

**BRIDGEPORT EXEMPTED VILLAGE
SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

***GENERAL PURPOSE FINANCIAL STATEMENTS
(AUDITED)***

*FOR THE FISCAL YEAR ENDED
JUNE 30, 2000*

AMY PORTER, TREASURER



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Board of Education
Bridgeport Exempted Village School District

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

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

JIM PETRO
Auditor of State

December 27, 2000

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

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Independent Auditor's Report

Board of Education
Bridgeport Exempted Village School District
501 Bennett Street
Bridgeport, Ohio 43912

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

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Bridgeport Exempted Village School District, Belmont County, as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust fund for the fiscal year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 17, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the District, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Trimble, Julian & Grube, Inc.
November 17, 2000

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2000

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise		Internal Service	Trust and Agency	
						Fixed Assets			
ASSETS AND OTHER DEBITS									
ASSETS:									
Equity in pooled cash and cash equivalents	\$ 898,409	\$ 148,533		\$ 131,016	\$ 7,288	\$ 46,639			\$ 1,231,885
Equity in pooled cash and cash equivalents - nonexpendable trust fund						80,809			80,809
Cash with fiscal agent									99,110
Investments in segregated accounts	225								225
Receivables (net of allowances of uncollectibles):									
Taxes - current and delinquent	1,604,850		\$ 18,125	76,706					1,699,681
Accounts	4,874	243							5,117
Interfund loan receivable	7,640								7,640
Note receivable				7,868					7,868
Due from other governments					20,044				20,044
Prepayments	21,343								21,343
Materials and supplies inventory	3,092				4,996				8,088
Restricted assets:									
Equity in pooled cash and cash equivalents	26,084								26,084
Property, plant and equipment (net of accumulated depreciation where applicable)					1,143			\$ 3,772,312	3,773,455
OTHER DEBITS:									
Amount to be provided for retirement of general long-term obligations.								\$ 710,238	710,238
Total assets and other debits.	\$ 2,566,517	\$ 148,776	\$ 18,125	\$ 215,590	\$ 33,471	\$ 99,110	\$ 127,448	\$ 3,772,312	\$ 7,691,587

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2000

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	
LIABILITIES, EQUITY AND OTHER CREDITS									
LIABILITIES:									
Accounts payable	\$41,774	\$188				\$250			\$42,212
Accrued wages and benefits	392,409	62,682		\$4	\$17,062				472,157
Compensated absences payable	19,467	221			7,643			\$473,134	500,465
Pension obligation payable	58,730	8,440		26	10,936			36,261	114,393
Interfund loan payable						7,640			7,640
Deferred revenue	1,489,352		\$18,125	69,473	1,215				1,578,165
Claims payable						\$7,652			7,652
Due to students						4,542			4,542
Emergency school loan payable	575,143							70,000	575,143
Energy conservation notes payable								130,843	70,000
Obligation under capital lease									130,843
Total liabilities	2,576,875	71,531	18,125	69,503	36,856	7,652	12,432	-	3,503,212
EQUITY AND OTHER CREDITS:									
Investment in general fixed assets								\$3,772,312	3,772,312
Retained earnings (accumulated deficit): unreserved					(3,385)	91,458			88,073
Fund balances:									
Reserved for encumbrances	103,615	2,945		14,041			12,325		132,926
Reserved for prepayments	21,343								21,343
Reserved for materials and supplies inventory	3,092								3,092
Reserved for tax revenue unavailable for appropriation	115,498			7,233			80,809		122,731
Reserved for principal endowment									80,809
Reserved for note receivable									7,868
Reserved for budget stabilization	26,084								26,084
Unreserved - undesignated (deficit)	(279,990)	74,300		116,945			21,882		(66,863)
Total equity and other credits	(10,358)	77,245	-	146,087	(3,385)	91,458	115,016	3,772,312	4,188,375
Total liabilities, equity and other credits	\$2,566,517	\$148,776	\$18,125	\$215,590	\$33,471	\$99,110	\$127,448	\$3,772,312	\$7,691,587

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES (DEFICITS)
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
From local sources:						
Taxes	\$1,594,762		\$18,875	\$75,769		\$1,689,406
Tuition	10,032					10,032
Earnings on investments	54,108	\$1,879			\$2,421	58,408
Extracurricular		44,414				44,414
Donations					27,810	27,810
Other local revenues	41,821	2,515				44,336
Intergovernmental - State	2,901,052	321,012		71,918		3,293,982
Intergovernmental - Federal	1,682	378,415				380,097
Total revenues	4,603,457	748,235	18,875	147,687	30,231	5,548,485
Expenditures:						
Current:						
Instruction:						
Regular	2,238,051	193,604		44,604		2,476,259
Special	472,099	263,621		4,552		740,272
Vocational	153,889	443				154,332
Other	27,306					27,306
Support services:						
Pupil	208,995	382				209,377
Instructional staff	13,491	77,609		5,325		96,425
Board of Education	13,235					13,235
Administration	322,943	13,196				336,139
Fiscal	180,045	1,783		4,521		186,349
Business		5,243				5,243
Operations and maintenance	461,591	28,860		13,984		504,435
Pupil transportation	189,845			58,890		248,735
Central	11,740	1,212				12,952
Community services		18,916			15,555	34,471
Extracurricular activities	65,201	48,013				113,214
Facilities acquisition and construction				112,652		112,652
Capital outlay	52,129					52,129
Intergovernmental pass-through		92,781				92,781
Debt service:						
Principal retirement	19,271		15,000	21,780		56,051
Interest and fiscal charges	43,803		3,875	4,051		51,729
Total expenditures	4,473,634	745,663	18,875	270,359	15,555	5,524,086
Excess (deficiency) of revenues over (under) expenditures	129,823	2,572	0	(122,672)	14,676	24,399
Other financing sources (uses):						
Proceeds of capital lease transaction	52,129					52,129
Operating transfers out					(1,610)	(1,610)
Total other financing sources (uses)	52,129	-	-	-	(1,610)	50,519
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	181,952	2,572	0	(122,672)	13,066	74,918
Fund balances (deficits), July 1	(191,978)	74,673	0	268,759	21,141	172,595
Decrease in reserve for inventory	(332)					(332)
Fund balances (deficits), June 30	(\$10,358)	\$77,245	\$0	\$146,087	\$34,207	\$247,181

