



**RIVER VIEW LOCAL SCHOOL DISTRICT  
COSHOCKTON COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2001**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**RIVER VIEW LOCAL SCHOOL DISTRICT  
COSHOCTON COUNTY**

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## REPORT OF INDEPENDENT ACCOUNTANTS

River View Local School District  
Coshocton County  
26496 SR 60 North  
Warsaw, Ohio 43844

To the Board of Education:

We have audited the accompanying general purpose financial statements of River View Local School District, Coshocton County, (the District) as of and for the year ended June 30, 2001, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2001, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

We performed our audit to form an opinion on the general purpose financial statements of the District, taken as a whole. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the 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, it is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

**Jim Petro**  
Auditor of State

December 21, 2001

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

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
<b>Assets and Other Debits</b>			
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$2,110,746	\$367,692	\$962,067
Cash and Cash Equivalents With Fiscal Agent	0	0	0
Receivables:			
Taxes	9,790,824	0	632,391
Accounts	2,624	500	0
Intergovernmental	5,553	98,763	13,216
Due from Other Funds	0	0	0
Interfund Receivable	17,595	0	0
Prepaid Items	15,432	0	0
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	107,789	0	0
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	80,351	0	0
Fixed Assets (net, where applicable, of accumulated depreciation)	0	0	0
<b>Other Debits</b>			
Amount to be Provided from General Government Resources	0	0	0
 <i>Total Assets and Other Debits</i>	 \$12,130,914	 \$466,955	 \$1,607,674



Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$103,409	\$0	\$70,256	\$0	\$0	\$3,614,170
0	487,957	0	0	0	487,957
0	0	0	0	0	10,423,215
5,001	0	0	0	0	8,125
26,408	0	0	0	0	143,940
200	0	0	0	0	200
0	0	0	0	0	17,595
0	0	0	0	0	15,432
15,395	0	0	0	0	15,395
3,336	0	0	0	0	111,125
0	0	0	0	0	80,351
59,000	0	0	12,225,099	0	12,284,099
0	0	0	0	1,391,937	1,391,937
<u>\$212,749</u>	<u>\$487,957</u>	<u>\$70,256</u>	<u>\$12,225,099</u>	<u>\$1,391,937</u>	<u>\$28,593,541</u>

(continued)

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

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
<b>Liabilities, Fund Equity and Other Credits</b>			
<b>Liabilities</b>			
Accounts Payable	\$45,097	\$36,086	\$1,515
Accrued Wages	1,395,866	67,016	0
Compensated Absences Payable	8,965	0	0
Interfund Payable	0	17,595	0
Due to Other Funds	200	0	0
Intergovernmental Payable	338,219	14,683	13
Deferred Revenue	8,757,636	62,529	578,795
Due to Students	0	0	0
Claims Payable	0	0	0
	<b>10,545,983</b>	<b>197,909</b>	<b>580,323</b>
<b>Fund Equity and Other Credits</b>			
Investment in General Fixed Assets	0	0	0
Contributed Capital	0	0	0
Retained Earnings:			
Unreserved (Deficit)	0	0	0
Fund Balance:			
Reserved for Bus Purchase Allowance	107,184	0	0
Reserved for Encumbrances	371,398	72,027	486,438
Reserved for Inventory	107,789	0	0
Reserved for Property Taxes	1,033,188	0	66,812
Reserved for Budget Stabilization	80,351	0	0
Reserved for Endowments	0	0	0
Unreserved:			
Unreserved, Undesignated (Deficit)	(114,979)	197,019	474,101
	<b>1,584,931</b>	<b>269,046</b>	<b>1,027,351</b>
<b>Total Fund Equity and Other Credits</b>	<b>1,584,931</b>	<b>269,046</b>	<b>1,027,351</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$12,130,914</b>	<b>\$466,955</b>	<b>\$1,607,674</b>

See accompanying notes to the general purpose financial statements

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$10,906	\$0	\$0	\$0	\$0	\$93,604
67,887	0	0	0	0	1,530,769
26,943	0	0	0	1,252,809	1,288,717
0	0	0	0	0	17,595
0	0	0	0	0	200
66,751	0	0	0	139,128	558,794
10,945	0	0	0	0	9,409,905
0	0	56,364	0	0	56,364
0	460,807	0	0	0	460,807
<u>183,432</u>	<u>460,807</u>	<u>56,364</u>	<u>0</u>	<u>1,391,937</u>	<u>13,416,755</u>
0	0	0	12,225,099	0	12,225,099
281,994	0	0	0	0	281,994
(252,677)	27,150	0	0	0	(225,527)
0	0	0	0	0	107,184
0	0	0	0	0	929,863
0	0	0	0	0	107,789
0	0	0	0	0	1,100,000
0	0	0	0	0	80,351
0	0	3,609	0	0	3,609
0	0	10,283	0	0	566,424
<u>29,317</u>	<u>27,150</u>	<u>13,892</u>	<u>12,225,099</u>	<u>0</u>	<u>15,176,786</u>
<u>\$212,749</u>	<u>\$487,957</u>	<u>\$70,256</u>	<u>\$12,225,099</u>	<u>\$1,391,937</u>	<u>\$28,593,541</u>

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

	Governmental Fund	
	General	Special Revenue
<b>Revenues</b>		
Taxes	\$10,058,848	\$0
Intergovernmental	4,121,105	1,065,348
Interest	202,210	0
Tuition and Fees	260,109	2,762
Extracurricular Activities	0	105,119
Customer Services	15,457	0
Contributions and Donations	5,175	34,749
Rentals	1,416	0
Miscellaneous	25,656	49,678
<i>Total Revenues</i>	14,689,976	1,257,656
<b>Expenditures</b>		
Current:		
Instruction:		
Regular	7,040,794	268,144
Special	1,234,745	363,467
Vocational	386,562	0
Support Services:		
Pupils	528,091	141,477
Instructional Staff	645,682	260,427
Board of Education	47,365	0
Administration	1,150,227	117,592
Fiscal	463,423	4,871
Business	58,447	0
Operation and Maintenance of Plant	1,304,404	5,711
Pupil Transportation	1,159,718	0
Central	163,176	18,298
Operation of Non-Instructional Services	3	342
Extracurricular Activities	236,021	145,268
Capital Outlay	3,001	0
Intergovernmental	0	12,555
Debt Service:		
Interest and Fiscal Charges	8,553	0
<i>Total Expenditures</i>	14,430,212	1,338,152
<i>Excess of Revenues Over (Under) Expenditures</i>	259,764	(80,496)
<b>Other Financing Sources (Uses)</b>		
Sale of Fixed Assets	1	0
Operating Transfers In	31	4,186
Operating Transfers Out	(39,217)	0
<i>Total Other Financing Sources (Uses)</i>	(39,185)	4,186
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	220,579	(76,310)
<i>Fund Balances Beginning of Year</i>	1,422,222	345,356
Decrease in Reserve for Inventory	(57,870)	0
<i>Fund Balances End of Year</i>	\$1,584,931	\$269,046

