



**TECUMSEH LOCAL SCHOOL DISTRICT
CLARK COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2001



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**TECUMSEH LOCAL SCHOOL DISTRICT
CLARK COUNTY**

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**TECUMSEH LOCAL SCHOOL DISTRICT
CLARK COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
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	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
(Passed through Ohio Department of Education)						
Nutrition Cluster:						
Food Distribution Program		10.550		\$190,180		\$192,516
National School Breakfast Program	05-PU 1999 05-PU 2000	10.553	\$689 9,257 <u>52,584</u>		\$689 9,257 <u>52,584</u>	
Total National School Breakfast Program			<u>62,530</u>		<u>62,530</u>	
National School Lunch Program	LL-P1 2000 LL-P1 2001	10.555	\$38,057 <u>240,207</u>		\$38,057 <u>240,207</u>	
Total National School Lunch Program			<u>278,264</u>		<u>278,264</u>	
Total U.S. Department of Agriculture - Nutrition Cluster			340,794	190,180	340,794	192,516
U.S. DEPARTMENT OF EDUCATION						
(Passed through Ohio Department of Education)						
Grants to Local Educational Agencies (ESEA Title 1)	C1-S1 2001	84.010	591,880		532,757	
Migrant Education - Basic State Formula Grant	MG-S1 2000 MG-S1 2001 MG-S1 1999	84.011	62,160 23,177 <u>85,337</u>		35,325 20,926 <u>67,565</u>	
Total Migrant Education - Basic State Formula Grant						
Special Education Cluster:						
Special Education Grants to States (IDEA Part B)	6B-A1 2000 6B-SF 1999 6B-SF 2000	84.027	10,000 60,757 <u>220,736</u>		10,000 63,593 <u>193,291</u>	
Total Special Education Grants to States (IDEA Part B)			<u>291,493</u>		<u>266,884</u>	
(Passed through Clark County ESC))						
Special Education - Preschool Grant		84.173	<u>21,703</u>		<u>19,755</u>	
Total Special Education Cluster			313,196		286,639	
(Passed through Ohio Department of Education)						
Drug-Free Schools Grant	DR-S1 2001	84.186	15,854		15,854	
GOALS 2000	G2-S2 1999 G2-S2 2001 G2-S2 2000	84.276	13,550 18,000 <u>31,550</u>		65,606 499 <u>90,156</u>	
Total GOALS 2000						
Eisenhower Professional Development Grant	MS-S1 2001	84.281	14,810		19,541	
Innovative Education Program Strategies	C2-S1 2001	84.298	18,874		18,874	
Tech Literacy Challenge Fund	TF-41 2000 TF-42 2000	84.318	125,000 75,000 25,000 <u>225,000</u>		125,000 75,097 6,781 <u>269,131</u>	
Total Tech Literacy Challenge Fund						
Class Size Reduction	CR-S1 2001	84.340	79,362		75,660	
Architectural & Transportation Barriers	Not available	84.000	<u>10,347</u>		<u>6,855</u>	
Total Department of Education			<u>1,386,210</u>		<u>1,383,032</u>	
Total Federal Assistance			<u>\$1,727,004</u>	<u>\$190,180</u>	<u>\$1,723,826</u>	<u>\$192,516</u>

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

**TECUMSEH LOCAL SCHOOL DISTRICT
CLARK COUNTY**

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

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - NUTRITION CLUSTER

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State Grants and local funds. It is assumed federal monies are expended first.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District complied with the matching requirements. The expenditures of non-Federal matching funds is not included on the Schedule.

NOTE D - PRESCHOOL TITLE VI-B

The Clark County Educational Service Center expended \$19,755 on the Preschool Title VI-B Program on behalf of Tecumseh Local School District during the current reporting period. These expenditures are included on the accompanying Schedule of Federal Award Expenditures.



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OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

Tecumseh Local School District
Clark County
9760 West National Road
New Carlisle, Ohio 45344

To the Board of Education:

We have audited the financial statements of Tecumseh Local School District, Clark County, (the District) as of and for the year ended June 30, 2001, and have issued our report thereon dated December 18, 2001 wherein we noted that the District implemented GASB Statements No. 33 and No. 36. 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*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the District in a separate letter dated December 18, 2001.

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. However, we noted a matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings as item 2001-10312-001.

**Internal Control Over Financial Reporting
(Continued)**

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe the reportable condition described above is a material weakness. We also 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 18, 2001.

This report is intended for the information and use of the management, 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 18, 2001



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

Tecumseh Local School District
Clark County
9760 West National Road
New Carlisle, Ohio 45344

To the Board of Education:

Compliance

We have audited the compliance of Tecumseh Local School District, Clark 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 each of its major federal programs for the year ended June 30, 2001. The District's major federal programs are 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 programs are the responsibility of 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 on the District's compliance with those requirements.

In our opinion, Tecumseh Local School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 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 internal control over compliance in accordance with OMB Circular A-133.

**Internal Control Over Compliance
(Continued)**

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

Schedule of Federal Awards Expenditures

We have audited the general-purpose financial statements of Tecumseh Local School District, Clark County, as of and for the year ended June 30 2001, and have issued our report thereon dated December 18, 2001, wherein we noted that District adopted Governmental Accounting Statement No. 33 and 36. Our audit was performed for the purpose of forming an opinion on the general-purpose statements taken as a whole. The accompanying schedule of federal awards receipts and expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information and use of the management, 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 18, 2001

**TECUMSEH LOCAL SCHOOL DISTRICT
CLARK COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	- Grants to Local Educational Agencies (ESEA Title I) CFDA - 84.010 - Nutrition Cluster CFDA's -10.550, 10.553, 10.555
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

FINDING NUMBER 2001-10312-001

Reportable Condition

Latchkey

Latchkey programs were provided at several different Tecumseh Local School District buildings. Neither cash nor accounts receivable ledgers were maintained for Latchkey customers, which could result in a customer making an over / under payment and allow errors to occur in customer balances. Additionally, there was not a consistent method of record keeping at the various buildings in the District. To provide that customer account balances are correct and records are consistently maintained, each building Latchkey program should maintain a similar cash /accounts receivable ledger for each student enrolled in their particular program. The ledger should include a cumulative total of fees due by week for the school year, fees owed per week, amounts paid made including date and receipt number, and a running cumulative total of charges due.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

TECUMSEH LOCAL SCHOOL DISTRICT
CLARK COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2001

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2000-10312-001	Latchkey Controls	No	Partially correct. Policy has been approved by the District approving fees and procedures. Repeated as finding 2001-10312-001.

Tecumseh Local

Comprehensive Annual Financial Report



For the Year Ended
June 30, 2001

Tecumseh Local School District
9760 W. National Road
New Carlisle, OH 45344
(937) 845-3576

INTRODUCTION SECTION

FINANCIAL STATISTICAL



2001



TECUMSEH LOCAL SCHOOL DISTRICT

New Carlisle, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2001

Issued By:
Treasurer's Office

Paul Gerlach
Treasurer

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**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
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TECUMSEH LOCAL SCHOOLS

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Roger Pankake
Superintendent
Jim Gay, Ph.D.
Assistant Superintendent

Matthew Curtis
Director of Special Education &
Professional Development

Mike Lucas
Director
Paul E. Gerlach
Treasurer

Tecumseh High School
9830 West National Road
New Carlisle, Ohio 45344
845-4500

New Carlisle Middle School
1203 Kennison Avenue
New Carlisle, Ohio 45344
845-4460

Olive Branch Middle School
9712 West National Road
New Carlisle, Ohio 45344
845-4465

Donnelsville Elementary School
P.O. Box 130
150 East Main Street
Donnelsville, Ohio 45319
845-4540

Medway Elementary School
116 Middle Street
Medway, Ohio 45341
845-4475

Park Layne Elementary School
620 Cliffside Drive
New Carlisle, Ohio 45344
845-4470

Westlake Elementary School
621 Walsh Avenue
New Carlisle, Ohio 45344
845-4480

McAdams Early Childhood Center
1400 McAdams Drive
New Carlisle, Ohio 45344
845-4545

www.tecumseh.k12.oh.us

December 18, 2001

To the Citizens and Board of Education of the Tecumseh Local School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Tecumseh Local School District. The information reported is for the fiscal year ended June 30, 2001. The report contains financial statements, supplemental statements and schedules, as well as other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for fiscal year 2001.

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

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

The CAFR report is divided into three sections:

The Introductory Section introduces the reader to the report and provides an overview of the district and area. It also includes a table of contents, this transmittal letter, an organizational chart, and list of principal officials.

The Financial Section includes the unqualified opinion of our independent auditor, Jim Petro, Auditor of State. It also includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules.

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

THE REPORTING ENTITY AND SERVICES PROVIDED

The School District has reviewed its operating entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up Tecumseh Local School District (the primary government) and its potential component units.

This report includes all funds and account groups of the district. The funds and account groups are used to account for the primary government's assets, liabilities, fund balances, and results of operations (or revenues over/under expenses) for those activities.

This report includes all funds and account groups of the school district. The school district provides a full range of traditional and non-traditional education programs, services and facilities. These include all day pre-school and kindergarten, elementary and secondary curriculum at the general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities, special education programs and facilities.

MISSION STATEMENT

The mission of the Tecumseh Local School District is to provide a variety of educational programs for students of all ages and abilities. Our school system strives to prepare learners to be responsible, contributing members of an ever-changing society, and to have a feeling of success, and a pride in community.

SCHOOL DISTRICT DESCRIPTION AND ORGANIZATION

The Tecumseh Local School District was established in 1875 through the consolidation of existing land areas and school districts. The District serves an area of approximately 50 square miles. It is located in Clark County, and includes all of the City of New Carlisle and portions of Bethel and Pike Townships, with some parcels of property located in Miami County.

The School District is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio to provide educational services as authorized by State statute and/or federal guidelines. The School District operates under a locally elected Board form of government consisting of five members elected at-large for staggered four-year terms. The Board appoints the Superintendent and the Treasurer. All departments, with the exception of the Treasurer's Office, are under the authority of the Superintendent's Office.

MAJOR INITIATIVES

Primary accomplishments for school year 2000-2001 were as follows:

Curriculum

- Aligned instruction to proficiency outcomes in grades 1-5
- Developed reading and writing benchmark assessments in grades 1-5
- Began to complete course audits in core academic areas in grades 7-12
- Revised social studies course of study
- Aligned Four Blocks model with proficiency
- Selected science materials in grades K-8 to match course of study

Staff Development

Baldrige teacher / student partnership training
Began Baldrige orientation for administrators
Entry year teacher program
Materials selection training for science teacher committee
Four Blocks training for elementary staff
Data training for administrators
Technology teacher leader training
Summer institute for reading intervention

Facilities Initiatives

Completed renovation of Spitzer Stadium, including new stadium bleachers, sound system and sanitation system.
Purchased three new school buses.
Installed new driveway and parking lot at Westlake Elementary.
Installed new sound system in auditorium.
Installed new entrance doors at Tecumseh High School, Medway Elementary and Park Layne Elementary.
Replacement of asphalt and concrete at Tecumseh High School, Olive Branch High School, Medway Elementary, Park Layne Elementary, New Carlisle Middle School, Westlake Elementary, and McAdams Early Childhood Center.
Installed new roof at Tecumseh High School - Reynolds gymnasium and Pflaumer auditorium.

Specific goals for the 2001-2002 school year are:

Finance

Receive the Government Finance Officer's Association (GFOA) Certificate of Excellence in Financial Reporting for the District's 2001 Comprehensive Annual Financial Report.
Receive the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the District's 2001 Comprehensive Annual Financial Report.
Continued review of the District's internal control structure through the update of District policy and procedure manuals.
Continued success in monitoring and budgeting District resources.

Curriculum

Align instruction to proficiency outcomes in grades 1-5
Revise math course of study
Revise foreign language course of study

Staff Development

Continue Baldrige leadership training for administrators
Initiate Baldrige orientation for Continuous Improvement Plan cabinet and board
Principals' academy
Workshop on improving reading instruction with adolescents - *I Read It But I Don't Get It*
Koalaty Kids data tools training
Effective schools training for middle and high school
Technology teacher leader training
Summer institute for reading intervention

ECONOMIC CONDITION AND OUTLOOK

The following is from a Report from the Clark County Economic Research Roundtable:

Clark County's economy remained strong during the first year of the 21st century with continued growth in the retail and service sectors and labor shortages in all areas of business and industry. Local unemployment has remained low but consistently higher than the state average. The county's unemployment rate at the end of the third quarter was 4.3 percent compared to the statewide average of 4.1 percent.

The nation's economy once again grew at a rate above the Roundtable's 2.5 to 3 percent estimate. The most recent forecast is 5.2 percent growth in 2000. Our estimate of 2 to 2.5 percent CPI inflation is expected to be slightly below the now anticipated rate of 3.1 to 3.3 percent. However, when energy and food prices are removed, CPI inflation is less than 3 percent.

The nation's unemployment rate of 4.1 percent has remained just below the Roundtable's forecast of 4.25 to 4.5 percent. Short-term interest rates have accelerated during 2000 as predicted by Roundtable members. Our estimate of 6 percent reflects the most recent rate on short-term treasury not of 6.11 percent.