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS (ACCUMULATED DEFICIT)/FUND BALANCE
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Proprietary Fund Types		Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
Operating revenues:				
Sales/charges for services	\$105,702	\$197,369		\$303,071
Interest revenue			\$7,325	7,325
Other operating revenues		141		141
Total operating revenues	105,702	197,510	7,325	310,537
Operating expenses:				
Personal services	123,573	82		123,655
Contract services	2,217	6,810		9,027
Materials and supplies	139,116			139,116
Depreciation	107			107
Claims expense		171,250		171,250
Other operating expenses			3,502	3,502
Total operating expenses	265,013	178,142	3,502	446,657
Operating income (loss)	(159,311)	19,368	3,823	(136,120)
Nonoperating revenues:				
Operating grants	155,736			155,736
Federal commodities	13,320			13,320
Interest revenue	764	4,849		5,613
Other nonoperating revenues	255			255
Total nonoperating revenues	170,075	4,849		174,924
Net income before operating transfers	10,764	24,217	3,823	38,804
Operating transfers in			1,610	1,610
Net income	10,764	24,217	5,433	40,414
Retained earnings (accumulated deficit)/fund balance at July 1 (restated)	(14,149)	67,241	75,376	128,468
Retained earnings (accumulated deficit)/fund balance at June 30	(\$3,385)	\$91,458	\$80,809	\$168,882

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Proprietary Fund Types		Fiduciary Fund Type	Total (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
Cash flows from operating activities:				
Cash received from sales/service charges	\$105,702	\$197,369		\$303,071
Cash received from other operations		141		141
Cash payments for personal services	(121,143)	(82)		(121,225)
Cash payments for contract services.	(2,217)	(6,810)		(9,027)
Cash payments for materials and supplies.	(126,185)			(126,185)
Cash payments for claims expenses		(174,446)		(174,446)
Cash payments for other expenses.			(\$3,752)	(3,752)
Net cash provided by (used in) operating activities	(143,843)	16,172	(3,752)	(131,423)
Cash flows from noncapital financing activities:				
Cash received from operating grants	157,832			157,832
Cash received from operating transfers in			1,610	1,610
Cash used in repayment of interfund loans	(8,116)			(8,116)
Cash received from other noncapital financing activities	255			255
Net cash provided by noncapital financing activities	149,971	-	1,610	151,581
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(536)			(536)
Net cash used in capital and related financing activities.	(536)	-	-	(536)
Cash flows from investing activities:				
Interest received	764	4,849	7,325	12,938
Net cash provided by investing activities	764	4,849	7,325	12,938
Net increase in cash and cash equivalents	6,356	21,021	5,183	32,560
Cash and cash equivalents at beginning of year	932	78,089	75,626	154,647
Cash and cash equivalents at end of year.	<u>\$7,288</u>	<u>\$99,110</u>	<u>\$80,809</u>	<u>\$187,207</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss).	(\$159,311)	\$19,368	\$3,823	(\$136,120)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	107			107
Federal donated commodities	13,320			13,320
Interest reported as operating income			(7,325)	(7,325)
Changes in assets and liabilities:				
Decrease in materials and supplies inventory.	615			615
Decrease in accounts payable.			(250)	(250)
Increase in accrued wages and benefits	4,118			4,118
Increase in compensated absences payable	440			440
Decrease in pension obligation payable	(2,128)			(2,128)
Decrease in claims payable.		(3,196)		(3,196)
Decrease in deferred revenue.	(1,004)			(1,004)
Net cash provided by (used in) operating activities	(143,843)	16,172	(3,752)	(131,423)

THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

NOTE 1 - DESCRIPTION OF THE ENTITY

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

The District was established in 1856 through the consolidation of existing land areas and school districts. The District currently ranks as the 546th largest in terms of total enrollment among the 660 public and community school districts in the State of Ohio. The District is staffed by 39 non-certificated employees and 69 certificated full-time teaching personnel who provide services to 838 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

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

JOINTLY GOVERNED ORGANIZATIONS:

Belmont Harrison Career Center

The Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The Career Center's Board of Education is comprised of representatives from the Board of Education of each participating school district. The Career Center's Board of Education is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. The District's students may attend the Career Center. Each participating school district's control is limited to its representation on the Career Center's Board of Education.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

Ohio Mid-Eastern Regional Education Service Agency (OME-RESA)

OME-RESA is a not-for-profit computer service organization whose primary function is to provide information technology services to its member school districts with the major emphasis being placed on accounting, payroll and inventory control services. Other areas of service provided by the OME-RESA include pupil scheduling, attendance and grade reporting, career guidance services, special education records, and test scoring.

The OME-RESA is one of twenty-three regional service organizations serving over 600 public school districts in the State of Ohio that make up the Ohio Educational Computer Network (OECN). These service organizations are known as Data Acquisition Sites. The OECN is a collective group of Data Acquisition Sites, authorized pursuant to Section 3301.075 of the Ohio Revised Code, and their member school districts. Such sites, in conjunction with the Ohio Department of Education (ODE), comprise a statewide delivery system to provide comprehensive, cost-efficient accounting and other administrative and instructional computer services for participating Ohio school districts.

