The Fiscal Year Ended June 30, 2000

	PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	
	Enterprise	Non-Expendable Trust	Totals (Memorandum Only)
Operating Revenues:			
Tuition and fees	\$108,283	\$0	\$108,283
Charges for Services	739,149	0	739,149
Donations	0	7,113	7,113
Investment Revenue	0	36,802	36,802
Other Revenue	50	0	50
Total revenues	<u>847,482</u>	<u>43,915</u>	<u>891,397</u>
Operating Expenses:			
Salaries and Wages	499,796	0	499,796
Fringe Benefits	103,904	0	103,904
Purchased Services	10,853	0	10,853
Materials and supplies	803,650	0	803,650
Depreciation	11,478	0	11,478
Other operating expenses	2,206	32,820	35,026
Total operating expenses	<u>1,431,887</u>	<u>32,820</u>	<u>1,464,707</u>
Operating income (loss)	<u>(584,405)</u>	<u>11,095</u>	<u>(573,310)</u>
Non-operating revenues:			
Federal donated commodities	60,363	0	60,363
Operating grants	470,191	0	470,191
Interest	13,027	0	13,027
Total non-operating revenues	<u>543,581</u>	<u>0</u>	<u>543,581</u>
Net Income (loss)	<u>(40,824)</u>	<u>11,095</u>	<u>(29,729)</u>
Retained Earnings/Fund balance, July 1	853,450	651,276	1,504,726
Retained Earnings/Fund balance, June 30	<u>\$812,626</u>	<u>\$662,371</u>	<u>\$1,474,997</u>

See accompanying notes

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

	<u>PROPRIETARY FUND TYPE</u>	<u>FIDUCIARY FUND TYPE</u>	<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Non-Expendable Trust</u>	
Cash flows from operating activities:			
Cash received from tuition and fees	\$108,664	\$0	\$108,664
Cash received from investment revenue	0	32,980	32,980
Cash received from charges of services	741,049	0	741,049
Cash received from other revenue	50	7,113	7,163
Cash payments to suppliers for goods and services	(751,958)	0	(751,958)
Cash payments to employees for services	(583,289)	0	(583,289)
Cash payments for other operating expenses	(2,010)	(32,820)	(34,830)
Net cash provided by (used for) operating activities	<u>(487,494)</u>	<u>7,273</u>	<u>(480,221)</u>
Cash flows from noncapital financing activities:			
Operating grants received	592,187	0	592,187
Operating interest	13,027	0	13,027
Net cash provided by noncapital financing activities	<u>605,214</u>	<u>0</u>	<u>605,214</u>
Cash flows from capital and related financing activities			
Acquisition of capital assets	(17,278)	0	(17,278)
Net cash used for capital and related financing activities	<u>(17,278)</u>	<u>0</u>	<u>(17,278)</u>
Net increase in cash and cash equivalents	100,442	7,273	107,715
Cash and cash equivalents, July 1	<u>387,530</u>	<u>651,276</u>	<u>1,038,806</u>
Cash and cash equivalents, June 30	<u><u>487,972</u></u>	<u><u>658,549</u></u>	<u><u>1,146,521</u></u>

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

	<u>PROPRIETARY FUND TYPE</u>	<u>FIDUCIARY FUND TYPE</u>	Totals (Memorandum Only)
	<u>Enterprise</u>	<u>Non-Expendable Trust</u>	
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>(584,405)</u>	<u>11,095</u>	<u>(573,310)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	11,478	0	11,478
Donated commodities used	60,363	0	60,363
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	2,281	0	2,281
(Increase) decrease in inventory held for resale	489	0	489
Increase (decrease) in accounts payable	890	0	890
Increase (decrease) in accrued wages and benefits	18,627	(3,822)	14,805
Increase (decrease) in compensated absences	1,784	0	1,784
Increase (decrease) in deferred revenue	<u>999</u>	<u>0</u>	<u>999</u>
Total Adjustments	<u>96,911</u>	<u>(3,822)</u>	<u>93,089</u>
Net cash provided by (used for) operating activities	<u><u>(\$487,494)</u></u>	<u><u>\$7,273</u></u>	<u><u>(\$480,221)</u></u>

Reconciliation of non-expendable trust fund to balance sheet:

Cash and cash equivalents - All Fiduciary Funds	\$779,359
Cash and cash equivalents - Expendable Trust and Agency Funds	<u>120,810</u>
Cash and cash equivalents - Non-expendable Trust Fund	<u><u>\$658,549</u></u>

See accompanying notes

FAIRBORN CITY SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2000

1. DESCRIPTION OF THE DISTRICT

The Fairborn City School District has grown from a union of the Fairfield, Osborn and Bath Township schools, which took place when the town of Osborn was moved. The earliest school records available are of Bath Township schools' purchase of land on September 1, 1856. The oldest historical records of the Osborn schools is a meeting of the Board of Education of July 27, 1906. The early history of the Fairfield school system consists of a log schoolhouse, one room up and two rooms down, in 1873. When consolidation of the three school systems was suggested there was much of the usual opposition. However, consolidation passed by a small majority and the school year 1923 started under the new plan. Today the school district operates under the current standards prescribed by the Ohio Department of Education as provided in division (D) of sections 3301.07 and 119.01 of the Ohio Revised Code. The district is 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 five-member Board form of government and provides educational services as authorized by its charter and further mandated by state and/or federal agencies.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

For financial reporting purposes, the District's financial statements include all funds, account groups, and component units for which the District is financially accountable based upon criteria set forth in GASB Statement 14. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e. the District) are financially accountable. The District would consider an organization to be a component unit if:

1. The District appointed a voting majority of the organization's governing body; and (a) was able to impose its will on that organization; or (b) there was a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the District; or

2. The organization was fiscally dependent upon the District; or
3. The nature of the relationship between the District and the organization was such that the exclusion from the financial reporting entity would render the financial statements misleading.

The District included no component units in the accompanying financial statements.

B. Basis of Presentation

The accounts of the District are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

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

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

Special Revenue Funds - Are used to account for the proceeds of specific revenue sources (other than Expendable Trust or major Capital Projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs; and for the payment of interest on general obligation notes payable, as required by Ohio Law.

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

Proprietary Funds - Proprietary Funds are used to account for the District's ongoing activities which are similar to those most often found in the private sector. The following are the District's Proprietary Funds:

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

Fiduciary Funds - Fiduciary Funds are used for the assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Expendable Trust, Nonexpendable Trust and Agency Funds. Expendable Trust Funds are accounted for essentially the same as Governmental Funds. Nonexpendable Trust funds are accounted for essentially the same as Proprietary Funds. Agency Funds are custodial in nature (assets equal liabilities).

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

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the District, other than those accounted for in Proprietary Funds and Trust Funds.

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations of the District, except those accounted for in Proprietary Funds and Trust Funds.

C. Measurement Focus/Basis of Accounting

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

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

Basis of Accounting - The modified accrual basis of accounting is followed for Governmental, Expendable Trust and Agency Funds. Under this basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures for the current period, which for the District is 60 days after fiscal year end.

Revenue considered susceptible to accrual includes, but is not limited to, interest, tuition and state and federal grants. Property taxes measurable but neither available to finance the current fiscal year expenditures, nor intended to finance the current year expenditures are recorded as deferred revenue. Expenditures are recognized in the period in which the related fund liability is incurred, except principal and interest on long-term debt which is recorded when due.

Proprietary Funds and Nonexpendable Trust Funds are accounted for on the accrual basis of accounting. Revenue is recognized in the period earned and expenses are recognized in the period incurred.

D. Budgetary Data

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

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- (2) Expenditures are recorded when encumbered, or paid in cash (budget), as opposed to when susceptible to accrual (GAAP).

The actual results of operations, compared to the final appropriation, for each governmental fund type by expenditure function and revenue by source are presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual (non-GAAP Budgetary Basis). The reserve for encumbrances is carried forward as part of the budgetary authority for the next year and is included in the revised budget amounts shown in the budget to actual comparisons. The District is required by state statute to adopt an annual appropriated budget for all Governmental Fund types. The specific timetable is as follows:

1. Prior to January 15 of the preceding fiscal year, the Treasurer submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing or increased tax rates.
2. By no later than January 20, the Board-adopted budget is filed with the County Budget Commission for tax rate determination.
3. Prior to March 15, the Board of Education accepts by formal resolution the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated

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

4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund and function level of expenditures, which are legal levels of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year). Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriation or the total function appropriations within a fund, must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriation amounts. All supplemental appropriations were legally enacted by the Board.
8. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level.

E. Encumbrances

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

F. Cash and Investments

Cash received by the District is deposited in a cash and investment pool used by all funds. Monies for all funds are maintained in these accounts or are temporarily used to purchase

obligations of the U.S. Treasury, commercial paper and repurchase agreements. Under existing Ohio statutes, all investment earnings accrue to the General Fund except those specifically related to Agency Funds, certain Trust Funds, and those funds individually authorized by Board resolution.

For purposes of the Statement of Cash Flows (GASB Statement No. 9) all highly liquid investments with a maturity of three months or less when acquired, are considered to be cash equivalents and are included under the heading "Equity in pooled cash and investments".

Investments are stated at fair value as determined by quoted market prices.

G. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve, textbook reserve, and a capital maintenance reserve.. The reserve is required by State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. The Districts set aside amount for the current fiscal year is \$691,000.

H. Inventory (Materials and Supplies)

Inventories of the Enterprise Funds are valued at lower of cost (first-in, first-out method) or market and are determined by physical count.

The amount of unused donated commodities inventory at year end is offset by deferred revenue since title does not pass to the school district until the commodities are used.

I. Fixed Assets and Depreciation

1. General Fixed Assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the General Fixed Assets Account Group. Donated fixed assets are recorded at their fair market values as of the date donated. No depreciation is recognized for assets in the General Fixed Assets Account Group. The District does not possess any infrastructure.
2. Proprietary Funds - Equipment reflected in the Proprietary Funds is stated at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date donated. Depreciation has been provided, where appropriate, on a straight-line basis over the following estimated useful lives:

Equipment	3 - 15 years
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J. Intergovernmental Revenues

In Governmental Funds, entitlements and non-reimbursable grants are recorded as receivables and revenue when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Grants for Proprietary Fund operations are recognized as revenue when measurable and earned.

