



Mary Taylor, CPA
Auditor of State

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

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**BIG WALNUT LSD
DELAWARE COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>Passed Through Ohio Department of Education</i>			
Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	\$ 37,276	\$ 37,276
Cash Assistance			
School Breakfast Program	10.553	31,375	31,375
National School Lunch Program	10.555	190,353	190,353
Special Milk Program for Children	10.556	1,149	1,149
Total Nutrition Cluster		<u>260,153</u>	<u>260,153</u>
Total U.S. Department of Agriculture		<u>260,153</u>	<u>260,153</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>Passed Through Ohio Department of Education</i>			
Special Education Cluster:			
Special Education_Grants to States	84.027	-	6,367
		<u>419,369</u>	<u>381,379</u>
Total Special Education_Grants to States		<u>419,369</u>	<u>387,746</u>
Special Education_Preschool Grants	84.173	10,326	10,326
		<u>3,000</u>	<u>3,000</u>
Total Special_Preschool Grants		<u>13,326</u>	<u>13,326</u>
Total Special Education Cluster		<u>432,695</u>	<u>401,072</u>
Title I Grants to Local Educational Agencies	84.010	13,602	19,833
		<u>109,502</u>	<u>109,734</u>
Total Title I Grants to Local Educational Agencies		<u>123,104</u>	<u>129,567</u>
Safe and Drug-Free Schools and Communities_ State Grants	84.186	-	103
		<u>5,654</u>	<u>5,654</u>
Total Safe and Drug-Free Schools and Communities_State Grants		<u>5,654</u>	<u>5,757</u>
State Grants for Innovative Programs	84.298	1,925	1,925
Total State Grants for Innovative Programs		<u>1,925</u>	<u>1,925</u>
Education Technology State Grants	84.318	1,145	1,037
Total Education Technology State Grants		<u>1,145</u>	<u>1,037</u>
Improving Teacher Quality State Grants	84.367	9,041	6,424
		<u>77,491</u>	<u>78,902</u>
Total Improving Teacher Quality Program		<u>86,532</u>	<u>85,326</u>
Total U.S. Department of Education		<u>651,055</u>	<u>624,684</u>
Totals		<u>\$ 911,208</u>	<u>\$ 884,837</u>

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

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**NOTES TO FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C - FOOD DONATION PROGRAM

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



Mary Taylor, CPA

Auditor of State

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

Big Walnut Local School District
Delaware County
PO Box 218
70 N. Walnut Street
Galena, Ohio 43021

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Big Walnut Local School District, Delaware County, Ohio, (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 13, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

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

We noted certain matters that we reported to the District's management in a separate letter dated November 13, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2009-001.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of the audit committee, management, the Board or Education, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

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

Mary Taylor, CPA
Auditor of State

November 13, 2009



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133, AND ON THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE

Big Walnut Local School District
Delaware County
PO Box 218
70 N. Walnut Street
Galena, Ohio 43021

To the Board of Education:

Compliance

We have audited the compliance of Big Walnut Local School District, Delaware County, Ohio (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended June 30, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the Big Walnut Local School District, Delaware County, Ohio, complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended June 30, 2009.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2009, and have issued our report thereon dated November 13, 2009. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards receipts and expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Mary Taylor, CPA
Auditor of State

November 13, 2009

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster: CFDA # 84.027 and 84.173
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

Material Noncompliance

Ohio Rev. Code Section § 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the Treasurer is attached thereto. The Treasurer must certify that the amount required to meet such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Every such contract made without such a certificate shall be void and no warrant shall be issued in payment of any amount due therein.

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

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2009
(Continued)**

2. FINDING RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)
--

Material Noncompliance (Continued)

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

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

2. Blanket Certificate – The Treasurer may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

3. Super Blanket Certificate – The District may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the Treasurer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

The Treasurer did not properly certify the availability of funds prior to purchase commitment for fifty-four percent (54%) of the expenditures tested and there was no evidence that the District followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

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

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

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2009
(Continued)**

**2. FINDING RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)**

Material Noncompliance (Continued)

Official's Response:

As of March 1, 2009 all instances where the PO date was after the invoice date or after the obligation was incurred the treasurer office staff notified the treasurer and the purchase order was documented as a then and now purchase order. If the amount was above \$3,000 then it went before the Board of Education at the next scheduled meeting. We continue to address this issue with district staff to reduce the number of then and now certificate necessary throughout the year.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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Mary Taylor, CPA

Auditor of State

Independent Accountants' Report on Applying Agreed-Upon Procedures

Big Walnut Local School District
Delaware County
PO Box 218
70 N. Walnut Street
Galena, Ohio 43021

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The Auditor of State shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Big Walnut Local School District, Delaware County, Ohio has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on December 10, 2007 and a revision on June 24, 2008.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that shall include the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;

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- (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by Section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
- (6) A procedure for documenting any prohibited incident that is reported.
- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

November 13, 2009

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2009**

**INTRODUCTORY
SECTION**

BIG WALNUT LOCAL SCHOOL DISTRICT DELAWARE COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2009

Prepared By:

Treasurer's Office

Ben Streby, Treasurer

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BIG WALNUT LOCAL SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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BIG WALNUT LOCAL SCHOOL DISTRICT

70 N. Walnut Street, P.O. Box 218 • Galena, OH 43021 • 740.965.3010 • (fax) 740.965.4688

November 13, 2009

To the Citizens and
Board of Education of the
Big Walnut Local School District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Big Walnut Local School District for the fiscal year ended June 30, 2009. This Comprehensive Annual Financial Report contains financial statements, supplemental statements, and statistical information conforming with generally accepted accounting principles as applicable to governmental entities. It provides complete and full disclosure of all material financial aspects of the School District.

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires preparing financial statements in accordance with generally accepted accounting principles and Ohio Revised Code Section 117.38, which requires the School District to file an unaudited annual report with the Auditor of State within one hundred fifty days of fiscal year end.

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

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

The Auditor of the State of Ohio has issued an unqualified opinion on Big Walnut Local School District's financial statements for the fiscal year ended June 30, 2009. The Independent Accountants' Report is located at the front of the financial section of this report.

Profile of the School District

Big Walnut Local School District is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state and federal guidelines.

The School District was established in 1951. The School District is the 167th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by one hundred thirty-one classified employees, two hundred seven certified employees (one hundred ninety-four teachers and thirteen others) and sixteen administrative employees who provide services to 2,879 students and other community members. The School District currently operates three elementary schools, a middle school, and a high school.

www.bigwalnut.k12.oh.us

Our mission is to inspire and guide children to achieve their maximum potential

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board of Education of the School District.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board of Education for all financial operations, investments, and custody of all School District funds and assets. The Treasurer also serves as Secretary to the Board of Education.

Annually, the School District approves a temporary budget prior to the start of the fiscal year and a permanent budget before October 1st. The annual budget serves as the foundation of the School District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

Local Economy

The School District encompasses one hundred ten square miles in Delaware County, in central Ohio. The County is located approximately ten miles north of Columbus, the State capital. This central location is strategically positioned for the future development of business and industry.

Delaware County is a suburban community in central Ohio with a relatively low unemployment rate. The unemployment rate for August 2009 of 7.2 percent was the second lowest in Ohio. The July 1, 2008, estimated population of Delaware County according to the U.S. Census was 165,026. Delaware County remains the fastest growing county in Ohio and the 21st fastest growing county in the United States.

Long-Term Financial Planning

The School District has four bargaining units. Current contracts with the Big Walnut Education Association, the Big Walnut Professional Support Staff, and the OAPSE Local 524 provided for a 3.25 percent base salary increase for fiscal year 2009 and 3 percent base salary increases for fiscal years 2010 and 2011. The administrative staff received similar increases in fiscal year 2009 but will receive no increase in compensation for fiscal year 2010. The current two-year contract with the OAPSE Local 696 provides for 2 percent increases annually.

During fiscal year 2010, the School District will benefit from the collection of revenue on the Sunbury Meadows Community Development Authority. The Community Development Authority is an additional 4 mill charge levied upon new construction within the Authority. The charge will continue for twenty years from the date of first collection. Projected revenue for fiscal year 2010 is \$6,800.

At least semi-annually, the Board of Education approves a five-year financial forecast. The current five-year forecast illustrates that expenses are predicted to outpace revenues for all five years without the addition of revenue.

Relevant Financial Policies

In an effort to move toward program-based budgeting, the School District has adopted a modified zero-based budgeting approach, replacing the past practice of incremental or formula budgeting. Pure zero-based budgeting calls for administrators and principals to evaluate their needs anew each year and to make budget requests by answering the question "What do I need to achieve desired results?" While School District needs will always exceed available resources, the most critical needs to achieve results are funded. Expenditure levels are still monitored on a per pupil basis to achieve equity among buildings.

Another issue the School District is encountering is House Bill 66. In June 2005, House Bill 66 was signed and put into law. This bill phases out the tangible personal property tax for school districts. This may affect future planning of the School District's budget because the School District could lose in excess of \$3 million of its General Fund budget in fiscal years 2014 through 2019 if State reimbursement for the loss of this tax is not continued. This reimbursement is due to begin phasing out in 2012.

Major Initiatives

The School District achieved a rating of Excellent on the State Report Card. This was the 4th year in a row that the School District has received an excellent rating from the Ohio Department of Education. The School District has also established a Development Committee to study current facilities, improve enrollment projections, and to make recommendations on the future facility needs of the School District.

The Development Committee studied student enrollment and current facilities during fiscal year 2008. Based on recommendations of the Development Committee, the Board of Education placed a 2.9 mill, \$30 million bond levy on the November 2008 ballot which was approved by the voters. The successful passage means the School District will open a 4th elementary in the fall of 2010 and a new middle school in the fall of 2011. The School District's current middle school will then be used to house grades 5 and 6. This initiative will allow the School District to deal with growth projected in the next five years.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Big Walnut Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

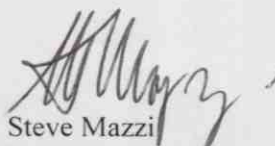
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement requirements and we are submitting it to the GFOA for consideration.

Sincere gratitude goes to the Big Walnut Board of Education, Diana Butts, Lisa Grunewald, Ron Hobelman, James Hildreth, and Verna Hines where the commitment to excellence begins, for their support in granting funds for this project. Special acknowledgment is extended to the Auditor of State's Local Government Services Section as well as the staff of the Treasurer's Office for their efforts and contributions in the preparation of this Comprehensive Annual Financial Report.

Respectfully submitted,



Benjamin R. Streby
Treasurer


Steve Mazzi
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Big Walnut Local School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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.



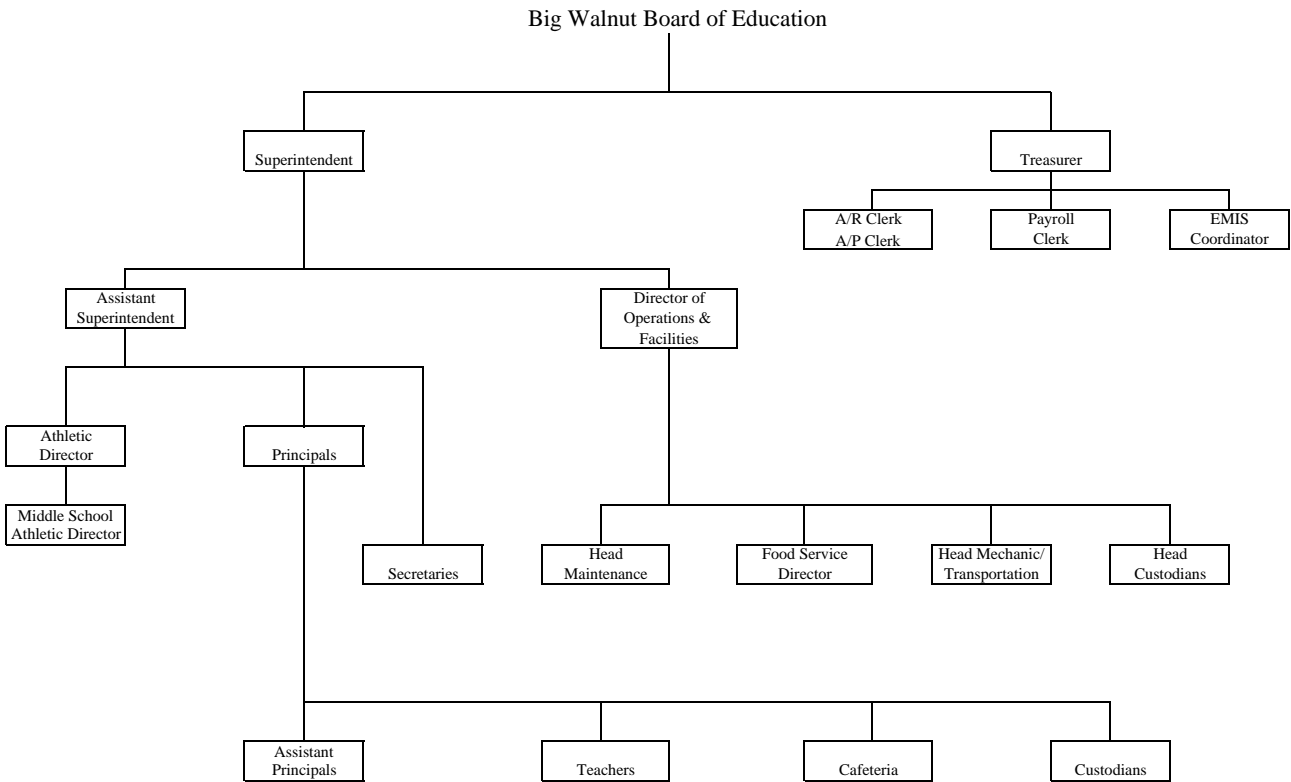
A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

BIG WALNUT LOCAL SCHOOL DISTRICT ORGANIZATIONAL CHART



BIG WALNUT LOCAL SCHOOL DISTRICT

PRINCIPAL OFFICIALS

JUNE 30, 2009

ELECTED OFFICIALS

President, Board of Education Diana Butts
Vice President, Board of Education..... Lisa Grunewald
Board Member Ron Hobelman
Board Member James Hildreth
Board Member Verna Hines

APPOINTED OFFICIALS

Superintendent Steve Mazzi
Treasurer Ben Streby

ADMINISTRATIVE STAFF

Assistant Superintendent..... Gary Barber
Director of Operations and Facilities James Szabo
Principal (Interim), High School..... Brad Felkey
Assistant Principal (Interim), High School Matt Cox
Assistant Principal (Interim), High School Penny Sturtevant
Principal, Middle School Steve Fujii
Assistant Principal, Middle School..... Jay Walker
Principal, Big Walnut Elementary Peggy McMurry
Principal, Harrison Street Elementary Lynn Kaszynski
Principal, Hylen Souders Elementary Steve Butler
Athletic Director Steve Glesenkamp
Special Education Director Tom Diebold
Curriculum Director Patricia Martell
Technology Coordinator Wayne Thompson

FINANCIAL

SECTION

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Big Walnut Local School District
Delaware County
PO Box 218
70 N. Walnut Street
Galena, Ohio 43021

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Big Walnut Local School District, Delaware County, Ohio (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Big Walnut Local School District, Delaware County, Ohio, as of June 30, 2009, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

Mary Taylor, CPA
Auditor of State

November 13, 2009

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The discussion and analysis of Big Walnut Local School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Highlights

Highlights for fiscal year 2009 are as follows:

In total, net assets decreased by \$1,394,484, or almost 15 percent from the prior fiscal year. This decrease was primarily due to spending cash carryover resources for current year operations as expenses exceeded revenues.

General revenues were \$26,233,080, or over 90 percent of total revenues, and reflect the School District's substantial dependence on local taxes and State funding.

The School District's five-year forecast, approved by the Board of Education at least semi-annually, illustrates that expenses are predicted to outpace revenues for all five years.

In November 2008, the electors of the School District approved the issuance of bonds, in the amount of \$30,000,000, to construct a new elementary building to open for the 2010-2011 school year and a new middle school to open for the 2011-2012 school year. The School District issued \$10,000,000 of these bonds in April 2009.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand Big Walnut Local School District as a financial whole, or as an entire operating entity.

The statement of net assets and the statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds, with all other nonmajor funds presented in total in a single column. For Big Walnut Local School District, the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund are the most significant funds.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Reporting the School District as a Whole

The statement of net assets and the statement of activities reflect how the School District did financially during fiscal year 2009. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

These statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the School District as a whole has increased or decreased from the prior fiscal year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Nonfinancial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the statement of net assets and the statement of activities, all of the School District activities are reported as governmental activities, including instruction, support services, non-instructional services, and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund financial statements provide detailed information about the School District's major funds. While the School District uses many funds to account for its financial transactions, the fund financial statements focus on the School District's most significant funds. The School District's major funds are the General Fund, the Bond Retirement debt service fund, and the Building capital projects fund.

Governmental Funds - All of the School District's programs are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year end for spending in future periods. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The School District as a Whole

Table 1 provides a summary of the School District's net assets for fiscal year 2009 and fiscal year 2008:

	Table 1 Net Assets		Governmental Activities
	2009	2008	
<u>Assets</u>			
Current and Other Assets	\$30,709,389	\$22,093,040	\$8,616,349
Capital Assets, Net	25,440,462	24,336,989	1,103,473
Total Assets	<u>56,149,851</u>	<u>46,430,029</u>	<u>9,719,822</u>
<u>Liabilities</u>			
Current and Other Liabilities	17,702,136	15,512,116	(2,190,020)
Long-Term Liabilities	30,348,218	21,423,932	(8,924,286)
Total Liabilities	<u>48,050,354</u>	<u>36,936,048</u>	<u>(11,114,306)</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	8,781,299	7,054,170	1,727,129
Restricted	2,146,043	3,245,291	(1,099,248)
Unrestricted (Deficit)	(2,827,845)	(805,480)	(2,022,365)
Total Net Assets	<u>\$8,099,497</u>	<u>\$9,493,981</u>	<u>(\$1,394,484)</u>

A review of the above table demonstrates several significant changes from the prior fiscal year. Note the increase in current and other assets. This increase can primarily be attributed to two sources. There was an increase in cash and cash equivalents due to the issuance of bond proceeds. As of fiscal year end, \$9.4 million of these proceeds had not been spent. In addition, there was an increase in the receivable for property taxes, generally due to the levy for building construction and improvement. These levy proceeds will be used to repay the debt issued for this construction. Also note the increase in capital assets and invested in capital assets. Land was purchased for the construction of the new middle school.