Labor Supply

There is still an acute labor shortage in the County, and upward pressure is finally appearing after years of local expansion. Unskilled, high school educated, entry-level workers performing light industrial task are earning at least \$9 per hour. Clerical workers without keyboard skills earn at least \$7.50 per hour and those with keyboard skills earn at least \$9 per hour, both up from last year's survey. Fast food firms are experiencing rapid turnover and will employ any able bodied person available.

Firms indicate a willingness to train unskilled workers and are doing creative things to get workers. Signing bonuses are not uncommon among area firms. These increases in labor cost, in addition to the unusual wage increases, are a hidden form of wage inflation.

Local temporary hiring agencies have experienced no fall off in activity, and in fact are being used by many firms as permanent hiring agencies. Temporary workers are often the first laid off as the economy starts to cool, but there is no indication that this is occurring locally.

Manufacturing

Manufacturing activity is slowing. The order backlog for local tool and die firms is less than in June, and lower than this time last year. However, there is no slowdown in local capital investments. It is not clear how quickly downsizing will occur at Navistar. The projected 40 percent reduction in the workforce should not be a concern for 2001, but in future years, this reduction will loom larger. Another uncertainty is the extent to which Navistar will rely more on outsourcing. On the positive side, experts predict success for the new medium size trucks, and this could provide a significant boost for the local economy.

Manufacturing employment will remain stable and possibly increase for the year 2001. Adding to local optimism in manufacturing employment is the fact that the number of companies inquiring about new sites in Clark County is still high.

Retail

Aggregate retail activity remains strong. We do not predict a fall off for 2001, but the rate of increase will probably be less. Five years of strong expansion may have created a climate of unrealistic expectations that cannot be sustained. Also, local retail firms are struggling as larger national chains gain market share. Space devoted to retail and classified ads, a traditional indicator of economic activity, is down slightly. However, this may be a sign that the traditional ways of reaching customers are less utilized in the new e-economy.

Housing / Real Estate

Overall, the housing market is still good, but it is no longer surging as it was in the last few years. Residential home prices increased 4 percent in the County, slightly ahead of inflation. Average prices in Clark County are approximately \$98,000. While housing prices increased at greater rates in other cities around the state and nation, the local inflation adjusted appreciation represented a welcome turnaround for our county. The hot ticket continues to be a home in the \$80,000 to \$120,000 range located outside the city of Springfield. However, the market for homes priced over \$150,000 is stagnant. Condominium demand is still strong locally, as retirees seek smaller no-maintenance living options. Interest rate increases and stock market fluctuations have created some uncertainty for housing locally and nationally.

Agriculture

Crop yields are very high, with corn yields at record levels. This of course drives down market prices. However, government payments have filled the gap for the most part, keeping farmers' well-being at a reasonable level in 2000. Cattle and hog profits are high, mainly due to the low corn prices. Export demand is strong and expected to be so in 2001. Farmland prices are up from last year, greater than \$2,000 per acre. But some of this demand stems from pressure to sell to real estate developers. A serious concern for 2001 is energy prices. Increases hit farmers with a lag, so while the conditions are good now, they will probably deteriorate next year.

Government Receipts

There were four \$1 million sales tax collection months for the County in 2000, a record. Sales tax receipts increased at a projected annual rate of 5.2 percent for the first nine months of 2000. In 2001, a 4 to 5 percent increase is expected. Other County revenue sources (mainly building permit fees and real estate taxes) are flat.

Emerging Issues

The impact of the Internet is still changing traditional ways of thinking about and understanding economic activity. Realtors report that Internet real estate information about the local economy is readily available, and some consumers have excellent knowledge about homes and schools before they visit Clark County.

Local experts note the economy is more regional, and analysis assuming that Clark County is a closed economy and is likely to lead to misunderstanding about local dynamics. For example, attracting jobs to the County may not have a significant local impact if people live outside the County.

Sprawl and the related issue of farmland preservation remains an issue for Clark County. Agricultural productivity continues to soar, allowing farmers to use less land while still increasing output. The

demand for “suburban” housing pressures farmers to sell to developers. Local governments either compete with each other or do not have the tools to manage sprawl and new development. Since, overall population growth in the County is very low, it creates imbalances across the region. Planning efforts and cooperation between local governments are still needed to assure balanced County development, which accounts for all the groups in the County.

Clark County 2001 Forecast Summary

Unemployment	Up Slightly
Manufacturing	Down
Wholesale/Retail	Stable
Service Sector	Stable
Construction	Stable
Agriculture	Stable
Government	Stable

FINANCIAL INFORMATION

Internal Accounting and Budgetary Control

Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation. The management of the District is responsible for establishing and maintaining an internal control environment that provides reasonable assurance the District’s financial statements are reliable, the District complied with applicable laws and regulations and the District is operating effectively and efficiently.

The District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensure that the financial information generated is both accurate and reliable.

The District maintains its accounts and accounting records to facilitate budgetary control as outlined by Ohio Revised Code. Before October 1st of each fiscal year the Board adopts its annual appropriation measure. These appropriations may be amended as needed by Board action. Annual appropriations and any amendments may not exceed the County Budget Commissions official estimate of resources. The County Auditor must certify that the Board’s appropriation measures do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the function level within the fund for the General, Permanent Improvement and Food Service funds, and at the fund level for the remaining funds. All purchase order requests must be approved by the building principal, department supervisor, or appropriate central office director and must be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests that exceed the available appropriations are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail month and year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished the reports showing the status of the budget accounts for which they are responsible. In addition, an on line inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket

bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond. Additional information on the District's budgetary accounts can also be found in notes to the general purpose financial statements.

General Fund

The General Fund is the general operating fund of the District, used to account for all revenues and expenditures not required to be accounted for in another fund.

The following schedule presents a summary of the General Fund revenues for the fiscal years ended June 30, 2001 and the amount and percentage of increases and decreases in relation to the 2000 fiscal year.

	2001 Amount	Percent of Total	Increase (Decrease) From 2000	Percent of Increase (Decrease)
Taxes	\$6,329,825	30.1%	(\$1,311,396)	-17.2%
Intergovernmental	13,841,488	65.9%	396,891	3.0%
Interest	391,912	1.9%	38,683	11.0%
Tuition and Fees	263,615	1.3%	70,455	36.5%
Transportation	82,226	0.4%	82,226	N/A
Gifts and Donations	5,750	>0.1%	5,750	N/A
Miscellaneous	93,144	0.4%	86,979	1410.9%
TOTAL	\$21,007,960	100.0%	(\$630,412)	-2.9%

The decrease in the tax revenue was due primarily to a substantial decrease in the number of taxpayers who chose to prepay their second half taxes for 2001. The decrease in the number of prepayments reduced the amount of property taxes available for advance at year and the portion of the property tax receivable which was recognized as revenue. The increase in interest revenue was due to higher cash balances available for investing purposes. The increase in tuition was due to collection of prior year tuition and additional services, such as summer school, provided by the District during the 2000-2001 school year that generated additional fees.

The following schedule presents a summary of General Fund expenditures for the fiscal year ended June 30, 2001, and the amount and percentage of increase or decrease in relation to the 2000 fiscal year.

	2001 Amount	Percent Of Total	Increase (Decrease) from 2000	Percent of Increase (Decrease)
Regular Instruction	\$10,469,893	47.9%	\$561,222	5.7%
Special Instruction	1,521,798	7.0%	120,941	8.6%
Vocational Instruction	481,547	2.2%	22,503	4.9%
Other Instruction	526,582	2.4%	526,582	N/A
Pupil Support	1,149,863	5.3%	13,506	1.2%
Instructional Staff Support	838,933	3.8%	111,388	15.3%
Board of Education	46,024	0.2%	1,771	4.0%
School Administration	2,323,350	10.6%	95,995	4.3%
Fiscal	436,743	2.0%	23,171	5.6%
Business	17,661	0.1%	(6,350)	-26.4%
Operations and Maintenance	2,406,213	11.0%	295,921	14.0%
Pupil Transportation	1,316,185	6.0%	(2,625)	-0.2%
Central Support	35,176	0.2%	10,076	40.1%
Extracurricular Activities	295,724	1.4%	(3,574)	-1.2%
Capital Outlay	10,045	>0.1%	4,780	90.8%
TOTAL	\$21,875,737	100.0%	\$1,775,307	8.8%

The increase in functional expenditures were due primarily to negotiated pay increases for all classifications of employees, substantial increases in the cost of providing employees with healthcare coverage and general inflation. The additional expenditures associated with the Other Instruction function can be attributed to the manner in which the District began recording the payments to the County Educational Service Center for services it provides to the District. An increase in the number of aides for special education and kindergarten classes comprise the majority of the increase in instructional staff support. Improvements to the various school facilities and parking lots added to the operation and maintenance costs incurred by the District in 2001 as compared to 2000.

Special Revenue Funds

Special Revenue Funds account for certain revenue sources, primarily program grants and entitlements, which are restricted by law or other formal actions to expended for a specific purpose. In 2001, all Special Revenue Funds on a combined basis operated with \$1,818,572 in revenues and \$2,016,896 in expenditures. The District was successful in obtaining additional funding for the 2000-2001 school year, including the following new grants: Data Communications, SchoolNet Professional Development, Summer Intervention and Extended Learning Opportunities Grants. These grant dollars provided additional services to District students and staff, either directly or indirectly.

Capital Project Funds

The District's Capital Projects Funds are used to fund major equipment purchases and major capital improvement projects. During the 2000-2001 school year, the District utilized funds from the Capital Projects Funds to resurface and seal parking lots, purchase new school busses, replace or repair roofs on nearly all school buildings, and repair and service various heating and air conditioning units throughout the District. In addition, a renovation of the High School's football stadium was completed during the year. This renovation included the installation of new bleachers, scoreboards, sound system, and restrooms. Funding for the renovations was provided through the issuance of a tax anticipation note, which will be repaid using the permanent improvement tax levy approved by the voters.

Enterprise Funds

Food Service and Latchkey are classified as enterprise operations since they resemble those activities found in private industry and management can set fees and charges to cover the cost of providing the service. In fiscal year 2001, the Enterprise Funds had net income of \$10,019 as compared to \$79,947 in fiscal year 2000. Additional personnel costs, such as cost of living increases and increase in the cost to provide healthcare coverage, explain the majority of the reduction in the net income. The Enterprise Funds are extremely dependent upon federal and state subsidies, as comparing fiscal year 2001's operating income of \$931,654 to operating expenses of \$1,537,009 would indicate. Substantially all these federal and state subsidies are associated with the District's food service program.

Trust and Agency Funds

Trust and Agency Funds require fiduciary relationship in their management of the District. The Agency fund utilized by the District is used to account for Student Activity Funds. The Student Activity Funds represent a large variety of student groups from the high schools and middle schools.

DEBT ADMINISTRATION

The District has no outstanding bond or other long-term debt issues outstanding at June 30, 2001. During the year, the District did issue \$685,000 in tax anticipation notes for renovations made to the football stadium. This tax anticipation note was the only debt instrument outstanding at June 30, 2001.

As of June 30, 2001, the District's overall debt margin was \$20,428,906, the energy conservation debt margin was \$1,938,391 and the unvoted debt margin was \$234,599.

CASH MANAGEMENT

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. All investments are spread among available investment options to insure maximum interest rates. Investment earnings for all funds during the fiscal year were \$406,051. The figure is higher than in the previous fiscal year due to higher cash balances available for investing purposes.

RISK MANAGEMENT

The District continues to protect its assets through a comprehensive insurance program. Insurance policies are in effect for fleet liability; property loss, boiler and machinery and excess liability is purchased through the Nationwide Insurance Company.

All employees are covered under the District's liability policy. The Superintendent and Board President are covered with a \$20,000 performance bond. The Treasurer is covered with a \$100,000 performance bond.

The District uses the State Workers' Compensation plan and pays the premium based on a rate per \$100 of salaries. The School District is a member of Ohio School Boards Association Workers' Compensation Group Rating Program.

INDEPENDENT AUDIT

State statutes require the School District to be subjected to an annual examination by an independent auditor. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the School District's financial statements as of June 30, 2001. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Pursuant to statute, the State prescribed a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to governments that publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. The District is submitting this report to GFOA to determine its eligibility for a certificate, which is the highest form of recognition in the area of governmental financial reporting.

The District will also seek the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2001. This award certifies that a Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an extensive review of the report by an expert panel of certified public accountants and practicing school business officials. The District believes our current report meets ASBO requirements.

ACKNOWLEDGEMENTS

The preparation of the 2001 Comprehensive Annual Financial Report was made possible by many, not only through effort but also through support. Thanks are extended to the Tecumseh Board of Education for their support of the Treasurer's office that allows reliable and progressive financial operations and reporting.

Appreciation for the preparation is extended to Clark, Schaefer, Hackett & Company, the Clark County Auditor's Office, and Richard Cost.

Respectfully submitted,

A handwritten signature in black ink that reads "Paul E. Gerlach". The signature is written in a cursive style with a large initial "P" and "G".