K. Compensated Absences

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

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District had identified as probable of receiving payment in the future. The amount is based on the accumulated sick leave and employees' wage rates at fiscal year-end, taking into consideration any limits specified in the School District's termination policy.

For Governmental Funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the respective Governmental Fund. Amounts that are not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Obligations Account Group. Compensated absences of Proprietary Funds are recorded as an expense and liability of the respective Proprietary Fund.

L. Interfund Transactions

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

1. Routine transfers of resources from one fund to another fund through which resources to be expended are recorded as operating transfers.
2. Reimbursements from one fund to another fund are treated as expenditures/expenses in the reimbursing fund and as a reduction in expenditures/expenses in the reimbursed fund.

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

M. Long-Term Obligations

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

Long-term liabilities expected to be financed from Proprietary Fund operations are accounted for in those funds.

N. Estimates

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

O. Fund Equity

Contributed capital is recorded in Proprietary Funds that received capital grants or contributions from other funds. The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available spendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserved are established for encumbrances, materials and supplies inventory, property taxes and budgetary set-asides required under Ohio law.

P. Memorandum Only - Total Columns

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

Q. Proprietary Fund Accounting

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

3. EQUITY IN POOLED CASH AND INVESTMENTS

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments". State Statute requires the classification of monies held by the District into three categories:

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

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

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the

principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (Star Ohio);
7. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

At year-end the carrying amount of the District's deposits was \$923,934. The bank balance of deposits was \$2,094,940 and of the bank balance, \$200,000 was covered by federal depository insurance. The remaining amounts were uninsured and uncollateralized as defined by GASB. Although the securities were held by the pledging financial institutions' trust department in the District's name and all statutory requirements for the investment of the money had been followed, noncompliance with the federal requirements would potentially subject the money held in the District's name to a successful claim by the FDIC.

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

The District's investments are categorized to give an indication of the level of risk assumed by the entity at year end.

CATEGORY 1 includes investments that are issued, registered, or held by the District or its agent in the District's name.

CATEGORY 2 includes uninsured and unregistered investments held by the counterparty's trust department or agent in the District's name.

CATEGORY 3 includes uninsured and unregistered investments held by the counterparty, or by its department or agent, but not in the District's name.

Based on the above criteria, the District's investments at year end are classified as follows:

INVESTMENTS	RISK CATEGORY	CARRYING (FAIR) VALUE
(1) Star Ohio	n/a	\$ 4,356,690
Commercial Paper	2	3,359,085
U.S. Agencies	3	<u>19,022,727</u>
		<u>\$26,738,502</u>

(1) Unclassified for purposes of GASB Statement 3.

4. PROPERTY TAXES

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

Tangible Personal and Public Utility	\$ 69,664,018
Real Estate	<u>414,172,460</u>
Total Assessed Property Value	<u>\$483,836,478</u>

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment was due by January 20. If paid semi-annually, the first payment (at least one-half of amount billed) was due January 20, with the remainder due on June 20.

The County Auditor remits portions of the taxes collected with periodic settlements of Real and Public Utility property taxes in February and August and Tangible Personal Property Taxes in June and October to all taxing districts.

The District receives property taxes from the County Auditor. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2000 are available to finance current fiscal year operations. The amount available to be advanced can vary based on the date the tax bills are sent.

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

5. FIXED ASSETS

A summary of the General Fixed Assets Account Group at year end follows:

<u>Class</u>	<u>7-01-99</u>	<u>Additions</u>	<u>Deletions</u>	<u>6-30-00</u>
Land	\$ 950,494	\$ 0	\$ 0	\$ 950,494
Buildings	12,442,901	0	0	12,442,901
Equipment	<u>10,246,399</u>	<u>401,756</u>	<u>(729,426)</u>	<u>9,918,729</u>
Totals	<u>\$23,639,794</u>	<u>\$401,756</u>	<u>(\$729,426)</u>	<u>\$23,312,124</u>

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

Equipment	\$ 629,857
Less Accumulated Depreciation	<u>(257,562)</u>
Net Fixed Assets	<u>\$372,295</u>

6. CHANGES IN THE GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

During the year ended June 30, 2000, the following changes occurred in debt reported in the General Long-Term Obligations Account Group:

	Balance Beginning of Year	Increase	Decrease	Balance End of Year
Accrued Wages & Benefits	\$ 255,292	\$ 0	\$ 31,175	\$ 224,117
Bonds Payable	2,102,167	0	235,600	1,866,567
Compensated Absences	<u>3,570,912</u>	<u>296,589</u>	<u>0</u>	<u>3,867,501</u>
Totals	<u>\$5,928,371</u>	<u>\$296,589</u>	<u>\$266,775</u>	<u>\$5,958,185</u>

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

7. LONG TERM DEBT

The following is a description of the District's bonds payable as of year end:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance 6/30/99</u>	<u>Issued 2000</u>	<u>Retired 2000</u>	<u>Balance 6/30/00</u>
Energy Conservation	5.28	7/8/96	7/8/06	\$1,102,167	\$ 0	\$155,600	\$946,567
Bus Bonds	4.33	12/30/98	12/01/08	1,000,000	0	80,000	920,000

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

<u>Year Ending June 30</u>	<u>Principal on Bonds</u>	<u>Interest on Bonds</u>	<u>Total</u>
2001	240,600	64,824	305,424
2002	245,600	55,017	300,617
2003	250,600	44,404	295,004
2004	255,600	32,337	287,937
2005-2008	<u>874,167</u>	<u>57,650</u>	<u>931,817</u>
Totals	<u>\$1,866,567</u>	<u>\$254,232</u>	<u>\$2,120,799</u>

8. INTERFUND ACTIVITY

As of June 30, 2000, receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund Type/Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$68,442	\$ 0
Special Revenue		
Wellness Block Grant	0	(4,824)
Title I	0	(37,053)
Capital Projects		
Power Up Grant	0	(26,185)
Agency	<u>0</u>	<u>(380)</u>
Total All Funds	<u>\$68,442</u>	<u>(\$68,442)</u>

9. SEGMENT INFORMATION

Enterprise Funds - The District maintains two Enterprise Funds to account for the operations of Food Service and Uniform School Supply. The table below reflects, in a summarized format, the more significant financial data relating to the Enterprise Funds of the District as of and for the current year end.

	<u>Food Services</u>	<u>Uniform School Supply</u>	<u>Total</u>
Operating Revenue	\$739,199	\$108,283	\$847,482
Operating Expenses before Depreciation	1,266,353	154,056	1,420,409
Depreciation	11,478	0	11,478
Operating Income (Loss)	(538,632)	(45,773)	(584,405)
Donated Commodities	60,363	0	60,363
Operating Grants	470,191	0	470,191

Net Income (Loss)	4,949	(45,773)	(40,824)
Net Working Capital	358,597	81,734	440,331
Total Assets	788,375	81,734	870,109
Total Liabilities	57,483	0	57,483
Total Equity	730,892	81,734	812,626

10. DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

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

Plan members are required to contribute 9% of their annual covered salary and the District is required to contribute 14%. The contribution rates are not determined actuarially, but are established by SERS's Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The District's contributions to SERS for the years ending June 30, 2000, 1999, and 1998 were \$764,346, \$744,937 and \$702,624 respectively; 52% has been contributed for fiscal year 2000 and 100% for the fiscal years 1999 and 1998.

B. State Teachers Retirement System

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

Plan members are required to contribute 9.3% of their annual covered salary and the District is required to contribute 14%. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14 % for employers. The District's contributions to STRS for the years ending June 30, 2000, 1999 and 1998 were \$2,344,008, \$2,162,810 and \$2,165,376, respectively; 83% has been contributed for fiscal year 2000 and 100% for the fiscal years 1999 and 1998.

C. Postemployment Benefits

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physician's fees, prescription drugs and reimbursement of monthly medicare premiums. Benefit provisions and the obligation 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.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. The Retirement Board allocates employer contributions equal to two percent of covered payroll to Health Care Reserve Fund. The Health Care Reserve Fund allocation for the year ended June 30, 2000, will be 8% of covered payroll.

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

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

For this fiscal year, employer contributions to fund health care benefits were 6.30 percent of covered payroll, an increase from 4.98 percent for fiscal year 1999. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the members pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay has been established at \$12,400. The surcharge added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 1999, were \$126,380,984 and the target level was \$189.9

million. At June 30, 1999 SERS had net assets available for payment of health care benefits of \$160.3 million. SERS has approximately 51,000 participants currently receiving health care benefits.

11. BUDGETARY BASIS OF ACCOUNTING

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

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

<u>Governmental Fund Types</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>
GAAP Basis	\$1,004,983	(\$63,173)	\$1,000,547	(\$1,495,862)
Net Adjustment for Revenue Accruals	(388,302)	(15,163)	(887,154)	19,299,470
Net Adjustment for Expenditure Accruals	(463,814)	68,869	(120,001)	143,093
Encumbrances	<u>(771,230)</u>	<u>(74,244)</u>	<u>(210,805)</u>	<u>(5,427,381)</u>
Budgetary Basis	<u>(\$618,363)</u>	<u>(\$83,711)</u>	<u>(\$217,413)</u>	<u>\$12,519,320</u>

12. FUND BALANCE DEFICITS

Fund balances at June 30, 2000, included the following individual fund deficits:

Special Revenue Funds:	
Wellness Block Grant	\$4,046
Title VI B/Preschool	2,458
Title I	310
EHA Pre-School	4,289
Capital Projects Funds:	
Building	781,586
Power Up Grant	12,732

The deficits in the Special Revenue Funds and Capital Projects Funds are due to the accrual of wages and fringe benefits and/or reclassification of Advances In (other sources) to Interfund Payable (liability).

13. CONTINGENT LIABILITIES

Grants

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. Management is unable to estimate possible claims resulting from such audits until the audits have been completed. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District.