See accompanying notes to the general purpose financial statements

Types	Fiduciary Fund Type	Totals (Memorandum Only)
Capital Projects	Expendable Trust	
\$945,415	\$0	\$11,004,263
137,922	0	5,324,375
0	301	202,511
0	0	262,871
0	0	105,119
0	0	15,457
3,087	0	43,011
0	0	1,416
10,000	0	85,334
1,096,424	301	17,044,357
0	0	7,308,938
0	0	1,598,212
0	0	386,562
	0	669,568
0	0	906,109
0	0	47,365
0	0	1,267,819
0	0	468,294
0	0	58,447
0	0	1,310,115
0	0	1,159,718
0	0	181,474
0	100	445
0	0	381,289
563,000	0	566,001
0	0	12,555
0	0	8,553
563,000	100	16,331,464
533,424	201	712,893
0	0	1
0	0	4,217
0	0	(39,217)
0	0	(34,999)
533,424	201	677,894
493,927	7,211	2,268,716
0	0	(57,870)
\$1,027,351	\$7,412	\$2,888,740

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

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$7,923,037	\$7,923,037	\$0
Intergovernmental	4,158,351	4,128,383	(29,968)
Interest	220,676	220,874	198
Tuition and Fees	269,015	269,047	32
Extracurricular Activities	0	0	0
Customer Services	15,457	15,457	0
Contributions and Donations	5,175	5,175	0
Rentals	1,416	1,416	0
Miscellaneous	23,514	24,008	494
<i>Total Revenues</i>	<u>12,616,641</u>	<u>12,587,397</u>	<u>(29,244)</u>
<b>Expenditures</b>			
Current:			
Regular	7,414,311	6,950,561	463,750
Special	1,423,019	1,245,716	177,303
Vocational	403,682	386,450	17,232
Other	9,000	0	9,000
Support Services:			
Pupils	612,182	525,777	86,405
Instructional Staff	777,631	638,335	139,296
Board of Education	70,998	59,755	11,243
Administration	1,244,800	1,147,039	97,761
Fiscal	647,736	563,876	83,860
Business	49,133	48,189	944
Operation and Maintenance of Plant	1,631,436	1,460,698	170,738
Pupil Transportation	1,390,345	1,267,628	122,717
Central	218,423	163,041	55,382
Operation of Non-Instructional Services	56	3	53
Extracurricular Activities	244,602	231,335	13,267
Capital Outlay	3,868	3,001	867
Intergovernmental	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>16,141,222</u>	<u>14,691,404</u>	<u>1,449,818</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,524,581)</u>	<u>(2,104,007)</u>	<u>1,420,574</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds From Sale of Notes	1,550,000	1,550,000	0
Refund of Prior Years' Expenditures	96,148	96,148	0
Sale of Fixed Assets	1	1	0
Refund of Prior Years' Receipts	(18,247)	(11,918)	6,329
Advances In	0	0	0
Advances Out	(17,595)	(17,595)	0
Operating Transfers In	31	31	0
Operating Transfers Out	(39,217)	(39,217)	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,571,121</u>	<u>1,577,450</u>	<u>6,329</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(1,953,460)</u>	<u>(526,557)</u>	<u>1,426,903</u>
<i>Fund Balances Beginning of Year</i>	1,974,280	1,974,280	0
Prior Year Encumbrances Appropriated	327,954	327,954	0
<i>Fund Balances End of Year</i>	<u>\$348,774</u>	<u>\$1,775,677</u>	<u>\$1,426,903</u>

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$1,558,553	\$1,558,553	\$0
1,110,856	1,014,014	(96,842)	0	0	0
0	0	0	0	0	0
2,761	2,762	1	0	0	0
105,145	105,265	120	0	0	0
0	0	0	0	0	0
34,749	34,749	0	0	0	0
0	0	0	0	0	0
49,377	49,678	301	0	0	0
<u>1,302,888</u>	<u>1,206,468</u>	<u>(96,420)</u>	<u>1,558,553</u>	<u>1,558,553</u>	<u>0</u>
337,652	304,481	33,171	0	0	0
473,767	369,943	103,824	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
192,785	156,081	36,704	0	0	0
321,711	266,349	55,362	0	0	0
0	0	0	0	0	0
118,362	107,301	11,061	0	0	0
2,858	366	2,492	0	0	0
0	0	0	0	0	0
26,402	19,675	6,727	0	0	0
0	0	0	0	0	0
80,269	18,350	61,919	0	0	0
342	342	0	0	0	0
148,538	137,753	10,785	0	0	0
0	0	0	0	0	0
12,555	12,555	0	0	0	0
0	0	0	1,550,000	1,550,000	0
0	0	0	8,553	8,553	0
<u>1,715,241</u>	<u>1,393,196</u>	<u>322,045</u>	<u>1,558,553</u>	<u>1,558,553</u>	<u>0</u>
<u>(412,353)</u>	<u>(186,728)</u>	<u>225,625</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
(10,807)	(10,807)	0	0	0	0
0	17,595	17,595	0	0	0
0	0	0	0	0	0
4,186	4,186	0	0	0	0
0	0	0	0	0	0
<u>(6,621)</u>	<u>10,974</u>	<u>17,595</u>	<u>0</u>	<u>0</u>	<u>0</u>
(418,974)	(175,754)	243,220	0	0	0
368,520	368,520	0	0	0	0
67,028	67,028	0	0	0	0
<u>\$16,574</u>	<u>\$259,794</u>	<u>\$243,220</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

(continued)

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

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$907,360	\$907,360	\$0
Intergovernmental	151,138	137,922	(13,216)
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Customer Service	0	0	0
Contributions and Donations	3,087	3,087	0
Rentals	0	0	0
Miscellaneous	10,000	10,000	0
<i>Total Revenues</i>	<u>1,071,585</u>	<u>1,058,369</u>	<u>(13,216)</u>
<b>Expenditures</b>			
Current:			
Regular	213,390	204,483	8,907
Special	0	0	0
Vocational	0	0	0
Other	0	0	0
Support Services:			
Pupils	32,265	31,459	806
Instructional Staff	37,639	23,132	14,507
Board of Education	10	0	10
Administration	1,816	1,816	0
Fiscal	27,628	13,660	13,968
Business	0	0	0
Operation and Maintenance of Plant	828,361	435,429	392,932
Pupil Transportation	271,476	271,476	0
Central	17,810	17,692	118
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Capital Outlay	89,364	48,764	40,600
Intergovernmental	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>1,519,759</u>	<u>1,047,911</u>	<u>471,848</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(448,174)</u>	<u>10,458</u>	<u>458,632</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds From Sale of Notes	0	0	0
Refund of Prior Years' Expenditures	0	0	0
Sale of Fixed Assets	0	0	0
Refund of Prior Years' Receipts	0	0	0
Advances In	0	0	0
Advances Out	0	0	0
Operating Transfers In	0	0	0
Operating Transfers Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(448,174)</u>	<u>10,458</u>	<u>458,632</u>
<i>Fund Balances Beginning of Year</i>	276,431	276,431	0
Prior Year Encumbrances Appropriated	<u>188,743</u>	<u>188,743</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$17,000</u>	<u>\$475,632</u>	<u>\$458,632</u>