Paul E. Gerlach
Treasurer/CFO

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2001

Board of Education

Dan Studebaker, Board President
Jane Manemann, Board Vice President
Gary Cochran, Board Member
Beverly Quinn, Board Member
Jim Snyder, Board Member

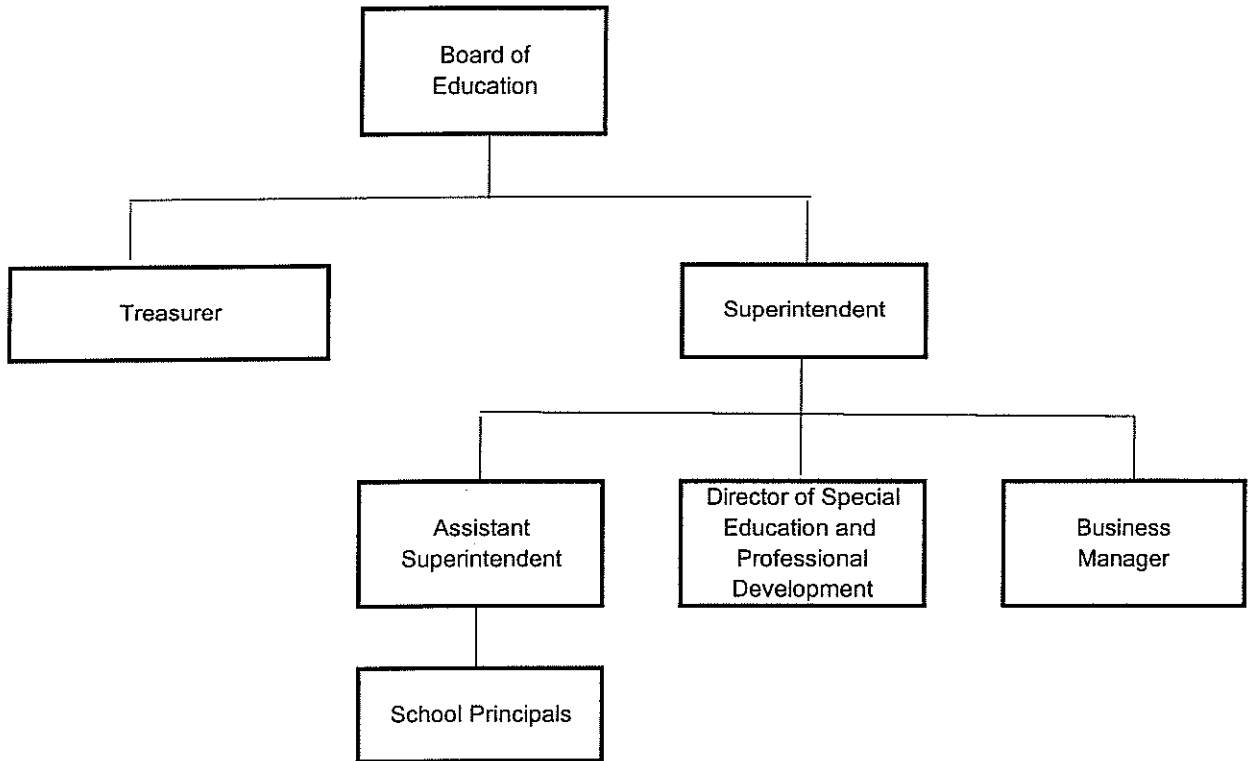
Administrative Team

Roger Pankake, Superintendent
James Gay, Assistant Superintendent
Howard Stahl, Director of Buildings, Grounds, Transportation and Food Service
Paul Gerlach, Treasurer/CFO
Matthew Curtis, Director of Special Education and Professional Development

Michael Ostendorf, Principal, Tecumseh High School
Kirk Saulsbury, Unit Principal, Tecumseh High School
Mark Eatherton, Unit Principal, Tecumseh High School
Rick Hayman, Principal, Olive Branch Middle School
Greg Baker, Assistant Principal, Olive Branch Middle School
Cecil Foley, Principal, New Carlisle Middle School
Florence Krikke, Assistant Principal, New Carlisle Middle School
Dennis Dyer, Principal, Westlake Elementary School
Gayle Hines, Principal, Park Layne Elementary School
James Williams, Principal, Medway Elementary School
Pamela Young, Principal, Donnelsville Elementary School
Sharon Powers, Principal, McAdams Early Childhood Center

Vinia Roberts, School Psychologist
Selva Thompson, School Psychologist
Jeffrey Broyles, School Psychologist
Susan McCarroll, Title I Coordinator
Cassie Rogers, Coordinator of Libraries and Technology
Cindy Fisher, Curriculum Coordinator
Karen Montgomery, Child Nutrition Director
Michael Lucas, Athletic Director

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
ADMINISTRATIVE ORGANIZATION
AS OF JUNE 30, 2001



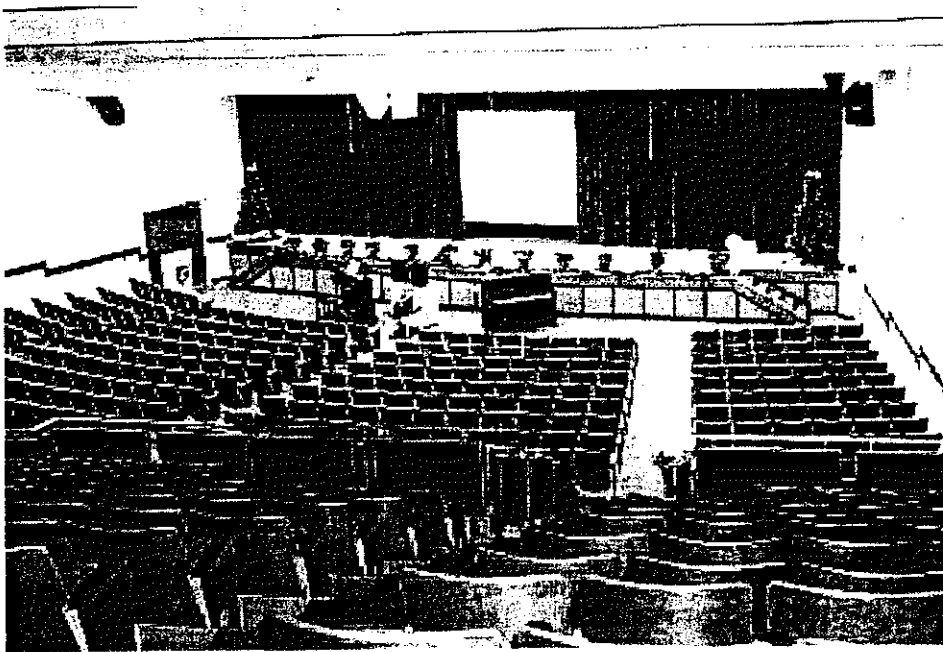
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FINANCIAL SECTION



INTRODUCTION STATISTICAL

2001



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

One First National Plaza
130 West Second Street
Suite 2040
Dayton, Ohio 45402
Telephone 937-285-6677
800-443-9274
Facsimile 937-285-6688
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Tecumseh Local School District
Clark County
9760 West National Road
New Carlisle, Ohio 45344

To the Board of Education:

We have audited the accompanying general-purpose financial statements of the Tecumseh Local School District, Clark 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.

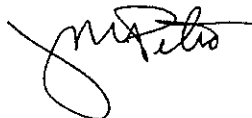
In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tecumseh Local School District, Clark County, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund type and nonexpendable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

During the year ended June 30, 2001, the District adopted Governmental Accounting Statement No. 33, *Accounting and Reporting for Nonexchange Transactions* and No.36, *Recipient Reporting for Certain Nonexchange Revenues*.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

December 18, 2001

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TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2001

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS
<u>Assets and Other Debits:</u>			
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 5,225,973	\$ 637,304	\$ 468,047
Cash and Cash Equivalents:			
In Segregated Accounts	-	2,500	-
With Fiscal Agent	-	3,619	-
Investments	-	-	-
Receivables:			
Taxes	7,508,377	-	628,604
Accounts	24,470	-	-
Intergovernmental	-	195,252	-
Interfund	23,715	-	-
Prepaid Items	38,277	-	-
Inventory of Supplies and Materials	122,458	-	-
Inventory Held for Resale	-	-	-
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	80,264	-	-
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	-	-	-
Other Debits:			
Amount to be Provided for Retirement of General Long Term Obligations	-	-	-
Total Assets and Other Debits	\$ 13,023,534	\$ 838,675	\$ 1,096,651
<u>Liabilities, Fund Equity and Other Credits</u>			
Liabilities:			
Accounts Payable	\$ 111,424	\$ 32,252	\$ 2,820
Contracts Payable	-	-	139,251
Accrued Wages and Benefits	2,019,860	93,196	-
Accrued Interest Payable	-	-	25,103
Intergovernmental Payable	460,254	29,923	-
Interfund Payable	-	23,715	-
Due to Students	-	-	-
Deferred Revenue	6,706,141	118,349	563,893
Compensated Absences Payable	73,588	-	-
Energy Conservation Notes Payable	-	-	173,000
Tax Anticipation Notes Payable	-	-	685,000
Early Retirement Incentive Payable	-	-	-
Total Liabilities	9,371,267	297,435	1,589,067
Equity and Other Credits:			
Investment in General Fixed Assets	-	-	-
Retained Earnings:			
Unreserved	-	-	-
Fund Balances:			
Reserved for Encumbrances	423,460	59,124	107,113
Reserved for Supplies Inventory	122,458	-	-
Reserved for Taxes	802,236	-	64,711
Reserved for Budget Stabilization	80,264	-	-
Reserved for Non-Expendable Trust	-	-	-
Unreserved	2,223,849	482,116	(664,240)
Total Equity and Other Credits	3,652,267	541,240	(492,416)
Total Liabilities, Equity and Other Credits	\$ 13,023,534	\$ 838,675	\$ 1,096,651

See accompanying notes to the general purpose financial statements

PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
		GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	
ENTERPRISE	TRUST AND AGENCY			
\$ 193,048	\$ 50,456	\$ -	\$ -	\$ 6,574,828
-	-	-	-	2,500
-	-	-	-	3,619
-	2,000	-	-	2,000
-	-	-	-	8,136,981
-	-	-	-	24,470
-	-	-	-	195,252
-	-	-	-	23,715
-	-	-	-	38,277
4,874	-	-	-	127,332
41,506	-	-	-	41,506
-	-	-	-	80,264
87,474	-	16,705,044	-	16,792,518
-	-	-	1,613,255	1,613,255
<u>\$ 326,902</u>	<u>\$ 52,456</u>	<u>\$ 16,705,044</u>	<u>\$ 1,613,255</u>	<u>\$ 33,656,517</u>
\$ 634	\$ 50	\$ -	\$ -	\$ 147,180
-	-	-	-	139,251
96,400	-	-	-	2,209,456
-	-	-	-	25,103
70,404	-	-	181,217	741,798
-	-	-	-	23,715
-	50,406	-	-	50,406
31,707	-	-	-	7,420,090
32,290	-	-	1,365,038	1,470,916
-	-	-	-	173,000
-	-	-	-	685,000
-	-	-	67,000	67,000
<u>231,435</u>	<u>50,456</u>	<u>-</u>	<u>1,613,255</u>	<u>13,152,915</u>
-	-	16,705,044	-	16,705,044
95,467	-	-	-	95,467
-	-	-	-	589,697
-	-	-	-	122,458
-	-	-	-	866,947
-	-	-	-	80,264
-	2,000	-	-	2,000
-	-	-	-	2,041,725
<u>95,467</u>	<u>2,000</u>	<u>16,705,044</u>	<u>-</u>	<u>20,503,602</u>
<u>\$ 326,902</u>	<u>\$ 52,456</u>	<u>\$ 16,705,044</u>	<u>\$ 1,613,255</u>	<u>\$ 33,656,517</u>

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TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2001