Litigation

The School District's attorney estimates that any potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

14. JOINTLY GOVERNED ORGANIZATIONS

The Metropolitan Dayton Educational Computer Association (MDECA) is a jointly governed organization consisting of Dayton area school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. MDECA is governed by a board of directors consisting of superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the board.

Southwestern Ohio Educational Purchasing Cooperative

The School District is a member of the Southwestern Ohio Educational Purchasing Cooperative (SOEPC). The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools within geographical boundaries as defined by the SOEPC and to serve as a resource to member districts on matters related to business operations. The SOEPC elects one of its members as Chairperson and another Vice-Chairperson. An Executive Committee is comprised of eleven members which include the Chairperson and Vice-Chairperson and a representative from the Fiscal Agent. Each new member pays an initiation fee in addition to the annual membership fee and other appropriate assessments.

Greene County Career Center

The Greene County Vocational School District is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the

seven participating school districts elected boards, which possesses its own budgeting and taxing authority. To obtain financial information write to the Greene County Career Center, 2960 West Enon Road, Xenia, Ohio 45385-9545.

15. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 1998, the School District contracted with Indiana Insurance Company for building and property insurance. This policy has a limit of insurance in the amount of \$64,492,174 for property with a \$1,000 deductible on everything except computers which have a \$250 deductible. Auto insurance is also covered by Indiana Insurance for replacement cost with a \$250 deductible. General liability insurance is under Nationwide. The base policy has a \$1,000,000 per occurrence and a \$5,000,000 aggregate limit. An additional "umbrella" policy has \$5,000,000 per occurrence and a \$5,000,000 aggregate limit. The superintendent, treasurer and board president are all bonded.

The District is a member of the Southwestern Ohio Educational Purchasing Cooperative (SOEPC). The cooperative contracts with Accordia, Inc. to provide an insurance purchasing pool for workers compensation. The intent of the pool is to achieve the benefit of a reduced premium for the School District by virtue of its grouping an representation with other participants in the pool. The workers compensation representation with other participants in the pool. 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 pool. Each participant pays its workers compensation premium to the State based on the rate for the pool rather than its individual rate. total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the pool. A participant will then either receive money from or be required to contribute to the pool. A participant will then either receive money from or be required to contribute to the pool. This equity pooling arrangement insures that each participant shares equally in the overall performance of the pool. Participation in the pool is limited to school districts than can meet the pool's selection criteria. Accordia, Inc. provides administrative, cost control and actuarial services to the SOEPC.

The School District has elected to provide employee medical benefits through United Health Care. The employee's share the cost of the monthly premium with the board for single and family plans. The board pays 90 percent of the premium.

The School District provides life insurance to employees through CoreSource and Washington National.

The School District insurance settlements did not exceed insurance coverage for each of the past three fiscal years.

16. UNCERTAINTIES

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program", which provides significant amount of monetary support to this District. During the fiscal year ended June 30, 2000, the District received \$15,342,921 in total (all funds).

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State Legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. On May 11, 2000, the Ohio Supreme Court rendered an opinion on this issue. The Court concluded, "...the mandate of the [Ohio] Constitution has not been fulfilled." The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997, decision, however, if found seven "...major areas warrant further attention, study, and development by the General Assembly..." including the State's reliance on local property tax funding, the state's basic aid formula, school foundation program, as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

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

17. STATUTORY RESERVES

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

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>	<u>Total</u>
Balance, 7/01/99	\$ 0	\$ 0	\$232,126	\$ 232,126
Required Set Aside	621,538	621,538	173,389	1,416,465
Offset Credits	0	0	0	0
Qualifying Expenditures	<u>(336,053)</u>	<u>(621,538)</u>	<u>0</u>	<u>(957,591)</u>
Balance, 6/30/00	<u>\$ 285,485</u>	<u>\$ 0</u>	<u>\$405,515</u>	<u>\$691,000</u>

Expenditures for capital activity during the year was \$765,752, which exceeded the required set-aside and reserve balance.

18. NOTES PAYABLE

Notes payable activity for the District at fiscal year-end was as follows:

	<u>Maturity Date</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Note Payable, 4.40%	9/14/00	\$ 0	\$ 9,900,000	\$ 0	\$ 9,900,000
Note Payable, 4.45%	9/14/00	<u>0</u>	<u>9,900,000</u>	<u>0</u>	<u>9,900,000</u>
		<u>\$ 0</u>	<u>\$19,800,000</u>	<u>\$ 0</u>	<u>\$19,800,000</u>

The note is shown as a liability of the fund, that received the note proceeds. Accordingly, all note debt activity has been reported in the Capital Projects Fund.

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

GENERAL FUND

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

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

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SPECIAL REVENUE FUNDS

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

GIFTED STUDENTS: To account for all revenues and expenses related to the Gifted Students Program for the schools in the district.

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

WELLNESS BLOCK GRANT: To account for state funds, which are provided for the wellness block grant.

VENTURE CAPITAL EAST: To account for state funds, which are provided for the venture capital east program.

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

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

TEACHER DEVELOPMENT: To account for state funds, which are provided to assist school districts in the development of in-service programs.

EXCELLENCE IN EDUCATION: To account for state funds, which are provided for excellence in education programs.

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

ENTRY YEAR PROGRAM: To account for state funds, which are provided for implementing entry year programs.

DISADVANTAGED PUPIL IMPACT AID: To account for the provision of state funds to economically deprived pupils. The funds are grants designed to help level out the economic differences between students.

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

TEXTBOOK SUBSIDY: To account for state funds, which are provided for the textbook subsidy program.

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

SCHOOL CONFLICT GRANT: To account for state school conflict grant transactions.

TITLE VIB/PRE-SCHOOL: To account for federal funds received for the purpose of assisting in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternate service patterns, and provision of full educational opportunities to handicapped children at preschool.

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

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

TITLE VI: To account 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.

EHA PRESCHOOL: To account for revenues and expenditures made in conjunction with child abuse, child neglect prevention programs and other grants.

E-RATE: To account for federal funds, which are designated for telecommunications.

RAISING THE BAR: To account for federal funds provided for raising the bar program.

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

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FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet
 All Special Revenue Funds
 June 30, 2000

	Gifted Students	Public School Support	Wellness Block Grant	Venture Capital East
Assets				
Equity in pooled cash and cash equivalents	\$7,798	\$171,529	\$795	\$13,580
Receivables:				
Accounts	0	3,539	0	0
Total Assets	<u>7,798</u>	<u>175,068</u>	<u>795</u>	<u>13,580</u>
Liabilities				
Accounts payable	0	2,419	17	0
Accrued wages	0	0	0	0
Compensated absences	0	0	0	0
Interfund payable	0	0	4,824	0
Total liabilities	<u>0</u>	<u>2,419</u>	<u>4,841</u>	<u>0</u>
Fund balances:				
Reserved:				
Reserved for encumbrances	0	25,661	0	8,605
Unreserved:				
Undesignated	7,798	146,988	(4,046)	4,975
Total fund equity (deficit)	<u>7,798</u>	<u>172,649</u>	<u>(4,046)</u>	<u>13,580</u>
Total liabilities and fund equity	<u>\$7,798</u>	<u>\$175,068</u>	<u>\$795</u>	<u>\$13,580</u>

Extra-Curricular Student Activities	Auxiliary Services	Teacher Development	Excellence In Education	Management Information	Entry Year Program
\$26,926	\$43,306	\$13,766	\$0	\$27,302	\$3,511
0	0	0	0	0	0
<u>26,926</u>	<u>43,306</u>	<u>13,766</u>	<u>0</u>	<u>27,302</u>	<u>3,511</u>
4,061	3,646	4,203	0	0	0
0	14,304	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>4,061</u>	<u>17,950</u>	<u>4,203</u>	<u>0</u>	<u>0</u>	<u>0</u>
7,248	8,311	2,549	0	0	0
15,617	17,045	7,014	0	27,302	3,511
<u>22,865</u>	<u>25,356</u>	<u>9,563</u>	<u>0</u>	<u>27,302</u>	<u>3,511</u>
<u>\$26,926</u>	<u>\$43,306</u>	<u>\$13,766</u>	<u>\$0</u>	<u>\$27,302</u>	<u>\$3,511</u>

Continued

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet
 All Special Revenue Funds
 June 30, 2000

	Disadvantaged Pupil Impact Aid	School Net Professional Development	Textbook Subsidy	Ohio Reads
Assets				
Equity in pooled cash and cash equivalents	\$0	\$3,847	\$1,764	\$3,400
Receivables:				
Accounts	0	0	0	0
Total Assets	<u>0</u>	<u>3,847</u>	<u>1,764</u>	<u>3,400</u>
Liabilities				
Accounts payable	0	0	0	0
Accrued wages	0	0	0	0
Compensated absences	0	0	0	0
Interfund payable	0	0	0	0
Total liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances:				
Reserved:				
Reserved for encumbrances	0	0	0	3,400
Unreserved:				
Undesignated	0	3,847	1,764	0
Total fund equity (deficit)	<u>0</u>	<u>3,847</u>	<u>1,764</u>	<u>3,400</u>
Total liabilities and fund equity	<u>\$0</u>	<u>\$3,847</u>	<u>\$1,764</u>	<u>\$3,400</u>

School Conflict Grant	Title VI B Pre-School	Eisenhower Grant	Title I	Title VI	EHA Pre-School
\$9,860	\$50,570	\$72,829	\$155,194	\$10,236	\$2,191
0	0	0	0	0	0
<u>9,860</u>	<u>50,570</u>	<u>72,829</u>	<u>155,194</u>	<u>10,236</u>	<u>2,191</u>
0	0	748	0	0	0
0	51,985	0	118,451	0	6,480
0	1,043	0	0	0	0
0	0	0	37,053	0	0
<u>0</u>	<u>53,028</u>	<u>748</u>	<u>155,504</u>	<u>0</u>	<u>6,480</u>
0	0	6,610	126	0	0
9,860	(2,458)	65,471	(436)	10,236	(4,289)
<u>9,860</u>	<u>(2,458)</u>	<u>72,081</u>	<u>(310)</u>	<u>10,236</u>	<u>(4,289)</u>
<u>\$9,860</u>	<u>\$50,570</u>	<u>\$72,829</u>	<u>\$155,194</u>	<u>\$10,236</u>	<u>\$2,191</u>