See accompanying notes to the general purpose financial statements



Expendable Trust Fund			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$10,388,950	\$10,388,950	\$0
0	0	0	5,420,345	5,280,319	(140,026)
301	301	0	220,977	221,175	198
0	0	0	271,776	271,809	33
0	0	0	105,145	105,265	120
0	0	0	15,457	15,457	0
0	0	0	43,011	43,011	0
0	0	0	1,416	1,416	0
0	0	0	82,891	83,686	795
301	301	0	16,549,968	16,411,088	(138,880)
0	0	0	7,965,353	7,459,525	505,828
0	0	0	1,896,786	1,615,659	281,127
0	0	0	403,682	386,450	17,232
0	0	0	9,000	0	9,000
0	0	0	837,232	713,317	123,915
0	0	0	1,136,981	927,816	209,165
0	0	0	71,008	59,755	11,253
0	0	0	1,364,978	1,256,156	108,822
0	0	0	678,222	577,902	100,320
0	0	0	49,133	48,189	944
0	0	0	2,486,199	1,915,802	570,397
0	0	0	1,661,821	1,539,104	122,717
0	0	0	316,502	199,083	117,419
7,512	100	7,412	7,910	445	7,465
0	0	0	393,140	369,088	24,052
0	0	0	93,232	51,765	41,467
0	0	0	12,555	12,555	0
0	0	0	1,550,000	1,550,000	0
0	0	0	8,553	8,553	0
7,512	100	7,412	20,942,287	18,691,164	2,251,123
(7,211)	201	7,412	(4,392,319)	(2,280,076)	2,112,243
0	0	0	1,550,000	1,550,000	0
0	0	0	96,148	96,148	0
0	0	0	1	1	0
0	0	0	(29,054)	(22,725)	6,329
0	0	0	0	17,595	17,595
0	0	0	(17,595)	(17,595)	0
0	0	0	4,217	4,217	0
0	0	0	(39,217)	(39,217)	0
0	0	0	1,564,500	1,588,424	23,924
(7,211)	201	7,412	(2,827,819)	(691,652)	2,136,167
7,211	7,211	0	2,626,442	2,626,442	0
0	0	0	583,725	583,725	0
\$0	\$7,412	\$7,412	\$382,348	\$2,518,515	\$2,136,167

**River View Local School District**  
**Combined Statement of Revenues, Expenses**  
**and Changes in Fund Equity**  
*All Proprietary Fund Types and Nonexpendable Trust Fund*  
For the Fiscal Year Ended June 30, 2001

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
<b>Operating Revenues</b>				
Tuition	\$298,342	\$0	\$0	\$298,342
Sales	565,738	0	0	565,738
Charges for Services	0	1,777,066	0	1,777,066
Interest	0	0	264	264
Other	849	31,680	0	32,529
<i>Total Operating Revenues</i>	<u>864,929</u>	<u>1,808,746</u>	<u>264</u>	<u>2,673,939</u>
<b>Operating Expenses</b>				
Salaries and Wages	624,960	0	0	624,960
Fringe Benefits	246,051	0	0	246,051
Purchased Services	40,601	280,640	0	321,241
Materials and Supplies	172,561	0	0	172,561
Cost of Sales	369,360	0	0	369,360
Depreciation	11,824	0	0	11,824
Claims	0	1,965,099	0	1,965,099
Other	96	0	125	221
<i>Total Operating Expenses</i>	<u>1,465,453</u>	<u>2,245,739</u>	<u>125</u>	<u>3,711,317</u>
<i>Operating Income (Loss)</i>	<u>(600,524)</u>	<u>(436,993)</u>	<u>139</u>	<u>(1,037,378)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Donated Commodities	62,435	0	0	62,435
Operating Grants	472,083	0	0	472,083
Interest	2,204	35,677	0	37,881
Other	23,968	0	0	23,968
Loss on Disposal of Fixed Assets	(143)	0	0	(143)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>560,547</u>	<u>35,677</u>	<u>0</u>	<u>596,224</u>
<i>Income (Loss) Before Operating Transfers</i>	<u>(39,977)</u>	<u>(401,316)</u>	<u>139</u>	<u>(441,154)</u>
Operating Transfers In	35,000	0	0	35,000
<i>Net Income (Loss)</i>	<u>(4,977)</u>	<u>(401,316)</u>	<u>139</u>	<u>(406,154)</u>
<i>Retained Earnings/Fund Balance (Deficit)</i> <i>Beginning of Year</i>	<u>(247,700)</u>	<u>428,466</u>	<u>6,341</u>	<u>187,107</u>
<i>Retained Earnings/Fund Balance (Deficit)</i> <i>End of Year</i>	<u>(252,677)</u>	<u>27,150</u>	<u>6,480</u>	<u>(219,047)</u>
<i>Contributed Capital Beginning and End of Year</i>	<u>281,994</u>	<u>0</u>	<u>0</u>	<u>281,994</u>
<i>Fund Equity at End of Year</i>	<u>\$29,317</u>	<u>\$27,150</u>	<u>\$6,480</u>	<u>\$62,947</u>

See accompanying notes to the general purpose financial statements

**River View Local School District**  
*Combined Statement of Revenues, Expenses and  
Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual  
All Proprietary Fund Types and Nonexpendable Trust Fund  
For the Fiscal Year Ended June 30, 2001*

	Enterprise Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition	\$295,056	\$295,195	\$139
Sales	567,838	567,811	(27)
Charges for Services	0	0	0
Interest	2,108	2,108	0
Operating Grants	472,247	472,083	(164)
Other	23,968	23,968	0
Refund of Prior Year Expenses	0	0	0
<i>Total Revenues</i>	<u>1,361,217</u>	<u>1,361,165</u>	<u>(52)</u>
<b>Expenses</b>			
Salaries	607,743	589,064	18,679
Fringe Benefits	252,749	235,172	17,577
Purchased Services	48,750	44,344	4,406
Materials and Supplies	523,184	483,422	39,762
Claims	0	0	0
Other	97	96	1
Capital Outlay	8,725	8,210	515
<i>Total Expenses</i>	<u>1,441,248</u>	<u>1,360,308</u>	<u>80,940</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(80,031)	857	80,888
Operating Transfers In	<u>35,000</u>	<u>35,000</u>	<u>0</u>
<i>Excess of Revenues and Operating Transfers and Over (Under) Expenses</i>	(45,031)	35,857	80,888
<i>Fund Equity Beginning of Year</i>	16,916	16,916	0
Prior Year Encumbrances Appropriated	<u>28,115</u>	<u>28,115</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$0</u>	<u>\$80,888</u>	<u>\$80,888</u>