Major funding for this network is derived from the State of Ohio. In addition, a majority of the software utilized by the OME-RESA is developed by the ODE.

The OME-RESA is owned and operated by forty-nine member school districts in ten different Ohio counties. The member school districts are comprised of public school districts and county boards of education. Each member district pays an annual fee for services provided by OME-RESA. OME-RESA is governed by a board of directors which is selected by the member districts. Each member district has one vote in all matters and each member district's control over budgeting and financing of OME-RESA is limited to its voting authority and any representation it may have on the board of directors.

The OME-RESA is located at 2023 Sunset Blvd., Steubenville, Ohio 43952. The Jefferson County Educational Service Center is one of OME-RESA's member districts, and acts in the capacity of fiscal agent for OME-RESA.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

PUBLIC ENTITY RISK POOL:

Ohio School Boards Association Workers' Compensation Group Rating Program (GRP)

The District participates in a group rating plan for workers' compensation as established in Section 4123.29 of the Ohio Revised Code. Refer to Note 13 for further information on this group rating plan.

B. Basis of Presentation - Fund Accounting

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

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

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

GOVERNMENTAL FUND TYPES:

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

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

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

Special Revenue Funds - The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes.

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

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

PROPRIETARY FUND TYPES:

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

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

Internal Service Fund - The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

FIDUCIARY FUND TYPES:

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include a nonexpendable trust fund, an expendable trust fund and an agency fund. The nonexpendable trust fund is accounted for in essentially the same manner as proprietary funds. The expendable trust fund is accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency fund is presented on a budget basis, with note disclosure, regarding items which, in other fund types, would be subject to accrual. At June 30, 2000, there were no material accruals for the agency fund which, in other fund types, would be subject to accrual.

ACCOUNT GROUPS:

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

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

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

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and the expendable trust fund 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 combined balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

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

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

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

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: interest, tuition, grants, and student fees.

The District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2000, and delinquent property taxes, whose availability is indeterminable and which are intended to finance fiscal year 2001 operations, have been recorded as deferred revenue.

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

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and the nonexpendable trust fund. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue on the combined balance sheet.

D. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each function for the General, Debt Service and Permanent Improvement capital projects funds and at the fund level for all other funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education.

Tax Budget:

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

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

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

Estimated Resources:

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2000.

Appropriations:

Upon receipt from the County Auditor of an Amended Certificate of Estimated Resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the Annual Appropriation Resolution must be legally enacted by the Board of Education at the fund level of expenditures, for all funds except the General, Debt Service and Permanent Improvement capital projects funds which are enacted at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. Prior to the passage of the Annual Appropriation Resolution, the Board of Education may pass a temporary appropriation measure to meet the ordinary expenses of the District. The Appropriation Resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Although the legal level of budgetary control was established at the fund level of expenditures for all funds except the General, Debt Service and Permanent Improvement capital projects funds, the District has elected to present budgetary statements comparisons at the fund and function level of expenditures for all governmental funds. Any revisions that alter the total of any fund appropriation for all funds other than the General, Debt Service and the Permanent Improvement capital projects funds, or alter total function appropriations within a fund, or alter object appropriations within functions for the General, Debt Service and the Permanent Improvement capital projects funds, must be approved by the Board of Education.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

The Board of Education may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. Supplemental appropriations were legally enacted by the Board during fiscal 2000; however, none of the amendments were significant.

The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts that were approved by the Board prior to July 1, 2000.

Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

Encumbrances:

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Expenditures plus encumbrances may not legally exceed appropriations. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds and reported in the notes to the GPFS for proprietary funds.

Lapsing of Appropriations:

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

E. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet.

During fiscal year 2000, investments were limited to investments in STAR Ohio, a repurchase agreement and limited partnership units.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

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

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, 2000.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. By policy of the Board of Education, investment earnings are assigned to the general fund, the Auxiliary Services special revenue fund, the expendable trust fund and the nonexpendable trust fund. The Food Service enterprise fund receives interest earnings based upon Federal mandate and the Self-Insurance internal service fund receives interest earnings as the amount is held by a fiscal agent in an interest bearing account separate from the District's internal investment pool. The following fund was credited with more interest revenue than would have been received based upon their share of the District's investments during fiscal 2000:

	<u>Interest Actually Received</u>	<u>Interest Based upon Share of Investments</u>	<u>Interest Assigned by Other Funds</u>
General Fund	\$54,108	\$33,649	\$20,459

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

While limited partnership units are not an allowable investment according to Ohio Statute, the District has been endowed with a gift of these units to its general fund. No public funds were used to acquire the units.

An analysis of the District's investment account at year end is provided in Note 4.

F. Inventory

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

G. Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five hundred dollars, except for the cost of textbooks and library books. This is based primarily on the uniqueness of these items to a school operation. The District does not have any infrastructure.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

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

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

H. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and become measurable.

The District currently participates in several State and Federal programs, categorized as follows:

Entitlements

General Fund

- State Foundation Program
- State Equity Fund
- School Bus Purchase Reimbursement

Non-reimbursable Grants

Special Revenue Funds

- Education Management Information Systems
- Disadvantaged Pupil Impact Aid
- Title I
- Title VI
- Title VI-B
- Auxillary Services
- Performance Incentive Grant
- Teacher Development

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

Non-reimbursable Grants - (cont'd)

Special Revenue Funds - (cont'd)

SchoolNet Professional Development
Safe School Helpline
Telecommunications
Title VI-R

Capital Projects Funds

Permanent Improvement
SchoolNet Plus
Emergency School Repair

Reimbursable Grants

General Fund

Driver Education Reimbursement

Proprietary Funds

National School Lunch Program
National School Breakfast Program
Government Donated Commodities (Food Distribution)

Grants and entitlements amounted to approximately 64 percent of the District's operating revenue during the 2000 fiscal year.

I. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave to the extent that payment to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

In accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”, a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for severance is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future.

For purposes of establishing a liability for severance on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service and all employees with at least twenty years of service at any age were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

Accumulated vacation and severance of governmental fund type employees meeting the above requirements have been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be payable within the current available period. The balance of the liability is recorded in the general long-term obligations account group. Vacation and sick leave for employees meeting the above requirements who are paid from proprietary funds is recorded as an expense when earned.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

J. Accrued Liabilities and Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgements, compensated absences, contractually required pension contributions, and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current available expendable financial resources. In general, payments made more than 60 days after year end are considered not to have been made with current available financial resources. Notes and capital leases are reported as a liability of the general long-term obligations account group until due.

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

K. Interfund Transactions

Transactions between funds during the normal course of operations may occur. These may include:

1. Transfers of resources from one fund to another fund. The resources transferred are to be expended for operations by the receiving fund and are recorded as operating transfers, with the exception of agency funds, which do not show transfers of resources as operating transfers.
2. Reimbursements from one fund to another are treated as expenditures/expenses in the reimbursing fund and a reduction in expenditures/expenses in the reimbursed fund. Quasi-external transactions are accounted for as revenues, expenditures or expenses.
3. Short-term interfund loans and accrued interfund reimbursements and accrued operating transfers are reflected as "interfund loans receivable or payable". The District had short-term interfund loans receivable and payable at June 30, 2000.

An analysis of interfund transactions is presented in Note 5.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

L. Fund Balance Reserves

Reserved fund balances indicate that portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, prepayments, materials and supplies inventory, tax revenue unavailable for appropriation, principal endowment, note receivable, and budget stabilization. Although the nonexpendable trust fund uses the total economic resources measurement focus, the fund equity is reserved for the amount of principal endowment. The unreserved portions of fund equity reflected for the governmental funds are available for use within the specific purposes of those funds. The reserve for property tax revenue unavailable for appropriation represents taxes recognized as revenue under GAAP but not available for appropriations under State statute.

M. Prepayments

Prepayments for governmental funds represent cash disbursements which have occurred and are therefore not current expendable resources. These items are reported as fund assets on the balance sheet using the allocation method, which amortizes their cost over the periods benefitting from the advance payment. At period-end, because prepayments are not available to finance future governmental fund expenditures, the fund balance is reserved by an amount equal to the carrying value of the asset.

N. Parochial School

Within the District boundaries, St. Joseph's Catholic School is operated through the Catholic Diocese. Current state legislation provides funding to the parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The fiduciary responsibility of the District for these monies is reflected in a special revenue fund for financial reporting purposes.

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BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

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

O. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by the State statute and can be used only after receiving approval from the State Superintendent of Public Instruction. A fund balance reserve has also been established. See Note 19 for detail of statutory reserves.

P. Estimates

The preparation of the GPFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the GPFS and accompanying notes. Actual results may differ from those estimates.

Q. Memorandum Only - Total Columns

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

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Prior Period Adjustment

During fiscal year 2000, a reappraisal of the District's fixed assets was performed. Due to variances between the reappraisal balances and amounts previously reported as fixed assets, a prior period adjustment is required to restate the general fixed asset account group (See Note 8) and the retained earnings in the Food Service enterprise fund. The prior period adjustment had the following effect on retained earnings as previously reported as of June 30, 1999:

	<u>Enterprise</u>
Retained earnings (accumulated deficit) as previously reported	\$(13,973)
Restatement for reappraisal	<u> (176)</u>
Restated retained earnings (accumulated deficit) as of July 1, 1999	<u><u>\$(14,149)</u></u>

B. Deficit Fund Balances/Retained Earnings

Fund balance/retained earnings at June 30, 2000, included the following individual fund deficits:

	<u>Deficit Balance</u>
General Fund	\$10,358
<u>Special Revenue Fund</u>	
Disadvantaged Pupil Impact Aid	15,621
<u>Enterprise Fund</u>	
Food Service	3,385

These funds complied with Ohio state law which does not permit a cash basis deficit at year end.

The deficit fund balances in the General fund and Disadvantaged Pupil Impact Aid special revenue fund is a result of accruing wage obligations in accordance with GAAP. This deficit will be eliminated by intergovernmental revenues not recognized at June 30.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The deficit retained earnings in the Food Service enterprise fund is a result of accruing wage, benefit and pension obligations in accordance with GAAP. This deficit will be eliminated by user charges and intergovernmental revenues not recognized at June 30.

NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the 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 two 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 accounts, including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS - (Continued)

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt instruments rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS - (Continued)

Cash with fiscal agent: The District is self-insured through a fiscal agent. The money held by the fiscal agent cannot be identified as an investment or deposit since it is held in a pool made up of numerous participants. The amount held by the fiscal agent at June 30, 2000, was \$99,110.

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

Deposits: At year end, the carrying amount of the District's deposits was \$131,334 and the bank balance was \$140,820. Of the bank balance:

1. \$122,142 was covered by federal depository insurance or by collateral held by the District in the District's name.
2. \$18,678 was uninsured and unregistered because it was secured by collateral held by third party trustees pursuant to section 135.181, Ohio Revised Code, in collateralized pools securing all public funds on deposit with specific depository institutions; these securities not being in the name of the District. Although all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements would potentially subject the District to a successful claim by the FDIC.