Continued

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

All Special Revenue Funds

June 30, 2000

	<u>E-Rate</u>	<u>Raising The Bar</u>	<u>Drug Free Schools</u>	<u>Totals</u>
Assets				
Equity in pooled cash and cash equivalents	\$13,427	\$71,334	\$15,344	\$718,509
Receivables:				
Accounts	3,251	0	0	6,790
Total Assets	<u>16,678</u>	<u>71,334</u>	<u>15,344</u>	<u>725,299</u>
Liabilities				
Accounts payable	0	1,140	0	16,234
Accrued wages	0	34,504	0	225,724
Compensated absences	0	0	0	1,043
Interfund payable	0	0	0	41,877
Total liabilities	<u>0</u>	<u>35,644</u>	<u>0</u>	<u>284,878</u>
Fund balances:				
Reserved:				
Reserved for encumbrances	0	0	0	62,510
Unreserved:				
Undesignated	16,678	35,690	15,344	377,911
Total fund equity (deficit)	<u>16,678</u>	<u>35,690</u>	<u>15,344</u>	<u>440,421</u>
Total liabilities and fund equity	<u>\$16,678</u>	<u>\$71,334</u>	<u>\$15,344</u>	<u>\$725,299</u>

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FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

And Changes in Fund Balances (Continued)

All Special Revenue Funds

For The Fiscal Year Ended June 30, 2000

	Gifted Students	Public School Support	Wellness Block Grant	Venture Capital East
Revenues:				
Intergovernmental	\$0	\$0	\$0	\$25,000
Tuition and fees	0	1,100	0	0
Extracurricular activities	309	128,734	0	0
Other revenues	945	89,155	0	0
Total revenues	1,254	218,989	0	25,000
Expenditures:				
Current:				
Instruction:				
Regular	0	168,815	0	28,311
Special	0	0	0	0
Support services:				
Pupil	0	0	2,547	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Central	0	0	0	0
Operation of non-instructional services				
Extracurricular activities	0	0	0	0
Capital Outlay	802	0	0	0
Total Expenditures	802	168,815	2,547	28,311
Excess of revenues over (under) expenditures	452	50,174	(2,547)	(3,311)
Fund balance, July 1	7,346	122,475	(1,499)	16,891
Fund balance, June 30	\$7,798	\$172,649	(\$4,046)	\$13,580

Extra-Curricular Student Activities	Auxiliary Services	Teacher Development	Excellence In Education	Management Information	Entry Year Program
\$0	\$129,268	\$24,809	\$0	\$16,681	\$0
0	0	0	0	0	0
90,964	0	0	0	0	0
35,925	0	0	0	0	0
<u>126,889</u>	<u>129,268</u>	<u>24,809</u>	<u>0</u>	<u>16,681</u>	<u>0</u>
0	0	0	0	0	2,104
0	0	0	0	0	0
0	0	0	0	16,864	0
0	0	21,195	0	0	0
0	0	0	0	0	0
0	0	0	650	0	0
0	230,710	0	0	0	0
111,905	0	0	0	0	0
0	0	0	0	0	0
<u>111,905</u>	<u>230,710</u>	<u>21,195</u>	<u>650</u>	<u>16,864</u>	<u>2,104</u>
14,984	(101,442)	3,614	(650)	(183)	(2,104)
7,881	126,798	5,949	650	27,485	5,615
<u>\$22,865</u>	<u>\$25,356</u>	<u>\$9,563</u>	<u>\$0</u>	<u>\$27,302</u>	<u>\$3,511</u>

Continued

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

And Changes in Fund Balances (Continued)

All Special Revenue Funds

For The Fiscal Year Ended June 30, 2000

	<u>Disadvantaged Pupil Impact Aid</u>	<u>School Net Professional Development</u>	<u>Textbook Subsidy</u>	<u>Ohio Reads</u>
Revenues:				
Intergovernmental	\$133,480	\$5,000	\$0	\$21,000
Tuition and fees	0	0	0	0
Extracurricular activities	0	0	0	0
Other revenues	0	0	0	0
Total revenues	<u>133,480</u>	<u>5,000</u>	<u>0</u>	<u>21,000</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	1,153	26,159	17,600
Special	0	0	0	0
Support services:				
Pupil	133,480	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Central	0	0	0	0
Operation of non-instructional services	0	0	0	0
Extracurricular activities	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	<u>133,480</u>	<u>1,153</u>	<u>26,159</u>	<u>17,600</u>
Excess of revenues over (under) expenditures	0	3,847	(26,159)	3,400
Fund balance, July 1	0	0	27,923	0
Fund balance, June 30	<u>\$0</u>	<u>\$3,847</u>	<u>\$1,764</u>	<u>\$3,400</u>

School Conflict Grant	Title VI B Pre-School	Eisenhower Grant	Title I	Title VI	EHA Pre-School
\$9,860	\$355,671	\$83,509	\$739,531	\$17,251	\$35,798
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	195	0	0
<u>9,860</u>	<u>355,671</u>	<u>83,509</u>	<u>739,726</u>	<u>17,251</u>	<u>35,798</u>
0	0	29,377	0	0	0
0	31,315	0	663,119	0	1,344
0	96,546	0	0	1,937	949
0	190,580	0	67,489	0	27,379
0	45,944	0	0	0	0
0	0	0	0	0	0
1,151	0	0	11,086	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>1,151</u>	<u>364,385</u>	<u>29,377</u>	<u>741,694</u>	<u>1,937</u>	<u>29,672</u>
8,709	(8,714)	54,132	(1,968)	15,314	6,126
1,151	6,256	17,949	1,658	(5,078)	(10,415)
<u>\$9,860</u>	<u>(\$2,458)</u>	<u>\$72,081</u>	<u>(\$310)</u>	<u>\$10,236</u>	<u>(\$4,289)</u>

Continued

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

And Changes in Fund Balances (Continued)

All Special Revenue Funds

For The Fiscal Year Ended June 30, 2000

	<u>E-Rate</u>	<u>Raising The Bar</u>	<u>Drug Free Shools</u>	<u>Totals</u>
Revenues:				
Intergovernmental	\$0	\$352,201	\$20,861	\$1,969,920
Tuition and fees	0	0	0	1,100
Extracurricular activities	0	0	0	220,007
Other revenues	16,678	0	0	142,898
Total revenues	<u>16,678</u>	<u>352,201</u>	<u>20,861</u>	<u>2,333,925</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	465,524	0	739,043
Special	0	0	0	695,778
Support services:				
Pupil	0	0	76	252,399
Instructional Staff	0	0	0	306,643
Administration	0	0	0	45,944
Central	0	0	0	650
Operation of non-instructional services	0	987	0	243,934
Extracurricular activities	0	0	0	111,905
Capital Outlay	0	0	0	802
Total Expenditures	<u>0</u>	<u>466,511</u>	<u>76</u>	<u>2,397,098</u>
 Excess of revenues over (under) expenditures	 16,678	 (114,310)	 20,785	 (63,173)
 Fund balance, July 1	 0	 150,000	 (5,441)	 503,594
Fund balance, June 30	<u><u>\$16,678</u></u>	<u><u>\$35,690</u></u>	<u><u>\$15,344</u></u>	<u><u>\$440,421</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Other revenues	\$1,255	\$1,255	\$0
Total revenues	<u>1,255</u>	<u>1,255</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Other	803	803	0
Total Expenditures	<u>803</u>	<u>803</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>452</u>	<u>452</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	7,346	7,346	0
Fund balance, June 30	<u><u>\$7,798</u></u>	<u><u>\$7,798</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Tuition and fees	\$1,100	\$1,100	\$0
Extracurricular activities	128,734	128,734	0
Other revenues	85,922	85,922	0
Total revenues	<u>215,756</u>	<u>215,756</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	197,361	197,361	0
Total Expenditures	<u>197,361</u>	<u>197,361</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>18,395</u>	<u>18,395</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	125,108	125,108	0
Fund balance, June 30	<u><u>\$143,503</u></u>	<u><u>\$143,503</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Pupil	2,871	2,871	0
Total Expenditures	<u>2,871</u>	<u>2,871</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(2,871)</u>	<u>(2,871)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	3,665	3,665	0
Fund balance, June 30	<u><u>\$794</u></u>	<u><u>\$794</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$25,000	\$25,000	\$0
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	36,916	36,916	0
Total Expenditures	<u>36,916</u>	<u>36,916</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(11,916)</u>	<u>(11,916)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	16,891	16,891	0
Fund balance, June 30	<u><u>\$4,975</u></u>	<u><u>\$4,975</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Extracurricular activities	\$90,964	\$90,964	\$0
Other revenues	39,045	39,045	0
Total revenues	<u>130,009</u>	<u>130,009</u>	<u>0</u>
Expenditures:			
Current:			
Extracurricular activities	119,305	119,305	0
Total Expenditures	<u>119,305</u>	<u>119,305</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>10,704</u>	<u>10,704</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	8,611	8,611	0
Fund balance, June 30	<u><u>\$19,315</u></u>	<u><u>\$19,315</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$129,268	\$129,268	\$0
Total revenues	<u>129,268</u>	<u>129,268</u>	<u>0</u>
Expenditures:			
Current:			
Operation of non-instructional services	157,219	157,219	0
Total Expenditures	<u>157,219</u>	<u>157,219</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(27,951)</u>	<u>(27,951)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	59,377	59,377	0
Fund balance, June 30	<u><u>\$31,426</u></u>	<u><u>\$31,426</u></u>	<u><u>\$0</u></u>