	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL (MEMORANDUM ONLY)
Revenues:				
Taxes	\$ 6,329,825	\$ -	\$ 508,947	\$ 6,838,772
Intergovernmental	13,841,488	1,569,941	300,521	15,711,950
Interest	391,912	752	12,505	405,169
Tuition and Fees	263,615	1,295	-	264,910
Transportation	82,226	-	-	82,226
Gifts and Donations	5,750	19,854	-	25,604
Extracurricular Activities	-	216,328	-	216,328
Miscellaneous	93,144	10,402	-	103,546
Total Revenues	21,007,960	1,818,572	821,973	23,648,505
Expenditures:				
Current:				
Instruction:				
Regular	10,469,893	659,147	259,802	11,388,842
Special	1,521,798	420,060	-	1,941,858
Vocational	481,547	-	-	481,547
Other	526,582	-	-	526,582
Support Services:				
Pupils	1,149,863	274,059	-	1,423,922
Instructional Staff	838,933	370,800	8,100	1,217,833
Board of Education	46,024	-	-	46,024
Administration	2,323,350	164,849	4,139	2,492,338
Fiscal	436,743	1,051	10,811	448,605
Business	17,661	-	-	17,661
Plant Operation and Maintenance	2,406,213	4,637	576,164	2,987,014
Pupil Transportation	1,316,185	2,272	56,215	1,374,672
Central	35,176	6,571	-	41,747
Non-Instructional Services	-	2,018	4,247	6,265
Extracurricular Activities	295,724	111,432	-	407,156
Capital Outlay	10,045	-	698,832	708,877
Debt Service:				
Interest and Fiscal Charges	-	-	27,300	27,300
Total Expenditures	21,875,737	2,016,896	1,645,610	25,538,243
Excess of Revenues Over(Under) Expenditures	<u>(867,777)</u>	<u>(198,324)</u>	<u>(823,637)</u>	<u>(1,889,738)</u>
Other Financing Sources (Uses):				
Operating Transfers-In	-	7,748	5	7,753
Operating Transfers-Out	<u>(67,753)</u>	<u>-</u>	<u>-</u>	<u>(67,753)</u>
Total Other Financing Sources (Uses)	(67,753)	7,748	5	(60,000)
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(935,530)</u>	<u>(190,576)</u>	<u>(823,632)</u>	<u>(1,949,738)</u>
Fund Balance at Beginning of Year - Restated	4,630,780	731,816	331,216	5,693,812
Decrease in Reserve for Inventory	<u>(42,983)</u>	<u>-</u>	<u>-</u>	<u>(42,983)</u>
Fund Balance at End of Year	\$ 3,652,267	\$ 541,240	\$ (492,416)	\$ 3,701,091

See accompanying notes to the general purpose financial statements

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	GENERAL FUND		
	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 7,269,762	\$ 7,269,762	\$ -
Intergovernmental	13,846,398	13,842,488	(3,910)
Interest	382,404	381,792	(612)
Tuition and Fees	282,643	265,974	(16,669)
Extracurricular Activities	-	-	-
Transportation	70,488	82,226	11,738
Gifts and Donations	5,750	5,750	-
Miscellaneous	25,330	23,033	(2,297)
Total Revenues	21,882,775	21,871,025	(11,750)
Expenditures:			
Current:			
Instruction:			
Regular	11,361,725	10,680,850	680,875
Special	1,504,637	1,504,017	620
Vocational	565,800	481,284	84,516
Other Instruction	508,070	377,717	130,353
Support Services:			
Pupils	1,214,227	1,156,327	57,900
Instructional Staff	866,575	852,667	13,908
Board of Education	53,942	48,611	5,331
Administration	2,374,071	2,343,042	31,029
Fiscal	490,796	443,201	47,595
Business	124,447	27,814	96,633
Plant Operation and Maintenance	2,825,537	2,600,130	225,407
Pupil Transportation	1,572,849	1,386,750	186,099
Central	42,878	35,876	7,002
Non-Instructional Services	-	-	-
Extracurricular Activities	320,828	296,967	23,861
Capital Outlay	18,109	11,284	6,825
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	23,844,491	22,246,537	1,597,954
Excess of Revenues Over(Under) Expenditures	(1,961,716)	(375,512)	1,586,204
Other Financing Sources (Uses):			
Refund of Prior Year Expenditures	107,757	107,757	-
Refund of Prior Year Receipts	-	-	-
Contingency	(11,024)	-	11,024
Proceeds from Sale of Notes	-	-	-
Advances-In	56,285	56,285	-
Advances-Out	-	-	-
Operating Transfers-In	315,674	315,674	-
Operating Transfers-Out	(383,428)	(383,425)	3
Total Other Financing Sources (Uses)	85,264	96,291	11,027
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(1,876,452)	(279,221)	1,597,231
Fund Balance at Beginning of Year	4,557,841	4,557,841	-
Prior Year Encumbrances Appropriated	450,461	450,461	-
Fund Balance at End of Year	\$ 3,131,850	\$ 4,729,081	\$ 1,597,231

See accompanying notes to the general purpose financial statements

SPECIAL REVENUE FUNDS			CAPITAL PROJECT FUNDS		
REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$ -	\$ -	\$ -	\$ 617,359	\$ 616,725	\$ (634)
2,039,314	1,844,076	(195,238)	300,521	300,521	-
695	752	57	12,505	12,505	-
3,500	1,295	(2,205)	-	-	-
219,057	216,538	(2,519)	-	-	-
-	-	-	-	-	-
16,063	19,854	3,791	-	-	-
11,581	10,516	(1,065)	230	-	(230)
<u>2,290,210</u>	<u>2,093,031</u>	<u>(197,179)</u>	<u>930,615</u>	<u>929,751</u>	<u>(864)</u>
916,724	702,328	214,396	321,921	266,214	55,707
522,626	394,331	128,295	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
352,583	276,173	76,410	100	-	100
512,707	406,856	105,851	11,475	8,100	3,375
-	-	-	-	-	-
210,968	171,438	39,530	12,099	9,135	2,964
-	-	-	13,793	10,811	2,982
-	-	-	-	-	-
16,742	12,098	4,644	894,670	869,403	25,267
7,912	2,260	5,652	66,686	56,215	10,471
13,372	9,284	4,088	-	-	-
7,605	1,971	5,634	4,247	4,247	-
126,692	117,744	8,948	-	-	-
-	-	-	714,530	711,366	3,164
-	-	-	273,000	273,000	-
-	-	-	11,239	11,239	-
<u>2,687,931</u>	<u>2,094,483</u>	<u>593,448</u>	<u>2,323,760</u>	<u>2,219,730</u>	<u>104,030</u>
<u>(397,721)</u>	<u>(1,452)</u>	<u>396,269</u>	<u>(1,393,145)</u>	<u>(1,289,979)</u>	<u>103,166</u>
-	-	-	-	-	-
(3,814)	(3,814)	-	-	-	-
-	-	-	-	-	-
-	-	-	858,000	858,000	-
-	-	-	-	-	-
(6,285)	(6,285)	-	(50,000)	(50,000)	-
21,189	21,470	281	5	5	-
(13,441)	(13,441)	-	-	-	-
<u>(2,351)</u>	<u>(2,070)</u>	<u>281</u>	<u>808,005</u>	<u>808,005</u>	<u>-</u>
(400,072)	(3,522)	396,550	(585,140)	(481,974)	103,166
434,206	434,206	-	175,299	175,299	-
120,736	120,736	-	525,536	525,536	-
<u>\$ 154,870</u>	<u>\$ 551,420</u>	<u>\$ 396,550</u>	<u>\$ 115,695</u>	<u>\$ 218,861</u>	<u>\$ 103,166</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS/FUND BALANCE
PROPRIETARY FUND TYPE AND NON-EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	TOTAL (MEMORANDUM ONLY)
	ENTERPRISE	NON- EXPENDABLE TRUST	
Operating Revenues:			
Sales	\$ 695,690	\$ -	\$ 695,690
Charges for Services	127,452	-	127,452
Other Operating Revenues	108,512	-	108,512
Interest Earnings	-	96	96
Total Operating Revenue	931,654	96	931,750
Operating Expenses:			
Salaries and Wages	609,176	-	609,176
Fringe Benefits	227,085	-	227,085
Purchased Services	45,873	-	45,873
Supplies and Materials	91,815	96	91,911
Cost of Sales	542,143	-	542,143
Other	6,933	-	6,933
Depreciation	13,984	-	13,984
Total Operating Expenses	1,537,009	96	1,537,105
Operating Income (Loss)	(605,355)	-	(605,355)
Non-Operating Revenues and Losses:			
Federal and State Subsidies	362,110	-	362,110
Federal Donated Commodities	192,934	-	192,934
Interest	786	-	786
Loss on Sale of Asset	(456)	-	(456)
Total Non-Operating Revenue and Losses:	555,374	-	555,374
Loss Before Transfer-In	(49,981)	-	(49,981)
Operating Transfer-In	60,000	-	60,000
Net Income	10,019	-	10,019
Retained Earnings/Fund Balance at Beginning of Year	85,448	2,000	87,448
Retained Earnings/Fund Balance at End of Year	<u>\$ 95,467</u>	<u>\$ 2,000</u>	<u>97,467</u>

See accompanying notes to the general purpose financial statements

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE AND NON-EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>PROPRIETARY FUND TYPE</u>	<u>FIDUCIARY FUND TYPE</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
	<u>ENTERPRISE</u>	<u>NON- EXPENDABLE TRUST</u>	
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 932,321	\$ -	\$ 932,321
Cash Payments for Employee Services and Benefits	(815,611)	-	(815,611)
Cash Payments to Vendors for Goods and Services	(487,737)	(96)	(487,833)
Other Operating Expenses	(6,933)	-	(6,933)
Net Cash Used in Operating Activities	<u>(377,960)</u>	<u>(96)</u>	<u>(378,056)</u>
Cash Flows from Noncapital Financing Activities:			
Federal and State Subsidies	362,110	-	362,110
Operating Transfers-In	60,000	-	60,000
Net Cash Provided from Noncapital Financing Activities	<u>422,110</u>	<u>-</u>	<u>422,110</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Capital Assets	(12,784)	-	(12,784)
Cash Flows from Investing Activities:			
Interest	786	96	882
Net Increase in Cash and Cash Equivalents	32,152	-	32,152
Cash and Cash Equivalents Beginning of Year	160,896	-	160,896
Cash and Cash Equivalents End of Year	<u>\$ 193,048</u>	<u>\$ -</u>	<u>\$ 193,048</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:			
Operating Income (Loss)	\$ (605,355)	\$ -	\$ (605,355)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:			
Depreciation	13,984	-	13,984
Donated Commodities Received	192,934	-	192,934
Interest in Nonexpendable Trust Fund	-	(96)	(96)
Changes in Assets and Liabilities			
Decrease in Accounts Receivable	667	-	667
Decrease in Inventory of Supplies and Materials	1,790	-	1,790
Decrease in Inventory Held for Resale	385	-	385
Decrease in Accounts Payable	(258)	-	(258)
Increase in Accrued Wages and Benefits Payable	2,293	-	2,293
Increase in Intergovernmental Payable	26,869	-	26,869
Decrease in Deferred Revenue	(2,757)	-	(2,757)
Decrease in Compensated Absences Payable	(8,512)	-	(8,512)
Net Cash Used in Operating Activities	<u>\$ (377,960)</u>	<u>\$ (96)</u>	<u>\$ (378,056)</u>
Cash and Cash Equivalents per Balance Sheet:			
Cash and Cash Equivalents - All Fiduciary Funds		\$ 50,456	
Cash and Cash Equivalents - Agency Funds		<u>(50,456)</u>	
Cash and Cash Equivalents - Nonexpendable Trust Fund		<u>\$ -</u>	

See accompanying notes to the general purpose financial statements

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
PROPRIETARY FUND TYPE AND NON-EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	ENTERPRISE FUND			NON-EXPENDABLE TRUST FUND		
	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:						
Sales	\$ 696,536	\$ 695,690	\$ (846)	\$ -	\$ -	\$ -
Charges for Services	128,119	128,119	-	-	-	-
Interest Earnings	786	786	-	96	96	-
Federal and State Subsidies	362,111	362,110	(1)	-	-	-
Other Revenue	108,820	108,511	(309)	-	-	-
Total Operating Revenues	<u>1,296,372</u>	<u>1,295,216</u>	<u>(1,156)</u>	<u>96</u>	<u>96</u>	<u>-</u>
Expenses:						
Salaries & Wages	623,203	617,968	5,235	-	-	-
Fringe Benefits	200,713	197,643	3,070	-	-	-
Purchased Services	51,171	46,694	4,477	-	-	-
Materials and Supplies	468,984	439,601	29,383	96	96	-
Capital Outlay	31,929	26,319	5,610	-	-	-
Miscellaneous	7,869	6,933	936	-	-	-
Total Expenditures	<u>1,383,869</u>	<u>1,335,158</u>	<u>48,711</u>	<u>96</u>	<u>96</u>	<u>-</u>
Excess of Revenues Over (Under) Expenses	(87,497)	(39,942)	47,555	-	-	-
Operating Transfers-In	60,000	60,000	-	-	-	-
Total Other Financing Sources(Uses)	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenses and Operating Transfers	(27,497)	20,058	47,555	-	-	-
Fund Balance at Beginning of Year	147,756	147,756	-	2,000	2,000	-
Prior Year Encumbrances Appropriated	13,142	13,142	-	-	-	-
Fund Balance at End of Year	<u>\$ 133,401</u>	<u>\$ 180,956</u>	<u>\$ 47,555</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>

See accompanying notes to the general purpose financial statements

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

1. DESCRIPTION OF THE SCHOOL DISTRICT

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

The School District was established in 1875 through the consolidation of existing land areas and school districts. The School District serves an area of approximately 50 square miles. It is located in Clark County, and includes all of the City of New Carlisle and portions of Bethel and Pike Townships. It is staff by 202 non-certified employees, 250 certificated full-time teaching personnel and 18 administrative employees who provide services to 3,623 students and other community members. The School District currently operates 8 instructional buildings, 1 administrative building and 1 garage.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the School District 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 Tecumseh Local School District, this includes general operations, food service, latchkey and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing body 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 for which the School District approves the budget, the issuance of debt or the levying of taxes. The School District has no component units.