The increase in current and other liabilities was due to an increase in deferred revenue (which, in part, corresponds to increase in taxes receivable) and the increase in long-term liabilities is the result of the issuance of \$10,000,000 in general obligation bonds to be used for construction.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Table 2 reflects the change in net assets for fiscal year 2009 and fiscal year 2008.

Table 2
Change in Net Assets

	Governmental Activities		Change
	2009	2008	
<u>Revenues</u>			
Program Revenues			
Charges for Services	\$1,387,042	\$1,205,149	\$181,893
Operating Grants, Contributions, and Interest	1,338,135	1,279,558	58,577
Capital Grants and Contributions	19,360	44,731	(25,371)
Total Program Revenues	<u>2,744,537</u>	<u>2,529,438</u>	<u>215,099</u>
General Revenues			
Property Taxes Levied for General Purposes	11,433,389	12,336,291	(902,902)
Property Taxes Levied for Debt Service Purposes	2,649,715	2,018,917	630,798
Income Taxes Levied for General Purposes	4,346,558	4,430,022	(83,464)
Grants and Entitlements	7,350,791	6,968,875	381,916
Interest	286,958	347,757	(60,799)
Gifts and Donations	7,544	5,553	1,991
Miscellaneous	158,125	189,936	(31,811)
Total General Revenues	<u>26,233,080</u>	<u>26,297,351</u>	<u>(64,271)</u>
Total Revenues	<u>28,977,617</u>	<u>28,826,789</u>	<u>150,828</u>
<u>Expenses</u>			
Instruction			
Regular	12,618,709	12,151,170	(467,539)
Special	3,749,804	3,293,665	(456,139)
Vocational	368,712	402,201	33,489
Support Services			
Pupils	1,236,627	1,330,211	93,584
Instructional Staff	1,215,386	1,075,658	(139,728)
Board of Education	236,519	203,318	(33,201)
Administration	2,560,097	2,390,141	(169,956)
Fiscal	895,813	884,013	(11,800)
Business	281,761	221,413	(60,348)
Operation and Maintenance of Plant	2,197,437	2,193,705	(3,732)
Pupil Transportation	1,925,545	1,944,429	18,884
Central	29,416	7,283	(22,133)
Non-Instructional Services	1,161,952	990,184	(171,768)
Extracurricular Activities	776,510	711,089	(65,421)
Interest and Fiscal Charges	1,117,813	850,009	(267,804)
Total Expenses	<u>30,372,101</u>	<u>28,648,489</u>	<u>(1,723,612)</u>
Increase (Decrease) in Net Assets	<u>(1,394,484)</u>	<u>178,300</u>	<u>(1,572,784)</u>
Net Assets Beginning of Year	<u>9,493,981</u>	<u>9,315,681</u>	<u>178,300</u>
Net Assets End of Year	<u>\$8,099,497</u>	<u>\$9,493,981</u>	<u>(\$1,394,484)</u>

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Program revenues, which are primarily represented by tuition and fees, charges for extracurricular activities, food service sales, and restricted intergovernmental revenues, represented a little over 9 percent of total revenues for fiscal year 2009, a slight increase from the prior fiscal year. Charges for services increased 15 percent due to the collection of additional tuition from other school districts as well as additional revenue from cafeteria sales.

The primary sources of general revenues are property taxes, income taxes, and unrestricted State resources (generally State foundation monies). Overall, there was a decrease in property tax revenues, a reflection of the loss of tangible personal property taxes as the State has eliminated this tax. However, property taxes levied for debt service purposes increased as a result of the construction levy, the proceeds of which will go to pay principal and interest on the general obligation bonds issued.

Expenses increased 6 percent overall, the largest increase is reflected in the instruction programs as the School District added to the teaching staff during the fiscal year. As expected, the School District's major program expense continues to be for instruction, which accounts for 55 percent of all expenses. The instruction category, however, does not include all activities associated with educating students as pupils, instructional staff, and pupil transportation costs have a significant role in delivering education. These programs represent 14 percent of total expenses.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted state entitlements.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2009	2008	2009	2008
Instruction				
Regular	\$12,618,709	\$12,151,170	\$12,202,391	\$11,804,564
Special	3,749,804	3,293,665	2,886,925	2,361,783
Vocational	368,712	402,201	358,073	393,130
Support Services				
Pupils	1,236,627	1,330,211	1,222,707	1,314,391
Instructional Staff	1,215,386	1,075,658	1,215,386	1,075,658
Board of Education	236,519	203,318	236,519	203,318
Administration	2,560,097	2,390,141	2,554,292	2,386,721
Fiscal	895,813	884,013	895,813	884,013
Business	281,761	221,413	281,761	221,413
Operation and Maintenance of Plant	2,197,437	2,193,705	2,197,437	2,188,907
Pupil Transportation	1,925,545	1,944,429	1,906,185	1,923,214
Central	29,416	7,283	29,416	7,283
Non-Instructional Services	1,161,952	990,184	(30,198)	24,915
Extracurricular Activities	776,510	711,089	553,044	479,732
Interest and Fiscal Charges	1,117,813	850,009	1,117,813	850,009
Total Expenses	<u>\$30,372,101</u>	<u>\$28,648,489</u>	<u>\$27,627,564</u>	<u>\$26,119,051</u>

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

As demonstrated again in the above table, general revenues are relied upon to bear the burden of the costs of programs provided by the School District. In fiscal year 2009, as in fiscal year 2008, general revenues provided for over 90 percent of the costs of programs provided. Only a very few of the School District's programs receive a significant amount of program revenues to offset their costs. One of these programs is special instruction which provides for 23 percent of program costs through program revenues, much of this in the form of operating grants restricted for special instruction purposes. All of the non-instructional services program was provided for through program revenues. This is primarily due to cafeteria sales, and state and federal subsidies and donated commodities for food service. In addition, this program includes resources received and spent on behalf of the parochial school located within the School District. Approximately 29 percent of extracurricular activities expenses are covered by program revenues. This is the result of music and athletic fees, ticket sales, and gate receipts.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. A review of the School District's major funds demonstrates a decrease in fund balance for the General Fund of \$2,498,515 (over 100 percent and resulting in a deficit in the General Fund at fiscal year end). While there was a slight decrease in revenues (less than 2 percent), there was a 4 percent increase in expenditures, primarily due to an increase in instructional staff. In addition, as mentioned previously, the School District has been spending cash carryover resources for current year operating costs.

Fund balance increased 32 percent in the Bond Retirement debt service fund as the amount of taxes collected exceeded current fiscal year principal and interest requirements. The Building capital projects fund reflects a significant increase in fund balance due to the receipt of approximately \$10,000,000 in bond proceeds in April 2009.

General Fund Budgeting Highlights

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

During fiscal year 2009, the School District amended its General Fund budget as needed. For revenues, changes from the original budget to the final budget and from the final budget to actual revenues were not significant. The School District generally obtains a new amended the certificate of estimated resources near fiscal year; therefore, the final budget will closely match actual revenues. For expenditures, there were very modest changes from the original budget to the final budget and from the final budget to actual expenditures.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2009, the School District had \$25,440,462 invested in capital assets (net of accumulated depreciation) an increase of over 4 percent from the prior fiscal year. The most significant additions for fiscal year 2009 included the purchase of land for the new middle school and the beginning of construction of the new elementary and the middle school. There were no disposals. For further information regarding the School District's capital assets, refer to Note 10 to the basic financial statements.

Debt

The School District's outstanding debt at June 30, 2009, consisted of general obligation bonds, in the amount of \$28,794,053, and capital leases, in the amount of \$80,715. The School District's long-term obligations also include compensated absences. For further information regarding the School District's long-term obligations, refer to Notes 18 and 19 to the basic financial statements.

Current Issues

The School District's five-year forecast submitted to the Ohio Department of Education in May 2009 revealed that the School District would have to advance fiscal year 2010 property tax revenues into fiscal year 2009 in order to finish fiscal year 2009 with a positive General Fund balance. In addition, this forecast projects that the School District will face a \$3 million shortfall at the end of fiscal year 2011 after implementing approximately \$2 million in cost saving measures in fiscal year 2010. These cuts include the reduction of several administrative, teaching, aides, and transportation positions as well as the use of one-time federal money through the American Recovery and Reinvestment Act. The primary reason for the School District's current financial situation is the effect the economy has had, and will continue to have, on the School District's revenues. Actual cash basis revenues for fiscal year 2009 were almost \$1.3 million less than initially projected in the School District's October 2008 five-year forecast (not including the almost \$700,000 property tax advance from fiscal year 2010). Because of this, the Board of Education decided to place a \$4.2 million five-year emergency operating levy on the November 2009 ballot; however, this levy was not approved by the voters.

Negotiations have been completed with all four of the School District's bargaining units. The Big Walnut Education Association, the Big Walnut Professional Support Staff, and the OAPSE Local 524 negotiations resulted in salary increases of 3.25 percent for fiscal year 2009 and 3 percent each for fiscal years 2010 and 2011. The administrative staff received similar increases in fiscal year 2009; however, administrative staff will forgo any raises in fiscal year 2010 due to the potential deficit. The OAPSE Local 696 negotiated a two-year contract with annual 2 percent salary increases.

The Board of Education placed a 2.9 mill \$30 million bond levy on the November 2008 ballot which was approved by the voters. The successful passage means the School District will open a 4th elementary in the fall of 2010 and new middle school in the fall of 2011. The School District's current middle school will then be used to house grades 5 and 6. This initiative will allow the School District to deal with growth projected in the next five years. To date the School District has issued \$10 million in general obligations bonds and plans to issue the remaining \$20 million in November 2009. Construction is well under way on the elementary school and site work will begin on the middle school by November 2009.

Big Walnut Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The School District is engaged in the development of GIS mapping data. This data will allow the School District to more accurately predict growth, assist in the efficient use of capital investments, and be used in the planning of future capital investment.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Ben Streby, Treasurer, Big Walnut Local School District, PO Box 218, 70 North Walnut Street, Galena, Ohio 43201.

Big Walnut Local School District
Statement of Net Assets
June 30, 2009

	<u>Governmental Activities</u>
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$12,676,696
Cash and Cash Equivalents with Fiscal Agent	9,919
Accounts Receivable	159,331
Accrued Interest Receivable	61,088
Intergovernmental Receivable	175,517
Income Taxes Receivable	1,776,099
Inventory Held for Resale	13,594
Materials and Supplies Inventory	3,858
Property Taxes Receivable	15,448,710
Unamortized Issuance Costs	384,577
Nondepreciable Capital Assets	2,063,761
Depreciable Capital Assets, Net	<u>23,376,701</u>
 Total Assets	 <u>56,149,851</u>
<u>Liabilities</u>	
Accounts Payable	172,321
Contracts Payable	52,938
Accrued Wages and Benefits Payable	2,350,071
Intergovernmental Payable	907,740
Matured Bonds and Interest Payable	9,919
Accrued Interest Payable	88,987
Deferred Revenue	14,120,160
Long-Term Liabilities	
Due Within One Year	1,293,771
Due in More Than One Year	<u>29,054,447</u>
 Total Liabilities	 <u>48,050,354</u>
<u>Net Assets</u>	
Invested in Capital Assets, Net of Related Debt	8,781,299
Restricted For	
Debt Service	1,358,370
Capital Projects	607,425
Other Purposes	180,248
Unrestricted (Deficit)	<u>(2,827,845)</u>
 Total Net Assets	 <u><u>\$8,099,497</u></u>

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2009

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants, Contributions, and Interest</u>	<u>Capital Grants and Contributions</u>
<u>Governmental Activities</u>				
Instruction				
Regular	\$12,618,709	\$294,260	\$122,058	\$0
Special	3,749,804	87,902	774,977	0
Vocational	368,712	0	10,639	0
Support Services				
Pupils	1,236,627	0	13,920	0
Instructional Staff	1,215,386	0	0	0
Board of Education	236,519	0	0	0
Administration	2,560,097	5,805	0	0
Fiscal	895,813	0	0	0
Business	281,761	0	0	0
Operation and Maintenance of Plant	2,197,437	0	0	0
Pupil Transportation	1,925,545	0	0	19,360
Central	29,416	0	0	0
Non-Instructional Services	1,161,952	793,208	398,942	0
Extracurricular Activities	776,510	205,867	17,599	0
Interest and Fiscal Charges	1,117,813	0	0	0
Total Governmental Activities	<u>\$30,372,101</u>	<u>\$1,387,042</u>	<u>\$1,338,135</u>	<u>\$19,360</u>

General Revenues

Property Taxes Levied for General Purposes
Property Taxes Levied for Debt Service Purposes
Income Taxes Levied for General Purposes
Grants and Entitlements not Restricted to Specific Programs
Interest
Gifts and Donations
Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Assets

Governmental
Activities

(\$12,202,391)
(2,886,925)
(358,073)

(1,222,707)
(1,215,386)
(236,519)
(2,554,292)
(895,813)
(281,761)
(2,197,437)
(1,906,185)
(29,416)
30,198
(553,044)
(1,117,813)

(27,627,564)

11,433,389
2,649,715
4,346,558
7,350,791
286,958
7,544
158,125

26,233,080

(1,394,484)

9,493,981

\$8,099,497

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Balance Sheet
Governmental Funds
June 30, 2009

	General	Bond Retirement	Building	Other Governmental	Total
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$447,681	\$1,720,489	\$10,177,556	\$303,839	\$12,649,565
Cash and Cash Equivalents with Fiscal Agent	0	9,919	0	0	9,919
Accounts Receivable	159,331	0	0	0	159,331
Accrued Interest Receivable	61,088	0	0	0	61,088
Interfund Receivable	1,643	0	0	0	1,643
Intergovernmental Receivable	98,323	0	0	77,194	175,517
Income Taxes Receivable	1,776,099	0	0	0	1,776,099
Inventory Held for Resale	0	0	0	13,594	13,594
Materials and Supplies Inventory	0	0	0	3,858	3,858
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	27,131	0	0	0	27,131
Property Taxes Receivable	12,221,296	3,227,414	0	0	15,448,710
Total Assets	\$14,792,592	\$4,957,822	\$10,177,556	\$398,485	\$30,326,455
<u>Liabilities and Fund Balances</u>					
<u>Liabilities</u>					
Accounts Payable	\$104,357	\$0	\$38,330	\$29,634	\$172,321
Contracts Payable	0	0	52,938	0	52,938
Accrued Wages and Benefits Payable	2,202,534	0	0	147,537	2,350,071
Interfund Payable	0	0	0	1,643	1,643
Intergovernmental Payable	850,386	0	0	57,354	907,740
Matured Bonds and Interest Payable	0	9,919	0	0	9,919
Deferred Revenue	12,000,224	3,058,101	0	3,966	15,062,291
Total Liabilities	15,157,501	3,068,020	91,268	240,134	18,556,923
<u>Fund Balances</u>					
Reserved for Property Taxes	633,315	169,313	0	0	802,628
Reserved for Bus Purchase	27,131	0	0	0	27,131
Reserved for Encumbrances	141,452	0	2,060,300	61,604	2,263,356
Unreserved, Reported in					
General Fund (Deficit)	(1,166,807)	0	0	0	(1,166,807)
Special Revenue Funds	0	0	0	96,747	96,747
Debt Service Fund	0	1,720,489	0	0	1,720,489
Capital Projects Fund	0	0	8,025,988	0	8,025,988
Total Fund Balances (Deficit)	(364,909)	1,889,802	10,086,288	158,351	11,769,532
Total Liabilities and Fund Balances	\$14,792,592	\$4,957,822	\$10,177,556	\$398,485	\$30,326,455

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
 Reconciliation of Total Governmental Fund Balances
 to Net Assets of Governmental Activities
 June 30, 2009

Total Governmental Fund Balances \$11,769,532

Amounts reported for governmental activities on the statement of net assets are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 25,440,462

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:

Accounts Receivable	134,559	
Intergovernmental Receivable	102,289	
Income Taxes Receivable	179,361	
Property Taxes Receivable	525,922	
		942,131

Unamortized issuance costs are deferred charges which do not provide current financial resources and, therefore, are not reported in the funds. 384,577

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Accrued Interest Payable	(88,987)	
General Obligation Bonds Payable	(28,794,053)	
Compensated Absences Payable	(1,473,450)	
Capital Leases Payable	(80,715)	
		(30,437,205)

Net Assets of Governmental Activities \$8,099,497

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General	Bond Retirement	Building	Other Governmental	Total
<u>Revenues</u>					
Property Taxes	\$11,379,621	\$2,595,522	\$0	\$0	\$13,975,143
Income Taxes	4,367,830	0	0	0	4,367,830
Intergovernmental	7,215,929	352,017	0	1,147,905	8,715,851
Interest	185,428	0	101,530	316	287,274
Tuition and Fees	327,724	0	0	0	327,724
Extracurricular Activities	1,420	0	0	204,675	206,095
Charges for Services	5,805	0	0	793,208	799,013
Gifts and Donations	23,651	0	0	22,591	46,242
Miscellaneous	101,835	0	29,450	26,840	158,125
Total Revenues	23,609,243	2,947,539	130,980	2,195,535	28,883,297
<u>Expenditures</u>					
Current:					
Instruction					
Regular	11,912,724	0	0	36,774	11,949,498
Special	3,129,039	0	0	555,873	3,684,912
Vocational	359,169	0	0	0	359,169
Support Services					
Pupils	1,222,872	0	0	0	1,222,872
Instructional Staff	1,095,168	0	0	112,091	1,207,259
Board of Education	236,519	0	0	0	236,519
Administration	2,442,508	0	0	42,684	2,485,192
Fiscal	782,033	43,468	0	81,293	906,794
Business	290,335	0	0	0	290,335
Operation and Maintenance of Plant	2,149,834	0	0	4,798	2,154,632
Pupil Transportation	1,773,785	0	0	6,169	1,779,954
Central	12,833	0	16,583	0	29,416
Non-Instructional Services	0	0	0	1,125,544	1,125,544
Extracurricular Activities	511,192	0	0	231,342	742,534
Capital Outlay	176,924	0	1,808,312	0	1,985,236
Debt Service:					
Principal Retirement	24,003	873,842	0	0	897,845
Interest and Fiscal Charges	4,993	885,286	0	0	890,279
Interest on Capital Appreciation Bonds	0	816,158	0	0	816,158
Issuance Costs	0	129,000	0	0	129,000
Total Expenditures	26,123,931	2,747,754	1,824,895	2,196,568	32,893,148
Excess of Revenues Over (Under) Expenditures	(2,514,688)	199,785	(1,693,915)	(1,033)	(4,009,851)
<u>Other Financing Sources (Uses)</u>					
Bond Anticipation Notes Issued	0	0	10,000,000	0	10,000,000
Current Refunding	0	(10,000,000)	0	0	(10,000,000)
General Obligation Bonds Issued	0	9,999,926	0	0	9,999,926
Premium on Bonds Issued	0	374,905	0	0	374,905
Discount on Bonds Issued	0	(115,057)	0	0	(115,057)
Transfers In	90,000	0	0	73,827	163,827
Transfers Out	(73,827)	0	(90,000)	0	(163,827)
Total Other Financing Sources (Uses)	16,173	259,774	9,910,000	73,827	10,259,774
Changes in Fund Balances	(2,498,515)	459,559	8,216,085	72,794	6,249,923
Fund Balances Beginning of Year	2,133,606	1,430,243	1,870,203	85,557	5,519,609
Fund Balances (Deficit) End of Year	(\$364,909)	\$1,889,802	\$10,086,288	\$158,351	\$11,769,532

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to Statement of Activities
 For the Fiscal Year Ended June 30, 2009

Changes in Fund Balances - Total Governmental Funds \$6,249,923

Amounts reported for governmental activities on the statement of activities are different because of the following:

Governmental funds report capital outlays as expenditures.