(continued)

**River View Local School District**  
*Combined Statement of Revenues, Expenses and  
Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual  
All Proprietary Fund Types and Nonexpendable Trust Fund (continued)  
For the Fiscal Year Ended June 30, 2001*

	Internal Service Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition	\$0	\$0	\$0
Sales	0	0	0
Charges for Services	1,933,012	1,777,066	(155,946)
Interest	33,545	35,677	2,132
Operating Grants	0	0	0
Other	0	0	0
Refund of Prior Year Expenses	31,680	31,680	0
<i>Total Revenues</i>	<u>1,998,237</u>	<u>1,844,423</u>	<u>(153,814)</u>
<b>Expenses</b>			
Salaries	0	0	0
Fringe Benefits	0	0	0
Purchased Services	280,976	280,640	336
Materials and Supplies	0	0	0
Claims	2,268,178	1,772,210	495,968
Other	0	0	0
Capital Outlay	0	0	0
<i>Total Expenses</i>	<u>2,549,154</u>	<u>2,052,850</u>	<u>496,304</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(550,917)	(208,427)	342,490
Operating Transfers In	0	0	0
<i>Excess of Revenues and Operating Transfers and Over (Under) Expenses</i>	(550,917)	(208,427)	342,490
<i>Fund Equity Beginning of Year</i>	696,384	696,384	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Equity End of Year</i>	<u>\$145,467</u>	<u>\$487,957</u>	<u>\$342,490</u>

See accompanying notes to the general purpose financial statements

Nonexpendable Trust Fund			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$295,056	\$295,195	\$139
0	0	0	567,838	567,811	(27)
0	0	0	1,933,012	1,777,066	(155,946)
264	264	0	35,917	38,049	2,132
0	0	0	472,247	472,083	(164)
0	0	0	23,968	23,968	0
0	0	0	31,680	31,680	0
<u>264</u>	<u>264</u>	<u>0</u>	<u>3,359,718</u>	<u>3,205,852</u>	<u>(153,866)</u>
0	0	0	607,743	589,064	18,679
0	0	0	252,749	235,172	17,577
0	0	0	329,726	324,984	4,742
0	0	0	523,184	483,422	39,762
0	0	0	2,268,178	1,772,210	495,968
6,605	125	6,480	6,702	221	6,481
0	0	0	8,725	8,210	515
<u>6,605</u>	<u>125</u>	<u>6,480</u>	<u>3,997,007</u>	<u>3,413,283</u>	<u>583,724</u>
(6,341)	139	6,480	(637,289)	(207,431)	429,858
<u>0</u>	<u>0</u>	<u>0</u>	<u>35,000</u>	<u>35,000</u>	<u>0</u>
(6,341)	139	6,480	(602,289)	(172,431)	429,858
6,341	6,341	0	719,641	719,641	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>28,115</u>	<u>28,115</u>	<u>0</u>
<u>\$0</u>	<u>\$6,480</u>	<u>\$6,480</u>	<u>\$145,467</u>	<u>\$575,325</u>	<u>\$429,858</u>

**River View Local School District**  
**Combined Statement of Cash Flows**  
*All Proprietary Fund Types and Nonexpendable Trust Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Proprietary Fund Types		Fiduciary	Totals (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
<b><i>Increase (Decrease) in</i></b>				
<b><i>Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$875,211	\$0	\$0	\$875,211
Cash Received from Other Operating Sources	0	31,680	0	31,680
Cash Received from Other Non-Operating Sources	23,968	0	0	23,968
Cash Received from Quasi-External				
Operating Transactions with Other Funds	0	1,777,066	0	1,777,066
Cash Payments to Employees for Services	(589,064)	0	0	(589,064)
Cash Payments for Employee Benefits	(235,172)	0	0	(235,172)
Cash Payments for Goods and Services	(517,939)	(280,640)	0	(798,579)
Cash Payments for Claims	0	(1,772,210)	0	(1,772,210)
Cash Payments for Other Operating Expenses	(96)	0	(125)	(221)
<i>Net Cash Used for Operating Activities</i>	<u>(443,092)</u>	<u>(244,104)</u>	<u>(125)</u>	<u>(687,321)</u>
<b>Cash Flows from Noncapital</b>				
<b>Financing Activities</b>				
Operating Grants Received	472,083	0	0	472,083
Operating Transfers In	35,000	0	0	35,000
<i>Net Cash Provided by</i> <i>Noncapital Financing Activities</i>	<u>507,083</u>	<u>0</u>	<u>0</u>	<u>507,083</u>
<b>Cash Flows from Capital and</b>				
<b>Related Financing Activities</b>				
Payments for Capital Acquisitions	(7,721)	0	0	(7,721)
<b>Cash Flows from Investing Activities</b>				
Interest on Investments	2,108	35,677	264	38,049
<i>Net Increase (Decrease) in</i> <i>Cash and Cash Equivalents</i>	58,378	(208,427)	139	(149,910)
<i>Cash and Cash Equivalents</i> <i>Beginning of Year</i>	<u>45,031</u>	<u>696,384</u>	<u>6,341</u>	<u>747,756</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$103,409</u>	<u>\$487,957</u>	<u>\$6,480</u>	<u>\$597,846</u>

(continued)

**River View Local School District**  
*Combined Statement of Cash Flows*  
*All Proprietary Fund Types and Nonexpendable Trust Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Proprietary Fund Types		Fiduciary Fund Type	Totals
	Enterprise	Internal Service	Nonexpendable Trust	(Memorandum Only)
<b>Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities</b>				
<i>Operating Income (Loss)</i>	(\$600,524)	(\$436,993)	\$139	(\$1,037,378)
<b>Adjustments</b>				
Depreciation	11,824	0	0	11,824
Donated Commodities Used During Year	62,435	0	0	62,435
Interest Received by Nonexpendable Trust Fund	0	0	(264)	(264)
Non-Operating Receipts	23,968	0	0	23,968
(Increase)/Decrease in Assets:				
Accounts Receivable	5,200	0	0	5,200
Intergovernmental Receivable	(7,322)	0	0	(7,322)
Inventory Held for Resale	5,896	0	0	5,896
Materials and Supplies Inventory	5,917	0	0	5,917
Increase/(Decrease) in Liabilities:				
Accounts Payable	3,536	0	0	3,536
Accrued Wages	34,996	0	0	34,996
Compensated Absences Payable	7,902	0	0	7,902
Intergovernmental Payable	3,080	0	0	3,080
Claims Payable	0	192,889	0	192,889
<i>Total Adjustments</i>	157,432	192,889	(264)	350,057
<i>Net Cash Used for Operating Activities</i>	(\$443,092)	(\$244,104)	(\$125)	(\$687,321)
<b>Reconciliation of Cash and Cash Equivalents to the Balance Sheet</b>				
Trust and Agency	\$70,256			
Less: Agency Funds	(56,364)			
Less: Expendable Trust	(7,412)			
Nonexpendable Trust Fund	\$6,480			

See accompanying notes to the general purpose financial statements

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

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**Note 1 - Description of The School District and Reporting Entity**

The River View Local School District (School District) was formed on January 8, 1962, with the consolidation of the Three Rivers Local, Union Local, and Warsaw Local School Districts. The combined high school, River View Local High School, was built in 1965, with the first class graduating in 1966. The River View Local Board of Education assumed ownership of the Rainbow Childcare Center in August 1992.