The District is associated with six organizations, which are defined as jointly governed and one insurance purchasing pool. These organizations are discussed in Note 17 and 18 to the general-purpose financial statements. These organizations are:

Jointly Governed Organizations:

- Miami Valley Educational Computer Association
- Southwestern Ohio Educational Purchasing Council
- Southwestern Ohio Instructional Technology Association
- Clark County Family and Children First Council
- Springfield/Clark County Joint Vocational School
- Tecumseh Education Foundation

Insurance Purchasing Pool:

- Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Tecumseh 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.

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 typically 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 - This 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 major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - Capital project funds are used to account for financial resources to be used for major equipment purchases and major capital improvement projects (other than those financed by proprietary and trust funds).

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Fund Type

Proprietary funds are used to account for a School District's ongoing activities that are similar to those found in the private sector. The following is the School District's proprietary fund type:

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

Fiduciary Fund Types

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. The School District's fiduciary funds include non-expendable trust and agency funds. The non-expendable trust fund is accounted for in essentially the same manner as proprietary funds. 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 the 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 proprietary or trust funds.

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

Measurement Focus and Basis of Accounting

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included in 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.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All proprietary funds and non-expendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities are 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. The School District does not have any contributed capital. Proprietary and non-expendable 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.

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.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include income tax, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income tax is recognized in the fiscal year in which the exchange on which the tax is imposed takes place and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 6) Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the 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.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available as an advance, investment earnings, grants, tuition and student fees.

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

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related liability is incurred, if measurable. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund type and non-expendable trust fund. Revenues are recognized when they are earned and become measurable and expenses are recognized when incurred, if measurable. The fair value of donated commodities used during the year is reported on the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

Budgets and Budgetary Accounting

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, certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation 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 grant activity reported in the preschool grant special revenue fund is administered by a fiscal agent and therefore is not budgeted by the School District. The legal level of control for the General, Permanent Improvement and Food Service funds is at the function level within each fund; for the remaining funds, the legal level is at the fund level. Any budgetary modifications that are made above these levels, may only be made by resolution of the Board of Education.

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

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 on the following July 1. The budget includes proposed expenditures and means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayer's 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 Clark County Budget Commission for rate determination.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimated Resources

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the 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 unencumbered cash balances from the preceding year. The certificate may be further amended during the year if the School District Treasurer determines that the revenue collected is greater or less than the current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources 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 is legally enacted by the Board of Education at the fund and function level of expenditures, which is the legal level of budgetary control. 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, must be approved by the Board of Education. The Board of Education has authorized the School District Treasurer to further allocate appropriations among object level of expenditures.

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 year, three supplemental appropriations were legally enacted.

The budget figures, which appear in the statements of budgetary comparison, represent the final appropriation amounts, including all amendments and modifications. Formal budgetary integration is employed as a management control device during the year for all funds other than the preschool grant special revenue fund and the agency fund, consistent with statutory provisions.

**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent-year expenditure 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 appropriations. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled. Monies for all funds, except the non-expendable trust fund, are maintained in this pool. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet. The original contribution to the non-expendable trust fund is invested separately.

The School District has segregated bank accounts for monies held separate from the School District's central bank account. These interest bearing depository accounts are presented on the combined balance sheet as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the School District Treasury.

The balance of the grant administered by the fiscal agent is presented on the combined balance sheet as "cash and cash equivalents with fiscal agent" and represents deposits held by the Clark County Educational Service Center.

During fiscal year 2001, investments consisted of U.S. Treasury Obligations, Federal Home Loan Bank Bonds, Federal Farm Credit Bank Note, Federal Home Loan Mortgage Corporation Notes, Federal National Mortgage Associations Notes, U.S. Treasury Notes and a certificated of deposit.

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

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For the purposes of the combined balance statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with original maturities 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 not purchased from the pool are reported as investments.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest credited to the general fund during fiscal year 2001 amounted to \$391,912, which includes the general funds allocation as well as the allocations of all funds not specified in the Board's resolution. Interest was also recorded in special revenue funds, capital project funds, the enterprise funds and non-expendable trust fund in the amounts of \$752, \$12,505, \$786 and \$96, respectively.

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. The cost of inventory items is recorded as expenditures in the governmental fund types when purchased. Reported supplies inventory is equally offset by a fund balance reserve in the governmental fund indicating that it does not constitute available expendable resources even though it is a component of net current assets. Inventories of proprietary funds consist of donated food, purchased food and non-food supplies and are expensed when used.

Prepaid Items

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

Restricted Assets

Restricted assets in the general fund represents cash and cash equivalents whose use is limited by legal requirements. Restricted assets represent amounts previously received through workers' compensation rebates that are required by State statute to be set-aside by the School District for specific purposes.

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 the governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in that fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions or 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 District does not have any infrastructure.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Interest incurred during construction of general fixed assets is also not capitalized.

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

Compensated Absences

A liability for sick leave is accrued using the vesting method which states that the District will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. 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 sick leave for all employees after ten years of current service with the School District. For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable 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.

Vacation benefits are accumulated throughout the year; however, vacation time may not be carried from one year to the next with employees receiving any cash payout on the last payroll check of the fiscal year. Therefore, no accrual has been recorded for vacation leave at the School District.

Interfund Assets/Liabilities

Short-term interfund loans are classified as "interfund receivables" and "interfund payables".

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, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current available expendable financial resources. Payments made more than sixty days after fiscal year end are considered not to have used current financial resources. The early retirement incentive is reported as a liability of the general long-term obligations account group until due.

**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Balance Reserves

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

The reserve for property taxes represents taxes recognized as revenue under accounting principals generally accepted in the United States of America but are not available for appropriations under State statute. The reserve for budget stabilization represents money previously received through workers' compensation rebates which are required to be set-aside by statute to be spent on specific purposes. The reserve for non-expendable trust signifies the restrictions on the use of principal.

Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as receivables when the School District has met all respective requirements and revenues are recognized if received within the available period, otherwise deferred revenue amounts are reported. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. The School District currently participates in several state and federal programs, categorized as follows:

Entitlements

General Fund

- State Foundation Program
- State Property Tax Relief
- School Bus Purchase Program

Non-Reimbursement Grants

Special Revenue Funds

- School Improvement Model
- Professional Development
- Educational Management Information Systems
- Data Communications
- SchoolNet Professional Development
- Ohio Reads
- Summer Intervention
- Extended Learning Opportunities
- Title I – Immigrant
- Title II
- Title VI-B

**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-Reimbursement Grants (Continued)

- Title I
- Title VI
- Drug Free Schools Education
- Telecommunications
- Title VIR
- Miscellaneous Federal Grants
- Capital Project Funds
- Video Distance Learning
- School Net Plus

Reimbursement Grants

- Special Revenue Funds
 - School to Work Grant
- Capital Projects Funds
 - Technology Equity
- Enterprise Fund
 - National School Lunch Program
 - Government Donated Commodities

In addition, the School District receives services from the Clark County Educational Service Center, which administers different programs on their behalf. Intergovernmental revenue, and the corresponding expenditure, is recognized when the services are provided by the Service Center.

Grants and entitlements for governmental funds amounted to 67 percent of governmental fund revenue during the 2001 fiscal year.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, 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/expense in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as operating transfers.

Estimates

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

**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Total Columns on General Purpose Financial Statements

Total columns on the General Purpose Financial Statements overview 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.

3. RESTATEMENT OF FUND BALANCE/CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2001, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and GASB Statement No. 36, "Recipient Reporting for Certain Nonexchange Revenues."

The effect of this change on the excess of revenues and other financing sources over expenditures and the effect on opening fund balances on several special revenue funds and the Special Revenue Fund Type are as follows:

	Excess Previously Reported	Restatement Adjustment	Restated Excess Amounts for the Year Ended June 30, 2000
Special Revenue Funds:			
Ohio Reads	\$ 6,750	\$ 114,916	\$ 121,666
Title I	(117,358)	159,323	41,965
Title VI(B)	(55,845)	60,757	4,912
Title I – Immigrant	24,347	36,409	60,756
All Other Special Revenue Funds	98,032	-	98,032
Special Revenue Fund Type	<u>\$ (44,074)</u>	<u>\$ 371,405</u>	<u>\$ 327,331</u>

	Fund Balance Reported at June 30, 2000	Restatement Adjustment	Restated Fund Balance Amounts at June 30, 2000
Special Revenue Funds:			
Ohio Reads	\$ 6,750	\$ 114,916	\$ 121,666
Title I	(76,783)	159,323	82,540
Title VI(B)	(39,989)	60,757	20,768
Title I – Immigrant	19,749	36,409	56,158
All Other Special Revenue Funds	450,684	-	450,684
Special Revenue Fund Type	<u>\$ 360,411</u>	<u>\$ 371,405</u>	<u>\$ 731,816</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

4. BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law requires accounting for certain transactions on the basis of cash receipts, disbursements, appropriations and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual (Budget Basis), All Governmental Fund Types and the Combined Statement of Revenues, Expenses and Changes in Fund Equity, Budget and Actual (Budget Basis), Proprietary Fund Type 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. Outstanding year-end encumbrances are treated as expenditures/expenses (budget basis) rather than as a reservation of fund balance for governmental fund types or note disclosure for proprietary fund types (GAAP basis).
4. Proceeds from and principal payments on debt obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. 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 adjustments necessary to convert the results of operations for the year ended June 30, 2001 on the GAAP basis to the budget basis are as follows:

	Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Governmental Fund Types		
	General	Special Revenue	Capital Projects
GAAP Basis	\$ (935,530)	\$ (190,576)	\$ (823,632)
Revenue Accruals	863,065	274,459	107,778
Expenditure Accruals	294,769	7,015	(51,936)
Advances	56,285	(6,285)	-
Transfers	2	281	(50,000)
Proceeds from Sale of Notes	-	-	858,000
Principal Payment	-	-	(273,000)
Encumbrances	(557,812)	(88,416)	(249,184)
Budget Basis	<u>\$ (279,221)</u>	<u>\$ (3,522)</u>	<u>\$ (481,974)</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

4. BUDGETARY BASIS OF ACCOUNTING (Continued)

Net Income /Excess of Revenues Over (Under) Expenses and Operating Transfers Proprietary Fund Type	<u>Enterprise</u>
GAAP Basis	\$ 10,019
Revenue Accruals	(192,268)
Expense Accruals	212,744
Acquisition of Capital Assets	(12,784)
Loss on Sale of Asset	456
Depreciation	13,984
Encumbrances	<u>(12,093)</u>
Budget Basis	<u>\$ 20,058</u>

5. DEPOSITS AND INVESTMENTS

State statutes require the classification of monies held by the School District into three categories.

Category 1 consists of "active" monies, those monies required to be kept in a "cash" or "near-cash" status for immediate use by the District. Such monies must be maintained either as cash in the School Treasury, in depository accounts payable, withdrawals on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Category 2 consists of "inactive" monies, those monies not required for use within the current two-year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

Category 3 consists of "interim" monies, those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by the 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 the 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 money deposited with the institution.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

5. DEPOSITS AND INVESTMENTS (Continued)

Interim monies may be invested in the following obligations:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited 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 governmental agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);

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

An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation or transfer from the custodian.

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

The "cash and cash equivalents with fiscal agent" of \$3,619 shown in the special revenue fund is maintained with the Clark County Educational Service Center. Disclosures regarding this amount can be obtained from their annual report.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

5. DEPOSITS AND INVESTMENTS (Continued)

At year-end, the School District had \$3,500 in undeposited cash on hand, which is included on the balance sheet of the School District as part of "equity in pooled cash and cash equivalents."

Deposits

At fiscal year end, the carrying amount of the School District deposit was \$5,423,911 and the bank balance was \$5,751,167. Of the bank balance:

- 1) \$100,000 was covered by federal depository insurance
- 2) \$5,651,167 was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

Investments

The School District's investments are categorized 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 District. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the District's name.

	Category 2	Fair/Carrying Value
U.S. Treasury Obligations	\$ 38,854	\$ 38,854
Federal Home Loan Bank Bonds	253,953	253,953
Federal Home Loan Mortgage Corporation Notes	788,505	788,505
Federal National Mortgage Association Notes	150,869	150,869
	\$ 1,232,181	\$ 1,232,181

The classification of cash and cash equivalents, and investments on the financial statements is based on criteria set forth in GASB Statement No. 9, "Reported Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting." Cash equivalents are defined to include investments with original maturities of three months or less.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

5. DEPOSITS AND INVESTMENTS (Continued)

A reconciliation between classifications of cash and cash equivalents and investments on the combined financial statements and the classification of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement 9	\$ 6,661,211	\$ 2,000
Certificates of Deposit	2,000	(2,000)
Cash & Cash Equivalents with		
Fiscal Agent	(3,619)	-
Cash on Hand	(3,500)	-
Investments:		
U.S. Treasury Obligations	(38,854)	38,854
Federal Home Loan Bank	(253,953)	253,953
Federal Home Loan Mortgage Corp.	(788,505)	788,505
Federal National Mortgage Association	(150,869)	150,869
	\$ 5,423,911	\$ 1,232,181
GASB Statement 3		

6. PROPERTY TAXES

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

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

6. PROPERTY TAXES (Continued)

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits 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 semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30 with the remainder payable by September 20.