However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current fiscal year:

Nondepreciable Capital Assets	1,495,735	
Depreciable Capital Assets	152,734	
Depreciation	<u>(544,996)</u>	1,103,473

Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:

Property Taxes	107,961	
Income Taxes	(21,272)	
Intergovernmental	(25,480)	
Tuition and Fees	54,438	
Extracurricular Activities	(228)	
Gifts and Donations	<u>(21,099)</u>	94,320

Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net assets.

General Obligation Bonds	873,842	
Capital Leases Payable	<u>24,003</u>	897,845

Bond proceeds are reported as other financing sources in the governmental funds but the issuance increases long-term liabilities on the statement of net assets. (9,999,926)

Interest is reported as an expenditure when due in governmental funds but is accrued on outstanding debt on the statement of net assets.

Premiums and discounts are reported as revenues and expenditures when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities.

Accrued Interest Payable	(31,657)	
Annual Accretion on Capital Appreciation Bonds	(204,644)	
Payment of Accretion on Capital Appreciation Bonds	816,158	
Amortization of Premium	24,024	
Unamortized Premium	(374,905)	
Unamortized Discount	<u>115,057</u>	344,033

Issuance costs are reported as an expenditure when paid in the governmental funds but are amortized over the life of the debt on the statement of activities.

Amortization of Issuance Costs	(15,257)	
Unamortized Issuance Costs	<u>129,000</u>	113,743

(continued)

Big Walnut Local School District
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to Statement of Activities
For the Fiscal Year Ended June 30, 2009
(continued)

Compensated absences do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>(\$197,895)</u>
Change in Net Assets of Governmental Activities	<u><u>(\$1,394,484)</u></u>
See Accompanying Notes to the Basic Financial Statements	

Big Walnut Local School District
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<u>Revenues</u>				
Property Taxes	\$12,258,244	\$12,706,473	\$12,803,504	\$97,031
Income Taxes	4,900,000	4,602,959	4,602,959	0
Intergovernmental	6,938,568	7,223,700	7,223,700	0
Interest	528,000	144,813	144,396	(417)
Tuition and Fees	310,300	337,045	327,804	(9,241)
Extracurricular Activities	900	900	1,420	520
Charges for Services	20,000	5,805	5,805	0
Gifts and Donations	25,000	24,098	23,651	(447)
Miscellaneous	52,500	53,384	56,056	2,672
Total Revenues	25,033,512	25,099,177	25,189,295	90,118
<u>Expenditures</u>				
Current:				
Instruction				
Regular	11,777,017	11,906,886	11,906,886	0
Special	3,512,817	3,155,948	3,155,948	0
Vocational	386,982	390,401	390,401	0
Support Services				
Pupils	1,175,783	1,223,116	1,223,116	0
Instructional Staff	1,006,747	1,089,676	1,089,663	13
Board of Education	248,166	267,818	267,771	47
Administration	2,468,514	2,445,544	2,445,407	137
Fiscal	750,254	789,837	789,759	78
Business	250,735	289,736	287,799	1,937
Operation and Maintenance of Plant	2,274,427	2,174,390	2,174,390	0
Pupil Transportation	1,902,626	1,829,019	1,828,919	100
Central	20,000	13,809	13,809	0
Extracurricular Activities	486,379	511,730	507,391	4,339
Capital Outlay	135,224	222,378	222,378	0
Total Expenditures	26,395,671	26,310,288	26,303,637	6,651
Excess of Revenues Under Expenditures	(1,362,159)	(1,211,111)	(1,114,342)	96,769
<u>Other Financing Sources (Uses)</u>				
Refund of Prior Year Expenditures	5,000	23,667	23,667	0
Advances In	0	9,846	9,846	0
Transfers In	0	82,538	90,000	7,462
Transfers Out	0	(73,827)	(73,827)	0
Total Other Financing Sources (Uses)	5,000	42,224	49,686	7,462
Changes in Fund Balance	(1,357,159)	(1,168,887)	(1,064,656)	104,231
Fund Balance Beginning of Year	1,142,434	1,142,434	1,142,434	0
Prior Year Encumbrances Appropriated	227,658	227,658	227,658	0
Fund Balance End of Year	\$12,933	\$201,205	\$305,436	\$104,231

See Accompanying Notes to the Basic Financial Statements

Big Walnut Local School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2009

Assets

Equity in Pooled Cash and Cash Equivalents	<u><u>\$112,615</u></u>
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Liabilities

Undistributed Assets	\$9,218
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Due to Students	<u>103,397</u>
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Total Liabilities	<u><u>\$112,615</u></u>
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See Accompanying Notes to the Basic Financial Statements

Note 1 - Description of the School District and Reporting Entity

Big Walnut Local School District (the “School District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state and federal guidelines.

The School District was established in 1951. The School District serves an area of approximately one hundred ten square miles and is located in Delaware County. The School District is the 167th largest in the State of Ohio (among 612 school districts) in terms of enrollment. It is staffed by one hundred thirty-one classified employees, two hundred seven certified employees (one hundred ninety-four teachers and thirteen others), and sixteen administrative employees who provide services to 2,879 students and other community members. The School District currently operates three elementary schools, a middle school, and a high school.

Reporting Entity

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

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

The following activity is included within the School District’s reporting entity:

Within the School District boundaries, Genoa Christian Academy is operated as a private school. Current state legislation provides funding to this parochial school. The monies are received and disbursed on behalf of the parochial school by the Treasurer of the School District, as directed by the parochial school. This activity is reflected in a special revenue fund for financial reporting purposes by the School District.

The School District participates in four jointly governed organizations and an insurance pool, and is associated with a related organization. These organizations are the Tri-Rivers Educational Computer Association, Delaware Area Career Center, Village of Sunbury Community Park Joint Recreation Board, Metropolitan Educational Council, Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan, and the Sunbury Community Library. These organizations are presented in Notes 22, 23, and 24 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

The School District's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the School District that are governmental activities (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges). However, the School District has no business-type activities.

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

Fund Financial Statements

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

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into two categories, governmental and fiduciary.

Note 2 - Summary of Significant Accounting Policies (continued)

Governmental Funds

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

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

Bond Retirement Fund - The Bond Retirement Fund is used to account for the accumulation of resources for and the payment of principal and interest on general obligation bonds.

Building Fund - The Building Fund is used to account for improvements to the three elementary schools, the middle school, and a portion of the high school addition. In addition, this fund accounts for construction of a new elementary school and a middle school.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are not available to support the School District's own programs. The School District did not have any trust funds in fiscal year 2009. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for various staff-related and student-managed activities and payroll withholdings and deductions.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

Note 2 - Summary of Significant Accounting Policies (continued)

Fund Financial Statements

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

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

Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, income taxes, grants, interest, tuition, student fees, and charges for services.

Note 2 - Summary of Significant Accounting Policies (continued)

Deferred Revenues

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

Property taxes for which there was an enforceable legal claim as of June 30, 2009, but which were levied to finance fiscal year 2010 operations, are recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

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

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

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The alternative tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of budgetary control is at the fund level for all funds. Budgetary allocations at the function and object level within all funds are made by the School District Treasurer.

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

F. Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

Cash and cash equivalents held for the School District by The Delaware County Bank and Trust, who services the School District’s bond/coupon account, are included on the financial statements as “Cash and Cash Equivalents with Fiscal Agent”.

During fiscal year 2009, the School District invested in federal agency securities, mutual funds, and STAR Ohio. Investments are reported at fair value, which is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price, which is the price the investment could be sold for on June 30, 2009.

The Board of Education has allocated interest earnings according to State statutes. Interest revenue credited to the General Fund during fiscal year 2009 was \$185,428, which includes \$91,289 assigned from other School District funds.

Investments of the School District’s cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of administrative supplies and donated and purchased food.

H. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions of enabling legislation. Restricted assets represent the amount of unexpended revenues restricted for the purchase of school buses.

I. Capital Assets

All of the School District’s capital assets are general capital assets generally resulting from expenditures in governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 2 - Summary of Significant Accounting Policies (continued)

All capital assets are capitalized at cost and updated for additions and reductions during the fiscal year. Donated capital assets are recorded at their fair market value on the date donated. The School District maintains a capitalization threshold of ten thousand dollars. Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

<u>Description</u>	<u>Useful Lives</u>
Land Improvements	15 - 40 years
Buildings and Building Improvements	20 - 100 years
Furniture, Fixtures, and Equipment	5 - 40 years
Vehicles	10 - 12 years

J. Interfund Assets/Liabilities

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables/Payables". Interfund balances within governmental activities are eliminated on the statement of net assets.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

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

M. Unamortized Issuance Costs, Premiums, and Discounts

On government-wide financial statements, issuance costs, premiums, and discounts are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Issuance costs are recorded as deferred charges and are generally paid from debt proceeds. Bond premiums are presented as an addition to the face amount of bonds payable. Bond discounts are presented as a reduction of the face amount of bonds payable.

On the governmental fund financial statements, issuance costs and bond premiums and discounts are recognized in the period when the debt is issued.

N. Net Assets

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

The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

O. Fund Balance Reserves

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. Fund balance reserves have been established for property taxes, bus purchase, and encumbrances. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

Note 2 - Summary of Significant Accounting Policies (continued)

P. Interfund Transactions

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

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

Q. Estimates

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

Note 3 - Changes in Accounting Principles

For fiscal year 2009, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations", Statement No. 51, "Accounting and Financial Reporting for Intangible Assets", Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments", Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", and Statement No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards".

GASB Statement No. 49 establishes accounting and financial reporting requirements for pollution remediation obligations by requiring more timely and complete reporting of the obligations and by requiring all governments to account for pollution remediation obligations in the same manner. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 52 establishes consistent standards for reporting land and other real estate held as investments. It requires endowments to report land and other real estate investments at fair value, to report the changes in fair value as investment income, and to disclose the methods and significant assumptions used to determine fair value. The implementation of this statement did not result in any changes to the financial statements.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 3 - Changes in Accounting Principles (continued)

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB authoritative literature. The GAAP hierarchy consists of the sources of accounting principles used in the preparation of financial statements and the framework for selecting those principles. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 56 incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants' (AICPA) auditing literature into the GASB's accounting and financial reporting literature. This guidance addresses related party transactions, going concern considerations, and subsequent events from the AICPA literature. The implementation of this statement did not result in any changes to the financial statements.

Note 4 - Accountability

At June 30, 2009, the following funds had deficit fund balances:

<u>Fund Type/Fund</u>	<u>Deficit</u>
General Fund	\$364,909
Special Revenue Funds	
Education Management	
Information Systems	3,714
Title VI-B	13,608
Title I	179

The deficit fund balances resulted from adjustments for accrued liabilities.

Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 5 - Budgetary Basis of Accounting (continued)

The adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund are as follows:

Changes in Fund Balance	
GAAP Basis	(\$2,498,515)
<u>Increase (Decrease) Due To:</u>	
Revenue Accruals:	
Accrued FY 2008, Received in Cash FY 2009	3,911,860
Accrued FY 2009, Not Yet Received in Cash	(2,315,913)
Expenditure Accruals:	
Accrued FY 2008, Paid in Cash FY 2009	(3,134,679)
Accrued FY 2009, Not Yet Paid in Cash	3,157,277
Cash Adjustments:	
Unrecorded Cash Activity FY 2008	(23,513)
Unrecorded Cash Activity FY 2009	31,285
Advances In	9,846
Encumbrances Outstanding at Fiscal Year End (Budget Basis)	(202,304)
Budget Basis	(\$1,064,656)

Note 6 - Deposits and Investments

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

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

Inactive deposits are public deposits the Board of Education has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 6 - Deposits and Investments (continued)

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Bankers' acceptances and commercial paper if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. 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.

Investments

As of June 30, 2009, the School District had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Federal Home Loan Bank Bonds	\$2,563,275	7/16/10
Federal Home Loan Bank Notes	2,022,500	1/21/11
Mutual Funds	7,361,970	average 7 days
STAR Ohio	6,176	average 58 days
	<u>\$11,953,921</u>	

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 6 - Deposits and Investments (continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the School District. The School District's policy indicates that it will attempt to minimize the effect of market value fluctuations by (1) maintaining adequate liquidity so that current obligations can be met without a sale of securities; (2) diversification of maturities; and (3) diversification of assets.

The Federal Home Loan Bank Bonds, the Federal Home Loan Bank Notes, and mutual funds carry a rating of AAA by Moody's. STAR Ohio carries a rating of AAA by Standard and Poor's. The School District's policy indicates that credit risk will be minimized by (1) diversifying assets by issuer; (2) ensuring that required minimum credit quality ratings exist prior to the purchase of commercial paper, bankers' acceptances, and corporate medium term notes; and (3) maintaining adequate collateralization of certificates of deposit. Ohio law requires that mutual funds must be rated, at the time of purchase, in the highest category by at least one nationally recognized standard rating service. STAR Ohio must maintain the highest rating provided by at least one nationally recognized standard rating service.

The School District places no limit on the amount of its interim monies it may invest in a particular security. The following table indicates the percentage of each investment to the School District's total portfolio.

	Fair Value	Percentage of Portfolio
Federal Home Loan Bank Bonds	\$2,563,275	21.44%
Federal Home Loan Bank Notes	2,022,500	16.92

Note 7 - Receivables

Receivables at June 30, 2009, consisted of accounts (student fees and billings for user charged services), accrued interest, interfund, intergovernmental, income taxes, and property taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except income taxes and property taxes, are expected to be collected within one year. Income taxes and property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
General Fund	
Tuition	\$98,323
	(continued)

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 7 - Receivables (continued)

	Amount
Governmental Activities (continued)	
Other Governmental Funds	
Food Service	\$28,449
Title VI-B	25,486
Title I	15,377
Title II-A	7,882
Total Other Governmental Funds	77,194
Total Intergovernmental Receivables	\$175,517

Note 8 - Income Taxes

The School District levies a voted tax of .75 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 2000, for a five-year period. In May 2006, voters approved the tax as a continuing tax. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

Note 9 - Property Taxes

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

Property taxes include amounts levied against all real property, public utility property, and tangible personal (used in business) property located in the School District. Real property tax revenues received in calendar year 2009 represent the collection of calendar year 2008 taxes. Real property taxes received in calendar year 2009 were levied after April 1, 2008, on the assessed values as of January 1, 2008, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2009 represent the collection of calendar year 2008 taxes. Public utility real and tangible personal property taxes received in calendar year 2009 became a lien on December 31, 2007, were levied after April 1, 2008, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 9 - Property Taxes (continued)

Tangible personal property tax revenues received in calendar year 2009 (other than public utility property) represent the collection of calendar year 2009 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2009 were levied after October 1, 2008, on the value as of December 31, 2008. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The School District receives property taxes from Delaware County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the county by June 30, 2009, are available to finance fiscal year 2009 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of June 30, 2009, and for which there was an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2009, was \$633,315 in the General Fund and \$169,313 in the Bond Retirement debt service fund. The amount available as an advance at June 30, 2008, was \$2,057,198 in the General Fund and \$323,133 in the Bond Retirement debt service fund.

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

The assessed values upon which fiscal year 2009 taxes were collected are:

	2008 Second- Half Collections		2009 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$611,949,903	96.42%	\$626,884,490	97.45%
Public Utility Personal	15,407,230	2.43	16,386,590	2.55
Tangible Personal	7,288,281	1.15	0	0.00
Total Assessed Value	<u>\$634,645,414</u>	<u>100.00%</u>	<u>\$643,271,080</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$33.03		\$35.34	

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 9 - Property Taxes (continued)

On November 4, 2008, the voters approved a 2.9 mill bond levy for the construction and renovation of School District buildings. Collections on this levy began on January 1, 2009. The levy is for a twenty-eight year period.