The River View Local School District operates under a locally-elected five member board form of government and provides educational services as authorized and mandated by State and federal agencies. The Board controls the School District's seven instructional/ support facilities staffed by 134 non-certificated, 160 certificated teaching personnel, and 15 administrators, who provide services to community members, preschool children and 2,685 students.

*Reporting Entity*

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

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

The School District is associated with the Ohio Mid-Eastern Regional Educational Service Agency (OME-RESA) and the Coshocton County Joint Vocational School which are defined as jointly governed organizations. See Note 18.

The School District is also associated with the Ohio Mid-Eastern Regional Educational Service Agency (OME-RESA) Self-Insurance Plan which is defined as a claims servicing pool. See Note 19.

**Note 2 - Summary of Significant Accounting Policies**

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

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

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**A. Basis of Presentation - Fund Accounting**

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

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 regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

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

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

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

**Special Revenue Funds** Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or for 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 obligations 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 or trust funds).

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

**Enterprise Funds** Enterprise funds are used to account for operations 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.

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

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***Internal Service Fund*** This fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis.

***Fiduciary Funds*** Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include expendable trust, nonexpendable trust, and agency funds. The expendable trust fund is accounted for in essentially the same manner as governmental funds. The nonexpendable trust fund is accounted for in essentially the same manner as proprietary funds; the principal of the trust must be preserved intact. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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

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

***B. Measurement Focus and Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types 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 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.

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 balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type and nonexpendable trust fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

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

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. The full accrual basis of accounting is followed for the proprietary and nonexpendable trust funds.

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

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

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Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 7) Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2001, but which were levied to finance fiscal year 2002 operations, have been recorded as deferred revenue. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

**C. *Budgetary Data***

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 legal level of budgetary control has been established by the Board of Education at the object level within each function. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

***Tax Budget*** Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the County Budget Commission for rate determination.

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

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***Estimated Resources*** Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2001.

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

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

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

***D. Cash and Cash Equivalents***

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

During fiscal year 2001, investments were limited to repurchase agreements and STAROhio. Repurchase agreements are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act

**River View Local School District**  
*Notes to the General Purpose Financial Statements*  
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of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2001.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during fiscal year 2001 amounted to \$202,210 which includes \$142,725 assigned from other School District funds.

The School District participates in the OME-RESA insurance consortium for self-insurance. These monies are held separate from the School District's central bank account and are reflected on the combined balance sheet as "cash and cash equivalents with fiscal agents." The Jefferson County Educational Service Center serves as the fiscal agent for the insurance consortium.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

***E. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2001, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***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 spendable resources even though it is a component of net current assets. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

***G. Restricted Assets***

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include unexpended revenues restricted for the purchase of buses and amounts required by statute to be set-aside by the School District to create a reserve for Bureau of Workers Compensation (BWC) refunds. See Note 21 for additional information regarding set-asides.

***H. 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 related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five hundred dollars. The School District does not possess any infrastructure.

**River View Local School District**  
*Notes to the General Purpose Financial Statements*  
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Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of general fixed assets is also not capitalized.

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the proprietary fund types is computed using the straight-line method over an estimated useful life of ten years. Vehicles are depreciated over five years. Improvements to fund fixed assets are depreciated over the remaining useful lives of the related fixed assets.

**I. *Compensated Absences***

GASB No. 16, "Accounting for Compensated Absences", specifies the methods used to accrue liabilities for leave benefits. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

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

**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 expendable available financial resources. In general, amounts paid more than sixty days after fiscal year end are considered not to have been paid with current available financial resources.

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

Under Ohio Law, a debt retirement fund may be created and used for the payment of loans. Generally accepted accounting principles requires the reporting of the liability in the funds that received the proceeds. To comply with GAAP reporting requirements, the School District's debt service fund has been split among the appropriate funds. Debt service fund resources used to pay both principal and interest have also been allocated accordingly.

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

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***K. Interfund Transactions***

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

***L. Contributed Capital***

Contributed capital represents resources from other funds, other governments and private sources provided to the enterprise funds that are not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at fiscal year end.

***M. Fund Balance Reserves***

The School District records reservations for portions of fund equity which are legally segregated for a specific future use or which do not represent available spendable resources and therefore are not available for appropriations for expenditures. Designations represent tentative plans for future use of financial resources. Undesignated fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, inventory, property tax, bus purchase allowance, endowment and BWC refunds.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under state statute. The reserve for BWC refunds represents money required to be set-aside by statute to protect against cyclical changes in revenues and expenditures. The reserve for endowment is the amount of the original contribution or investment principal that is stipulated, by legal agreement, to be invested; only the earned interest can be used for the purposes set forth in the legal agreement.

***N. Estimates***

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

***O. Total Columns on General Purpose Financial Statements***

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



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

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**Note 3 - Change in Accounting Principles**

For fiscal year 2001, the School has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues." At June 30, 2000, there was no effect on fund balance as a result of these implementations.

**Note 4 - Fund Deficits**

The following funds had deficit retained earnings at June 30, 2001:

	<u>Retained Earnings</u>
Enterprise Funds:	
Food Service	\$149,584
Rainbow Child Care	104,207

The food service and rainbow child care enterprise funds concluded fiscal year 2001 with deficit retained earnings of (\$149,584) and (\$104,207) compared to (\$170,828) and (\$56,736) at the end of fiscal year 2000. Management is analyzing the food service and child care operations to determine appropriate action to alleviate the deficits. The general fund is liable for any deficits in these funds and provides operating transfers when cash is required, not when accruals occur.

**Note 5 - Budgetary Basis of Accounting**

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

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

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*Notes to the General Purpose Financial Statements*  
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5. Proceeds from and principal payment on bond anticipation notes are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
6. The School District repays short-term note debt from the debt service fund (budget basis) as opposed to the fund that received the proceeds (GAAP basis). Debt service fund resources used to pay both principal and interest have been allocated accordingly.