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$24,809	\$24,809	\$0
Total revenues	<u>24,809</u>	<u>24,809</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Instructional Staff	28,717	28,717	0
Total Expenditures	<u>28,717</u>	<u>28,717</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(3,908)</u>	<u>(3,908)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	10,923	10,923	0
Fund balance, June 30	<u><u>\$7,015</u></u>	<u><u>\$7,015</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Central	1,402	1,402	0
Total Expenditures	<u>1,402</u>	<u>1,402</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(1,402)</u>	<u>(1,402)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	1,402	1,402	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$16,681	\$16,681	\$0
Total revenues	<u>16,681</u>	<u>16,681</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Pupil	16,864	16,864	0
Total Expenditures	<u>16,864</u>	<u>16,864</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(183)</u>	<u>(183)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	27,486	27,486	0
Fund balance, June 30	<u><u>\$27,303</u></u>	<u><u>\$27,303</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	2,104	2,104	0
Total Expenditures	<u>2,104</u>	<u>2,104</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(2,104)</u>	<u>(2,104)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	5,616	5,616	0
Fund balance, June 30	<u><u>\$3,512</u></u>	<u><u>\$3,512</u></u>	<u><u>\$0</u></u>

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$133,480	\$133,480	\$0
Total revenues	<u>133,480</u>	<u>133,480</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Pupil	133,480	133,480	0
Total Expenditures	<u>133,480</u>	<u>133,480</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$5,000	\$5,000	\$0
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	1,153	1,153	0
Total Expenditures	<u>1,153</u>	<u>1,153</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>3,847</u>	<u>3,847</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance, June 30	<u><u>\$3,847</u></u>	<u><u>\$3,847</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	26,160	26,160	0
Total Expenditures	<u>26,160</u>	<u>26,160</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(26,160)</u>	<u>(26,160)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	27,923	27,923	0
Fund balance, June 30	<u><u>\$1,763</u></u>	<u><u>\$1,763</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$21,000	\$21,000	\$0
Total revenues	<u>21,000</u>	<u>21,000</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	21,000	21,000	0
Total Expenditures	<u>21,000</u>	<u>21,000</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$9,860	\$9,860	\$0
Total revenues	<u>9,860</u>	<u>9,860</u>	<u>0</u>
Expenditures:			
Operation of non-instructional services	1,151	1,151	0
Total Expenditures	<u>1,151</u>	<u>1,151</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>8,709</u>	<u>8,709</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	1,151	1,151	0
Fund balance, June 30	<u><u>\$9,860</u></u>	<u><u>\$9,860</u></u>	<u><u>\$0</u></u>

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures

And Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Title VI B/ Preschool - Special Revenue Fund

For the Fiscal Year Ended June 30, 2000

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$355,671	\$355,671	\$0
Total revenues	<u>355,671</u>	<u>355,671</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	54,620	54,620	0
Support services:			
Pupil	88,867	88,867	0
Instructional Staff	182,473	182,473	0
Administration	45,978	45,978	0
Total Expenditures	<u>371,938</u>	<u>371,938</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(16,267)</u>	<u>(16,267)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	66,836	66,836	0
Fund balance, June 30	<u><u>\$50,569</u></u>	<u><u>\$50,569</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$83,510	\$83,510	\$0
Total revenues	<u>83,510</u>	<u>83,510</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	35,987	35,987	0
Total Expenditures	<u>35,987</u>	<u>35,987</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>47,523</u>	<u>47,523</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	17,949	17,949	0
Fund balance, June 30	<u><u>\$65,472</u></u>	<u><u>\$65,472</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$739,531	\$739,531	\$0
Other revenues	195	195	0
Total revenues	<u>739,726</u>	<u>739,726</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	663,283	663,283	0
Support services:			
Instructional Staff	89,305	89,305	0
Operation of non-instructional services	20,620	20,620	0
Total Expenditures	<u>773,208</u>	<u>773,208</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(33,482)</u>	<u>(33,482)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	188,546	188,546	0
Fund balance, June 30	<u>\$155,064</u>	<u>\$155,064</u>	<u>\$0</u>

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$10,237	\$10,237	\$0
Total revenues	<u>10,237</u>	<u>10,237</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Pupil	7,403	7,403	0
Total Expenditures	<u>7,403</u>	<u>7,403</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>2,834</u>	<u>2,834</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	7,403	7,403	0
Fund balance, June 30	<u><u>\$10,237</u></u>	<u><u>\$10,237</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$35,798	\$35,798	\$0
Total revenues	<u>35,798</u>	<u>35,798</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	1,344	1,344	0
Support services:			
Pupil	949	949	0
Instructional Staff	31,340	31,340	0
Total Expenditures	<u>33,633</u>	<u>33,633</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>2,165</u>	<u>2,165</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	25	25	0
Fund balance, June 30	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$0</u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Other revenues	\$13,428	\$13,428	\$0
Total revenues	<u>13,428</u>	<u>13,428</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>13,428</u>	<u>13,428</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance, June 30	<u><u>\$13,428</u></u>	<u><u>\$13,428</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$352,201	\$352,201	\$0
Total revenues	<u>352,201</u>	<u>352,201</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	430,371	430,371	0
Operation of non-instructional services	987	987	0
Total Expenditures	<u>431,358</u>	<u>431,358</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(79,157)</u>	<u>(79,157)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	150,000	150,000	0
Fund balance, June 30	<u><u>\$70,843</u></u>	<u><u>\$70,843</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$16,075	\$16,075	\$0
Total revenues	<u>16,075</u>	<u>16,075</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Pupil	2,441	2,441	0
Total Expenditures	<u>2,441</u>	<u>2,441</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>13,634</u>	<u>13,634</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	1,710	1,710	0
Fund balance, June 30	<u><u>\$15,344</u></u>	<u><u>\$15,344</u></u>	<u><u>\$0</u></u>

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DEBT SERVICE FUND

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

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

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CAPITAL PROJECTS FUNDS

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

BUILDING: To account for revenues and expenditures related to all special bond funds in the District. Proceeds from the sale of bonds, except premium and accrued interest, are paid into this fund.

PERMANENT IMPROVEMENT: To account for all transactions related to acquiring, constructing or improving such permanent improvements as are authorized by Chapter 5705, Revised Code.

SCHOOL NET: To account for revenues and expenditures related to the development and implementation of the School Net network within the district.

TECHNOLOGY EQUITY: To account for state funds designed to help the District obtain computers and related educational technology.

POWER UP GRANT: To account for state funds provided for the Power Up Grant.

IVDL GRANT: To account for state funds provided for the IVDL Grant.

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

All Capital Projects Funds

June 30, 2000

	<u>Building</u>	<u>Permanent Improvement</u>	<u>School Net</u>
Assets:			
Equity in pooled cash and cash equivalents	\$18,708,635	\$465,689	\$1,358
Accrued interest	526,716	0	0
Total Assets	<u>19,235,351</u>	<u>465,689</u>	<u>1,358</u>
Liabilities:			
Accounts payable	216,937	0	0
Interfund payable	0	0	0
Notes payable	19,800,000	0	0
Total liabilities	<u>20,016,937</u>	<u>0</u>	<u>0</u>
Fund balances:			
Reserved:			
Reserved for encumbrances	4,744,756	465,688	0
Undesignated	(5,526,342)	1	1,358
Total fund equity (deficit)	<u>(781,586)</u>	<u>465,689</u>	<u>1,358</u>
Total Liabilities and fund equity	<u>\$19,235,351</u>	<u>\$465,689</u>	<u>\$1,358</u>

Technology Equity	Power Up Grant	IVDL Grant	Totals
\$1,460	\$13,453	\$2,246	\$19,192,841
0	0	0	526,716
<u>1,460</u>	<u>13,453</u>	<u>2,246</u>	<u>19,719,557</u>
0	0	0	216,937
0	26,185	0	26,185
0	0	0	19,800,000
<u>0</u>	<u>26,185</u>	<u>0</u>	<u>20,043,122</u>
0	0	0	5,210,444
1,460	(12,732)	2,246	(5,534,009)
<u>1,460</u>	<u>(12,732)</u>	<u>2,246</u>	<u>(323,565)</u>
<u>\$1,460</u>	<u>\$13,453</u>	<u>\$2,246</u>	<u>\$19,719,557</u>

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

And Changes in Fund Balances

All Capital Projects Funds

For The Fiscal Year Ended June 30, 2000

	<u>Building</u>	<u>Permanent Improvement</u>	<u>School Net</u>
Revenues:			
Intergovernmental	\$70,089	\$0	\$0
Investment Revenue	678,833	0	0
Total revenues	<u>748,922</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Support services:			
Instructional staff	0	0	71,650
Operations and maintenance	1,063,340	508,950	0
Capital outlay	400,419	0	0
Total Expenditures	<u>1,463,759</u>	<u>508,950</u>	<u>71,650</u>
Excess of revenues over (under) expenditures	<u>(714,837)</u>	<u>(508,950)</u>	<u>(71,650)</u>
Fund balance, July 1	(66,749)	974,639	73,008
Fund balance, June 30	<u>(\$781,586)</u>	<u>\$465,689</u>	<u>\$1,358</u>