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2009, was as follows:

	Balance at 6/30/08	Additions	Reductions	Balance at 6/30/09
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$568,026	\$1,019,672	\$0	\$1,587,698
Construction in Progress	0	476,063	0	476,063
Total Nondepreciable Capital Assets	<u>568,026</u>	<u>1,495,735</u>	<u>0</u>	<u>2,063,761</u>
Depreciable Capital Assets				
Land Improvements	538,130	113,987	0	652,117
Buildings and Building Improvements	26,511,793	23,173	0	26,534,966
Furniture, Fixtures, and Equipment	405,430	0	0	405,430
Vehicles	2,253,559	15,574	0	2,269,133
Total Depreciable Capital Assets	<u>29,708,912</u>	<u>152,734</u>	<u>0</u>	<u>29,861,646</u>
Less Accumulated Depreciation				
Land Improvements	(73,355)	(24,483)	0	(97,838)
Buildings and Building Improvements	(4,464,344)	(321,781)	0	(4,786,125)
Furniture, Fixtures, and Equipment	(190,452)	(35,215)	0	(225,667)
Vehicles	(1,211,798)	(163,517)	0	(1,375,315)
Total Accumulated Depreciation	<u>(5,939,949)</u>	<u>(544,996)</u>	<u>0</u>	<u>(6,484,945)</u>
Depreciable Capital Assets, Net	<u>23,768,963</u>	<u>(392,262)</u>	<u>0</u>	<u>23,376,701</u>
Governmental Activities, Capital Assets, Net	<u>\$24,336,989</u>	<u>\$1,103,473</u>	<u>0</u>	<u>\$25,440,462</u>

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 10 - Capital Assets (continued)

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$218,435
Special	31,082
Vocational	9,543
Support Services:	
Pupils	4,003
Instructional Staff	697
Administration	15,433
Fiscal	88
Operation and Maintenance of Plant	37,956
Pupil Transportation	160,080
Non-Instructional Services	33,703
Extracurricular Activities	33,976
Total Depreciation Expense	<u>\$544,996</u>

Note 11 - Interfund

At June 30, 2009, the General Fund had an interfund receivable, in the amount of \$1,643 from other governmental funds to alleviate deficit cash balances.

Note 12 - Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2009, the School District contracted for the following insurance coverage.

Coverage provided by Indiana Insurance Company:

Buildings and Contents	\$65,842,171
Auto Liability	1,000,000
General Liability	
Each Occurrence	1,000,000
Aggregate	2,000,000
Umbrella	3,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in insurance coverage from the prior fiscal year.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 12 - Risk Management (continued)

The School District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. The intent of the Plan is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the Plan. The third party administrator, Sheakley Uniservice, Inc., reviews each participants' claims experience and determines the rating tier for that participant. A common premium rate is applied to all participants in a given rating tier. Each participant pays its workers' compensation premium to the State based on the rate for their rating tier rather than its individual rate. Sheakley Uniservice, Inc. provides administrative, cost control, and actuarial services to the Plan.

Note 13 - Contractual Commitments

The School District has several outstanding contracts for professional services. The following amounts remain on these contracts as of June 30, 2009:

Vendor	Contract Amount	Amount Paid as of 6/30/09	Outstanding Balance
Alliance Title Agency	\$275,000	\$3,000	\$272,000
Trucco Construction, Inc.	925,500	0	925,500
Fanning Howey Associates, Inc.	873,822	0	873,822

Note 14 - Defined Benefit Pension Plans

Plan Description - The School District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to the State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit Plan (DBP), a Defined Contribution Plan (DCP), and a Combined Plan (CP). The DBP offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service or on an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DCP allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age fifty and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The CP offers features of both the DBP and the DCP. In the CP, member contributions are invested by the member and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DBP. The DBP portion of the CP payment is payable to a member on or after age sixty; the DCP portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty. Benefits are established by Chapter 3307 of the Ohio Revised Code.

Note 14 - Defined Benefit Pension Plans (continued)

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

Funding Policy - For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the STRS Ohio Board upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contribution for pension obligations to STRS Ohio for the fiscal years ended June 30, 2009, 2008, and 2007 was \$1,557,762, \$1,451,066, and \$1,361,708 respectively; 82 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007. Contributions to the DCP and CP for fiscal year 2009 were \$40,276 made by the School District and \$75,417 made by the plan members.

B. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple-employer public employee retirement plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a stand-alone financial report that may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salary and the School District was required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contribution for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008, and 2007 was \$357,280, \$320,975, and \$315,120 respectively; 48 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2009, three of the Board of Education members have selected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 15 - Postemployment Benefits

A. State Teachers Retirement System

Plan Description - The School District contributes to a cost-sharing multiple-employer defined benefit Health Care Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the Defined Benefit or Combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. The Plan is included in STRS Ohio's financial report which may be obtained by calling (888) 227-7877 or by visiting the STRS Ohio Web site at www.strsoh.org.

Funding Policy - Ohio law authorizes STRS Ohio to offer the Health Care Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions. For fiscal year 2009, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contribution for health care for the fiscal years ended June 30, 2009, 2008, and 2007 was \$122,926, \$114,587, and \$107,085, respectively; 82 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. School Employees Retirement System

Plan Description - The School District contributes to two cost-sharing multiple-employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for classified retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians fees through several types of plans including HMO's, PPO's, and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each fiscal year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For fiscal year 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount. For fiscal year 2009, the surcharge amount was \$78,610.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility, and retirement status.

The School District's contribution for health care for the fiscal years ended June 30, 2009, 2008, and 2007 was \$163,508, \$146,471, and \$104,620 respectively; 48 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

Note 15 - Postemployment Benefits (continued)

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For fiscal year 2009, this actuarially required allocation was .75 percent of covered payroll. The School District's contribution for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007 was \$29,479, \$23,127, and \$21,428 respectively; 48 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

Note 16 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of two hundred forty days for teachers, administrators, support staff, and food service employees, and two hundred sixty days for maintenance, custodial, and transportation employees. Upon retirement, payment is made for one-fourth of accrued but unused sick leave credit to a maximum of sixty days for teachers, administrators, support staff, and food service employees and sixty-five days for maintenance, custodial, and transportation employees.

B. Health Care Benefits

The School District offers employee medical benefits through Medical Mutual of Ohio. Depending upon the plan chosen, the employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. The School District offers life insurance to all employees through Met Life. Dental insurance is offered to all employees through Delta Dental.

Note 17 - Short-Term Obligations

On December 16, 2008, the School District issued School Improvement bond anticipation notes, in the amount of \$10,000,000. The notes had an interest rate of 2.5 percent and matured on June 18, 2009. The notes were paid with the proceeds of general obligation bonds.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 18 - Long-Term Obligations

Changes in the School District's long-term obligations during fiscal year 2009 were as follows:

	Balance at 6/30/08	Additions	Reductions	Balance at 6/30/09	Amounts Due Within One Year
Governmental Activities					
General Long-Term Obligations					
Refunding School Improvement Bonds FY 1998					
Term Bonds 5.1%	\$1,055,000	\$0	\$0	\$1,055,000	\$0
Capital Appreciation Bonds 19.5-23%	183,809	0	53,861	129,948	42,214
Accretion on Capital Appreciation Bonds	2,087,667	176,488	531,139	1,733,016	0
Refunding School Improvement Bonds FY 2004					
Serial Bonds 2-3.7%	3,660,000	0	0	3,660,000	680,000
Capital Appreciation Bonds 10.3%	434,981	0	434,981	0	0
Accretion on Capital Appreciation Bonds	276,643	8,376	285,019	0	0
Bond Premium	170,152	0	18,074	152,078	0
School Facilities Construction and Improvement Bonds FY 2005					
Term Bonds 4.5-5%	9,305,000	0	0	9,305,000	0
Serial Bonds 2.5-3.65%	2,255,000	0	385,000	1,870,000	0
Capital Appreciation Bonds 3.19%	384,993	0	0	384,993	384,993
Accretion on Capital Appreciation Bonds	45,822	13,459	0	59,281	0
Bond Premium	184,592	0	5,950	178,642	0
School Facilities Construction and Improvement Bonds FY 2009					
Term Bonds 4.5-5%	0	4,960,000	0	4,960,000	0
Serial Bonds 2.5-3.65%	0	4,930,000	0	4,930,000	25,000
Capital Appreciation Bonds 3.19%	0	109,926	0	109,926	0
Accretion on Capital Appreciation Bonds	0	6,321	0	6,321	0
Bond Premium	0	374,905	0	374,905	0
Bond Discount	0	(115,057)	0	(115,057)	0
Total General Long-Term Obligations	20,043,659	10,464,418	1,714,024	28,794,053	1,132,207
Compensated Absences	1,275,555	384,695	186,800	1,473,450	139,833
Capital Leases	104,718	0	24,003	80,715	21,731
Total Governmental Activities Long-Term Obligations	<u>\$21,423,932</u>	<u>\$10,849,113</u>	<u>\$1,924,827</u>	<u>\$30,348,218</u>	<u>\$1,293,771</u>

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 18 - Long-Term Obligations (continued)

FY 1998 Refunding School Improvement Bonds - On December 4, 1997, the School District issued bonds, in the amount of \$4,993,809, to refund bonds previously issued for improving and constructing school buildings and facilities and constructing a library for the community. The refunding bond issue includes serial, term, and capital appreciation bonds, in the original amount of \$3,755,000, \$1,055,000, and \$183,809, respectively. The bonds were issued for an eighteen fiscal year period, with final maturity in fiscal year 2016. The bonds are being retired through the Bond Retirement debt service fund.

As of June 30, 2009, \$115,372 of the refunded bonds was still outstanding.

The bonds maturing on December 1, 2015, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2013	\$445,000
2014	465,000

The remaining principal, in the amount of \$145,000, will be paid at stated maturity on December 1, 2015.

The bonds maturing after December 1, 2007, are subject to redemption at the option of the School District, either in whole or in part, in such order as the School District shall determine, on any interest payment date on or after December 1, 2007, at a redemption price equal to the following percentages of the principal amount redeemed plus accrued interest to the date fixed for redemption:

Redemption Dates (Dates Inclusive)	Redemption Prices
December 1, 2007, through November 30, 2009	101 %
December 1, 2009, and thereafter	100

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years 2009 through 2013. The maturity amount of the bonds is \$2,535,000. For fiscal year 2009, \$176,488 was accreted and \$585,000 was retired on the capital appreciation bonds for a total value of \$1,862,964 at fiscal year end.

FY 2004 Refunding School Improvement Bonds - On November 12, 2003, the School District issued bonds, in the amount of \$4,404,981, to refund bonds previously issued for improving and constructing school buildings and facilities. The refunding bond issue includes serial and capital appreciation bonds, in the original amount of \$3,970,000 and \$434,981, respectively. The bonds were issued for an eleven fiscal year period, with final maturity in fiscal year 2015. The bonds are being retired through the Bond Retirement debt service fund.

As of June 30, 2009, \$3,095,000 of the refunded bonds was still outstanding.

The serial bonds are subject to prior redemption on or after December 1, 2013, by and at the sole option of the School District, either in whole on any date or in part on any interest payment date, and in integral multiples of \$5,000, at 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 18 - Long-Term Obligations (continued)

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds matured in fiscal year 2009. The maturity amount of the bonds was \$720,000.

FY 2005 School Facilities Construction and Improvement Bonds - On December 29, 2004, the School District issued \$12,999,993 in voted general obligation bonds for constructing a bus maintenance facility, an addition to the high school, and renovating and improving school facilities. The bond issue includes serial, term, and capital appreciation bonds, in the original amount of \$3,310,000, \$9,305,000, and \$384,993, respectively. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2033. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2019, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2017	\$395,000
2018	415,000

The remaining principal, in the amount of \$440,000, will be paid at stated maturity on December 1, 2019.

The bonds maturing on December 1, 2022, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2020	\$460,000
2021	485,000

The remaining principal, in the amount of \$505,000, will be paid at stated maturity on December 1, 2022.

The bonds maturing on December 1, 2025, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2023	\$530,000
2024	560,000

The remaining principal, in the amount of \$585,000, will be paid at stated maturity on December 1, 2025.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 18 - Long-Term Obligations (continued)

The bonds maturing on December 1, 2029, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2026	\$615,000
2027	645,000
2028	670,000

The remaining principal, in the amount of \$700,000, will be paid at stated maturity on December 1, 2029.

The bonds maturing on December 1, 2032, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2030	\$735,000
2031	765,000

The remaining principal, in the amount of \$800,000, will be paid at stated maturity on December 1, 2032.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2010. The maturity amount of the bonds is \$450,000. For fiscal year 2009, \$13,459 was accreted on the capital appreciation bonds for a total value of \$444,274 at fiscal year end.

FY 2009 School Facilities Construction and Improvement Bonds - On April 1, 2009, the School District issued \$9,999,926 in voted general obligation bonds for constructing, renovating, and improving school facilities; furnishing and equipping facilities, and acquiring land. The bond issue includes serial, term, and capital appreciation bonds, in the amount of \$4,930,000, \$4,960,000, and \$109,926, respectively. The serial and capital appreciation bonds were issued at a premium, in the amount of \$12,182 and \$362,723, respectively. The serial and term bonds were issued at a discount, in the amount of \$51,642 and \$63,415, respectively. The bonds were issued for a twenty-eight fiscal year period, with final maturity in fiscal year 2037. The bonds are being retired through the Bond Retirement debt service fund.

The bonds maturing on December 1, 2033, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2029	\$520,000
2030	545,000
2031	575,000
2032	600,000

The remaining principal, in the amount of \$630,000, will be paid at stated maturity on December 1, 2033.

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 18 - Long-Term Obligations (continued)

The bonds maturing on December 1, 2036, are subject to mandatory sinking fund redemption, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date of redemption, on December 1 in the years and the respective principal amounts as follows:

Year	Amount
2034	\$665,000
2035	695,000

The remaining principal, in the amount of \$730,000, will be paid at stated maturity on December 1, 2036.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years 2017 and 2018. The maturity amount of the bonds is \$660,000. For fiscal year 2009, \$6,321 was accreted on the capital appreciation bonds for a total value of \$116,247 at fiscal year end.

As of June 30, 2009, the School District had unspent bond proceeds, in the amount of \$9,478,863.

Compensated absences will be paid from the General Fund and the Food Service special revenue fund. Capital leases will be paid from the General Fund.

The School District's overall debt margin was \$31,904,539 with an unvoted debt margin of \$626,884 at June 30, 2009.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2009, were as follows:

Fiscal Year Ending June 30,	General Obligation Bonds				
	Serial	Term	Capital Appreciation	Interest	Total
2010	\$705,000	\$0	\$427,207	\$1,650,737	\$2,782,944
2011	720,000	0	32,796	1,559,430	2,312,226
2012	805,000	0	28,957	1,519,388	2,353,345
2013	940,000	0	25,981	1,443,289	2,409,270
2014	945,000	445,000	0	1,005,342	2,395,342
2015-2019	2,215,000	1,420,000	109,926	5,009,208	8,754,134
2020-2024	1,850,000	2,420,000	0	3,657,197	7,927,197
2025-2029	2,280,000	3,075,000	0	2,548,201	7,903,201
2030-2034	0	5,870,000	0	1,172,425	7,042,425
2035-2037	0	2,090,000	0	160,000	2,250,000
	\$10,460,000	\$15,320,000	\$624,867	\$19,725,217	\$46,130,084

Big Walnut Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 19 - Capital Leases - Lessee Disclosure

The School District has entered into capitalized leases for equipment. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures on the statement of revenues, expenditures, and changes in fund balances for the governmental funds. Principal payments in 2009 were \$24,003.

	Governmental Activities
Equipment	\$129,090
Less Accumulated Depreciation	(48,836)
Total June 30, 2008	\$80,254

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2009.

Fiscal Year	Principal	Interest
2010	\$21,731	\$3,525
2011	26,942	2,665
2012	28,467	1,140
2013	3,575	41
	\$80,715	\$7,371

Note 20 - Set Asides

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

The following cash basis information identifies the changes in the fund balance reserves for textbooks and capital improvements during fiscal year 2009.

	Textbooks	Capital Improvements
Balance June 30, 2008	(\$55,593)	\$0
Current Year Set Aside Requirement	431,290	431,290
Qualifying Expenditures	(436,197)	(431,290)
Balance June 30, 2009	(\$60,500)	\$0
Amount Carried Forward to Fiscal Year 2010	(\$60,500)	\$0

Note 20 - Set Asides (continued)

The School District had qualifying expenditures during the fiscal year that reduced the textbooks set aside amount below zero. This amount may be used to reduce the set aside requirement in future fiscal years.

Note 21 - Interfund Transfers

During fiscal year 2009, the General Fund made transfers to other governmental funds, in the amount of \$73,827, to subsidize operations in other funds. The Building capital projects fund made transfers to the General Fund, in the amount of \$90,000, to allocate a portion of the interest earned from the building project. This allocation, according to Board resolution, was based on legal guidance.

Note 22 - Jointly Governed Organizations

A. Tri-Rivers Educational Computer Association

The School District is a participant in the Tri-Rivers Educational Computer Association (TRECA), which is a computer consortium. TRECA is an association of public school districts within the boundaries of Delaware, Knox, Marion, Morrow, Muskingum, and Wyandot Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of TRECA consists of one representative from each county elected by majority vote of all charter member school districts within each county, one representative from the city school districts, and the superintendent from the Tri-Rivers Joint Vocational School. During fiscal year 2009, the School District paid \$53,020 to TRECA for various services. Financial information can be obtained from TRECA, 100 Executive Drive, Marion, Ohio 43302.

B. Delaware Area Career Center

The Delaware Area Career Center is a distinct political subdivision of the State of Ohio which provides vocational education. The Career Center operates under the direction of a Board consisting of one representative from each of the ten participating school district's Boards of Education. The Board possesses its own budgeting and taxing authority. The degree of control exercised by the School District is limited to its representation on the Board. Financial information can be obtained from the Delaware Area Career Center, 4565 Columbus Pike Road, Delaware, Ohio 43015.