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

	<u>2000 Second Half Collections</u>	<u>2001 First Half Collections</u>
Agricultural/residential And other real estate	\$ 201,715,160	\$ 204,034,560
Public utility personal	15,650,590	14,049,160
Tangible personal property	<u>15,393,791</u>	<u>16,515,230</u>
Total	<u>\$ 232,759,541</u>	<u>\$ 234,598,950</u>
Tax rate per \$1,000 of Assessed valuation	\$45.63	\$44.10

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes, which became measurable as of June 30, 2001. Although total property tax collections for the next fiscal year are measurable, on the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2001, was \$802,236 in the general fund and \$64,711 in the permanent improvement capital projects fund.

7. RECEIVABLES

Receivables at June 30, 2001 consisted of property taxes, accounts (student fees), interfund, intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes and the stable condition of State programs, and the current fiscal year guarantee of federal funds.

**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

7. RECEIVABLES (Continued)

A summary of the intergovernmental receivables follows:

	<u>Amounts</u>
<u>Special Revenue Funds</u>	
Title I – Immigrant Grant	\$ 54,079
Education for Economic Security Grant	1,724
Title VI (B) Grant	25,224
Title I Grant	109,359
Title VI-R Grant	<u>4,866</u>
Total Intergovernmental Receivable	<u>\$ 195,252</u>

8. FIXED ASSETS

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

	<u>Amount</u>
Furniture, Fixtures & Equipment	\$ 290,102
Less: Accumulated Depreciation	<u>(202,628)</u>
Net Book Value	<u>\$ 87,474</u>

A summary of the changes in general fixed assets during the fiscal year ended June 30, 2001 follows:

	<u>Balance at July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2001</u>
Land and Improvements	\$ 317,878	\$ -	\$ -	\$ 317,878
Buildings and Improvements	9,124,175	866,876	-	9,991,051
Furniture, Fixtures and Equipment	4,311,503	509,283	45,900	4,774,886
Vehicles	<u>1,463,106</u>	<u>161,123</u>	<u>3,000</u>	<u>1,621,229</u>
Totals	<u>\$ 15,216,662</u>	<u>\$ 1,537,282</u>	<u>\$ 48,900</u>	<u>\$ 16,705,044</u>

There was no significant construction in progress at June 30, 2001.

9. DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

9. DEFINED BENEFIT PENSION PLANS (Continued)

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. The School Employees Retirement System issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to SERS, 45 North Fourth Street, Columbus, Ohio 43215 or by calling (614) 222-5853.

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 rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The School District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$778,041, \$157,327, and \$222,508, respectively; 58 percent has been contributed for fiscal year 2001 and 100 percent for the fiscal years 2000 and 1999. \$328,141 represents the unpaid contribution for fiscal year 2001 and is recorded as a liability within the respective funds and the general long-term obligation account group.

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 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 3307 of the Ohio Revised Code. The State Teachers Retirement System issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to STRS, 275 East Broad Street, Columbus, Ohio 43215-3371.

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District was required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts of 10 percent for members and 14 percent for employers. The School District's contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$1,815,345, \$687,135, and \$588,283, respectively; 85 percent has been contributed for fiscal year 2001 and 100 percent for the fiscal years 2000 and 1999. \$279,928, representing the unpaid contribution for fiscal year 2001, is recorded as a liability within the respective funds.

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 SERS/STRS. As of June 30, 2001, all members of the Board of Education have elected social security. The School District's liability is 6.2 percent of wages paid.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

10. POSTEMPLOYMENT BENEFITS

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS Ohio), and to retired non-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 benefits 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 \$583,504 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 services 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 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 surcharge, during the 2001 fiscal year equaled \$469,603.

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.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

11. OTHER EMPLOYEE BENEFITS

Compensated Absences

Accumulated Unpaid Sick Leave

Sick leave may be accumulated up to a maximum of 220 for all district employees. Upon retirement, payment is made for one-fourth of the total unused sick leave balance up to a maximum of thirty-five days for all employees with ten or more years of current service with the School District. Twelve percent of the remaining accrued but unused sick leave is paid, not to exceed nine days. The total obligation for sick leave accrual for the District as a whole as of June 30, 2001 was \$1,470,916.

Early Retirement Incentive

The Board of Education approved an early retirement incentive program. Upon initial eligibility for STRS retirement benefits, the Board agreed to pay a one-time lump sum of \$1,000 times each year of Tecumseh LSD service, not to exceed \$20,000, provided that such unit member has at least ten years of Tecumseh LSD service, the final five years of which must be consecutive and be in a paid status immediately prior to retirement. This program is available to bargaining unit members for the time period July 1, 1996 to July 1, 2001.

At the end of fiscal year 2001, the School District had three employees who had chosen to accept the early retirement incentive. They will receive the payment in October 2001. The liability at June 30, 2001 for these three employees has been recorded as an early retirement incentive liability in the general long-term obligation account group. There were four employees had accepted the early retirement incentive at the end of the 1999-00 school year and they received payment in September 2000. These expenditures are reflected as program/function expenditures in the general fund.

Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Medical Life Insurance. Medical/surgical benefits are provided by United Health Care. Dental coverage is provided by CoreSource and vision coverage is provided by Vision Service Plan.

12. RISK MANAGEMENT

Property and Liability

The School District is exposed to various risks of loss related to torts, thefts-of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2001, the School District contracted with Nationwide Insurance for general liability and automobile insurance. Property is protected by coverage through Consolidated Insurance. Coverage provided by Nationwide and Consolidated Insurance is as follows:

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

12. RISK MANAGEMENT (Continued)

Building and Contents – replacement cost (\$1,000 deductible)	\$40,000,000
Inland Marine Coverage (no deductible)	559,625
Boiler and Machinery (\$1,000 deductible)	21,000,000
Crime Insurance	5,000
Automobile Liability (no deductible)	3,000,000
Uninsured Motorists (\$250 deductible)	7,500
General Liability:	
Per occurrence	1,000,000
Total per year	3,000,000

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

Workers' Compensation

For fiscal year 2001, the School District participated in the Southwest Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan (GRP), a workers' compensation insurance purchasing pool (see Note 19). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP.

A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP.

13. GENERAL LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2001 were as follows:

	Balance June 30, 2000	Increase	Decrease	Balance June 30, 2001
Compensated Absences Payable	\$ 1,400,628	\$ -	\$ 35,590	\$ 1,365,038
Intergovernmental Payable	227,624	181,217	227,624	181,217
Early Retirement Incentive Payable	202,000	-	135,000	67,000
Total General Long-Term Obligations	\$ 1,830,252	\$ 181,217	\$ 398,214	\$ 1,613,255

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

13. GENERAL LONG-TERM OBLIGATIONS (Continued)

Compensated absences payable and early retirement incentive payable will be paid from the fund from which the employees' salaries are paid. The intergovernmental payable represents contractually required pension obligations paid outside the available period and will be paid from the fund, which the person is paid.

The School District's voted legal debt margin was \$20,428,906, the energy conservation debt margin was \$1,938,391 and the unvoted debt margin was \$234,599 at June 30, 2001.

14. SHORT-TERM OBLIGATION

The following is a summary of the note activity for the School District for the year ended June 30, 2001 follows:

	Balance June 30, 2000	Increase	Decrease	Balance June 30, 2001
Energy Conservation Note 4.14%	\$ 273,000	\$ 173,000	\$ 273,000	\$ 173,000
Tax Anticipation Note 4.92%	-	685,000	-	685,000

The energy conservation note was issued on September 17, 2000 and matures on September 16, 2001. This note is backed by the full faith and credit of the School District. The District issued a five-year tax anticipation note on December 15, 2000 for permanent improvements to be made to the School District's stadium. The debt will be repaid from proceeds of a tax levy collected by the County Auditor. Both of these notes are recorded in the permanent improvement capital projects fund, the fund which received the proceeds.

15. INTERFUND ACTIVITY

As of June 30, 2001, receivables and payables that resulted from various interfund transactions were as follows:

Fund Type/Fund	Interfund Receivables	Interfund Payable
General Fund	\$ 23,715	\$ -
Title VI-B Special Revenue Fund	-	23,715
Total All Funds	\$ 23,715	\$ 23,715

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

16. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The School District maintains two enterprise funds to account for the operations of food service and latchkey programs. The table below reflects the more significant financial data relating to the enterprise funds of the School District as of and for the year ended June 30, 2001.

	<u>Food Service</u>	<u>Latchkey</u>	<u>Total Enterprise Funds</u>
Operating Revenues	\$ 804,202	\$ 127,452	\$ 931,654
Operating Expenses before Depreciation Expense	1,430,275	92,750	1,523,025
Depreciation Expense	5,430	8,554	13,984
Operating Income (Loss)	(631,503)	26,148	(605,355)
Interest	786	-	786
Federal and State Subsidies	362,110	-	362,110
Federal Donated Commodities	192,934	-	192,934
Operating Transfers-In	60,000	-	60,000
Net Income (Loss)	(16,129)	26,148	10,019
Fixed Assets Additions	-	12,784	12,784
Fixed Assets Deletions	6,551	-	6,551
Net Working Capital (Deficit)	(21,294)	61,577	40,283
Total Assets	185,647	141,255	326,902
Long-Term Compensated Absences Payable	32,290	-	32,290
Total Equity (Deficit)	(32,236)	127,703	95,467
Encumbrances Outstanding at June 30, 2001	3,201	8,892	12,093

**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

17. JOINTLY GOVERNED ORGANIZATIONS

Miami Valley Educational Computer Association

The School District is a participant in the Miami Valley Educational Computer Association (MVECA) which is a computer consortium. MVECA is an association of public schools within the boundaries of Clark, Clinton, Fayette, Greene and Highland Counties and Cities of Springfield, Wilmington, Washington Court House, Xenia and Hillsboro. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts.

The governing board of MVECA consists of five Superintendents and two Treasurers of member school districts, with four of the five Superintendents and both Treasurers elected by a majority vote of all member school districts except the Greene County Career Center. The fifth Superintendent is from the Greene County Career Center. The School District paid MVECA \$35,744 for services provided during the year. Financial information can be obtained from Gary Bosserman, who serves as Director, at 330 East Enon Road, Yellow Springs, Ohio 45387.

Southwestern Ohio Educational Purchasing Council

The School District is a member of the Southwestern Ohio Educational Purchasing Council (SOEPC). SOEPC is made up of nearly 100 school districts in 12 counties. The purpose of the Council is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the General Fund. During fiscal year 2001, the School District paid \$118,604 to SOEPC. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Robert Brown, who serves as Director, at 1831 Harshman Road, Dayton, Ohio 45424.

Southwestern Ohio Instructional Technology Association

The Southwestern Ohio Instructional Technology Association (SOITA) is a not-for-profit corporation organized to serve the educational needs of the area through television programming for the advancement of educational programs.

**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

17. JOINTLY GOVERNED ORGANIZATIONS (Continued)

The Board of Trustees is comprised of twenty-one representatives of SOITA member schools or institutions. Nineteen representatives are elected from within the counties by the qualified members within the counties, i.e. Auglaize, Butler, Champaign, Clark, Clinton, Darke, Fayette, Greene, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby and Warren. Montgomery, Greene and Butler Counties elect two representatives per area. All others elect one representative per area. One at-large non-public representative is elected by the non-public school SOITA members from the State assigned SOITA service area. One at-large higher education representative is elected by higher education SOITA members from within the State assigned SOITA service area.

All member districts are obligated to pay all fees, charges or other assessments as established by SOITA. Upon dissolution, the net assets shall be distributed to the federal government, or to a state or local government, for a public purpose. Payments to SOITA are made from the General Fund. During the fiscal year 2001, the School District paid \$12,891 to SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Steve Strouse, who serves as Director, at 150 East Sixth Street, Franklin, Ohio 45005.

Clark County Family and Children First Council

The Clark County Family and Children First Council (the Council) is a voluntary association established for the purpose to coordinate and integrate services within Clark County which are available for families and children and to establish a comprehensive, coordinated, multi-disciplinary, interagency system for the delivery of these services in order to more effectively meet the needs of families and children.

The Board of Trustees is comprised of eighteen representatives of each of the members of the Council, including the Superintendent of the Clark County Educational Service Center, who was appointed by the Superintendents of the Clark County schools. All members are obligated to pay all dues as established by the Council to aid the financing of the operations and programs of the Council. The School District does not pay dues since the Clark County Educational Service Center represents the School District. Any member withdrawing from the Council must give one hundred eighty days written notice to the Council after formal action of the member's governing board. To obtain financial information, write to the Clark County Family and Children First Council, Marilyn Demma, who serves as Treasurer, at 6 West High Street, Suite 500, Springfield, Ohio 45502.

Springfield/Clark County Joint Vocational School

The Springfield/Clark County Joint Vocational School District (the JVS) is a legally separate body politic and corporate. The Board of the JVS consists of one representative from the following: Clark-Shawnee Local School District, Greenon Local School District, Northeastern Local School District, Northwestern Local School District, Southeastern Local School District, Tecumseh Local School District and the Clark County Educational Service Center; and two members from the Springfield City School District. The Tecumseh Local School District is not able to impose its will on the JVS and no financial benefit/burden relationship exists. The JVS Board of Education is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. The School District's

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

17. JOINTLY GOVERNED ORGANIZATIONS (Continued)

students may attend the vocational school. During fiscal year 2001, the School District did not contribute any money to the JVS. To obtain financial information, write to the Springfield/Clark County Joint Vocational School, Pam Ashbaugh, who serves as Treasurer, at 1901 Selma Road, Springfield, Ohio 45505.