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

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

	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust
GAAP Basis	\$220,579	(\$76,310)	\$0	\$533,424	\$201
Net Adjustment for Revenue Accruals	(447,878)	(51,188)	0	(38,055)	0
Advance In	0	17,595	0	0	0
Proceeds of Notes	1,550,000	0	0	0	0
Revenue for Debt Payments	(1,558,553)	0	1,558,553	0	0
Net Adjustment for Expenditure Accruals	133,757	42,047	0	1,524	0
Advance Out	(17,595)	0	0	0	0
Debt Principal Retirement	0	0	(1,550,000)	0	0
Debt Interest	8,553	0	(8,553)	0	0
Adjustment for Encumbrances	(415,420)	(107,898)	0	(486,435)	0
Budget Basis	<u>\$526,557</u>	<u>(\$175,754)</u>	<u>\$0</u>	<u>\$10,458</u>	<u>\$201</u>

Net Income (Loss)/Excess of Revenues  
Over (Under) Expenses  
All Proprietary Fund Types and Nonexpendable Trust Fund

	Enterprise	Internal Service	Nonexpendable Trust
GAAP Basis	(\$4,977)	(\$401,316)	\$139
Net Adjustment for Revenue Accruals	(2,019)	0	0
Net Adjustment for Expense Accruals	61,414	192,889	0
Capital Outlay	(7,721)	0	0
Depreciation Expense	11,824	0	0
Loss on Disposal of Fixed Asset	(143)	0	0
Adjustment for Encumbrances	(22,521)	0	0
Budget Basis	<u>\$35,857</u>	<u>(\$208,427)</u>	<u>\$139</u>

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

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**Note 6 - Deposits and Investments**

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

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

Inactive deposits are public deposits that the 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 or deposit accounts including passbook accounts.

Protection of School 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.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or 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 Treasurer's investment pool (STAROhio);

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7. Certain banker's 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 interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At June 30, 2001, the School District's self-insurance internal service fund had a cash balance of \$487,957 with OME-RESA, a claims servicing pool (See Note 19). The money is held by the claims servicer in a pooled account which is representative of numerous entities and therefore cannot be classified by risk under GASB Statement No. 3. The classification of cash and cash equivalents and investments for the OME-RESA Self-Insurance Plan (Plan) as a whole may be obtained from the Plan's fiscal agent, the Jefferson County Educational Service Center. To obtain financial information, write to the Ohio Mid-Eastern Regional Educational Service Agency Self-Insurance Plan, Steubenville, Ohio 43952.

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

**Deposits** At fiscal year end, the carrying amount of the School District's deposits was (\$66,851) and the bank balance was \$94,558. All of the bank balance was covered by federal depository insurance.

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

	Category 3	Carrying Amount	Fair Value
Repurchase Agreement	\$567,608	\$567,608	\$567,608
STAROhio		3,193,764	3,193,764
Totals	\$567,608	\$3,761,372	\$3,761,372

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9 entitled "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

**River View Local School District**  
*Notes to the General Purpose Financial Statements*  
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A reconciliation between the classifications of cash and cash equivalents and investments on the combined financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$4,182,478	\$0
Cash Held by Fiscal Agent	(487,957)	0
Investments of the Cash Management Pool:		
Repurchase Agreement	(567,608)	567,608
STAROhio	(3,193,764)	3,193,764
GASB Statement No. 3	(\$66,851)	\$3,761,372

**Note 7 - Property Taxes**

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2001 for real and public utility property taxes represents collections of calendar 2000 taxes. Property tax payments received during calendar 2001 for tangible personal property (other than public utility property) is for calendar 2001 taxes.

2001 real property taxes are levied after April 1, 2001, on the assessed value as of January 1, 2001, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 2001 public utility property taxes became a lien December 31, 2000, are levied after April 1, 2001 and are collected in 2002 with real property taxes.

2001 tangible personal property taxes are levied after April 1, 2000, on the value as of December 31, 2000. Collections are made in 2001. Tangible personal property assessments are twenty-five percent of true value.

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

	2000 Second- Half Collections		2000 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/ Residential and Other Real Estate	\$156,786,890	42.31%	\$172,581,670	44.57%
Public Utility Personal	172,092,410	46.44	174,049,410	44.96
Tangible Personal Property	41,684,235	11.25	40,556,147	10.47
Total	\$370,563,535	100.00%	\$387,187,227	100.00%
Tax rate per \$1,000 of assessed valuation	\$31.30		\$31.30	

**River View Local School District**  
*Notes to the General Purpose Financial Statements*  
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Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later 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 semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

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

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2001 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 were levied to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current year operations. The amount available as an advance is recognized as revenue.

The amount available to the School District as an advance at June 30, 2001, was \$1,033,188 in the general fund and \$66,812 in the permanent improvements capital projects fund.

**Note 8 - Receivables**

Receivables at June 30, 2001, consisted of property tax, accounts (rent and tuition) and intergovernmental grants. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
General Fund:	
Educational Service Center	\$5,553
Special Revenue Funds:	
Eisenhower	1,226
Title V-IB	27,842
Title I	61,303
Telecom E-Rate	8,392
Total Special Revenue Funds	98,763
Capital Projects Fund:	
SchoolNet Professional Development	13,216
Enterprise Fund:	
Rainbow Child Care	26,408
Total Intergovernmental Receivables	\$143,940

**River View Local School District**  
*Notes to the General Purpose Financial Statements*  
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**Note 9 - Fixed Assets**

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

Furniture, Equipment and Vehicles	\$302,380
Less: accumulated depreciation	<u>(243,380)</u>
Net Fixed Assets	<u><u>\$59,000</u></u>

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

	Balance 6/30/00	Additions	Deductions	Balance 6/30/01
Land and Improvements	\$478,659	\$0	\$0	\$478,659
Buildings and Improvements	6,965,689	0	0	6,965,689
Furniture, Fixtures and Equipment	2,537,906	311,685	111,722	2,737,869
Vehicles	1,886,322	310,860	154,300	2,042,882
Construction in Progress	44,763	0	44,763	0
Total General Fixed Assets	<u><u>\$11,913,339</u></u>	<u><u>\$622,545</u></u>	<u><u>\$310,785</u></u>	<u><u>\$12,225,099</u></u>

**Note 10 - Risk Management**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2001, the School District contracted with Nationwide Insurance Company for property insurance and boiler and machinery coverage. The policies include a \$500 deductible.

Professional and general liability is protected by the Nationwide Insurance Company with a \$2,000,000 single occurrence limit and \$5,000,000 aggregate and no deductible. Vehicles are covered by Nationwide Insurance Company and hold no deductible for comprehensive and a \$500 deductible for collision. Automobile liability has a \$2,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in insurance coverage from the prior year.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Medical coverage is provided on a self-insured basis through Ohio Mid-Eastern Regional Educational Service Agency. Premiums for this coverage are \$422.41 monthly for family and \$188.24 for single coverage. The School District is responsible for payment of all claim amounts in excess of the employee payment percentages established in the Plan document.

Dental coverage is provided on a self-insured basis through Ohio Mid-Eastern Regional Educational Service Agency. Premiums for this coverage are \$51.75 monthly for family and \$20.87 monthly for single coverage. The School District is responsible for payment of all claim amounts in excess of the employee payment percentages established in the Plan document.