C. Village of Sunbury Community Park Joint Recreation Board

The School District and the Village of Sunbury participate in a Joint Recreation Board created under the provisions of Ohio Revised Code Sections 755.12 to 755.18. The Joint Recreation Board consists of one representative from each of the participants and one member at large. The member at large shall be a resident of the Village and the School District and be appointed by both parties. The Village has agreed to commit approximately twenty-one acres of land and the School District has committed \$1.4 million to the development of the park. Financial information can be obtained from the Village of Sunbury, P.O. Box 508, Sunbury, Ohio, 43074.

Note 22 - Jointly Governed Organizations (continued)

D. Metropolitan Educational Council

The Metropolitan Educational Council (MEC) is a purchasing cooperative made up of one hundred seventy school districts, libraries, and related agencies in thirty-seven counties. The purpose of the MEC is to obtain prices for quality merchandise and services commonly used by the participants. The governing board of the MEC consists of one representative from each member. All members must pay all fees, charges, or other assessments as established by the MEC. Financial information can be obtained from the Metropolitan Educational Council, 2100 Citygate Drive, Columbus, Ohio 43219.

Note 23 - Insurance Pool

The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials (OASBO) Workers' Compensation Group Rating Plan (Plan) was established through the Ohio Association of School Business Officials as an insurance purchasing pool. The Plan's business and affairs are conducted by the five member OASBO Board of Directors. Each year, the participants pay an enrollment fee to the Plan to cover the costs of administering the program.

Note 24 - Related Organization

The Sunbury Community Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by the Board of Trustees appointed by the Big Walnut Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the School District for operational subsidies. Although the School District serves as the taxing authority, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Sunbury Community Library, 44 Burrer Drive, Sunbury, Ohio 43704.

Note 25 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2009.

B. Litigation

There are currently no matters in litigation with the School District as defendant.

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of the School District's nonmajor special revenue funds:

Food Service

To account for the School District's food service operations.

High School Navigator Technology

To account for registration fees for a training conference hosted by Big Walnut Middle School math teachers. Monies were used to purchase materials for the conference.

Public School Support

To account for donations and miscellaneous revenues. Expenditures include costs for field trips, assemblies, and other activities.

High School Multi-Handicapped

To account for donations to provide for a multi-handicapped unit room.

Athletic and Music

To account for gate receipts and other revenues from athletic events and all costs (except for supplemental coaching contracts) of the School District's athletic and music programs.

Auxiliary Services

To account for resources provided for services and materials for students attending non-public schools within the School District.

Education Management Information Systems

To account for resources provided for hardware and software development or for other costs associated with the management information system.

Network Connectivity

To account for resources which provide for the installation and ongoing support of data communication links connecting public school buildings to the statewide network and to the internet.

SchoolNet Professional Development

To account for resources used for training teachers and the administration on different levels of computer programs.

Miscellaneous State Grants

To account for resources from various State grants to be used for purposes outlined by the grant.

(continued)

**Nonmajor Special Revenue Funds
(continued)**

Title VI-B

To account for Federal resources used to assist the School District in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Title I

To account for Federal resources used to assist the School District in meeting the special needs of educationally deprived children.

Title V

To account for Federal resources which support the implementation of a variety of programs including computer education, gifted and talented programs, inservice trainings, and staff development.

Title IV-A

To account for Federal resources which provide education on a safe and drug free school.

Early Childhood Special Education

To account for Federal resources which support the improvement and expansion of services for handicapped children ages three to five.

Title II-A

To account for Federal resources used to hire additional classroom teachers in grades 1 through 3 so that the number of students per teacher will be reduced.

Title II-D

To account for Federal resources used to provide programs of professional development and to purchase equipment to enhance the technology of the School District.

Miscellaneous Federal Grants

To account for resources from various federal grants not classified elsewhere to be used for purposes outlined by the grant.

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	Food Service	High School Navigator Technology	Public School Support	High School Multi- Handicapped
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$143,078	\$448	\$25,406	\$893
Intergovernmental Receivable	28,449	0	0	0
Inventory Held for Resale	13,594	0	0	0
Materials and Supplies Inventory	3,858	0	0	0
Total Assets	\$188,979	\$448	\$25,406	\$893
<u>Liabilities and Fund Balances</u>				
<u>Liabilities</u>				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits Payable	54,158	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	49,383	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	103,541	0	0	0
<u>Fund Balances</u>				
Reserved for Encumbrances	40,152	0	1,832	0
Unreserved (Deficit)	45,286	448	23,574	893
Total Fund Balances (Deficit)	85,438	448	25,406	893
Total Liabilities and Fund Balances	\$188,979	\$448	\$25,406	\$893

(continued)

Big Walnut Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(continued)

	<u>Athletic and Music</u>	<u>Auxiliary Services</u>	<u>Education Management Information Systems</u>	<u>SchoolNet Professional Development</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$55,401	\$36,918	\$0	\$42
Intergovernmental Receivable	0	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$55,401</u>	<u>\$36,918</u>	<u>\$0</u>	<u>\$42</u>
<u>Liabilities and Fund Balances</u>				
<u>Liabilities</u>				
Accounts Payable	\$5,898	\$23,586	\$0	\$0
Accrued Wages and Benefits Payable	0	977	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	0	2,876	3,714	0
Deferred Revenue	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>5,898</u>	<u>27,439</u>	<u>3,714</u>	<u>0</u>
<u>Fund Balances</u>				
Reserved for Encumbrances	4,832	10,039	0	42
Unreserved (Deficit)	44,671	(560)	(3,714)	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances (Deficit)	<u>49,503</u>	<u>9,479</u>	<u>(3,714)</u>	<u>42</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$55,401</u>	<u>\$36,918</u>	<u>\$0</u>	<u>\$42</u>

Miscellaneous State Grants	Title VI-B	Title I	Title II-A	Title II-D	Total
\$3,556	\$37,989	\$0	\$0	\$108	\$303,839
0	25,486	15,377	7,882	0	77,194
0	0	0	0	0	13,594
0	0	0	0	0	3,858
<u>\$3,556</u>	<u>\$63,475</u>	<u>\$15,377</u>	<u>\$7,882</u>	<u>\$108</u>	<u>\$398,485</u>
\$0	\$0	\$0	\$150	\$0	\$29,634
135	75,981	15,105	1,181	0	147,537
0	0	232	1,411	0	1,643
0	1,102	219	60	0	57,354
0	0	0	3,966	0	3,966
<u>135</u>	<u>77,083</u>	<u>15,556</u>	<u>6,768</u>	<u>0</u>	<u>240,134</u>
1,044	0	0	3,555	108	61,604
2,377	(13,608)	(179)	(2,441)	0	96,747
<u>3,421</u>	<u>(13,608)</u>	<u>(179)</u>	<u>1,114</u>	<u>108</u>	<u>158,351</u>
<u>\$3,556</u>	<u>\$63,475</u>	<u>\$15,377</u>	<u>\$7,882</u>	<u>\$108</u>	<u>\$398,485</u>

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	Food Service	High School Navigator Technology	Public School Support	High School Multi- Handicapped
<u>Revenues</u>				
Intergovernmental	\$268,804	\$0	\$0	\$0
Interest	41	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	793,208	0	0	0
Gifts and Donations	0	0	7,544	0
Miscellaneous	11	0	26,829	0
Total Revenues	1,062,064	0	34,373	0
<u>Expenditures</u>				
Current:				
Instruction				
Regular	0	135	616	0
Special	0	0	0	4,107
Support Services				
Instructional Staff	0	0	0	0
Administration	0	0	36,400	0
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Non-Instructional Services	1,009,919	0	0	0
Extracurricular Activities	0	0	0	0
Total Expenditures	1,009,919	135	37,016	4,107
Excess of Revenues Over (Under) Expenditures	52,145	(135)	(2,643)	(4,107)
<u>Other Financing Sources</u>				
Transfers In	0	0	0	0
Changes in Fund Balances	52,145	(135)	(2,643)	(4,107)
Fund Balances (Deficit) Beginning of Year	33,293	583	28,049	5,000
Fund Balances (Deficit) End of Year	\$85,438	\$448	\$25,406	\$893

Athletic and Music	Auxiliary Services	Education Management Information Systems	Network Connectivity	SchoolNet Professional Development	Miscellaneous State Grants
\$0	\$129,822	\$8,309	\$15,000	\$2,970	\$27,209
0	275	0	0	0	0
204,675	0	0	0	0	0
0	0	0	0	0	0
15,047	0	0	0	0	0
0	0	0	0	0	0
<u>219,722</u>	<u>130,097</u>	<u>8,309</u>	<u>15,000</u>	<u>2,970</u>	<u>27,209</u>
0	0	0	0	0	9,909
0	0	0	0	0	0
0	0	0	15,000	2,928	20,235
0	4,993	0	0	0	0
0	0	81,293	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	115,625	0	0	0	0
231,342	0	0	0	0	0
<u>231,342</u>	<u>120,618</u>	<u>81,293</u>	<u>15,000</u>	<u>2,928</u>	<u>30,144</u>
(11,620)	9,479	(72,984)	0	42	(2,935)
<u>0</u>	<u>0</u>	<u>73,827</u>	<u>0</u>	<u>0</u>	<u>0</u>
(11,620)	9,479	843	0	42	(2,935)
<u>61,123</u>	<u>0</u>	<u>(4,557)</u>	<u>0</u>	<u>0</u>	<u>6,356</u>
<u>\$49,503</u>	<u>\$9,479</u>	<u>(\$3,714)</u>	<u>\$0</u>	<u>\$42</u>	<u>\$3,421</u>

(continued)

Big Walnut Local School District
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009
(continued)

	Title VI-B	Title I	Title V	Title IV-A
<u>Revenues</u>				
Intergovernmental	\$444,855	\$138,481	\$1,925	\$5,611
Interest	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	444,855	138,481	1,925	5,611
<u>Expenditures</u>				
Current:				
Instruction				
Regular	610	0	1,925	0
Special	423,787	114,703	0	0
Support Services				
Instructional Staff	0	5,360	0	5,714
Administration	0	0	0	0
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	6,169	0	0
Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Total Expenditures	424,397	126,232	1,925	5,714
Excess of Revenues Over (Under) Expenditures	20,458	12,249	0	(103)
<u>Other Financing Sources</u>				
Transfers In	0	0	0	0
Changes in Fund Balances	20,458	12,249	0	(103)
Fund Balances (Deficit) Beginning of Year	(34,066)	(12,428)	0	103
Fund Balances (Deficit) End of Year	(\$13,608)	(\$179)	\$0	\$0

Early Childhood Special Education	Title II-A	Title II-D	Miscellaneous Federal Grants	Total
\$13,326	\$90,448	\$1,145	\$0	\$1,147,905
0	0	0	0	316
0	0	0	0	204,675
0	0	0	0	793,208
0	0	0	0	22,591
0	0	0	0	26,840
<u>13,326</u>	<u>90,448</u>	<u>1,145</u>	<u>0</u>	<u>2,195,535</u>
0	22,708	871	0	36,774
13,276	0	0	0	555,873
0	62,688	166	0	112,091
50	1,241	0	0	42,684
0	0	0	0	81,293
0	0	0	4,798	4,798
0	0	0	0	6,169
0	0	0	0	1,125,544
0	0	0	0	231,342
<u>13,326</u>	<u>86,637</u>	<u>1,037</u>	<u>4,798</u>	<u>2,196,568</u>
0	3,811	108	(4,798)	(1,033)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>73,827</u>
0	3,811	108	(4,798)	72,794
<u>0</u>	<u>(2,697)</u>	<u>0</u>	<u>4,798</u>	<u>85,557</u>
<u>\$0</u>	<u>\$1,114</u>	<u>\$108</u>	<u>\$0</u>	<u>\$158,351</u>

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Big Walnut Local School District
Combining Statements - Agency Funds

Agency funds are used to account for assets held by the School District as an agent for individuals, private organizations, other governments, and/or other funds.

Agency Funds

High School Advanced Placement

To account for student fees to take an advanced placement test.

Teachers

To account for resources collected from vending machines for teachers to purchase flowers, balloons, etc. for various personal events.

Student Activities

To account for student activity programs which have student participation in the activity and student involvement in the management of the program.

Local Professional Development Committee (LPDC)

To account for resources collected from teachers to pay for license renewals.

Payroll

To account for the School District's payroll and withholdings.

Big Walnut Local School District
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2009

	High School Advanced Placement	Teachers	Student Activities	LPDC	Payroll	Total
<u>Assets</u>						
Equity in Pooled Cash and Cash Equivalents	\$365	\$7,706	\$103,397	\$1,120	\$27	\$112,615
<u>Liabilities</u>						
Undistributed Assets	\$365	\$7,706	\$0	\$1,120	\$27	\$9,218
Due to Students	0	0	103,397	0	0	103,397
	\$365	\$7,706	\$103,397	\$1,120	\$27	\$112,615

Big Walnut Local School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2009

	Balance at 6/30/08	Additions	Reductions	Balance at 6/30/09
<u>High School Advanced Placement</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$365	\$0	\$365
<u>Liabilities</u>				
Undistributed Assets	\$0	\$365	\$0	\$365
<u>Teachers</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$7,531	\$175	\$0	\$7,706
<u>Liabilities</u>				
Undistributed Assets	\$7,531	\$175	\$0	\$7,706
<u>Student Activities</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$132,040	\$0	\$28,643	\$103,397
<u>Liabilities</u>				
Due to Students	\$132,040	\$0	\$28,643	\$103,397
<u>LPDC</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$605	\$515	\$0	\$1,120
<u>Liabilities</u>				
Undistributed Assets	\$605	\$515	\$0	\$1,120
<u>Payroll</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$5,242	\$0	\$5,215	\$27
<u>Liabilities</u>				
Undistributed Assets	\$5,242	\$0	\$5,215	\$27
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$145,418	\$1,055	\$33,858	\$112,615
<u>Liabilities</u>				
Undistributed Assets	\$13,378	\$1,055	\$5,215	\$9,218
Due to Students	132,040	0	28,643	103,397
	\$145,418	\$1,055	\$33,858	\$112,615

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**INDIVIDUAL FUND SCHEDULES
OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Original Budget	Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$12,258,244	\$12,706,473	\$12,803,504	\$97,031
Income Taxes	4,900,000	4,602,959	4,602,959	0
Intergovernmental	6,938,568	7,223,700	7,223,700	0
Interest	528,000	144,813	144,396	(417)
Tuition and Fees	310,300	337,045	327,804	(9,241)
Extracurricular Activities	900	900	1,420	520
Charges for Services	20,000	5,805	5,805	0
Gifts and Donations	25,000	24,098	23,651	(447)
Miscellaneous	52,500	53,384	56,056	2,672
Total Revenues	25,033,512	25,099,177	25,189,295	90,118
<u>Expenditures</u>				
Current:				
Instruction				
Regular				
Salaries	7,977,457	8,079,797	8,079,797	0
Fringe Benefits	2,528,209	2,709,032	2,709,032	0
Purchased Services	779,348	670,653	670,653	0
Materials and Supplies	374,127	331,876	331,876	0
Other	1,815	3,095	3,095	0
Capital Outlay	116,061	112,433	112,433	0
Total Regular	11,777,017	11,906,886	11,906,886	0
Special				
Salaries	2,448,458	2,055,750	2,055,750	0
Fringe Benefits	810,422	829,420	829,420	0
Purchased Services	206,555	229,712	229,712	0
Materials and Supplies	40,882	33,836	33,836	0
Capital Outlay	6,500	7,230	7,230	0
Total Special	3,512,817	3,155,948	3,155,948	0
Vocational				
Salaries	299,899	302,920	302,920	0
Fringe Benefits	76,833	76,444	76,444	0
Purchased Services	10,250	10,278	10,278	0
Capital Outlay	0	759	759	0
Total Vocational	386,982	390,401	390,401	0
Total Instruction	15,676,816	15,453,235	15,453,235	0

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Support Services				
Pupils				
Salaries	\$505,520	\$494,605	\$494,605	\$0
Fringe Benefits	170,930	160,827	160,827	0
Purchased Services	486,363	556,890	556,890	0
Materials and Supplies	12,970	10,794	10,794	0
Total Pupils	1,175,783	1,223,116	1,223,116	0
Instructional Staff				
Salaries	314,341	318,012	318,012	0
Fringe Benefits	120,039	192,518	192,518	0
Purchased Services	271,115	270,179	270,179	0
Materials and Supplies	52,590	60,390	60,377	13
Capital Outlay	248,662	248,577	248,577	0
Total Instructional Staff	1,006,747	1,089,676	1,089,663	13
Board of Education				
Salaries	8,000	11,000	11,000	0
Fringe Benefits	42,163	39,556	39,519	37
Purchased Services	168,003	182,131	182,121	10
Other	30,000	35,131	35,131	0
Total Board of Education	248,166	267,818	267,771	47
Administration				
Salaries	1,494,129	1,452,451	1,452,451	0
Fringe Benefits	559,289	599,184	599,184	0
Purchased Services	395,061	383,052	382,915	137
Materials and Supplies	14,180	8,062	8,062	0
Other	2,955	2,695	2,695	0
Capital Outlay	2,900	100	100	0
Total Administration	2,468,514	2,445,544	2,445,407	137
Fiscal				
Salaries	288,882	303,213	303,213	0
Fringe Benefits	109,330	132,249	132,249	0
Purchased Services	8,062	10,254	10,176	78
Materials and Supplies	1,000	1,777	1,777	0
Other	342,980	342,344	342,344	0
Total Fiscal	750,254	789,837	789,759	78