Tecumseh Education Foundation

The Tecumseh Education Foundation (TEF) is a non-profit community organization of business, civic, industry and educational interests whose purpose is to secure and distribute contributions to assist the School District in enabling students to achieve their individual potential. The Board of Trustees is comprised of eleven representatives who are nominated and elected by a majority vote by the present trustees. One member of the Tecumseh Local School District Board of Education is designated annually by the Tecumseh Local School District Board to serve as one of the eleven trustees. Each of elected trustee serves a three year term, with one-third of the trustees being elected every year. The Superintendent of the School District will serve in an ex officio capacity on a continuing basis. Officers of the TEF are elected annually by the Board of Trustees. The officers of the foundation shall consist of a President, a Vice-President, a Secretary, a Treasurer and other offices as the Board of Trustees may appoint. The President and Vice-President of the Board of Trustees shall be members of the Board of Trustees. The Secretary and Treasurer need not be members of the Board of Trustees.

The School District is not able to impose its will on the TEF and no financial benefit/burden relationship exists. The TEF is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. The School District did not contribute any money to the TEF during fiscal year 2001. To obtain financial information, write to the Tecumseh Educational Foundation, Rita Lane, who serves as President, at P.O. Box 305, New Carlisle, Ohio 45344.

18. INSURANCE PURCHASING POOL

Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan

The School District participates in the Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by an eleven member Executive Committee consisting of the Chairperson, the Vice-Chairperson, a representative from the Montgomery County Educational Service Center and eight members elected by majority vote of all member school districts. The Chief Administrator of GRP serves as the coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

19. CONTINGENT LIABILITIES

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditures 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.

Litigation

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

20. STATE SCHOOL FUNDING DECISION

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 18, 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 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.

**TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

21. ACCOUNTABILITY AND COMPLIANCE

Fund Equity at June 30, 2001, included the following individual fund deficits:

Disadvantaged Pupil Impact Aid Special Revenue Fund	\$ 4,885
Permanent Improvement Capital Projects Fund	615,347
Food Service Enterprise Fund	32,236

The deficit fund balances resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

22. SET-ASIDE DISCLOSURE

The following table represents the School District's set-aside calculations for textbooks and capital acquisition. Although the School District had qualifying offsets and disbursements during the year that reduced the set-aside amount below zero for capital acquisitions, these extra amounts may not be used to reduce the set-aside requirement of future years. Excess disbursements related to the textbook reserve may be carried forward from year to year.

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside Cash Balance as of June 30, 2000	\$ 100,138	\$ (410,568)	\$ 303,284
Current Year Set-aside Requirement	484,043	484,043	-
Senate Bill 345 Adjustment	-	-	(223,020)
Current Year Offsets	-	(594,567)	-
Qualifying Disbursements	(684,571)	-	-
Total	<u>(100,390)</u>	<u>(521,092)</u>	<u>80,264</u>
Balance Carried Forward to FY 2002	<u>\$ (100,390)</u>	<u>\$ -</u>	

Effective April 10, 2001, Am. Sub. Senate Bill 345 amended ORC Section 5705.29 effectively eliminating the requirement for the School District to establish and maintain a budget stabilization reserve. The portion of monies which had previously accumulated in the budget stabilization reserve that were not related to workers' compensation rebates received by the School District, are now available for ordinary operating costs incurred by the District and therefore are reported as unreserved and undesignated fund balance in the General Fund. Current State statute requires school district to continue reporting funds received that were related to workers' compensation rebates in the budget stabilization reserve. Restrictions exist as to the manner in which these funds may be spent. Therefore, \$80,264 of the budget stabilization reserve related to the workers' compensation rebates is shown on the School District's balance sheet as a reservation of fund balance and restricted "equity in pooled cash and cash equivalents" in the General Fund.

GENERAL FUND

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

Since there is only one General Fund and the level of budgetary control is not greater than that presented in the General Purpose Financial Statements, no individual fund information is presented

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SPECIAL REVENUE FUNDS

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

Public School Support

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

Other Grants

To account for monies received under a local grant to provide educational supplies to disadvantaged students who otherwise could not afford them.

Special School

To account for monies collected by the individual schools such as gifts and donations, which are at to be used to help purchase supplies and materials deemed necessary at the schools.

Underground Storage Tanks

To account for monies received under a state grant to aid school districts in replacing and upgrading any underground fuel storage tanks.

School Improvement Model

To account for monies received per Section 5705.09 of the Ohio Revised Code. The revenue is used to implement educational programs.

District Managed Student Activities

To account for local funds generated to assist student activities, which are managed by District personnel.

Professional Development

To account for funds received under House Bill 117 to be used for locally held professional development and teacher training activities which are guided by Ohio's model competency based education programming or comparable models to support student achievement, including proficiency test performance.

Management Information Systems

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

Disadvantaged Pupil Impact Aid

To account for revenues received as part of the School Foundation Program (SF 12) to be used for dropout prevention, counseling services, student attendance, or any program set up for the "targeted" students.

SPECIAL REVENUE FUNDS
(Continued)

Data Communications

To account for revenues received from the State to be used to install and provide support costs for data communication links to connect any school to the local A-site.

SchoolNet Professional Development

To account for state funds provided for technology professional development within the District.

Textbook Subsidy

To account for state funds provided for the purchase of textbooks by the District.

Ohio Reads Grant

To account for state funds provided for developing and instituting programs to increase student reading comprehension skills.

Summer Intervention Grant

To account for state funds provided for the implementation of, or expansion of, summer remedial math, reading and science classes.

Extended Learning Opportunities

To account for monies received for extended learning opportunity programs for reading for kindergarten through third grade students and for teachers to expand their knowledge of effective reading intervention strategies.

Miscellaneous State Grants

To account for revenues received from state agencies which are not classified elsewhere.

Title I Immigrant Grant

To account for monies received under a federal program for instructional programs of children of migratory agricultural workers; efforts to help youngsters who are deficient in oral English language facility and related language art skills; efforts to build foundation for expanded opportunities for useful adult employment.

Title II Grant

To account for monies received under a federal grant to assist schools in the enhancement of math and science programs.

Title VI-B Grant

To account for monies received under a federal grant to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full education opportunities to handicapped children at the elementary and secondary levels.

Title I Grant

To account for monies received under a federal grant to assist schools in meeting the special needs of educationally deprived children.

SPECIAL REVENUE FUNDS

(Continued)

Title VI Grant

To consolidate various programs into a single authorization of grants to states for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

Drug Free Schools Grant

To account for monies received under a federal program to support the implementation of programs for drug abuse education and prevention.

Title VI-B Preschool Grant

To account for the revenue received, and services provided, on behalf of the District by the County Educational Service Center for services related to identification of and instruction of preschool children with disabilities. This fund is not maintained on the District's accounting records, nor is the activity of this fund required to be budgeted by the District; therefore, no schedule of revenues, expenditures and changes in fund balance – budget (non-GAAP basis) and Actual is presented for this fund

Telecommunications Grant

To account for federal grant funds which are paid directly to the telecommunications provider of the district.

Continuous Improvement Grant

To account for competitive grants that used to support a broad range of education improvement goals through an established network of schools that have developed a systematic improvement plan.

Miscellaneous Federal Grants

To account for monies received under federal grants which are not classified elsewhere.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2001

	Public School Support	Other Grants	Special School
Assets:			
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 68,975	\$ 32,297	\$ 9,028
Cash in Segregated Accounts	-	-	-
Cash with Fiscal Agent	-	-	-
Intergovernmental Receivable	-	-	-
Total Assets	\$ 68,975	\$ 32,297	\$ 9,028
Liabilities and Fund Equity:			
Liabilities:			
Accounts Payable	\$ 3,986	\$ 2,195	\$ 1,718
Accrued Wages and Benefits	-	-	-
Intergovernmental Payable	-	-	-
Interfund Payable	-	-	-
Deferred Revenue	-	-	-
Total Liabilities	3,986	2,195	1,718
Fund Equity:			
Reserved for Encumbrances	-	2,819	-
Unreserved	64,989	27,283	7,310
Total Fund Equity	\$ 64,989	\$ 30,102	\$ 7,310
Total Liabilities and Fund Equity	\$ 68,975	\$ 32,297	\$ 9,028

Underground Storage Tanks	School Improvement Model	District Managed Student Activities	Professional Development	Mangement Information Systems	Disadvantaged Pupil Impact Aid
\$ 7,600	\$ 61,100	\$ 16,544	\$ 9,008	\$ 10,481	\$ -
-	-	2,500	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 7,600</u>	<u>\$ 61,100</u>	<u>\$ 19,044</u>	<u>\$ 9,008</u>	<u>\$ 10,481</u>	<u>\$ -</u>
\$ -	\$ 1,003	\$ 1,858	\$ -	\$ 672	\$ -
-	-	-	-	-	3,372
-	2,734	-	-	182	1,513
-	-	-	-	-	-
-	-	-	-	-	-
-	<u>3,737</u>	<u>1,858</u>	<u>-</u>	<u>854</u>	<u>4,885</u>
7,600	2,436	4,265	150	-	-
-	<u>54,927</u>	<u>12,921</u>	<u>8,858</u>	<u>9,627</u>	<u>(4,885)</u>
<u>\$ 7,600</u>	<u>\$ 57,363</u>	<u>\$ 17,186</u>	<u>\$ 9,008</u>	<u>\$ 9,627</u>	<u>\$ (4,885)</u>
<u>\$ 7,600</u>	<u>\$ 61,100</u>	<u>\$ 19,044</u>	<u>\$ 9,008</u>	<u>\$ 10,481</u>	<u>\$ -</u>

(Continued)

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2001
 (Continued)

	Data Communications	SchoolNet Professional Development	Textbook Subsidy
Assets:			
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 24,000	\$ 4,000	\$ 42,073
Cash in Segregated Accounts	-	-	-
Cash with Fiscal Agent	-	-	-
Intergovernmental Receivable	-	-	-
Total Assets	\$ 24,000	\$ 4,000	\$ 42,073
Liabilities and Fund Equity:			
Liabilities:			
Accounts Payable	\$ -	\$ 500	\$ -
Accrued Wages and Benefits	-	-	-
Intergovernmental Payable	-	-	-
Interfund Payable	-	-	-
Deferred Revenue	-	-	-
Total Liabilities	-	500	-
Fund Equity:			
Reserved for Encumbrances	-	-	-
Unreserved	24,000	3,500	42,073
Total Fund Equity	\$ 24,000	\$ 3,500	\$ 42,073
Total Liabilities and Fund Equity	\$ 24,000	\$ 4,000	\$ 42,073

Ohio Reads Grant	Summer Intervention Grant	Extended Learning Opportunities	Miscellaneous State Grants	Title I Imigrant Grant	Title II Grant
\$ 69,959	\$ 39,056	\$ 30,600	\$ 8,933	\$ 32,801	\$ 5,991
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	54,079	1,724
<u>\$ 69,959</u>	<u>\$ 39,056</u>	<u>\$ 30,600</u>	<u>\$ 8,933</u>	<u>\$ 86,880</u>	<u>\$ 7,715</u>
\$ 11,658	\$ -	\$ -	\$ 27	\$ 485	\$ 193
-	-	-	-	-	-
-	-	-	-	5,295	85
-	-	-	-	-	-
-	-	-	-	54,079	1,724
<u>11,658</u>	<u>-</u>	<u>-</u>	<u>27</u>	<u>59,859</u>	<u>2,002</u>
20,665	-	-	30	691	1,001
<u>37,636</u>	<u>39,056</u>	<u>30,600</u>	<u>8,876</u>	<u>26,330</u>	<u>4,712</u>
<u>\$ 58,301</u>	<u>\$ 39,056</u>	<u>\$ 30,600</u>	<u>\$ 8,906</u>	<u>\$ 27,021</u>	<u>\$ 5,713</u>
<u>\$ 69,959</u>	<u>\$ 39,056</u>	<u>\$ 30,600</u>	<u>\$ 8,933</u>	<u>\$ 86,880</u>	<u>\$ 7,715</u>

(Continued)

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
JUNE 30, 2001
 (Continued)

	Title VI-B Grant	Title I Grant	Title VI Grant
Assets:			
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 27,424	\$ 63,502	\$ -
Cash in Segregated Accounts	-	-	-
Cash with Fiscal Agent	-	-	-
Intergovernmental Receivable	25,224	109,359	-
Total Assets	\$ 52,648	\$ 172,861	\$ -
Liabilities and Fund Equity:			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Wages and Benefits	6,457	73,381	-
Intergovernmental Payable	4,897	12,276	-
Interfund Payable	23,715	-	-
Deferred Revenue	628	57,052	-
Total Liabilities	35,697	142,709	-
Fund Equity:			
Reserved for Encumbrances	102	-	-
Unreserved	16,849	30,152	-
Total Fund Equity	\$ 16,951	\$ 30,152	\$ -
Total Liabilities and Fund Equity	\$ 52,648	\$ 172,861	\$ -