<u>Technology Equity</u>	<u>Power Up Grant</u>	<u>IVDL Grant</u>	<u>Totals</u>
\$0	\$86,284	\$3,000	\$159,373
0	0	0	678,833
<u>0</u>	<u>86,284</u>	<u>3,000</u>	<u>838,206</u>
0	0	7,162	7,162
1,671	0	0	73,321
0	280,876	0	1,853,166
0	0	0	400,419
<u>1,671</u>	<u>280,876</u>	<u>7,162</u>	<u>2,334,068</u>
<u>(1,671)</u>	<u>(194,592)</u>	<u>(4,162)</u>	<u>(1,495,862)</u>
3,131	181,860	6,408	1,172,297
<u>\$1,460</u>	<u>(\$12,732)</u>	<u>\$2,246</u>	<u>(\$323,565)</u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$70,090	\$70,090	\$0
Investment	152,117	152,117	0
Total revenues	<u>222,207</u>	<u>222,207</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Operations and maintenance	3,341	3,341	0
Capital outlay	6,205,175	6,205,175	0
Total Expenditures	<u>6,208,516</u>	<u>6,208,516</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(5,986,309)</u>	<u>(5,986,309)</u>	<u>0</u>
Other financing sources (uses):			
Proceeds of notes	19,800,000	19,800,000	0
Advances (out)	(66,749)	(66,749)	0
Total other financing sources (uses)	<u>19,733,251</u>	<u>19,733,251</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>13,746,942</u>	<u>13,746,942</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	0	0	0
Fund balance, June 30	<u><u>\$13,746,942</u></u>	<u><u>\$13,746,942</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Pupil Transportation	974,638	974,638	0
Total Expenditures	<u>974,638</u>	<u>974,638</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(974,638)</u>	<u>(974,638)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	974,638	974,638	0
Fund balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Instructional Staff	78,403	78,403	0
Total Expenditures	<u>78,403</u>	<u>78,403</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(78,403)</u>	<u>(78,403)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	79,761	79,761	0
Fund balance, June 30	<u><u>\$1,358</u></u>	<u><u>\$1,358</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Taxes	\$0	\$0	\$0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Instructional Staff	2,012	2,012	0
Total Expenditures	<u>2,012</u>	<u>2,012</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(2,012)</u>	<u>(2,012)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	3,472	3,472	0
Fund balance, June 30	<u><u>\$1,460</u></u>	<u><u>\$1,460</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$86,284	\$86,284	\$0
Total revenues	<u>86,284</u>	<u>86,284</u>	<u>0</u>
Expenditures:			
Current:			
Support services:			
Operations and maintenance	280,876	280,876	0
Total Expenditures	<u>280,876</u>	<u>280,876</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(194,592)</u>	<u>(194,592)</u>	<u>0</u>
Other financing sources (uses):			
Advances in	26,185	26,185	0
Total other financing sources (uses)	<u>26,185</u>	<u>26,185</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(168,407)</u>	<u>(168,407)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	181,840	181,840	0
Fund balance, June 30	<u><u>\$13,433</u></u>	<u><u>\$13,433</u></u>	<u><u>\$0</u></u>

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

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$3,000	\$3,000	\$0
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	7,162	7,162	0
Total Expenditures	<u>7,162</u>	<u>7,162</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(4,162)</u>	<u>(4,162)</u>	<u>0</u>
Fund balance, July 1 (includes prior year encumbrances appropriated)	6,408	6,408	0
Fund balance, June 30	<u><u>\$2,246</u></u>	<u><u>\$2,246</u></u>	<u><u>\$0</u></u>

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ENTERPRISE FUNDS

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

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

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

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

All Enterprise Funds

June 30, 2000

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Total</u>
Assets			
Current Assets:			
Equity in pooled cash and cash equivalents	\$406,238	\$81,734	\$487,972
Inventory held for resale	9,842	0	9,842
Total Current Assets	<u>416,080</u>	<u>81,734</u>	<u>497,814</u>
Non-current assets:			
Fixed assets (net of accumulated depreciation)	<u>372,295</u>	<u>0</u>	<u>372,295</u>
Total Assets	<u><u>\$788,375</u></u>	<u><u>\$81,734</u></u>	<u><u>\$870,109</u></u>
Liabilities			
Current liabilities:			
Accounts payable	1,162	0	1,162
Accrued wages	37,012	0	37,012
Compensated absences payable	15,482	0	15,482
Deferred revenue	3,827	0	3,827
Total current liabilities	<u>57,483</u>	<u>0</u>	<u>57,483</u>
Total Liabilities	<u>57,483</u>	<u>0</u>	<u>57,483</u>
Retained Earnings:			
Unreserved	<u>730,892</u>	<u>81,734</u>	<u>812,626</u>
Total retained earnings	<u>730,892</u>	<u>81,734</u>	<u>812,626</u>
Total Liabilities and fund equity	<u><u>\$788,375</u></u>	<u><u>\$81,734</u></u>	<u><u>\$870,109</u></u>

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenses

And Changes in Retained Earnings

All Enterprise Funds

For The Fiscal Year Ended June 30, 2000

	<u>Food Service</u>	<u>Uniform School Supply</u>	<u>Total</u>
Operating Revenues:			
Tuition and fees	\$0	\$108,283	\$108,283
Charges for services	739,149	0	739,149
Other revenue	50	0	50
Total revenues	<u>739,199</u>	<u>108,283</u>	<u>847,482</u>
Operating Expenses:			
Salaries and Wages	499,796	0	499,796
Fringe Benefits	103,904	0	103,904
Purchased Services	10,853	0	10,853
Materials and supplies	649,594	154,056	803,650
Depreciation	11,478	0	11,478
Other operating expenses	2,206	0	2,206
Total operating expenses	<u>1,277,831</u>	<u>154,056</u>	<u>1,431,887</u>
Operating income (loss)	<u>(538,632)</u>	<u>(45,773)</u>	<u>(584,405)</u>
Non-operating revenues:			
Federal donated commodities	60,363	0	60,363
Operating grants	470,191	0	470,191
Interest revenue	13,027	0	13,027
Total non-operating revenues	<u>543,581</u>	<u>0</u>	<u>543,581</u>
Net Income	4,949	(45,773)	(40,824)
Retained Earnings, July 1	725,943	127,507	853,450
Retained Earnings, June 30	<u>\$730,892</u>	<u>\$81,734</u>	<u>\$812,626</u>

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Statement of Cash Flows

All Enterprise Funds

For The Fiscal Year Ended June 30, 2000

	Food Service	Uniform School Supply	Totals
Cash flows from operating activities:			
Cash received from tuition and fees	\$0	\$108,664	\$108,664
Cash received from charges of services	741,049	0	741,049
Cash received from other revenue	50	0	50
Cash payments to suppliers for goods and services	(597,902)	(154,056)	(751,958)
Cash payments to employees for services	(583,289)	0	(583,289)
Cash payments for other operating expenses	(2,010)	0	(2,010)
Net cash provided by (used for) operating activities	(442,102)	(45,392)	(487,494)
Cash flows from noncapital financing activities:			
Operating grants received	592,187	0	592,187
Operating interest	13,027	0	13,027
Net cash provided by noncapital financing activities	605,214	0	605,214
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Capital Assets	(17,278)	0	(17,278)
Net cash used for capital and related financing activities	(17,278)	0	(17,278)
Net increase in cash and cash equivalents	145,834	(45,392)	100,442
Cash and cash equivalents, July 1	260,404	127,126	387,530
Cash and cash equivalents, June 30	406,238	81,734	487,972
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	(538,632)	(45,773)	(584,405)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	11,478	0	11,478
Donated commodities used	60,363	0	60,363
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	1,900	381	2,281
(Increase) decrease in inventory held for resale	489	0	489
Increase (decrease) in accounts payable	890	0	890
Increase (decrease) in accrued wages and benefits	18,627	0	18,627
Increase (decrease) in compensated absences	1,784	0	1,784
Increase (decrease) in deferred revenue	999	0	999
Total Adjustments	96,530	381	96,911
Net cash provided by (used for) operating activities	(\$442,102)	(\$45,392)	(\$487,494)

FIDUCIARY FUNDS

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

EXPENDABLE TRUST FUND

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

NONEXPENDABLE TRUST FUND

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

AGENCY FUNDS

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

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

All Fiduciary Fund Types

June 30, 2000

	Expendable Trust	Nonexpendable Trust	Student Activities Agency	Totals
Assets				
Equity in pooled cash and cash equivalents	\$43,508	\$658,549	\$77,302	\$779,359
Receivables:				
Accounts	0	0	1,005	1,005
Accrued Interest	0	3,822	0	3,822
Total Assets	<u>43,508</u>	<u>662,371</u>	<u>78,307</u>	<u>784,186</u>
Liabilities				
Accounts Payable	0	0	319	319
Interfund Payable	0	0	380	380
Due to students	0	0	77,608	77,608
Total liabilities	<u>0</u>	<u>0</u>	<u>78,307</u>	<u>78,307</u>
Fund balances:				
Reserved:				
Reserved for endowments	0	525,264	0	525,264
Unreserved:				
Undesignated	43,508	137,107	0	180,615
Total fund equity	<u>43,508</u>	<u>662,371</u>	<u>0</u>	<u>705,879</u>
Total Liabilities and fund equity	<u>\$43,508</u>	<u>\$662,371</u>	<u>\$78,307</u>	<u>\$784,186</u>

FAIRBORN CITY SCHOOL DISTRICT, OHIO
Statement of Changes In Assets and Liabilities
Agency Fund
For The Fiscal Year Ended June 30, 2000

Student Activities Fund

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Assets				
Equity in pooled cash and cash equivalents	\$65,894	\$173,395	\$161,987	\$77,302
Accounts receivable	0	1,005	0	1,005
Total Assets	<u><u>65,894</u></u>	<u><u>174,400</u></u>	<u><u>161,987</u></u>	<u><u>78,307</u></u>
Liabilities				
Due to students	65,894	174,400	161,987	78,307
Total liabilities	<u><u>\$65,894</u></u>	<u><u>\$174,400</u></u>	<u><u>\$161,987</u></u>	<u><u>\$78,307</u></u>

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GENERAL FIXED ASSETS ACCOUNT GROUP

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

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

General fixed assets:	
Land	\$950,494
Buildings	12,442,901
Equipment	9,918,729
	<hr/>
Total General Fixed Assets	<u>\$23,312,124</u>
Investment in general fixed assets by source:	
General Fund	\$1,897,822
Special Revenue Funds	755,653
Capital Projects Funds	1,484,820
Donations	45,750
Acquisitions Prior to July 1, 1996*	19,128,079
	<hr/>
Total General Fixed Assets	<u>\$23,312,124</u>

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

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Schedule of General Fixed Assets

By Function and Type

June 30, 2000

<u>Function</u>	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Instruction:				
Regular	\$885,747	\$11,985,095	\$3,577,244	\$16,448,086
Special	0	0	150,472	150,472
Other	0	0	2,830	2,830
Total instruction	<u>885,747</u>	<u>11,985,095</u>	<u>3,730,546</u>	<u>16,601,388</u>
Support services:				
Pupil	0	0	85,858	85,858
Instructional staff	0	0	1,878,309	1,878,309
Board of education	0	0	500	500
Administration	7,365	261,140	360,920	629,425
Fiscal	0	0	27,761	27,761
Business	0	0	4,773	4,773
Operations and maintenance	32,382	164,565	340,767	537,714
Pupil transportation	0	0	2,657,425	2,657,425
Central	0	0	53,420	53,420
Total support services	<u>39,747</u>	<u>425,705</u>	<u>5,409,733</u>	<u>5,875,185</u>
Non-Instructional services	0	32,101	691,633	723,734
Extracurricular activities	0	0	19,353	19,353
Capital Outlay	25,000	0	67,464	92,464
Total General Fixed Assets	<u>\$950,494</u>	<u>\$12,442,901</u>	<u>\$9,918,729</u>	<u>\$23,312,124</u>