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Business				
Salaries	\$168,165	\$193,079	\$193,079	\$0
Fringe Benefits	38,626	54,608	54,608	0
Purchased Services	7,444	6,464	6,432	32
Materials and Supplies	35,000	35,000	33,095	1,905
Other	1,500	585	585	0
Total Business	250,735	289,736	287,799	1,937
Operation and Maintenance of Plant				
Salaries	711,051	747,942	747,942	0
Fringe Benefits	309,316	311,752	311,752	0
Purchased Services	1,117,761	976,656	976,656	0
Materials and Supplies	122,299	127,376	127,376	0
Capital Outlay	14,000	10,664	10,664	0
Total Operation and Maintenance of Plant	2,274,427	2,174,390	2,174,390	0
Pupil Transportation				
Salaries	1,006,247	986,598	986,598	0
Fringe Benefits	445,251	499,486	499,486	0
Purchased Services	46,548	56,249	56,249	0
Materials and Supplies	403,580	283,790	283,690	100
Capital Outlay	1,000	2,896	2,896	0
Total Pupil Transportation	1,902,626	1,829,019	1,828,919	100
Central				
Salaries	0	22	22	0
Fringe Benefits	0	5	5	0
Purchased Services	20,000	13,782	13,782	0
Total Central	20,000	13,809	13,809	0
Total Support Services	10,097,252	10,122,945	10,120,633	2,312
Extracurricular Activities				
Academic and Subject Oriented Activities				
Salaries	60,700	68,349	68,349	0
Fringe Benefits	15,720	13,898	13,898	0
Purchased Services	6,000	6,000	2,423	3,577
Materials and Supplies	762	762	0	762
Total Academic and Subject Oriented Activities	83,182	89,009	84,670	4,339

(continued)

Big Walnut Local School District
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009
(continued)

	Original Budget	Budget	Actual	Variance Over (Under)
Sport Oriented Activities				
Salaries	\$309,100	\$320,060	\$320,060	\$0
Fringe Benefits	63,535	62,769	62,769	0
Total Sport Oriented Activities	372,635	382,829	382,829	0
School and Public Service				
Co-Curricular Activities				
Salaries	23,000	32,171	32,171	0
Fringe Benefits	7,221	7,380	7,380	0
Purchased Services	341	341	341	0
Total School and Public Service Co-Curricular Activities	30,562	39,892	39,892	0
Total Extracurricular Activities	486,379	511,730	507,391	4,339
Capital Outlay				
Building Improvement Services				
Capital Outlay	135,224	222,378	222,378	0
Total Expenditures	26,395,671	26,310,288	26,303,637	6,651
Excess of Revenues Under Expenditures	(1,362,159)	(1,211,111)	(1,114,342)	96,769
<u>Other Financing Sources (Uses)</u>				
Refund of Prior Year Expenditures	5,000	23,667	23,667	0
Advances In	0	9,846	9,846	0
Transfers In	0	82,538	90,000	7,462
Transfers Out	0	(73,827)	(73,827)	0
Total Other Financing Sources (Uses)	5,000	42,224	49,686	7,462
Changes in Fund Balance	(1,357,159)	(1,168,887)	(1,064,656)	104,231
Fund Balance Beginning of Year	1,142,434	1,142,434	1,142,434	0
Prior Year Encumbrances Appropriated	227,658	227,658	227,658	0
Fund Balance End of Year	\$12,933	\$201,205	\$305,436	\$104,231

Big Walnut Local School District
Bond Retirement Debt Service Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Property Taxes	\$2,731,693	\$2,749,342	\$17,649
Intergovernmental	208,651	352,017	143,366
Total Revenues	2,940,344	3,101,359	161,015
<u>Expenditures</u>			
Current:			
Support Services			
Fiscal			
Miscellaneous	43,468	43,468	0
Debt Service:			
Principal Retirement	10,873,852	10,873,842	10
Interest and Fiscal Charges	885,286	885,286	0
Interest on Capital Appreciation Bonds	816,158	816,158	0
Issuance Costs	129,000	129,000	0
Total Debt Service	12,704,296	12,704,286	10
Total Expenditures	12,747,764	12,747,754	10
Excess of Revenues			
Under Expenditures	(9,807,420)	(9,646,395)	161,025
<u>Other Financing Sources (Uses)</u>			
General Obligation Bonds Issued	9,999,926	9,999,926	0
Premium on Bonds Issued	130,848	374,905	244,057
Discount on Bonds Issued	0	(115,057)	(115,057)
Total Other Financing Sources (Uses)	10,130,774	10,259,774	129,000
Changes in Fund Balance	323,354	613,379	290,025
Fund Balance Beginning of Year	1,107,110	1,107,110	0
Fund Balance End of Year	\$1,430,464	\$1,720,489	\$290,025

Big Walnut Local School District
Building Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Interest	\$102,000	\$101,536	(\$464)
Miscellaneous	29,450	29,450	0
Total Revenues	131,450	130,986	(464)
<u>Expenditures</u>			
Current:			
Support Services			
Central			
Purchased Services	27,674	18,852	8,822
Capital Outlay			
Site Acquisition Services			
Capital Outlay	1,617,660	1,294,672	322,988
Architecture and Engineering Services			
Purchased Services	1,620,000	1,274,366	345,634
Facilities Acquisition Services			
Capital Outlay	8,330,000	1,004,550	7,325,450
Building Improvement Services			
Capital Outlay	510,692	508,907	1,785
Total Capital Outlay	12,078,352	4,082,495	7,995,857
Total Expenditures	12,106,026	4,101,347	8,004,679
Excess of Revenues Under Expenditures	(11,974,576)	(3,970,361)	8,004,215
<u>Other Financing Sources (Uses)</u>			
Bond Anticipation Notes Issued	10,000,000	10,000,000	0
Other Financing Uses	(50,000)	0	50,000
Transfers Out	(90,000)	(90,000)	0
Total Other Financing Sources (Uses)	9,860,000	9,910,000	50,000
Changes in Fund Balance	(2,114,576)	5,939,639	8,054,215
Fund Balance Beginning of Year	1,885,208	1,885,208	0
Prior Year Encumbrances Appropriated	270,187	270,187	0
Fund Balance End of Year	\$40,819	\$8,095,034	\$8,054,215

Big Walnut Local School District
Food Service Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$206,000	\$228,133	\$22,133
Interest	0	41	41
Charges for Services	776,250	793,208	16,958
Miscellaneous	600	263	(337)
	<u>982,850</u>	<u>1,021,645</u>	<u>38,795</u>
Total Revenues			
<u>Expenditures</u>			
Current:			
Support Services			
Non-Instructional Services			
Salaries	333,000	336,328	(3,328)
Fringe Benefits	150,209	141,933	8,276
Purchased Services	47,000	27,514	19,486
Materials and Supplies	532,000	495,583	36,417
Other	1,500	1,383	117
Capital Outlay	12,500	14,839	(2,339)
	<u>1,076,209</u>	<u>1,017,580</u>	<u>58,629</u>
Total Expenditures			
Changes in Fund Balance	(93,359)	4,065	97,424
Fund Balance Beginning of Year	93,852	93,852	0
Prior Year Encumbrances Appropriated	5,009	5,009	0
Fund Balance End of Year	<u>\$5,502</u>	<u>\$102,926</u>	<u>\$97,424</u>

Big Walnut Local School District
High School Navigator Technology Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>	0	0	0
Excess of Revenues Over Expenditures	0	0	0
<u>Other Financing Uses</u>			
Refund of Prior Year Receipts	(135)	(135)	0
Changes in Fund Balance	(135)	(135)	0
Fund Balance Beginning of Year	583	583	0
Fund Balance End of Year	\$448	\$448	\$0

Big Walnut Local School District
Public School Support Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Gifts and Donations	\$4,700	\$7,544	\$2,844
Miscellaneous	22,460	29,579	7,119
Total Revenues	27,160	37,123	9,963
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Salaries	630	540	90
Fringe Benefits	97	76	21
Total Instruction	727	616	111
Support Services			
Administration			
Purchased Services	32,952	28,328	4,624
Materials and Supplies	8,606	5,435	3,171
Capital Outlay	8,992	5,175	3,817
Total Support Services	50,550	38,938	11,612
Total Expenditures	51,277	39,554	11,723
Changes in Fund Balance	(24,117)	(2,431)	21,686
Fund Balance Beginning of Year	23,603	23,603	0
Prior Year Encumbrances Appropriated	2,402	2,402	0
Fund Balance End of Year	\$1,888	\$23,574	\$21,686

Big Walnut Local School District
High School Multi-Handicapped Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Capital Outlay	5,000	4,107	893
Changes in Fund Balance	(5,000)	(4,107)	893
Fund Balance Beginning of Year	5,000	5,000	0
Fund Balance End of Year	\$0	\$893	\$893

Big Walnut Local School District
Athletic and Music Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Extracurricular Activities	\$225,725	\$205,469	(\$20,256)
Gifts and Donations	3,447	15,047	11,600
Total Revenues	229,172	220,516	(8,656)
<u>Expenditures</u>			
Current:			
Extracurricular Activities			
Academic and Subject Oriented Activities			
Purchased Services	1,309	1,187	122
Materials and Supplies	1,800	1,589	211
Capital Outlay	7,000	5,500	1,500
Total Academic and Subject Oriented Activities	10,109	8,276	1,833
Sport Oriented Activities			
Purchased Services	123,183	117,704	5,479
Materials and Supplies	69,031	63,522	5,509
Capital Outlay	56,651	52,096	4,555
Total Sport Oriented Activities	248,865	233,322	15,543
Total Expenditures	258,974	241,598	17,376
Excess of Revenues			
Under Expenditures	(29,802)	(21,082)	8,720
<u>Other Financing Uses</u>			
Advances Out	(7,229)	(7,229)	0
Changes in Fund Balance	(37,031)	(28,311)	8,720
Fund Balance Beginning of Year	59,602	59,602	0
Prior Year Encumbrances Appropriated	12,149	12,149	0
Fund Balance End of Year	\$34,720	\$43,440	\$8,720

Big Walnut Local School District
Auxiliary Services Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$129,822	\$129,822	\$0
Interest	200	275	75
Total Revenues	130,022	130,097	75
<u>Expenditures</u>			
Current:			
Support Services			
Administration			
Purchased Services	4,993	4,993	0
Non-Instructional Services			
Salaries	12,000	10,347	1,653
Fringe Benefits	1,940	1,599	341
Purchased Services	21,805	19,919	1,886
Materials and Supplies	61,882	61,610	272
Capital Outlay	27,201	27,185	16
Total Non-Instructional Services	124,828	120,660	4,168
Total Expenditures	129,821	125,653	4,168
Changes in Fund Balance	201	4,444	4,243
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$201	\$4,444	\$4,243

Big Walnut Local School District
Education Management Information Systems Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$8,309	\$8,309	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Fiscal			
Salaries	54,073	54,073	0
Fringe Benefits	29,074	29,074	0
Total Expenditures	83,147	83,147	0
Excess of Revenues Under Expenditures	(74,838)	(74,838)	0
<u>Other Financing Sources</u>			
Transfers In	73,827	73,827	0
Changes in Fund Balance	(1,011)	(1,011)	0
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	1,011	1,011	0
Fund Balance End of Year	\$0	\$0	\$0

Big Walnut Local School District
 Network Connectivity Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$15,000	\$15,000	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Purchased Services	15,000	15,000	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Big Walnut Local School District
SchoolNet Professional Development Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$2,970	\$2,970	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Purchased Services	5,572	5,572	0
Changes in Fund Balance	(2,602)	(2,602)	0
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	2,602	2,602	0
Fund Balance End of Year	\$0	\$0	\$0

Big Walnut Local School District
Miscellaneous State Grants Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$27,209	\$27,209	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Purchased Services	9,709	8,909	800
Materials and Supplies	4,056	1,994	2,062
Total Instruction	13,765	10,903	2,862
Support Services			
Instructional Staff			
Salaries	10,000	10,600	(600)
Fringe Benefits	31	123	(92)
Purchased Services	6,869	6,628	241
Materials and Supplies	950	910	40
Capital Outlay	1,950	1,889	61
Total Support Services	19,800	20,150	(350)
Total Expenditures	33,565	31,053	2,512
Changes in Fund Balance	(6,356)	(3,844)	2,512
Fund Balance Beginning of Year	6,356	6,356	0
Fund Balance End of Year	\$0	\$2,512	\$2,512

Big Walnut Local School District
 Title VI-B Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$444,855	\$419,369	(\$25,486)
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Materials and Supplies	1,585	1,585	0
Special			
Salaries	449,637	386,162	63,475
Total Expenditures	451,222	387,747	63,475
Changes in Fund Balance	(6,367)	31,622	37,989
Fund Balance Beginning of Year	5,278	5,278	0
Prior Year Encumbrances Appropriated	1,089	1,089	0
Fund Balance End of Year	<u>\$0</u>	<u>\$37,989</u>	<u>\$37,989</u>

Big Walnut Local School District
 Title I Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$138,481	\$123,104	(\$15,377)
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Salaries	112,672	98,434	14,238
Fringe Benefits	18,357	19,603	(1,246)
Total Instruction	131,029	118,037	12,992
Support Services			
Instructional Staff			
Purchased Services	9,682	5,360	4,322
Pupil Transportation			
Purchased Services	4,000	6,169	(2,169)
Total Support Services	13,682	11,529	2,153
Total Expenditures	144,711	129,566	15,145
Changes in Fund Balance	(6,230)	(6,462)	(232)
Fund Balance Beginning of Year	4,086	4,086	0
Prior Year Encumbrances Appropriated	2,144	2,144	0
Fund Balance (Deficit) End of Year	\$0	(\$232)	(\$232)

Big Walnut Local School District
 Title V Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$1,925	\$1,925	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Purchased Services	1,925	1,925	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Big Walnut Local School District
 Title IV-A Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$5,611	\$5,611	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Instructional Staff			
Salaries	5,655	5,655	0
Purchased Services	59	59	0
Total Expenditures	5,714	5,714	0
Changes in Fund Balance	(103)	(103)	0
Fund Balance Beginning of Year	44	44	0
Prior Year Encumbrances Appropriated	59	59	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Big Walnut Local School District
Early Childhood Special Education Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$13,326	\$13,326	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Special			
Purchased Services	10,326	10,326	0
Materials and Supplies	1,000	1,062	(62)
Capital Outlay	1,950	1,888	62
Total Instruction	13,276	13,276	0
Support Services			
Administration			
Purchased Services	50	50	0
Total Expenditures	13,326	13,326	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Big Walnut Local School District
 Title II-A Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$94,414	\$86,532	(\$7,882)
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Salaries	13,000	19,595	(6,595)
Fringe Benefits	1,820	3,113	(1,293)
Total Instruction	14,820	22,708	(7,888)
Support Services			
Instructional Staff			
Salaries	36,154	25,403	10,751
Fringe Benefits	4,480	3,917	563
Purchased Services	36,343	37,003	(660)
Total Support Services	76,977	66,323	10,654
Total Expenditures	91,797	89,031	2,766
Excess of Revenues Over (Under) Expenditures	2,617	(2,499)	(5,116)
<u>Other Financing Uses</u>			
Advances Out	(2,617)	(2,617)	0
Changes in Fund Balance	0	(5,116)	(5,116)
Fund Balance (Deficit) Beginning of Year	(6,874)	(6,874)	0
Prior Year Encumbrances Appropriated	6,874	6,874	0
Fund Balance (Deficit) End of Year	\$0	(\$5,116)	(\$5,116)

Big Walnut Local School District
 Title II-D Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Fiscal Year Ended June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$1,145	\$1,145	\$0
<u>Expenditures</u>			
Current:			
Instruction			
Regular			
Materials and Supplies	859	871	(12)
Support Services			
Instructional Staff			
Purchased Services	286	274	12
Total Expenditures	<u>1,145</u>	<u>1,145</u>	<u>0</u>
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Big Walnut Local School District
Miscellaneous Federal Grants Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Fiscal Year Ended June 30, 2009

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$4,798	\$4,798	\$0
<u>Expenditures</u>			
Current:			
Support Services			
Operation and Maintenance of Plant			
Purchased Services	4,798	4,798	0
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

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**STATISTICAL
SECTION**

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**Big Walnut Local School District
Statistical Section**

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

Contents	Page
Financial Trends.....	S-2
These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.	
Revenue Capacity	S-6
These schedules contain information to help the reader assess the School District’s most significant local revenue sources.	
Debt Capacity.....	S-16
These schedules present information to help the reader assess the affordability of the School District’s current levels of outstanding debt and the School District’s ability to issue additional debt in the future.	
Demographic and Economic Information.....	S-20
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District’s financial activities take place.	
Operating Information	S-22
These schedules contain service data to help the reader understand how the information in the School District’s financial report relates to the services the School District provides and the activities it performs.	

Source: Unless otherwise noted the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Big Walnut Local School District
Net Assets
Last Four Fiscal Years
(Accrual Basis of Accounting)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Invested in Capital Assets, Net of Related Debt	\$8,781,299	\$7,054,170	\$7,865,501	\$7,377,670
Restricted for				
Debt Service	1,358,370	1,245,230	698,462	919,694
Capital Projects	607,425	1,870,203	445,216	0
Set Asides	0	0	128,199	69,164
Other Purposes	180,248	129,858	147,562	233,850
Unrestricted (Deficit)	<u>(2,827,845)</u>	<u>(805,480)</u>	<u>30,741</u>	<u>34,972</u>
Total Net Assets	<u>\$8,099,497</u>	<u>\$9,493,981</u>	<u>\$9,315,681</u>	<u>\$8,635,350</u>

Note: Information prior to fiscal year 2006 is not available.