The School District also provides prescription drug insurance to its employees through a self-insured program. This Plan utilizes a \$5 per prescription deductible. The monthly premium for this coverage is

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\$119.31 for family coverage and \$49.32 for individual coverage. The third-party administrators, Self-Funded, Inc. and Gallagher Benefits Administrators review and pay all claims.

The medical, dental and prescription drug programs are accounted for in an internal service fund. The claims liability of \$460,807 reported in the Internal Service Fund at June 30, 2001 is based on the requirements of GASB No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The claims liability is based on an estimate supplied by the School District's third-party administrator. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. A summary of the fund's claims liability during the past three fiscal years are as follows:

	Balance Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
1999	\$309,773	\$1,594,170	\$1,653,477	\$250,466
2000	250,466	1,326,956	1,309,504	267,918
2001	267,918	1,965,099	1,772,210	460,807

**Note 11 - Defined Benefit Pension Plans**

***A. School Employees Retirement System***

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension system. 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 State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 N. Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2001, 4.2 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2000, 5.5 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$108,760, \$136,203 and \$180,417 respectively; 53.19 percent has been contributed for fiscal year 2001 and 100 percent for fiscal years 2000 and 1999. \$50,916 representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds and the general long-term obligations account group.



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

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***B. State Teachers Retirement System***

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides basic retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

For the fiscal year ended June 30, 2001, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 9.5 percent was the portion used to fund pension obligations. For fiscal year 2000, the portion used to fund pension obligations was 6 percent. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$684,981, \$428,912, \$406,103 respectively; 79.20 percent has been contributed for fiscal year 2001 and 100 percent for fiscal years 2000 and 1999. \$142,444 represents the unpaid contribution for fiscal year 2001 and is recorded as a liability within the respective funds.

***C. Social Security System***

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

**Note 12 - Postemployment Benefits**

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

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS 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 law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2001, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$324,464 for fiscal year 2001.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2000, (the latest information available) the balance in the Fund was \$3.419 billion. For the year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000 and STRS had 99,011 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with

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

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less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2001, employer contributions to fund health care benefits were 9.80 percent of covered payroll, an increase of 1.3 percent from fiscal year 2000. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2001 fiscal year equaled \$253,774.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2000 (the latest information available), were \$140,696,340 and the target level was \$211 million. At June 30, 2000, SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

### **Note 13 - Other Employee Benefits**

#### ***A. Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Medical Life Insurance Company, in the amount of \$25,000 for certificated employees and \$20,000 for classified employees.

#### ***B. Compensated Absences***

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees, and administrators who are contracted to work 260 days per year, earn ten to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators who work less than 260 days per year do not earn vacation time. 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 210 days. Upon retirement, School District employees receive one-fourth of total unused sick leave based on the number of credited service years. The maximums are as follows:

- Ten years of State service - a maximum 173 days sick leave accumulation
- Ten years of service with River View - a maximum of 181 day sick leave accumulation
- Fifteen years of service with River View - a maximum of 200 days sick leave accumulation

#### ***C. Retirement Incentive***

In addition to severance benefits and STRS pension benefits, the certified employee will be offered a one-time retirement incentive of \$10,000, during the first year of eligibility for retirement. The employee will have only one opportunity to accept or reject the bonus incentive opportunity. The certified employee must be able to retire by August 22 of the year of the request for the benefit. If rejected in the initial year of opportunity, the employee will not have a second chance to select the bonus option. The benefit is paid in the next calendar year following the year of retirement. At June 30, 2001, there is no retirement incentive liability for the School District.

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

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**Note 14 - Notes Payable**

A summary of the note activity for the year ended June 30, 2001, follows:

	<u>Outstanding</u> <u>6/30/00</u>	<u>Issued</u>	<u>Reductions</u>	<u>Outstanding</u> <u>6/30/01</u>
General Fund:				
2001 4.73% Tax Anticipation	\$0	\$1,550,000	\$1,550,000	\$0

**Note 15 - Long-Term Obligations**

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

	<u>Outstanding</u> <u>6/30/00</u>	<u>Additions</u>	<u>Deductions</u>	<u>Outstanding</u> <u>6/30/01</u>
Compensated Absences	\$1,222,411	\$187,526	(\$157,128)	\$1,252,809
Intergovernmental Payable	123,516	139,128	(123,516)	139,128
Special Termination Benefits Payable	90,000	0	(90,000)	0
Total General Long-Term Obligations	<u>\$1,435,927</u>	<u>\$326,654</u>	<u>(\$370,644)</u>	<u>\$1,391,937</u>

Compensated absences will be paid from the fund from which the person is paid. The intergovernmental payable represents contractually required pension contributions paid outside the available period and will be paid from the fund from which the person is paid.

The School District's overall legal debt margin was \$34,846,850 with an unvoted debt margin of \$387,187 at June 30, 2001.

**Note 16 - Operating Leases**

In prior years, the School District entered into a non-cancellable operating lease for 16 copiers. The minimum rental commitment under this non-cancellable lease as of June 30, 2001, are the following:

<u>Fiscal Year</u>	<u>Minimum</u> <u>Commitment</u>
2001	\$56,700
2002	23,350
Total	<u>\$80,050</u>

**Note 17 - Segment Information for Enterprise Funds**

The School District maintains three enterprise funds to account for the operations of food service, uniform school supplies and child care. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the River View Local School District as of and for the fiscal year ended June 30, 2001.

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

	Food Service	Uniform School Supplies	Child Care	Total Enterprise Funds
Operating Revenues	\$542,326	\$24,261	\$298,342	\$864,929
Depreciation	2,083	0	9,741	11,824
Operating Loss	(283,172)	(5,392)	(311,960)	(600,524)
Federal Donated Commodities	62,435	0	0	62,435
Operating Grants	204,920	0	267,163	472,083
Operating Transfers In	35,000	0	0	35,000
Net Income (Loss)	21,244	(5,392)	(20,829)	(4,977)
Fixed Assets:				
Additions	2,963	0	4,758	7,721
Deletions	579	0	1,890	2,469
Net Working Capital	(1,524)	1,114	(2,330)	(2,740)
Total Assets	106,595	1,114	105,040	212,749
Long-Term Compensated Absences Payable	16,149	0	10,794	26,943
Total Equity	13,813	1,114	14,390	29,317
Encumbrances, June 30, 2001	726	1,110	20,685	22,521

**Note 18 - Jointly Governed Organizations**

**A. Ohio Mid-Eastern Regional Educational Service Agency**

Ohio Mid-Eastern Regional Educational Service Agency (OME-RESA) is a jointly governed organization created as a regional council of governments pursuant to State statutes. OME-RESA provides financial accounting services, an educational management information system, cooperative purchase services and legal services to member districts. OME-RESA has eleven participating counties consisting of Belmont, Carroll, Columbiana, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Muskingum, Noble, and Tuscarawas Counties. OME-RESA operates under the direction of a Board consisting of one representative from each of the participating school districts. The Jefferson County Educational Service Center office serves as the fiscal agent and receives funding from the State Department of Education. The continued existence of OME-RESA is not dependent on the School District's continued participation and no equity interest exists. OME-RESA has no outstanding debt. The River View Local School District paid \$70,209 to OME-RESA during fiscal year 2001 for services. To obtain financial information write to the Ohio Mid-Eastern Regional Educational Service Agency, Steubenville, Ohio 43952.