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Schedule of Changes in General Fixed Assets

Assets by Function

For the Fiscal Year Ended June 30, 2000

<u>Function</u>	<u>Balance at July 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at June 30, 2000</u>
Instruction:				
Regular	16,644,129	\$150,416	\$346,459	\$16,448,086
Special	176,271	2,330	28,129	150,472
Other	2,830	0	0	2,830
Total Instruction	<u>16,823,230</u>	<u>152,746</u>	<u>374,588</u>	<u>16,601,388</u>
Support services:				
Pupil	73,851	19,624	7,617	85,858
Instructional staff	1,779,790	157,638	59,119	1,878,309
Board of education	500	0	0	500
Administration	724,366	10,880	105,821	629,425
Fiscal	19,648	8,113	0	27,761
Business	3,221	1,552	0	4,773
Operations and maintenance	505,870	45,215	13,371	537,714
Pupil transportation	2,810,781	0	153,356	2,657,425
Central	61,789	5,988	14,357	53,420
Total Support services	<u>5,979,816</u>	<u>249,010</u>	<u>353,641</u>	<u>5,875,185</u>
Non-Instructional services	723,734	0	0	723,734
Extracurricular activities	19,353	0	0	19,353
Capital Outlay	93,661	0	1,197	92,464
Total General Fixed Assets	<u>\$23,639,794</u>	<u>\$401,756</u>	<u>\$729,426</u>	<u>\$23,312,124</u>

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

TABLE 1

Fiscal Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Taxes	\$8,986,807	\$10,075,933	\$10,169,257	\$10,596,569	\$10,696,705	\$10,388,630	\$12,380,493	\$11,724,032	\$13,035,083	\$13,024,004
Intergovernmental	14,801,472	14,590,080	14,810,119	15,051,239	14,828,135	14,488,833	16,307,192	16,261,845	16,803,265	18,122,761
Investment	486,871	363,242	205,847	169,105	240,267	340,608	601,578	510,119	484,079	929,316
Tuition and Fees	247,726	225,002	234,970	208,626	174,226	127,758	154,534	49,116	158,838	147,945
Extracurricular Activities	0	0	0	0	45,880	55,251	53,491	44,655	40,836	44,730
Other Revenues	66,743	77,106	72,337	55,488	61,163	64,548	119,874	560,339	540,120	841,071
Total Revenues	\$24,589,619	\$25,331,363	\$25,492,530	\$26,081,027	\$26,046,376	\$25,465,628	\$29,617,162	\$29,150,106	\$31,062,221	\$33,109,827

Source: Fairborn City School District records

(1) For the fiscal year 1995 the district adopted GAAP basis financial statements. Cash basis financial statements were prepared prior to 1995.

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

Fiscal Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Regular Instruction	\$12,829,882	\$14,030,041	\$14,648,300	\$15,008,069	\$14,195,109	\$13,458,975	\$13,611,529	\$14,231,063	\$14,434,140	\$15,460,391
Special Instruction	1,836,958	1,967,263	2,182,442	2,094,945	2,138,823	2,257,201	2,457,689	2,839,432	2,643,754	2,700,912
Vocational Instruction	0	0	0	1,547	2,281	3,602	5,263	2,702	12	5,042
Other Instruction	87,186	81,757	75,961	262,380	222,794	204,546	262,649	233,839	1,217,455	1,375,650
Pupil	1,409,880	1,504,967	1,493,258	1,685,142	1,502,458	1,220,175	1,359,325	1,531,534	1,525,208	1,629,664
Instructional Staff	774,450	746,268	799,058	749,688	661,521	600,801	708,038	796,662	1,018,663	1,117,083
Board of Education	12,889	17,463	21,831	24,718	33,525	24,441	22,192	25,444	33,250	35,102
Administration	1,800,650	1,897,873	2,002,253	1,876,219	1,770,741	1,753,727	1,578,186	1,726,781	1,899,543	2,002,537
Fiscal	452,387	482,283	512,488	502,454	474,858	434,688	484,108	594,073	597,174	637,565
Business	166,906	171,381	205,249	178,608	179,730	210,033	196,035	198,634	218,812	221,512
Operations and Maintenance	2,821,485	2,865,324	2,994,273	2,999,589	2,907,186	2,868,799	3,398,451	4,351,525	3,830,746	3,742,891
Pupil Transportation	1,393,550	1,540,487	1,415,187	1,341,243	1,448,829	1,300,822	1,381,524	1,749,946	1,594,081	1,924,035
Central	0	27,075	32,379	214,461	284,507	239,665	320,546	462,489	309,382	523,134
Operation of Non-Instructional Services	856	919	541	0	318	2,706	1,320	141	162	338
Extracurricular Activities	247,807	279,024	286,379	300,086	259,413	276,492	269,386	421,429	456,512	430,635
Capital Outlay	0	0	0	3,070	29,727	67,005	53,191	101	0	0
Total Expenditures	\$23,834,886	\$25,612,125	\$26,669,599	\$27,242,219	\$26,111,820	\$24,923,678	\$26,109,432	\$29,165,795	\$29,778,894	\$31,806,491

Source: Fairborn City School District records.

(1) For the fiscal year 1995 the District adopted GAAP basis financial statements. Cash basis financial statements were prepared prior to 1995.

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Property Tax Levies and Collections - Real and Public Utility Property
Last Ten Collection (Calendar) Years

TABLE 3

Collection Year	Tax Levied	Current Tax Collections	Percent Collected	Delinquent Collection	Total Tax Collections	Percent of Total Collections to Levy	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Tax Levied
1991	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1992	\$7,930,056	\$7,438,433	93.80%	\$228,475	\$7,666,908	96.68%	\$263,621	3.32%
1993	8,062,483	7,687,195	95.35%	165,945	7,853,140	97.40%	235,437	2.92%
1994	8,155,965	7,795,531	95.58%	151,039	7,946,570	97.43%	202,667	2.48%
1995	8,300,565	7,914,789	95.35%	157,950	8,072,739	97.26%	262,812	3.17%
1996	8,331,685	7,783,356	93.42%	130,643	7,914,000	94.99%	594,299	7.13%
1997	9,324,217	8,350,358	89.56%	359,830	8,710,188	93.41%	557,369	5.98%
1998	9,342,242	7,584,543	81.19%	240,479	7,825,022	83.76%	667,119	7.14%
1999	9,251,345	9,140,913	98.81%	165,182	9,306,095	100.59%	486,872	5.26%
2000	11,093,685	10,631,624	95.83%	323,784	10,955,408	98.75%	280,171	2.53%

Source: Greene County Auditor.

N/A - Information for tax collection year 1991 is not available from the Greene County Auditor.

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

Collection Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1991	\$288,204,160	\$823,440,457	\$27,692,840	\$98,903,000	\$24,911,720	\$71,176,342	\$340,808,720	\$993,519,799
1992	292,779,150	836,511,857	28,023,518	103,790,807	26,908,460	76,881,314	347,711,128	1,017,183,978
1993	295,676,930	844,791,228	28,132,645	108,202,480	29,007,260	82,877,885	352,816,835	1,035,871,593
1994	319,743,920	913,554,057	28,325,231	113,300,924	29,909,020	85,454,342	377,978,171	1,112,309,323
1995	334,052,900	954,436,857	28,170,901	112,683,604	29,969,650	85,627,571	392,193,451	1,152,748,032
1996	332,162,820	949,036,628	31,166,078	124,664,312	27,184,830	77,670,942	390,513,728	1,151,371,882
1997	381,459,780	1,089,885,085	31,269,484	125,077,936	27,793,260	79,409,314	440,522,524	1,294,372,335
1998	382,406,770	1,092,590,771	33,016,054	132,064,216	28,654,060	81,868,743	444,076,884	1,306,523,730
1999	389,770,060	1,113,628,743	35,376,251	141,505,004	30,932,420	88,378,343	456,078,731	1,343,512,090
2000	414,172,460	1,183,349,886	37,723,708	150,894,832	31,940,310	91,258,029	483,836,478	1,425,502,747

Source: Greene County Auditor.

(1) Assessed value as a percentage of the actual value for: Real Property 35%, Tangible Personal Property 25%, Public Utilities Personal 35%, and in total 34%.

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

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Fairborn City School District	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42
Greene County	9	9	9	9	9	9	9	9	9	9
City of Fairborn	10	10	10	10	10	10	10	10	10	10
Greene County Career Center	3	3	3	3	3	3	3	3	3	4
Bath Township	11	11	11	11	11	11	11	11	11	11
Xenia Township	9	9	9	9	9	8	8	8	7	7

Source: Greene County Auditor.

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

TABLE 6

Year	Population (1)	Total Assessed Value (2)	Gross Bonded Debt (3)	Less Debt Service Fund	Net Bonded Debt (3)	Ratio of Net Bonded Debt To Assessed Value (%)
1991	31,300	\$340,808,720	\$390,000	\$158,758	\$231,242	0.07%
1992	31,469	347,711,128	260,000	151,799	108,201	0.03%
1993	31,469	352,816,835	427,000	135,608	291,392	0.08%
1994	31,469	377,978,171	0	75,441	0	0.00%
1995	31,469	392,193,451	0	75,441	0	0.00%
1996	31,469	390,513,728	0	75,441	0	0.00%
1997	31,469	440,522,524	1,413,367	301,890	1,111,477	0.25%
1998	31,469	444,076,884	1,257,767	201,545	1,056,222	0.24%
1999	31,469	456,078,731	2,102,167	359,449	1,742,718	0.38%
2000	33,260	483,836,478	1,866,567	1,359,996	506,571	0.10%

Source:

(1) Population data provided by the City of Fairborn.

(2) Greene County Auditor.

(3) Only bonds payable are presented.