Big Walnut Local School District
Changes in Net Assets
Last Four Fiscal Years
(Accrual Basis of Accounting)

	2009	2008	2007	2006
<u>Expenses</u>				
Instruction				
Regular	\$12,618,709	\$12,151,170	\$10,766,134	\$10,640,482
Special	3,749,804	3,293,665	2,952,259	2,310,234
Vocational	368,712	402,201	380,318	361,900
Support Services				
Pupils	1,236,627	1,330,211	1,240,150	1,217,465
Instructional Staff	1,215,386	1,075,658	886,296	1,112,190
Board of Education	236,519	203,318	184,257	159,106
Administration	2,560,097	2,390,141	1,943,266	1,644,074
Fiscal	895,813	884,013	748,515	708,063
Business	281,761	221,413	251,600	229,590
Operation and Maintenance of Plant	2,197,437	2,193,705	1,891,168	1,859,258
Pupil Transportation	1,925,545	1,944,429	1,763,719	1,809,895
Central	29,416	7,283	57,179	41,406
Non-Instructional Services	1,161,952	990,184	958,656	810,128
Extracurricular Activities	776,510	711,089	631,834	658,180
Interest and Fiscal Charges	1,117,813	850,009	853,300	1,005,545
Total Expenses	<u>30,372,101</u>	<u>28,648,489</u>	<u>25,508,651</u>	<u>24,567,516</u>
<u>Program Revenues</u>				
Charges for Services				
Regular	294,260	211,854	188,569	245,254
Special	87,902	51,117	53,857	0
Administration	5,805	3,420	0	0
Non-Instructional Services	793,208	718,600	656,422	617,845
Extracurricular Activities	205,867	220,158	201,425	220,414
Total Charges for Services	<u>1,387,042</u>	<u>1,205,149</u>	<u>1,100,273</u>	<u>1,083,513</u>
Operating Grants, Contributions, and Interest	1,338,135	1,279,558	1,300,892	1,373,899
Capital Grants and Contributions	19,360	44,731	22,841	21,659
Total Program Revenues	<u>2,744,537</u>	<u>2,529,438</u>	<u>2,424,006</u>	<u>2,479,071</u>
Net Expense	<u>(27,627,564)</u>	<u>(26,119,051)</u>	<u>(23,084,645)</u>	<u>(22,088,445)</u>
<u>General Revenues and Other Changes in Net Assets</u>				
Property Taxes Levied for General Purposes	11,433,389	12,336,291	10,140,434	11,310,488
Property Taxes Levied for Debt Service Purposes	2,649,715	2,018,917	1,889,652	2,258,006
Income Taxes Levied for General Purposes	4,346,558	4,430,022	4,358,466	4,545,105
Grants and Entitlements not Restricted to Specific Programs	7,350,791	6,968,875	6,548,534	6,191,456
Interest	286,958	347,757	535,992	664,609
Gifts and Donations	7,544	5,553	195,436	26,653
Miscellaneous	158,125	189,936	96,462	105,791
Total General Revenues	<u>26,233,080</u>	<u>26,297,351</u>	<u>23,764,976</u>	<u>25,102,108</u>
Changes in Net Assets	<u>(\$1,394,484)</u>	<u>\$178,300</u>	<u>\$680,331</u>	<u>\$3,013,663</u>

Note: Information prior to fiscal year 2006 is not available.

Big Walnut Local School District
Fund Balances
Governmental Funds
Last Four Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund				
Reserved	\$801,898	\$2,212,745	\$2,446,701	\$3,545,417
Unreserved (Deficit)	<u>(1,166,807)</u>	<u>(79,139)</u>	<u>818,705</u>	<u>189,573</u>
Total General Fund (Deficit)	<u>(364,909)</u>	<u>2,133,606</u>	<u>3,265,406</u>	<u>3,734,990</u>
All Other Governmental Funds				
Reserved	2,291,217	392,250	1,031,406	6,145,307
Unreserved, Reported in				
Special Revenue Funds (Deficit)	96,747	64,241	(90,069)	155,890
Debt Service Fund	1,720,489	1,107,110	553,922	574,050
Capital Projects Fund	<u>8,025,988</u>	<u>1,822,402</u>	<u>1,749,322</u>	<u>2,476,479</u>
Total All Other Governmental Funds	<u>12,134,441</u>	<u>3,386,003</u>	<u>3,244,581</u>	<u>9,351,726</u>
Total Governmental Funds	<u><u>\$11,769,532</u></u>	<u><u>\$5,519,609</u></u>	<u><u>\$6,509,987</u></u>	<u><u>\$13,086,716</u></u>

Note: Information prior to fiscal year 2006 is not available

Big Walnut Local School District
Changes in Fund Balances
Governmental Funds
Last Four Fiscal Years
(Modified Accrual Basis of Accounting)

	2009	2008	2007	2006
<u>Revenues</u>				
Property Taxes	\$13,975,143	\$14,253,531	\$11,930,590	\$13,704,069
Income Taxes	4,367,830	4,454,107	4,327,411	4,351,442
Intergovernmental	8,715,851	8,278,358	7,851,774	7,559,035
Interest	287,274	347,757	535,992	664,609
Tuition and Fees	327,724	224,087	301,629	179,283
Extracurricular Activities	206,095	219,930	207,366	221,494
Charges for Services	799,013	722,020	656,287	616,695
Gifts and Donations	46,242	37,851	28,928	29,510
Miscellaneous	158,125	189,936	96,462	105,791
Total Revenues	28,883,297	28,727,577	25,936,439	27,431,928
<u>Expenditures</u>				
Current:				
Instruction				
Regular	11,949,498	11,269,817	10,518,030	10,192,517
Special	3,684,912	3,273,814	2,924,910	2,337,477
Vocational	359,169	416,015	372,096	380,121
Support Services				
Pupils	1,222,872	1,324,018	1,234,650	1,236,937
Instructional Staff	1,207,259	957,272	842,513	862,615
Board of Education	236,519	203,318	184,257	159,106
Administration	2,485,192	2,446,647	1,912,326	1,733,322
Fiscal	906,794	895,653	740,005	703,051
Business	290,335	219,046	229,266	236,558
Operation and Maintenance of Plant	2,154,632	2,151,577	1,856,934	1,846,738
Pupil Transportation	1,779,954	1,970,238	1,791,030	1,862,780
Central	29,416	10,425	204,590	547,164
Non-Instructional Services	1,125,544	958,385	948,697	831,495
Extracurricular Activities	742,534	679,741	601,644	628,096
Capital Outlay	1,985,236	1,329,008	5,750,571	3,894,119
Debt Service:				
Principal Retirement	897,845	1,029,372	995,973	967,234
Interest and Fiscal Charges	890,279	712,699	741,649	775,295
Interest on Capital Appreciation Bonds	816,158	0	664,027	692,766
Issuance Costs	129,000	0	0	0
Total Expenditures	32,893,148	29,847,045	32,513,168	29,887,391
Excess of Revenues Under Expenditures	(4,009,851)	(1,119,468)	(6,576,729)	(2,455,463)
<u>Other Financing Sources (Uses)</u>				
Bond Anticipation Notes Issued	10,000,000	0	0	0
Current Refunding	(10,000,000)	0	0	0
General Obligation Bonds Issued	9,999,926	0	0	0
Premium on Bonds Issued	374,905	0	0	0
Discount on Bonds Issued	(115,057)	0	0	0
Inception of Capital Lease	0	129,090	0	0
Transfers In	163,827	189,961	0	8,790
Transfers Out	(163,827)	(189,961)	0	(8,790)
Total Other Financing Sources (Uses)	10,259,774	129,090	0	0
Changes in Fund Balances	\$6,249,923	(\$990,378)	(\$6,576,729)	(\$2,455,463)
Debt Service as a Percentage of Noncapital Expenditures				
	8.75%	5.98%	9.04%	9.35%

Note: Information prior to fiscal year 2006 is not available.

Big Walnut Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Public Utility Personal Property	
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial Public Utility			
2009	\$580,943,790	\$45,940,700	\$1,791,098,542	\$16,386,590	\$18,621,125
2008	567,913,753	44,036,150	1,748,428,294	15,407,230	17,508,216
2007	548,213,100	41,135,700	1,683,853,714	14,127,090	16,053,511
2006	526,122,170	41,412,640	1,621,528,029	14,765,900	16,779,432
2005	428,144,990	37,973,310	1,331,766,571	14,628,330	16,623,102
2004	410,933,990	37,893,770	1,282,365,029	14,799,900	16,818,068
2003	386,123,210	35,476,310	1,204,570,057	14,381,260	16,342,341
2002	325,677,740	30,089,260	1,016,477,143	11,439,100	12,998,977
2001	312,003,320	28,564,820	973,051,829	15,052,120	17,104,682
2000	301,111,870	28,552,370	941,897,829	14,270,810	16,216,830

Source: Delaware County Auditor

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

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. Personal property tax was assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent of actual value for machinery and equipment and 23 percent for inventory. The general business tangible personal property tax has been phased out. The percentage is zero for 2009.

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

Tangible Personal Property		Total		Percentage of Total Assessed Value to Total Estimated Actual Value	Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$643,271,080	\$1,809,719,667	35.55%	\$24.16
7,288,281	116,612,496	634,645,414	1,882,549,006	33.71	24.83
14,756,290	118,050,320	618,232,180	1,817,957,545	34.01	25.62
19,711,620	105,128,640	602,012,330	1,743,436,101	34.53	24.38
23,781,497	108,097,714	504,528,127	1,456,487,387	34.64	26.02
27,128,658	117,950,687	490,756,318	1,417,133,784	34.63	24.39
27,818,949	115,912,288	463,799,729	1,336,824,686	34.69	24.67
33,000,222	132,000,888	400,206,322	1,161,477,008	34.46	24.44
29,833,823	119,335,292	385,454,083	1,109,491,803	34.74	24.87
28,822,019	115,288,076	372,757,069	1,073,402,735	34.73	28.77

Big Walnut Local School District
Property Tax Rates - Direct and All Overlapping Governments
(Per \$1,000 of Assessed Values)
Last Ten Years

Collection Year	2009	2008	2007	2006	2005
Big Walnut Local School District					
Voted Millage					
1976 Current Expense					
Effective Millage Rates					
Residential/Agricultural Real	\$8.9565	\$8.9565	\$8.9565	\$8.9565	\$8.9565
Commercial/Industrial/Public Utility Real	9.0211	8.9565	8.9565	8.9565	8.9565
Tangible/Public Utility Personal	13.9000	13.9000	13.9000	13.9000	13.9000
1985 Current Expense					
Effective Millage Rates					
Residential/Agricultural Real	6.4435	6.4435	6.4435	6.4435	6.4435
Commercial/Industrial/Public Utility Real	6.4900	6.4435	6.4435	6.4435	6.4435
Tangible/Public Utility Personal	10.0000	10.0000	10.0000	10.0000	10.0000
1990 Bond \$16,500,000	1.5000	1.7800	2.2500	2.5000	3.3500
1991 Bond/Library \$1,500,000	0.2700	0.2900	0.4900	0.0500	0.3600
1996 Emergency \$750,000	n/a	n/a	n/a	n/a	n/a
2004 Bond \$13,000,000	1.0000	1.2700	1.2600	1.3400	1.6600
2006 Emergency \$750,000	1.1700	1.1900	1.2200	n/a	n/a
2008 Bond \$30,000,000	2.9000	n/a	n/a	n/a	n/a
Total Voted Millage					
Total Effective Voted Millage by Type of Property					
Residential/Agricultural Real	19.3400	19.9300	20.6200	19.2900	20.7700
Commercial/Industrial/Public Utility Real	19.4511	19.9300	20.6200	19.2900	20.7700
Tangible/Public Utility Personal	30.7400	28.4300	29.1200	27.7900	29.2700
Unvoted Millage					
General	4.6000	4.6000	4.6000	4.6000	4.6000
Total Millage					
Total Effective Millage by Type of Property					
Residential/Agricultural Real	23.9400	24.5300	25.2200	23.8900	25.3700
Commercial/Industrial/Public Utility Real	24.0511	24.5300	25.2200	23.8900	25.3700
Tangible/Public Utility Personal	35.3400	33.0300	33.7200	32.3900	33.8700
Delaware County	4.2500	4.2500	4.2500	4.2700	3.9000
Delaware Area Career Center	3.2000	3.2000	3.2000	3.2000	3.2000
Village of Galena	3.7000	3.7000	3.7000	3.7000	3.7000
Village of Sunbury	2.5000	2.5000	2.5000	2.5000	2.5000
Berkshire Township	0.8000	0.8000	0.0800	0.0800	0.0800
Genoa Township	9.4000	9.4000	9.4000	9.4000	12.1000
Harlem Township	10.0000	10.0000	10.0000	7.1200	7.2600
Kingston Township	2.3000	2.3000	2.3000	2.3000	2.3000
Porter Township	2.5000	2.5000	2.5000	2.5000	2.5000
Trenton Township	2.5000	2.5000	2.5000	2.5000	2.5000

2004	2003	2002	2001	2000
\$8.9565	\$8.9565	\$8.9565	\$8.9565	\$8.9565
8.9565	8.9565	8.9565	9.1334	8.9565
13.9000	13.9000	13.9000	13.9000	13.9000
6.4435	6.4435	6.4435	6.4435	6.4435
6.4435	6.4435	6.4435	6.5708	6.4435
10.0000	10.0000	10.0000	10.0000	10.0000
3.5000	3.5000	3.2100	3.0000	5.2900
0.1600	0.4000	0.2900	0.3400	0.4700
n/a	n/a	n/a	1.9700	2.0300
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
19.0600	19.3000	18.9000	20.7100	23.1900
19.0600	19.3000	18.9000	21.0142	23.1900
27.5600	27.8000	27.4000	29.2100	31.6900
4.6000	4.6000	4.6000	4.6000	4.6000
23.6600	23.9000	23.5000	25.3100	27.7900
23.6600	23.9000	23.5000	25.6142	27.7900
32.1600	32.4000	32.0000	33.8100	36.2900
3.9000	3.9000	3.9000	3.9000	4.7000
3.2000	3.2000	3.2000	3.4000	3.4000
3.7000	3.7000	3.7000	3.7000	3.7000
2.5000	2.5000	2.5000	2.5000	2.5000
0.0800	0.0800	0.0800	0.0800	0.0800
12.1000	12.1000	12.1000	12.1000	10.1000
7.3200	6.3200	6.4000	6.4100	6.4700
2.3000	2.3000	2.3000	2.3000	2.3000
2.5000	2.5000	2.5000	2.5000	2.5000
2.5000	2.5000	2.5000	2.5000	2.5000

(continued)

Big Walnut Local School District
Property Tax Rates - Direct and All Overlapping Governments
(Per \$1,000 of Assessed Values)
Last Ten Years
(continued)

Collection Year	2009	2008	2007	2006	2005
Delaware County 911 District	\$0.4500	\$0.4500	\$0.4500	\$0.3100	\$0.3100
Delaware County Health Department	0.7000	0.7000	0.7000	0.7000	1.0000
Delaware-Morrow Mental Health District	1.0000	1.0000	1.0000	1.0000	1.0000
Preservation Park District	0.6000	0.4000	0.4000	0.4000	0.4000
BST and G Fire Department	2.0000	2.0000	2.0000	2.0000	2.0000
Kingston-Porter Fire District	7.6700	7.7000	7.7200	7.6900	7.7500

Source: Ohio Department of Taxation

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The basic property rate can be increased only by a majority vote of the School District's residents.

Overlapping rates are those of local and county governments that apply to property owners within the School District. Property tax rates for all overlapping governments are based upon the original voted levy.

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

2004	2003	2002	2001	2000
\$0.3100	\$0.3100	\$0.3100	\$0.6200	\$0.6200
0.7000	0.7000	0.7000	0.7000	0.7000
1.0000	1.0000	1.0000	1.0000	1.0000
0.4000	0.4000	0.4000	0.4000	0.4000
2.0000	2.0000	2.0000	2.0000	2.0000
7.7200	7.8200	6.3700	6.3000	6.3500

Big Walnut Local School District
Real Property Tax Levies and Collections
Last Ten Years

Collection Year (1)	Current Tax Levy (2)	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
2008	\$15,337,175	\$14,929,123	97.34%	\$351,766	\$15,280,889	99.63%
2007	15,043,314	14,663,046	97.47	332,649	14,995,695	99.68
2006	14,002,586	13,668,807	97.62	287,046	13,955,853	99.67
2005	12,135,010	11,896,464	98.03	294,735	12,191,199	100.46
2004	11,021,055	10,799,738	97.99	329,283	11,129,021	100.98
2003	10,363,611	10,110,676	97.56	469,714	10,580,390	102.09
2002	8,620,090	8,322,805	96.55	273,363	8,596,168	99.72
2001	9,016,060	8,855,444	98.22	259,000	9,114,444	101.09
2000	9,566,682	9,297,907	97.19	219,744	9,517,651	99.49
1999	7,732,389	7,585,423	98.10	163,958	7,749,381	100.22

Source: Delaware County Auditor

(1) The 2009 information cannot be presented because all collections have not been made by June 30, 2009.

(2) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not identify delinquent collections by tax year.

Big Walnut Local School District
Tangible Personal Property Tax Levies and Collections
Last Ten Years

Collection Year (1)	Current Tax Levy (2)	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
2008	\$238,618	\$150,902	63.24%	\$5,426	\$156,328	65.51%
2007	464,702	478,805	103.03	10,241	489,046	105.24
2006	622,489	651,397	104.64	93,921	745,318	119.73
2005	777,583	789,443	101.53	26,686	816,129	104.96
2004	836,496	821,587	98.22	3,579	825,166	98.65
2003	894,351	809,324	90.49	3,550	812,874	90.89
2002	1,050,879	1,102,603	104.92	146,887	1,249,490	118.90
2001	1,001,347	908,970	90.77	23,234	932,204	93.10
2000	1,040,438	893,148	85.84	85,594	978,742	94.07
1999	1,034,772	961,931	92.96	13,145	975,076	94.23

Source: Delaware County Auditor

(1) The 2009 information cannot be presented because all collections have not been made by June 30, 2009.

(2) The \$10,000 personal property exemption is included.

Note: The County does not identify delinquent collections by tax year.