Collateral is required for demand deposits and certificates of deposit in excess of all deposits not covered by federal depository insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies, obligations of the State of Ohio and its municipalities, and obligations of the other states. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS - (Continued)

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

	<u>Category 1</u>	<u>Category 2</u>	<u>Reported Amount</u>	<u>Fair Value</u>
Limited partnership units	\$ 225	\$ - - -	\$ 225	\$ 225
Repurchase agreement	<u>376,674</u>	<u>376,674</u>	376,674	376,674
Total	<u>\$376,899</u>	<u>\$376,674</u>		
Investment in STAR Ohio			<u>830,770</u>	<u>830,770</u>
Total investments			<u>\$1,207,669</u>	<u>\$1,207,669</u>

The classification of cash and cash equivalents and investments on the combined balance sheet is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting".

A reconciliation between the classifications of cash and cash equivalents and investments on the combined balance sheet (per GASB Statement No. 9) and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$1,437,888	\$ 225
Cash with fiscal agent	(99,110)	- - -
Investments of the cash management pool:		
Repurchase agreement	(376,674)	376,674
Investment in STAR Ohio	<u>(830,770)</u>	<u>830,770</u>
GASB Statement No. 3	<u>\$ 131,334</u>	<u>\$1,207,669</u>

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 5 - INTERFUND TRANSACTIONS

A. The following is a summarized breakdown of the District's operating transfers for fiscal year 2000:

	<u>Transfers In</u>	<u>Transfers Out</u>
Expendable Trust Fund	\$ - - -	\$1,610
Nonexpendable Trust Fund	<u>1,610</u>	<u>- - -</u>
Total	<u>\$1,610</u>	<u>\$1,610</u>

B. The following is a summarized breakdown of the District's interfund loans receivable and payable at June 30, 2000:

	<u>Interfund Loans Receivable</u>	<u>Interfund Loans Payable</u>
General Fund	\$7,640	\$ - - -
Expendable Trust Fund	- - -	2,167
<u>Agency Fund</u> Student Managed Activity	<u>- - -</u>	<u>5,473</u>
Total	<u>\$7,640</u>	<u>\$7,640</u>

NOTE 6 - PROPERTY TAXES

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

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 6 - PROPERTY TAXES - (Continued)

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

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

The assessed value upon which the 1999 taxes were collected was \$57,227,190. Agricultural/residential and public utility/minerals real estate represented 55.39% or \$31,700,530 of this total; Commercial & industrial real estate represented 22.23% or \$12,718,480 of this total, public utility tangible represented 11.45% or \$6,553,170 of this total and general tangible property represented 10.93% or \$6,255,010 of this total. The voted general tax rate at the fiscal year ended June 30, 2000 was \$37.40 per \$1,000.00 of assessed valuation for operations and \$2.00 per \$1,000.00 of assessed valuation for permanent improvements.

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes which became measurable as of June 30, 2000. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2000, was \$115,498 in the General fund and \$7,233 in the Permanent Improvement capital projects fund.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 6 - PROPERTY TAXES - (Continued)

Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2000, are reflected as a reservation of fund balance for future appropriations. The District is prohibited, by law, from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

NOTE 7 - RECEIVABLES

Receivables at June 30, 2000, consisted of taxes, accounts, interfund loans, notes, and intergovernmental grants and entitlements (to the extent they relate to the current fiscal year). Intergovernmental receivables have been reported as "Due From Other Governments" on the combined balance sheet. 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 fiscal year guarantee of Federal funds.

A summary of the principal items of receivables follows:

	<u>Amounts</u>
<u>General Fund</u>	
Taxes - current and delinquent	\$1,604,850
Accounts	4,874
Interfund loan	7,640
 <u>Debt Service Fund</u>	
Taxes - current and delinquent	18,125
 <u>Capital Projects Funds</u>	
Taxes - current and delinquent	76,706
Notes	7,868
 <u>Enterprise Fund</u>	
Due from other governments	20,044

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 8 - FIXED ASSETS

A. General Fixed Assets

The general fixed assets account group has been restated as of July 1, 1999 due to a reappraisal of the District's capital assets during fiscal year 2000.

<u>Asset Category</u>	<u>Balance June 30, 1999</u>	<u>Prior Period Adjustment</u>	<u>Restated Balance July 1, 1999</u>
Land	\$ 43,169	\$ ---	\$ 43,169
Land improvements	0	227,979	227,979
Buildings and improvements	1,449,255	340,829	1,790,084
Furniture, fixtures and equipment	1,161,632	(533,114)	628,518
Vehicles	498,246	56,574	554,820
Textbooks	<u>161,983</u>	<u>19,269</u>	<u>181,252</u>
Totals	<u>\$3,314,285</u>	<u>\$ 111,537</u>	<u>\$3,425,822</u>

A summary of the changes in general fixed assets during fiscal year 2000 as follows:

<u>Asset Category</u>	<u>Restated Balance July 1, 1999</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2000</u>
Land	\$ 43,169	\$ ---	\$ ---	\$ 43,169
Land improvements	227,979	6,799	---	234,778
Buildings and improvements	1,790,084	22,908	---	1,812,992
Furniture, fixtures and equipment	628,518	169,624	---	798,142
Vehicles	554,820	59,173	---	613,993
Textbooks	<u>181,252</u>	<u>87,986</u>	<u>---</u>	<u>269,238</u>
Totals	<u>\$3,425,822</u>	<u>\$346,490</u>	<u>\$ ---</u>	<u>\$3,772,312</u>

B. Proprietary Fixed Assets

A summary of the enterprise funds' fixed assets at June 30, 2000, as follows:

Furniture and equipment	\$ 67,046
Less: accumulated depreciation	<u>(65,903)</u>
Net fixed assets	<u>\$ 1,143</u>

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 9 - CAPITAL LEASES

In prior years, the District has entered into capitalized leases for a copier and three school buses. In the current year, the District entered into a capitalized lease for copiers. These leases meet the criteria of a capital lease as defined by FASB Statement 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 have been reclassified and are reflected as debt service expenditures in the combined general purpose financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

General fixed assets consisting of equipment has been capitalized in the general fixed assets account group in the amount of \$234,420. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group. Principal payments in fiscal year 2000 totaled \$19,271 in the General fund and \$21,780 in the Permanent Improvement capital projects fund.