**B. Coshocton County Joint Vocational School District**

Coshocton County Joint Vocational School District is a jointly governed organization providing vocational services to its three member school districts. The joint vocational school is governed by a five member board of education of which two members are appointed by the River View Local School District, two members are appointed by the Coshocton City School District and one member is appointed by the Ridgewood Local

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

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School District. The board controls the financial activity of the Joint Vocational School District. The Joint Vocational School District receives no direct funding from the member school districts. The continued existence of the Joint Vocational School District is not dependent on the River View Local School District's continued participation and no equity interest exists.

**Note 19 - Claims Servicing Pool**

Ohio Mid-Eastern Regional Educational Service Agency (OME-RESA) Self-Insurance Plan (Plan) - The School District participates in the Ohio Mid-Eastern Regional Educational Service Agency (OME-RESA) Self-Insurance Plan, a claims servicing pool comprised of fifty members. Each participant is a member of the assembly. The Plan's business and affairs are conducted by a nine member Board of Directors elected from the OME-RESA's assembly. Each member pays a monthly premium based on their claims history and a monthly administration fee. The River View Local School District paid \$88,554 to OME-RESA during fiscal year 2001 for services. All participating members retain their risk and the Plan acts as the claims servicing agent.

**Note 20 - Contingencies**

**A. Grants**

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

**B. Litigation**

The School District is party to legal proceedings. The School District's management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material adverse effect, if any, on the financial condition of the School District.

**Note 21 - Set-Asides**

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

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

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

	Budget Stabilization Reserve	Capital Improvements Reserve	Textbook/ Instructional Materials Reserve
Set-aside Reserve Balance as of June 30, 2000	\$193,505	\$0	\$0
Current Year Set-aside Requirement	2,242	319,016	319,016
Additional Amount Added in Fiscal Year 2001	116,418	0	0
Reduction Authorized by Legislative Restrictions	(231,814)	0	0
Qualifying Disbursements	0	(427,900)	(727,339)
Set-aside Balance Carried Forward to Future Fiscal Years	\$0	\$0	(\$408,323)
Set-Aside Reserve Balance as of June 30, 2001	<u>\$80,351</u>	<u>\$0</u>	<u>\$0</u>

The School District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years. The total reserve balance for the three set-asides at the end of the fiscal year was \$80,351.

**Note 22 - Due To/From Other Funds**

At June 30, 2001, the general fund had a due to other funds for \$200 and the food service enterprise fund had a due from other funds for the same amount.

**Note 23 - Subsequent Event**

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- ▶ A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.
- ▶ Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of December 21, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision

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

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changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

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

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**RIVER VIEW LOCAL SCHOOL DISTRICT  
COSHOCTON COUNTY**

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

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster						
Food Distribution	N/A	10.550	\$0	\$65,267	\$0	\$61,618
School Breakfast Program	N/A	10.553	29,767	0	29,767	0
National School Lunch Program	N/A	10.555	164,773	0	164,773	0
Child and Adult Care Food Program	N/A	10.558	37,635	0	37,365	0
Total U.S. Department of Agriculture - Child Nutrition Cluster			232,175	65,267	231,905	61,618
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies						
	C1-S1-00	84.010	21,517	0	21,517	0
	C1-S1-00		11,029	0	61,222	0
	C1-S1-01		356,805	0	296,083	0
Total Title I Grants to Local Educational Agencies			389,351	0	378,822	0
Special Education Cluster:						
Special Education_ Grants to States	6B-SF-00 P	84.027	0	0	35,227	0
	6B-SF-01 P		172,346	0	159,834	0
Total Special Education_ Grants to States			172,346	0	195,061	0
Special Education_ Preschool Grants	PG-S1-00 P	84.173	300	0	212	0
	PG-S1-01 P		0	0	4,932	0
	PG-S7-01 P		11,383	0	11,383	0
Total Special Education_Preschool Grants			11,683	0	16,527	0
Total Special Education Cluster			184,029	0	211,588	0
Goals 2000_ State and Local Education Systemic Improvement	G2-S2-99 P	84.276	0	0	7	0
Eisenhower Professional Development State Grant	MS-S1-99 MS-S1-01	84.281	0 11,035	0 0	5,506 4,207	0 0
Total Eisenhower Professional Development State Grant			11,035	0	9,713	0
Innovative Education Program Strategies	C2-S1-99 C2-S1-00 C2-S1-00 C2-S1-01	84.298	3,708 0 0 10,895	0 0 0 0	5,927 1,848 936 10,752	0 0 0 0
Total Innovative Education Program Strategies			14,603	0	19,463	0
Class Size Reduction	CR-S1-00 CR-S1-01	84.340	0 64,264	0 0	12,555 63,169	0 0
Class Size Reduction			64,264	0	75,724	0
Total U.S. Department of Education			663,282	0	695,317	0
<b>Totals</b>			<b>\$895,457</b>	<b>\$65,267</b>	<b>\$927,222</b>	<b>\$61,618</b>

See accompanying Notes to the Schedule of Receipts and Expenditures of Federal Awards

**RIVER VIEW LOCAL SCHOOL DISTRICT  
COSHOCKTON COUNTY**

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

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. Monies are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2001, the District had food commodities valued at \$10,945 in inventory.



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

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

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

River View Local School District  
Coshocton County  
26496 SR 60 North  
Warsaw, Ohio 43844

To the Board of Education:

We have audited the general purpose financial statements of River View Local School District, Coshocton County, (the District) as of and for the year ended June 30, 2001, and have issued our report thereon dated December 21, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

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

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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 the District in a separate letter dated December 21, 2001.

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

**Jim Petro**  
Auditor of State

December 21, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

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

River View Local School District  
Coshocton County  
26496 SR 60 North  
Warsaw, Ohio 43844

To the Board of Education:

**Compliance**

We have audited the general purpose compliance of River View Local School District, Coshocton County, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2001. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2001.

However, we noted another matter involving the internal control over federal compliance that does not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 21, 2001.

### **Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the 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, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**Jim Petro**  
Auditor of State

December 21, 2001

**RIVER VIEW LOCAL SCHOOL DISTRICT  
COSHOCTON COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2001**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Child Nutrition Cluster CFDA #10.550, #10.553, #10.555, and #10.558
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**RIVER VIEW LOCAL SCHOOL DISTRICT**

**COSHOCTON 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 10, 2002**