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Computation of Legal Debt Margin

June 30, 2000

TABLE 7

Assessed Valuation of District		<u><u>\$483,836,478</u></u>
<u>Overall Direct Debt Limitation</u>		
Direct debt limitation		
9% of assessed valuation		43,545,283
Amount available in Debt Service Fund		1,359,996
Gross indebtedness	1,886,042	
Less: Debt exempt from limitation	<u>1,886,042</u>	
Debt subject to 9% limitation		<u>0</u>
Legal debt margin within 9% limitation		<u><u>\$44,905,279</u></u>
<u>Unvoted Direct Debt Limitation</u>		
Unvoted debt limitation		
0.1% of assessed valuation		483,836
Amount available in Debt Service Fund related to unvoted debt		0
Gross indebtedness authorized by the Board	1,886,042	
Less: Debt exempt from limitation	<u>1,886,042</u>	
Debt subject to 0.1% limitation		<u>0</u>
Legal debt margin within 0.1% limitation		<u><u>\$483,836</u></u>
<u>Energy Conservation Bond Limitation</u>		
Ohio Revised Code Section 133.042		
Debt limitation		
0.9% of assessed valuation		4,354,528
Energy conservation notes authorized by the Board		<u>(946,567)</u>
Legal debt margin within 0.9% limitation		<u><u>\$3,407,961</u></u>

Source: Fairborn City School District records.

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Computation of Direct and Overlapping Debt

June 30, 2000

TABLE 8

<u>Governmental Unit</u>	<u>Gross General Obligation</u>	<u>Percent Applicable to District (1)</u>	<u>Amount Applicable to District</u>
Direct:			
Fairborn City School District	<u>\$1,866,567</u>	100.00%	<u>\$1,866,567</u>
Overlapping:			
Clark County	\$10,404,400	0.03%	\$3,121
Greene County	39,116,600	17.62%	6,892,345
Montgomery County	40,914,823	0.26%	106,379
Dayton City	56,270,000	0.36%	202,572
Fairborn City	3,382,395	91.19%	3,084,406
Riverside Village	520,000	6.57%	34,164
Clark County Library District	1,600,000	0.04%	640
Miami Valley Reg. Transit Auth.	<u>18,120,000</u>	0.26%	<u>47,112</u>
Total overlapping:	<u>\$170,328,218</u>		<u>\$10,370,739</u>
Total direct and overlapping debt:	<u><u>\$172,194,785</u></u>		<u><u>\$12,237,306</u></u>

Source: Ohio Municipal Advisory Council.

(1) Calculated by the Ohio Municipal Advisory Council.

FAIRBORN CITY SCHOOL DISTRICT, OHIO

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

TABLE 9

Fiscal Year	Principal	Interest and Fiscal Charges	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (%)
1991	\$123,830	\$27,789	\$151,619	\$23,834,886	0.64%
1992	133,081	12,351	145,432	25,612,125	0.57%
1993	196,151	3,088	199,239	26,669,599	0.75%
1994	0	0	0	27,242,219	0.00%
1995	0	0	0	26,111,820	0.00%
1996	0	0	0	24,923,678	0.00%
1997	142,633	72,173	214,806	26,109,432	0.82%
1998	155,600	89,246	244,846	29,615,795	0.83%
1999	155,600	81,995	237,595	29,778,894	0.80%
2000	235,600	75,233	310,833	31,806,491	0.98%

Source: Fairborn City School District records.

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Demographic Statistics

Last Ten Fiscal Years

TABLE 10

<u>Fiscal Year (1)</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate City of Fairborn (1)</u>
1991	31,300	6,621	5.20%
1992	31,469	6,578	5.60%
1993	31,469	6,512	4.70%
1994	31,469	6,284	4.10%
1995	31,469	6,200	3.80%
1996	31,469	6,046	3.80%
1997	31,469	6,086	3.80%
1998	31,469	5,995	3.70%
1999	31,469	5,931	3.30%
2000	33,260	5,825	3.30%

Sources: (1) City of Fairborn.

(2) Fairborn City School District records.

FAIRBORN CITY SCHOOL DISTRICT, OHIO

TABLE 11

Construction, Bank Deposits and Property Values

Last Ten Calendar Years

<u>Calendar Year</u>	<u>Construction (1)</u>	<u>Bank Deposits (2) (in Thousands)</u>	<u>Property Values (3)</u>
1990	\$10,971,674	\$386,319,000	\$232,787,460
1991	12,323,228	343,469,000	288,204,160
1992	3,245,466	37,283,000	292,779,150
1993	5,857,400	39,871,000	295,676,930
1994	74,357,919	257,906,000	319,743,920
1995	7,584,000	247,816,000	334,052,900
1996	17,245,213	277,545,000	332,162,820
1997	12,011,200	268,999,000	381,459,780
1998	21,816,796	166,034,000	382,406,770
1999	20,031,246	0	389,770,060

Sources:

(1) City of Fairborn Building Department.

(2) Federal Reserve Bank of Cleveland - Amounts are for Greene County (Note: County bank deposits measures total deposits for those banks deemed "domiciled" within a given county.)

(3) Greene County Auditor, calendar year basis - real property assessed values.

FAIRBORN CITY SCHOOL DISTRICT, OHIO

Real and Tangible Personal Property

Top Ten Principal Taxpayers

June 30, 2000

Name of Taxpayer	Real Property	Personal Property	Total Assessed Valuation	% of Total Assessed Valuation
Southdown	\$4,929,000	\$9,707,369	\$14,636,369	3.03%
Roberts	4,978,560	839,860	5,818,420	1.20%
Miami Valley Publishing	2,685,190	2,998,920	5,684,110	1.17%
Wright Executive Hotel	4,645,930	0	4,645,930	0.96%
Ali Industries Inc	1,655,470	2,609,010	4,264,480	0.88%
MG-Mapleview Ltd	4,105,940	0	4,105,940	0.85%
Wright Executive Hotel	4,051,230	0	4,051,230	0.84%
Highlands Apartments	3,958,060	0	3,958,060	0.82%
Woods Development LLC	3,007,420	0	3,007,420	0.62%
Shoppes at VG Ltd	2,720,240	0	2,720,240	0.56%
	<u>\$36,737,040</u>	<u>\$16,155,159</u>	<u>\$52,892,199</u>	<u>10.93%</u>

Source: Greene County Auditor.

Enrollment by Grade

	Pre - K	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
1999 - 00	114	406	512	437	456	412	471	425	440	494	454	427	508	332	5,888
The following are projections:															
2000 - 01	111	397	501	427	446	403	461	416	430	483	444	418	497	325	5,759
2001 - 02	109	388	490	418	436	394	451	407	421	472	434	409	486	318	5,633
2002 - 03	106	379	478	408	426	385	440	397	411	461	424	399	475	310	5,499
2003 - 04	103	371	468	399	417	377	430	388	402	451	415	390	465	303	5,379
2004 - 05	100	362	457	390	407	368	420	379	393	441	405	381	454	296	5,253
2005 - 06	98	354	446	381	398	359	411	371	384	431	396	372	443	289	5,133
2006 - 07	95	345	435	372	388	350	401	362	374	420	386	363	432	282	5,005
2007 - 08	93	337	425	363	378	342	391	353	365	410	377	355	422	276	4,887
2008 - 09	90	328	414	354	368	333	381	344	356	400	367	346	411	269	4,761
2009 - 10	87	320	404	346	360	325	372	336	347	391	358	337	401	262	4,646

Sources: Fairborn City School District records.

FAIRBORN CITY SCHOOL DISTRICT

Single Audit Reports

June 30, 2000

PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS

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

December 7, 2000

Board of Education
Fairborn City School District

We have audited the general purpose financial statements of the Fairborn City School District, (the District), as of and for the year ended June 30, 2000, and have issued our report thereon dated December 7, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

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

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

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

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

Plattenburg & Associates, Inc.
Certified Public Accountants

PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS

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

December 7, 2000

Board of Education
Fairborn City School District

Compliance

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

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

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

Internal Control Over Compliance

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

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

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the District as of and for the year ended June 30, 2000, and have issued our report thereon dated December 7, 2000. Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the District taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

Plattenburg & Associates, Inc.
Certified Public Accountants

FAIRBORN CITY SCHOOL DISTRICT
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2000

Federal Grant/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
Passed Through Ohio Department of Education:						
Nutrition Cluster:						
Food Distribution Program	03-PU	10.550	\$0	\$60,363	\$0	\$60,363
National School Breakfast Program	05-PU	10.553	71,704	0	71,704	0
National School Lunch Program	04-PU	10.555	486,011	0	486,011	0
Total U.S. Department of Agriculture - Nutrition Cluster			557,715	60,363	557,715	60,363
<u>U.S. DEPARTMENT OF EDUCATION</u>						
Passed Through Ohio Department of Education:						
Special Education Cluster:						
Title VI - B Grant	6B-SF	84.027	355,671	0	371,938	0
Preschool Grant	PG-S1	84.173	35,798	0	33,634	0
Total U.S. Special Education Cluster			391,469	0	405,572	0
Eisenhower Grant	MS-S1	84.281	83,510	0	28,629	0
Title I Grant	C1-S0	84.010	739,531	0	773,082	0
Title VI	C2-S1	84.298	10,236	0	7,403	0
Technology Literacy	TF-S1	84.318	127,201	0	116,499	0
Drug Free Schools Grant	DR-S1	84.186	16,075	0	2,441	0
Total U.S. Department of Education			1,368,022	0	1,333,626	0
DIRECT PROGRAMS						
<u>U.S. DEPARTMENT OF EDUCATION</u>						
Impact Aid Grant	n/a	84.041	1,365,574	0	1,365,574	0
Total Department of Education - Direct			1,365,574	0	1,365,574	0
Total Federal Assistance			\$3,291,311	\$60,363	\$3,256,915	\$60,363

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B -- FOOD DISTRIBUTION

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

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

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

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None Noted

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None Noted

FAIRBORN CITY SCHOOL DISTRICT
JUNE 30, 2000

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

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



STATE OF OHIO
OFFICE OF THE AUDITOR

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FAIRBORN CITY SCHOOL DISTRICT

GREENE 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 16, 2001**