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, 2000.

Fiscal Year Ending <u>June 30,</u>	<u>Amount</u>
2001	\$ 57,739
2002	56,662
2003	12,600
2004	12,600
2005	<u>8,400</u>
Total	148,001
Less: amount representing interest	<u>(17,158)</u>
Present value of minimum lease payments	<u><u>\$130,843</u></u>

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 10 - LONG-TERM OBLIGATIONS

The changes in the District's long-term obligations during fiscal year 2000 were as follows:

	Balance Outstanding <u>July 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	Balance Outstanding <u>June 30, 2000</u>
Compensated absences	\$365,331	\$146,191	\$ (38,388)	\$473,134
Pension obligation	34,812	36,261	(34,812)	36,261
Energy conservation notes payable	85,000	- - -	(15,000)	70,000
Capital lease obligations	<u>119,765</u>	<u>52,129</u>	<u>(41,051)</u>	<u>130,843</u>
Totals	<u>\$604,908</u>	<u>\$234,581</u>	<u>\$(129,251)</u>	<u>\$710,238</u>

During fiscal year 1994, the District issued \$160,000 in energy conservation notes to provide for energy improvements to various District buildings. The primary source of repayment of these notes is through energy savings as a result of the improvements. These notes bear an interest rate of 5.0% and mature on November 15, 2003.

Payments of principal and interest relating to the energy conservation notes are recorded as expenditures in the debt service fund. The unmatured obligation at year end is accounted for in the general long-term obligations account group.

The capital leases will be paid from the general fund and the Permanent Improvement capital projects fund. Compensated absences and the pension obligation will be paid from the fund from which the employees' salaries are paid.

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The effects of these debt limitations at June 30, 2000 are a voted debt margin of \$5,150,447 and an unvoted debt margin of \$57,227.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Principal and interest requirements to retire the energy conservation notes outstanding at June 30, 2000, are as follows:

<u>Fiscal year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$15,000	\$ 3,125	\$18,125
2002	15,000	2,375	17,375
2003	20,000	1,500	21,500
2004	<u>20,000</u>	<u>500</u>	<u>20,500</u>
Total	<u>\$70,000</u>	<u>\$ 7,500</u>	<u>\$77,500</u>

NOTE 11 - EMERGENCY SCHOOL LOAN PAYABLE

The following activity occurred with the emergency school loan payable during fiscal year 2000:

	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Balance at July 1, 1999</u>	<u>Retired</u>	<u>Balance June 30, 2000</u>
Emergency School Loan	11/01/96	6.00%	<u>\$ 707,435</u>	<u>\$(132,292)</u>	<u>\$575,143</u>

The emergency school loan is a liability of the general fund, the fund which received the proceeds. Payments of principal and interest are deducted from the District's foundation entitlement. The final scheduled payment on this loan is December 1, 2006.

NOTE 12 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn 5 to 15 days of vacation per year, depending upon length of service. The high school principal and superintendent earn 20 days of vacation per year and the treasurer earns 15 days of vacation per year. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and the elementary principals do not earn vacation time.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 12 - EMPLOYEE BENEFITS - (Continued)

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of fifteen days per year for all personnel. The total lifetime maximum sick leave accumulation for certified and classified employees is 250 days. Upon retirement, payment is made for one-fourth of the accrued, but unused, sick leave balance to a maximum of 62.5 days for certified employees and a maximum of 60 days for classified employees. In addition, upon retirement, a certified employee is entitled to receive an additional severance payment of \$5.00 for accrued but unused sick leave days not calculated in the severance payment.

NOTE 13 - RISK MANAGEMENT

A. Comprehensive

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2000, the District contracted with Harcum - Hyre Insurance Company for general liability insurance, Westfield Company for property and fleet insurance and Hartford Steam Boiler Inspection and Insurance Company for boiler coverage. Liability coverage is limited to \$2,000,000 per claim and \$5,000,000 in the aggregate, and the boiler insurance carries a limitation of \$7,547,000 in the aggregate with a \$250 deductible. Property insurance carries a limitation of \$15,084,576 in the aggregate with a \$500 deductible.

The Perkins athletic facility is exposed to flood risk. During fiscal year 2000, the District contracted with South Carolina Insurance Company for flood insurance. The limitation on this insurance was \$142,900 for building damage and \$15,500 contents damage with a \$1,000 deductible for both. The concession stand building and its contents are also covered under a separate policy with limitations of \$19,500 for building and \$2,600 for contents damage with a \$1,000 deductible.