Big Walnut Local School District
Principal Taxpayers - Real Property
Current Year and Five Years Ago

Taxpayer	2009	
	Real Property Assessed Valuation	Percentage of Total School District Assessed Valuation (2009 Collection Year)
Northstar, LLC	\$3,924,700	0.63%
American Showa, Inc	3,203,610	0.51
Homewood Corporation	1,913,460	0.31
Ohashi Technica USA, Inc	1,872,500	0.30
Eagle Bent Tree, LLC	1,674,160	0.27
EPEC, LLC	1,579,590	0.25
Dominion Homes, Inc	1,575,000	0.25
Natures Haven Partners	1,481,870	0.23
Eagle Royal American, LLC	1,469,690	0.23
Northstar Land Development and Northstar Golf, LLC	1,370,820	0.22
Total	20,065,400	3.20
All Other Taxpayers	606,819,090	96.80
Total Assessed Valuation	<u>\$626,884,490</u>	<u>100.00%</u>

Taxpayer	2004	
	Real Property Assessed Valuation	Percentage of Total School District Assessed Valuation (2004 Collection Year)
NGP Realty Sub, LP	\$3,054,330	0.68%
American Showa, Inc	2,630,710	0.59
EPEC, LLC	1,385,380	0.31
Northstar, LLC	1,352,410	0.30
Ohashi Technica USA, Inc	1,330,010	0.30
Big Walnut Plaza Partnership	1,182,620	0.26
Continental Investments and Property Management	1,163,020	0.26
CFS Properties	1,151,890	0.26
Carter Jones Lumber Company	1,099,780	0.24
Sunbury Mills Development LTD	1,085,010	0.24
Total	15,435,160	3.44
All Other Taxpayers	433,392,600	96.56
Total Assessed Valuation	<u>\$448,827,760</u>	<u>100.00%</u>

Source: Delaware County Auditor

Note: Information prior to 2004 is not available.

Big Walnut Local School District
Principal Taxpayers - Public Utility Personal Property
Current Year and Five Years Ago

2009		
Taxpayer	Assessed Valuation	Percentage of Total School District Assessed Valuation (2009 Collection Year)
Columbus Southern Power Company	\$9,787,880	59.73%
Columbia Gas of Ohio	3,852,360	23.51
Consolidated Electric Cooperative	1,642,590	10.02
Ohio Power Company	772,880	4.72
Total	16,055,710	97.98
All Other Taxpayers	330,880	2.02
Total Assessed Valuation	\$16,386,590	100.00%

2004		
Taxpayer	Total Assessed Valuation	Percentage of Total School District Assessed Valuation (2004 Collection Year)
Columbus Southern Power Company	\$7,947,820	53.70%
United Telephone Company of Ohio	2,714,760	18.34
Consolidated Electric Cooperative	1,392,840	9.41
Ohio Power Company	891,380	6.03
Total	12,946,800	87.48
All Other Taxpayers	1,853,100	12.52
Total Assessed Valuation	\$14,799,900	100.00%

Source: Delaware County Auditor

Note: Information prior to 2004 is not available.

Big Walnut Local School District
Ratios of Outstanding Debt by Type
Last Four Fiscal Years

Fiscal Year	General Obligation Bonds	Capital Leases	Total Debt	Per Capita (1)	Percentage of Personal Income (1)
2009	\$28,794,053	\$80,715	\$28,874,768	\$1,952	7.46%
2008	20,043,659	104,718	20,148,377	1,362	5.21
2007	20,915,691	0	20,915,691	1,414	5.41
2006	22,412,906	0	22,412,906	1,515	5.79

Source: School District Records

(1) See Schedule on S-20 for population and personal income.

Note: Information prior to 2006 is not available.

Big Walnut Local School District
Ratio of General Bonded Debt to Estimated Actual Value
and Bonded Debt Per Capita
Last Four Fiscal Years

Fiscal Year	Population (1)	Estimated Actual Value	General Bonded Debt	General Bonded Debt to Estimated Actual Value	General Bonded Debt Per Capita
2009	14,790	\$1,809,719,667	\$28,794,053	1.59%	\$1,947
2008	14,790	1,882,549,006	20,043,659	1.06	1,355
2007	14,790	1,817,957,545	20,915,691	1.15	1,414
2006	14,790	1,743,436,101	22,412,906	1.29	1,515

Source: School District Records

(1) National Center for Education Statistics - 2000 U.S. Census Data

Note: Information prior to 2006 is not available.

Big Walnut Local School District
 Computation of Direct and Overlapping Debt
 June 30, 2009

Political Subdivision	Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Big Walnut Local School District	\$28,874,768	100.00%	\$28,874,768
Delaware County	46,594,100	10.27	4,785,214
Village of Galena	680,000	100.00	680,000
Village of Sunbury	3,310,000	100.00	3,310,000
Kingston-Porter Fire District	<u>40,000</u>	63.69	<u>25,476</u>
Total	<u>\$79,498,868</u>		<u>\$37,675,458</u>

Source: Delaware County Auditor

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the political subdivision. The valuations used were for the 2009 collection year.

Big Walnut Local School District
 Computation of Legal Debt Margin
 Last Four Fiscal Years

	2009	2008	2007	2006
Total Assessed Valuation	\$643,271,080	\$634,645,414	\$618,232,180	\$602,012,330
Less:				
Public Utility Tangible Personal Property	(16,386,590)	(15,407,230)	(14,127,090)	(14,765,900)
Tangible Personal Property	<u>0</u>	<u>(7,288,281)</u>	<u>(14,756,290)</u>	<u>(19,711,620)</u>
Total Assessed Valuation used to calculate Legal Debt Margin	626,884,490	611,949,903	589,348,800	567,534,810
Overall Debt Limitation - 9 Percent of Assessed Valuation	56,419,604	55,075,491	53,041,392	51,078,133
Gross Indebtedness	26,404,867	17,278,783	18,283,783	19,279,756
Less Fund Balance in Debt Service Fund	<u>1,889,802</u>	<u>1,430,243</u>	<u>898,975</u>	<u>574,050</u>
Net Debt Within 9 Percent Limitation	<u>24,515,065</u>	<u>15,848,540</u>	<u>17,384,808</u>	<u>18,705,706</u>
Legal Debt Margin Within 9 Percent Limitation	<u>\$31,904,539</u>	<u>\$39,226,951</u>	<u>\$35,656,584</u>	<u>\$32,372,427</u>
Legal Debt Margin as a Percentage of the Overall Debt Limitation	56.55%	71.22%	67.22%	63.38%
Unvoted Debt Limitation - .10 Percent of Assessed Valuation	\$626,884	\$611,950	\$589,349	\$567,535
Gross Indebtedness	0	0	0	0
Less Debt Outside Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Debt Within .10 Percent Limitation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal Debt Margin Within .10 Percent Limitation	<u>\$626,884</u>	<u>\$611,950</u>	<u>\$589,349</u>	<u>\$567,535</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%

Source: School District Records

Note: Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.

Information prior to 2006 is not available.

Big Walnut Local School District
Demographic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (2)	Personal Income Per Capita (1)	Delaware County Unemployment Rate (3)
2009	14,790	\$386,817,660	\$26,154	7.50%
2008	14,790	386,817,660	26,154	5.20
2007	14,790	386,817,660	26,154	4.20
2006	14,790	386,817,660	26,154	3.90
2005	14,790	386,817,660	26,154	3.80
2004	14,790	386,817,660	26,154	4.00
2003	14,790	386,817,660	26,154	3.60
2002	14,790	386,817,660	26,154	3.30
2001	14,790	386,817,660	26,154	2.20
2000	14,790	386,817,660	26,154	1.80

Source: (1) National Center for Education Statistics from 2000 U.S. Census Data

(2) Computation of per capita personal income multiplied by population

(3) Ohio Department of Job and Family Services/Ohio Labor Market

Big Walnut Local School District
Principal Employers
Current Year and Eight Years Ago

Employer	2009			2001		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
JP Morgan Chase	7,601	1	8.77%	1,000	1	n/a
Kroger Company	1,620	2	1.87			
Olentangy Local School District	1,564	3	1.80	672	3	n/a
Delaware County	1,082	4	1.25	810	2	n/a
Central Ohio Primary Care	935	5	1.08			
American Showa, Inc	709	6	0.82	375	10	n/a
Ohio Wesleyan University	612	7	0.70	495	7	n/a
Wal-Mart	595	8	0.69	465	8	n/a
Grady Memorial Hospital	577	9	0.66	657	4	n/a
Delaware City School District	538	10	0.62	559	6	n/a
CIGNA				450	9	n/a
PPG Industries, Inc				563	5	n/a
Total	<u>15,833</u>		<u>18.26%</u>	<u>6,046</u>		<u>n/a</u>
Total Employment Within Delaware County	<u>86,700</u>			<u>n/a</u>		

Source: Delaware County Office of Economic Development

Note: Total Employment information for 2001 is not available.

Specific information for the School District is not available, therefore, the information is for Delaware County.

Big Walnut Local School District
School District Employees by Program
Last Eight Fiscal Years

Program	2009	2008	2007	2006	2005
Instruction					
Regular					
Elementary School Classroom Teachers	68.0	61.0	51.0	56.0	57.0
Middle School Classroom Teachers	34.0	33.0	33.0	32.0	32.0
High School Classroom Teachers	50.0	40.0	41.0	41.0	41.0
Special					
Elementary School Classroom Teachers	19.0	18.0	17.0	15.0	13.0
Middle School Classroom Teachers	8.0	10.0	8.0	8.0	8.0
High School Classroom Teachers	9.0	8.0	7.0	8.0	8.0
Vocational					
High School Classroom Teachers	6.0	6.0	6.0	6.0	6.0
Support Services					
Pupils					
Guidance Counselors	8.0	8.0	6.0	6.0	6.0
Librarians	1.0	1.0	1.0	1.0	1.0
Dean of Students	1.0	2.0	1.0	1.0	1.0
Drug Free	2.0	2.0	2.0	2.0	2.0
Athletic Coordinator	1.0	1.0	1.0	1.0	1.0
Social Workers	1.0	2.0	1.0	1.0	1.0
Instructional Staff					
Technology	1.0	0.0	0.0	0.0	0.0
Teaching Assistants	26.0	23.0	21.0	9.0	6.0
Library Assistants	5.0	5.0	5.0	4.0	4.0
Administration					
Elementary School	3.0	3.0	3.0	3.0	3.0
Middle School	2.0	2.0	2.0	2.0	2.0
High School	3.0	2.0	2.0	2.0	2.0
Administration Office	8.0	6.0	6.0	4.0	4.0
Administrator Assistance	3.0	4.0	3.0	3.0	3.0
Secretaries	13.0	13.0	13.0	13.0	13.0
Fiscal					
Fiscal Office	3.0	3.0	2.0	1.5	1.5
EMIS Coordinator	1.0	1.0	1.0	1.0	1.0
Operation and Maintenance of Plant					
Custodians	17.0	16.0	16.0	13.0	13.5
Maintenance	2.0	2.0	2.0	2.0	2.0
Pupil Transportation					
Bus Drivers	30.0	30.0	31.0	30.0	30.0
Bus Aides	2.0	1.0	0.0	0.0	0.0
Bus Mechanics	2.0	2.0	2.0	2.0	2.0
Secretary	1.0	1.0	1.0	1.0	1.0
Non-Instructional Services					
Elementary School Cooks	10.0	10.0	9.0	8.0	8.0
Middle School Cooks	6.0	6.0	6.0	6.0	6.0
High School Cooks	8.0	8.0	8.0	5.0	5.0

Source: School District Records

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

Note: Information prior to 2002 is not available.

n/a - not available

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Big Walnut Local School District
 Per Pupil Cost
 Last Four Fiscal Years
 (Accrual Basis of Accounting)

Fiscal Year	Expenses	Enrollment	Cost Per Pupil	Teaching Staff	Pupil/ Teacher Ratio
2009	\$30,372,101	2,879	\$10,550	194	14.84
2008	28,648,489	2,739	10,459	176	15.56
2007	25,508,651	2,779	9,179	163	17.05
2006	24,567,516	2,732	8,993	166	16.46

Source: School District Records

Note: Information prior to 2006 is not available.

Big Walnut Local School District
School Building Statistics
Last Eight Fiscal Years

	2009	2008	2007	2006	2005	2004	2003
Big Walnut Elementary							
Total Square Footage	36,700	36,700	36,700	36,700	36,700	36,700	36,700
Enrollment	538	442	476	460	430	420	414
Student Capacity	575	575	575	575	575	575	575
Regular Instruction Classrooms	27	20	20	20	20	20	20
Regular Instruction Teachers	27	25	20	21	21	21	24
Special Instruction Classrooms	5	5	9	9	9	9	9
Special Instruction Teachers	5	5	5	5	4	4	2
Harrison Street Elementary							
Total Square Footage	36,200	36,200	36,200	36,200	36,200	36,200	36,200
Enrollment	327	307	318	280	284	281	278
Student Capacity	475	475	475	475	475	475	475
Regular Instruction Classrooms	19	16	16	16	16	16	16
Regular Instruction Teachers	19	16	13	15	15	16	17
Special Instruction Classrooms	6	3	3	3	3	3	3
Special Instruction Teachers	6	6	7	4	4	3	4
Hylen Souders Elementary							
Total Square Footage	42,493	42,493	42,493	42,493	42,493	42,493	42,493
Enrollment	420	420	424	425	413	433	441
Student Capacity	725	725	725	725	725	725	725
Regular Instruction Classrooms	22	20	20	20	20	20	20
Regular Instruction Teachers	22	20	18	20	21	21	23
Special Instruction Classrooms	8	7	7	7	7	7	7
Special Instruction Teachers	8	7	5	6	5	5	4
Big Walnut Middle School							
Total Square Footage	69,680	69,680	69,680	69,680	69,680	69,680	69,680
Enrollment	648	670	652	637	617	619	638
Student Capacity	660	660	660	660	660	660	660
Regular Instruction Classrooms	29	29	29	29	29	29	29
Regular Instruction Teachers	34	33	33	32	32	33	33
Special Instruction Classrooms	3	3	3	3	3	3	3
Special Instruction Teachers	8	10	8	8	8	7	7
Big Walnut High School							
Total Square Footage	180,000	180,000	148,000	148,000	148,000	148,000	148,000
Enrollment	946	900	909	930	877	880	897
Student Capacity	1,100	1,100	875	875	875	875	875
Regular Instruction Classrooms	46	46	38	38	38	38	38
Regular Instruction Teachers	56	46	47	47	47	47	46
Special Instruction Classrooms	8	8	5	5	5	5	5
Special Instruction Teachers	9	8	7	8	8	7	8

Source: School District Records

Note: Information prior to 2002 is not available.

2002

36,700
414
575
20
21
9
3

36,200
287
475
16
17
3
4

42,493
433
725
20
22
7
5

69,680
640
660
29
36
3
7

148,000
869
875
38
45
5
7

Big Walnut Local School District
 Full-Time Equivalent Teachers by Education
 Last Seven Fiscal Years

Degree	2009	2008	2007	2006	2005	2004
Bachelor's Degree	33	28	19	22	24	24
Bachelor + 15	24	25	31	33	32	38
Bachelor + 30	31	25	28	27	35	33
Master's Degree	61	56	46	47	41	40
Master's + 15	31	27	22	20	19	15
Master's + 30	14	15	17	17	14	14
Total	<u>194</u>	<u>176</u>	<u>163</u>	<u>166</u>	<u>165</u>	<u>164</u>

Source: School District Records

Note: Information prior to 2003 is not available.

2003

32

43

27

40

14

12

168

Big Walnut Local School District
Teacher's Salaries
Last Ten Fiscal Years

Fiscal Year	Minimum Salary (1)	Maximum Salary (2)	Average Salary Comparable Disticts (3)	Statewide Average Salary (3)
2009	\$32,082	\$75,714	\$56,749	\$54,565
2008	31,072	73,330	52,167	53,410
2007	30,314	70,177	50,985	50,772
2006	29,647	67,299	49,801	49,438
2005	29,066	64,672	47,774	47,659
2004	28,151	62,636	45,038	45,645
2003	27,265	60,664	43,354	73,755
2002	26,091	58,052	n/a	42,995
2001	25,208	56,089	n/a	41,713
2000	24,008	51,377	n/a	40,746

Source: School District Records

- (1) Starting teacher with no experience.
- (2) Teacher with Master's Degree and more than 30 years of experience.
- (3) Provided by the Ohio Department of Education.

Note: n/a - not available

Big Walnut Local School District
Enrollment Statistics
Last Eight Fiscal Years

Fiscal Year	Elementary Schools	Middle Schools	High Schools	Total
2009	1,285	648	946	2,879
2008	1,169	670	900	2,739
2007	1,218	652	909	2,779
2006	1,165	637	930	2,732
2005	1,127	617	877	2,621
2004	1,134	619	880	2,633
2003	1,133	638	897	2,668
2002	1,134	640	869	2,643

Source: School District Records

Note: Information prior to 2002 is not available.

Big Walnut Local School District
 Percentage of Students Who Receive Free and Reduced Lunches
 Last Ten Fiscal Years

District Buildings	2009	2008	2007	2006	2005
Big Walnut Elementary	19.00%	15.00%	13.00%	16.00%	15.00%
Harrison Street Elementary	20.00	16.00	16.00	18.00	21.00
Hylen Souders Elementary	26.00	14.00	24.00	31.00	16.00
Big Walnut Middle School	19.00	18.00	18.00	17.00	13.00
Big Walnut High School	17.00	14.00	11.00	10.00	8.00

Source: School District Records

2004	2003	2002	2001	2000
15.00%	18.00%	19.00%	14.00%	11.00%
18.00	18.00	18.00	19.00	13.00
21.00	21.00	19.00	20.00	14.00
11.00	13.00	12.00	11.00	8.00
6.00	7.00	7.00	6.00	6.00

Big Walnut Local School District
 Attendance and Graduation Rates
 Last Ten Fiscal Years

Fiscal Year	Attendance Rate	State Average	Graduation Rate	State Average
2009	95.40%	94.30%	96.20%	84.60%
2008	95.40	94.20	95.10	86.90
2007	95.50	94.10	95.10	86.10
2006	95.50	94.10	98.00	86.10
2005	95.70	94.30	94.60	86.20
2004	95.50	94.50	93.30	85.90
2003	95.20	94.50	90.90	84.30
2002	95.20	94.30	93.20	82.70
2001	94.90	93.90	95.00	81.10
2000	95.10	93.60	96.60	80.60

Source: Ohio Department of Education, Local Report Cards



Mary Taylor, CPA
Auditor of State

**BIG WALNUT LOCAL SCHOOL DISTRICT
DELAWARE 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
MARCH 4, 2010**