Vehicles are covered by Westfield Insurance Company and hold a \$100 deductible for collision. Automobile liability coverage has a \$1,000,000 limit for collision, a \$1,000,000 limit per accident for bodily injury and a \$3,000 limit for medical payments.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reductions in the amount of coverage from the prior year.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 13 - RISK MANAGEMENT - (Continued)

B. Worker's Compensation

For fiscal year 2000, the District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 2.A). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating Districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

C. Medical and Ancillary Insurance

The District contracts with The Health Plan of the Upper Ohio Valley, Advantage Health, Mountain State Blue Cross/Blue Shield and Health Assurance for hospitalization insurance for all employees. The District pays up to \$450.00 of the total monthly premiums for family and ancillary coverage and up to \$240.00 for individual and ancillary coverage for all certified employees, and up to \$440.00 of the total monthly premiums for family health coverage and up to \$240.00 for individual health coverage for all classified employees.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 13 - RISK MANAGEMENT - (Continued)

D. Dental, Vision and Life Insurance

Dental, vision and life insurance is offered to employees through a self-insurance internal service fund. The District is a member of a claims servicing pool, consisting of several school districts within the Eastern Region, in which monthly premiums are paid to the fiscal agent who in turn pays the claims on the District's behalf. The claims liability of \$7,652 reported in the internal service fund at June 30, 2000, is based on an estimate provided by Self Funded Plans, Inc. (the third party administrator) and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued at the estimated ultimate cost of settling the claims. Changes in claims activity for the past two fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Claims</u>	<u>Payments</u>	<u>Ending Balance</u>
2000	\$10,848	\$170,004	\$(173,200)	\$ 7,652
1999	\$10,056	\$148,348	\$(147,556)	\$10,848

NOTE 14 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The District maintains one enterprise fund which provides lunchroom/cafeteria services, therefore segment information for the year ended June 30, 2000 is not presented. The enterprise fund had encumbrances of \$863 outstanding at June 30, 2000.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 15 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the School Employees Retirement Board. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634, or by calling (614) 222-5853.

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute 14 percent for 2000; 5.55 percent was the portion to fund pension obligations. The contribution rates are not determined actuarially, but are established by the School Employees Retirement Board within the rates allowed by State statute. The adequacy of the contribution rates is determined annually. The District's required contributions to SERS for the fiscal years ended June 30, 2000, 1999 and 1998 were \$84,249, \$79,444, and \$77,240, respectively; 45 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$46,572, representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds and the general long-term obligations account group.

B. State Teachers Retirement System

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing, multiple-employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771, or by calling (614) 227-4090.

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan members are required to contribute 9.3 percent of their annual covered salary and the District is required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The District's required contributions to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$312,030, \$317,931, and \$303,618, respectively; 83 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$53,428, representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the SERS or the STRS have an option to choose Social Security or the SERS/STRS. As of June 30, 2000, two members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

NOTE 16 - POSTEMPLOYMENT BENEFITS

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

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For this fiscal year, the Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$178,303 during fiscal 2000.

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**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Health Care Reserve Fund was \$2.783 billion at June 30, 1999 (the latest information available). For the year ended June 30, 1999 (the latest information available), net health care costs paid by STRS were \$249.929 million and STRS had 95,796 eligible benefit recipients.

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

For this fiscal year, employer contributions to fund health care benefits were 8.45 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 1999 (the latest information available), were \$126.4 million and the target level was \$189.6 million. At June 30, 1999 (the latest information available), SERS had net assets available for payment of health care benefits of \$188.0 million and SERS had approximately 51,000 participants receiving health care benefits. For the District, the amount to fund health care benefits, including surcharge, equaled \$64,542 during the 2000 fiscal year.

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING

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

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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Encumbrances are treated as expenditures for all funds (budget basis) rather than as a reservation of fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).

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

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

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Budget basis	\$ 4,939	\$ 22,527	\$ 0	\$(188,353)
Net adjustment for revenue accruals	179,962	(24,922)	(144,975)	1,956
Net adjustment for expenditure accruals	(170,089)	(27,048)	171,858	21,471
Net adjustment for other financing sources (uses) accruals	21,751	28,882	(26,883)	28,213
Adjustment for encumbrances	<u>145,389</u>	<u>3,133</u>	<u>- - -</u>	<u>14,041</u>
GAAP basis	<u>\$181,952</u>	<u>\$ 2,572</u>	<u>\$ 0</u>	<u>\$(122,672)</u>

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
BELMONT COUNTY, OHIO**

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
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NOTE 18 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2000.

B. Litigation

The District is not involved in material litigation as either plaintiff or defendant.

C. State School Funding Decision

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the Ohio General Assembly to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to this District. During the fiscal year ended June 30, 2000, the District received \$2,459,775 of school foundation support for its general fund.

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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 18 - CONTINGENCIES - (Continued)

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

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

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

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

NOTE 19 - STATUTORY RESERVES

The District is required by State law to set-aside certain general fund revenue amounts, as defined by Statute, into various reserves. These reserves are calculated and presented on a cash basis. During the fiscal year ended June 30, 2000, the reserve activity was as follows:

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside cash balance as of June 30, 1999	\$ 0	\$ 0	\$26,048
Current year set-aside requirement	89,523	89,523	---
Current year set-aside for workers compensation refund	---	---	36
Current year offsets	---	(81,742)	---
Qualifying disbursements	<u>(116,245)</u>	<u>(28,967)</u>	<u>---</u>
Total	<u>\$ (26,722)</u>	<u>\$(21,186)</u>	<u>\$26,084</u>
Cash balance/qualifying carry forward to FY 2001	<u>\$ 26,722</u>	<u>\$21,186</u>	<u>\$26,084</u>

The District had offsets and qualifying disbursements during the year that reduced the set-aside amounts below zero, these extra amounts are being carried forward to reduce the set-aside requirements of future years. During fiscal 2000, the District received a \$36 worker's compensation refund which is required to be set-aside in the budget stabilization reserve.

A schedule of the restricted assets at June 30, 2000 follows:

Amount restricted for budget stabilization	<u>\$26,084</u>
Total restricted assets	<u>\$26,084</u>

SUPPLEMENTAL DATA

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANT NUMBER	(D) CASH FEDERAL RECEIPTS	OTHER FEDERAL RECEIPTS	(D) CASH FEDERAL DISBURSEMENTS	OTHER FEDERAL DISBURSEMENTS
U. S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION:						
Nutrition Cluster:						
(A) (B) Food Distribution	10.550	N/A		\$12,316		\$13,320
(A) (C) School Breakfast Program	10.553	N/A	\$34,381		\$34,381	
(A) (C) National School Lunch Program	10.555	N/A	110,936		110,936	
Total Nutrition Cluster and U. S. Department of Agriculture			<u>145,317</u>	<u>12,316</u>	<u>145,317</u>	<u>13,320</u>
U. S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION:						
Title I - Local Educational Agencies	84.010	045237-C1-S1-99	0		23,585	
Title I - Local Educational Agencies	84.010	045237-C1-S1-99C	20,000		23,811	
Title I - Local Educational Agencies	84.010	045237-C1-S1-00	174,618		139,205	
Total Title I			<u>194,618</u>		<u>186,601</u>	
Title VI-B - Education of the Handicapped Act	84.027	045237-6B-SF-98P	26,844		6,946	
Title VI-B - Education of the Handicapped Act	84.027	045237-6B-SF-99P	84,251		68,896	
Total Title VI-B			<u>111,095</u>		<u>75,842</u>	
Goals 2000	84.276	045237-G2-S1-99	0		5,083	
Goals 2000	84.276	045237-G2-S1-00	31,388		12,691	
Total Goals 2000			<u>31,388</u>		<u>17,774</u>	
Innovative Education Program Strategies - Title VI	84.298	045237-C2-S1-98	0		20	
Innovative Education Program Strategies - Title VI	84.298	045237-C2-S1-99C	698		3,493	
Innovative Education Program Strategies - Title VI	84.298	045237-C2-S1-00	5,043		5,021	
Total Title VI			<u>5,741</u>		<u>8,534</u>	
Title VI-R	84.340	045237 CR-S1-00	32,353		25,713	
Total U. S. Department of Education			<u>375,195</u>		<u>314,464</u>	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE PASSED THROUGH THE UPPER VALLEY JOINT VOCATIONAL SCHOOL:						
Learn and Serve Grant	94.004	N/A	0		167	
Total Corporation for National & Community Service			<u>0</u>		<u>167</u>	
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PASSED THROUGH THE OHIO DEPARTMENT OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES:						
Community Alternative Funding System Program	93.778	N/A	1,682		1,682	
Total U. S. Department of Health and Human Services			<u>1,682</u>		<u>1,682</u>	
Total Federal Financial Assistance			<u>\$522,194</u>	<u>\$12,316</u>	<u>\$461,630</u>	<u>\$13,320</u>

- (A) Included as part of "Nutrition Grant Cluster" in determining major programs.
- (B) The Food Distribution Program is a non-cash, in kind, federal grant.
- (C) Commingled with state and local revenue from sales of lunches, assumed expenditures were made on first-in, first-out basis.
- (D) This schedule was prepared on a cash basis.

TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

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Report on Compliance And on Internal Control Required By *Government Auditing Standards*

Board of Education
Bridgeport Exempted Village School District
501 Bennett Street
Bridgeport, Ohio 43912

We have audited the general purpose financial statements of Bridgeport Exempted Village School District as of and for the year ended June 30, 2000, and have issued our report thereon dated November 17, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Board of Education
Bridgeport Exempted Village School District

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Bridgeport Exempted Village School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of Bridgeport Exempted Village School District in a separate letter dated November 17, 2000.

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

Trimble, Julian & Grube, Inc.
November 17, 2000

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Report on Compliance With Requirements Applicable to Its Major Federal Program And Internal Control Over Compliance in Accordance With *OMB Circular A-133*

Board of Education
Bridgeport Exempted Village School District
501 Bennett Street
Bridgeport, Ohio 43212

Compliance

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

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

Board of Education
Bridgeport Exempted Village School District

In our opinion, Bridgeport Exempted Village School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2000.

Internal Control Over Compliance

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

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

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

Trimble, Julian & Grube, Inc.
November 17, 2000

SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505

Bridgeport Exempted Village School District
Belmont County
June 30, 2000

1. SUMMARY OF AUDITOR'S RESULTS
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<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported non-compliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any other reportable internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under § .510?</i>	No

SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505

Bridgeport Exempted Village School District
Belmont County
June 30, 2000

1. SUMMARY OF AUDITOR'S RESULTS (Continued)

<i>(d)(1)(vii)</i>	<i>Major Programs:</i>	Nutrition Cluster: Food Distribution, CFDA #10.550; School Breakfast Program, CFDA# 10.553; National School Lunch Program, CFDA #10.555
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

**BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT
 BELMONT COUNTY
 JUNE 30, 2000**

SCHEDULE OF PRIOR AUDIT FINDINGS

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid
1999-45237-001	Ohio Revised Code Section 5705.41(B)	Yes	Finding no longer valid
1999-45237-002	Ohio Revised Code Section 5705.39	Yes	Finding no longer valid
1999-45237-003	Ohio Revised Code Section 5705.40	Yes	Finding no longer valid



STATE OF OHIO
OFFICE OF THE AUDITOR

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BRIDGEPORT EXEMPTED VILLAGE SCHOOL DISTRICT

BELMONT COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 11, 2001**