Drug Free Schools Grant	Title VI-B Preschool Grant	Telecommuni- cations Grant	Continuous Improvement Grant	Miscellaneous Federal Grants	Total
\$ -	\$ -	\$ 10,347	\$ 20,449	\$ 43,136	\$ 637,304
-	-	-	-	-	2,500
-	3,619	-	-	-	3,619
-	-	-	-	4,866	195,252
<u>\$ -</u>	<u>\$ 3,619</u>	<u>\$ 10,347</u>	<u>\$ 20,449</u>	<u>\$ 48,002</u>	<u>\$ 838,675</u>
\$ -	\$ -	\$ -	\$ 308	\$ 7,649	\$ 32,252
-	-	-	-	9,986	93,196
-	-	-	598	2,343	29,923
-	-	-	-	-	23,715
-	-	-	-	4,866	118,349
-	-	-	906	24,844	297,435
-	-	-	10,965	8,400	59,124
-	3,619	10,347	8,578	14,758	482,116
<u>\$ -</u>	<u>\$ 3,619</u>	<u>\$ 10,347</u>	<u>\$ 19,543</u>	<u>\$ 23,158</u>	<u>\$ 541,240</u>
<u>\$ -</u>	<u>\$ 3,619</u>	<u>\$ 10,347</u>	<u>\$ 20,449</u>	<u>\$ 48,002</u>	<u>\$ 838,675</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Public School Support	Other Grants	Special School
Revenues:			
Intergovernmental	\$ -	\$ 19,000	\$ -
Interest	-	-	-
Tuition and Fees	1,295	-	-
Gifts and Donations	7,854	12,000	-
Extracurricular Activities	105,213	-	1,023
Miscellaneous	6,142	-	3,377
Total Revenues	120,504	31,000	4,400
Expenditures:			
Current:			
Instruction:			
Regular	122,112	3,217	-
Special	-	-	-
Support Services:			
Pupils	-	3,154	-
Instructional Staff	-	1,280	8,440
Administration	-	-	-
Fiscal	-	-	-
Plant Operation and Maintenance	-	-	-
Pupil Transportation	-	-	-
Central	-	-	-
Non-Instructional Services	-	-	-
Extracurricular Activities	-	-	-
Total Expenditures	122,112	7,651	8,440
Excess of Revenues Over(Under)			
Expenditures	(1,608)	23,349	(4,040)
Other Financing Sources:			
Operating Transfers-In	-	-	-
Excess of Revenues and Other Financing			
Sources Over(Under) Expenditures	(1,608)	23,349	(4,040)
Fund Balance at Beginning of Year - Restated	66,597	6,753	11,350
Fund Balance at End of Year	\$ 64,989	\$ 30,102	\$ 7,310

Underground Storage Tanks	School Improvement Model	District Managed Student Activities	Professional Development	Mangement Information Systems	Disadvantaged Pupil Impact Aid
\$ -	\$ 100,000	\$ -	\$ 18,770	\$ 14,808	\$ 48,288
-	-	752	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	110,092	-	-	-
-	-	883	-	-	-
-	100,000	111,727	18,770	14,808	48,288
-	38,536	-	-	-	-
-	-	-	-	-	-
-	10,497	-	-	1,506	58,863
-	42,393	-	2,380	-	-
-	2,404	-	7,985	4,567	-
-	1,051	-	-	-	-
3,400	-	-	-	-	-
-	-	-	-	6,571	-
-	-	-	-	-	-
-	-	111,432	-	-	-
3,400	94,881	111,432	10,365	12,644	58,863
(3,400)	5,119	295	8,405	2,164	(10,575)
-	-	-	-	-	7,748
(3,400)	5,119	295	8,405	2,164	(2,827)
11,000	52,244	16,891	603	7,463	(2,058)
\$ 7,600	\$ 57,363	\$ 17,186	\$ 9,008	\$ 9,627	\$ (4,885)

(Continued)

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
(Continued)

	Data Communications	SchoolNet Professional Development	Textbook Subsidy
Revenues:			
Intergovernmental	\$ 24,000	\$ 4,000	\$ -
Interest	-	-	-
Tuition and Fees	-	-	-
Gifts and Donations	-	-	-
Extracurricular Activities	-	-	-
Miscellaneous	-	-	-
Total Revenues	24,000	4,000	-
Expenditures:			
Current:			
Instruction:			
Regular	-	-	-
Special	-	-	-
Support Services:			
Pupils	-	-	-
Instructional Staff	-	500	-
Administration	-	-	-
Fiscal	-	-	-
Plant Operation and Maintenance	-	-	-
Pupil Transportation	-	-	-
Central	-	-	-
Non-Instructional Services	-	-	-
Extracurricular Activities	-	-	-
Total Expenditures	-	500	-
Excess of Revenues Over(Under) Expenditures	24,000	3,500	-
Other Financing Sources: Operating Transfers-In	-	-	-
Excess of Revenues and Other Financing Sources Over(Under) Expenditures	24,000	3,500	-
Fund Balance at Beginning of Year - Restated	-	-	42,073
Fund Balance at End of Year	\$ 24,000	\$ 3,500	\$ 42,073

Ohio Reads Grant	Summer Intervention Grant	Extended Learning Opportunities	Miscellaneous State Grants	Title I Imigrant Grant	Title II Grant
\$ 46,811	\$ 39,056	\$ 30,600	\$ 19,320	\$ 48,928	\$ 15,203
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
46,811	39,056	30,600	19,320	48,928	15,203
34,493	-	-	28,808	13,918	-
-	-	-	-	-	-
6,938	-	-	7,457	43,215	453
65,195	-	-	57,130	513	19,701
2,764	-	-	694	15,928	-
-	-	-	-	-	-
-	-	-	-	987	-
786	-	-	-	1,486	-
-	-	-	-	-	-
-	-	-	-	2,018	-
-	-	-	-	-	-
110,176	-	-	94,089	78,065	20,154
(63,365)	39,056	30,600	(74,769)	(29,137)	(4,951)
-	-	-	-	-	-
(63,365)	39,056	30,600	(74,769)	(29,137)	(4,951)
121,666	-	-	83,675	56,158	10,664
\$ 58,301	\$ 39,056	\$ 30,600	\$ 8,906	\$ 27,021	\$ 5,713

(Continued)

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
(Continued)

	Title VI-B Grant	Title I Grant	Title VI Grant
Revenues:			
Intergovernmental	\$ 245,333	\$ 484,863	\$ 18,874
Interest	-	-	-
Tuition and Fees	-	-	-
Gifts and Donations	-	-	-
Extracurricular Activities	-	-	-
Miscellaneous	-	-	-
Total Revenues	245,333	484,863	18,874
Expenditures:			
Current:			
Instruction:			
Regular	-	-	18,874
Special	14,473	385,832	-
Support Services:			
Pupils	120,895	5,227	-
Instructional Staff	-	145,942	-
Administration	113,782	-	-
Fiscal	-	-	-
Plant Operation and Maintenance	-	250	-
Pupil Transportation	-	-	-
Central	-	-	-
Non-Instructional Services	-	-	-
Extracurricular Activities	-	-	-
Total Expenditures	249,150	537,251	18,874
Excess of Revenues Over(Under)			
Expenditures	(3,817)	(52,388)	-
Other Financing Sources:			
Operating Transfers-In	-	-	-
Excess of Revenues and Other Financing			
Sources Over(Under) Expenditures	(3,817)	(52,388)	-
Fund Balance at Beginning of Year - Restated	20,768	82,540	-
Fund Balance at End of Year	\$ 16,951	\$ 30,152	\$ -

Drug Free Schools Grant	Title VI-B Preschool Grant	Telecommuni- cations Grant	Continuous Improvement Grant	Miscellaneous Federal Grants	Total
\$ 15,854	\$ 19,974	\$ 10,347	\$ 18,000	\$ 327,912	\$ 1,569,941
-	-	-	-	-	752
-	-	-	-	-	1,295
-	-	-	-	-	19,854
-	-	-	-	-	216,328
-	-	-	-	-	10,402
<u>15,854</u>	<u>19,974</u>	<u>10,347</u>	<u>18,000</u>	<u>327,912</u>	<u>1,818,572</u>
-	-	-	21,043	378,146	659,147
-	19,755	-	-	-	420,060
15,854	-	-	-	-	274,059
-	-	-	4,414	22,912	370,800
-	-	6,725	-	10,000	164,849
-	-	-	-	-	1,051
-	-	-	-	-	4,637
-	-	-	-	-	2,272
-	-	-	-	-	6,571
-	-	-	-	-	2,018
-	-	-	-	-	111,432
<u>15,854</u>	<u>19,755</u>	<u>6,725</u>	<u>25,457</u>	<u>411,058</u>	<u>2,016,896</u>
-	219	3,622	(7,457)	(83,146)	(198,324)
-	-	-	-	-	7,748
-	219	3,622	(7,457)	(83,146)	(190,576)
-	3,400	6,725	27,000	106,304	731,816
<u>\$ -</u>	<u>\$ 3,619</u>	<u>\$ 10,347</u>	<u>\$ 19,543</u>	<u>\$ 23,158</u>	<u>\$ 541,240</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PUBLIC SCHOOL SUPPORT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Tuition and Fees	\$ 3,500	\$ 1,295	\$ (2,205)
Extracurricular Activities	106,339	105,246	(1,093)
Gifts and Donations	4,063	7,854	3,791
Miscellaneous	<u>6,366</u>	<u>6,144</u>	<u>(222)</u>
 Total Revenues	 <u>120,268</u>	 <u>120,539</u>	 <u>271</u>
 Expenditures:			
Current:			
Instruction:			
Regular	<u>175,972</u>	<u>121,143</u>	<u>54,829</u>
 Total Expenditures	 <u>175,972</u>	 <u>121,143</u>	 <u>54,829</u>
 Excess of Revenues Under Expenditures	 (55,704)	 (604)	 55,100
 Fund Balance at Beginning of Year	 65,079	 65,079	 -
Prior Year Encumbrances Appropriated	<u>1,619</u>	<u>1,619</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 10,994</u>	 <u>\$ 66,094</u>	 <u>\$ 55,100</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
OTHER GRANTS SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 19,000	\$ 19,000	\$ -
Gifts and Donations	<u>12,000</u>	<u>12,000</u>	<u>-</u>
 Total Revenues	 <u>31,000</u>	 <u>31,000</u>	 <u>-</u>
 Expenditures:			
Current:			
Instruction:			
Regular	18,947	7,806	11,141
Support Services:			
Pupils	11,659	3,232	8,427
Instructional Staff	<u>7,754</u>	<u>1,449</u>	<u>6,305</u>
 Total Expenditures	 <u>38,360</u>	 <u>12,487</u>	 <u>25,873</u>
 Excess of Revenues Over(Under) Expenditures	 (7,360)	 18,513	 25,873
 Fund Balance at Beginning of Year	 5,224	 5,224	 -
Prior Year Encumbrances Appropriated	<u>3,547</u>	<u>3,547</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 1,411</u>	 <u>\$ 27,284</u>	 <u>\$ 25,873</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SPECIAL SCHOOL SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Extracurricular Activities	\$ 1,050	\$ 1,200	\$ 150
Miscellaneous	3,725	3,486	(239)
Total Revenues	4,775	4,686	(89)
Expenditures:			
Current:			
Instruction:			
Instructional Staff	14,956	6,746	8,210
Total Expenditures	14,956	6,746	8,210
Excess of Revenues Under Expenditures	(10,181)	(2,060)	8,121
Fund Balance at Beginning of Year	10,714	10,714	-
Prior Year Encumbrances Appropriated	350	350	-
Fund Balance at End of Year	\$ 883	\$ 9,004	\$ 8,121

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
UNDERGROUND STORAGE TANK SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:			
Current:			
Support Services:			
Plant Operation and Maintenance	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Total Expenditures	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Excess of Revenues Under Expenditures	(11,000)	(11,000)	-
Fund Balance at Beginning of Year	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SCHOOL IMPROVEMENT MODEL SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 100,000	\$ 100,000	\$ -
 Total Revenues	100,000	100,000	-
 Expenditures:			
Current:			
Instruction:			
Regular	64,340	36,766	27,574
Support Services:			
Pupils	16,010	10,759	5,251
Instructional Staff	67,062	47,112	19,950
Administration	7,111	2,225	4,886
 Total Expenditures	154,523	96,862	57,661
 Excess of Revenues Over(Under) Expenditures	(54,523)	3,138	57,661
 Other Financing Uses:			
Refund of Prior Year Receipts	(1,056)	(1,056)	-
Operating Transfers-In	-	281	281
 Total Other Financing Sources (Uses)	(1,056)	(775)	281
 Excess of Revenues Over(Under) Expenditures and Other Financing Uses	(55,579)	2,363	57,942
 Fund Balance at Beginning of Year	53,488	53,488	-
Prior Year Encumbrances Appropriated	1,808	1,808	-
 Fund Balance at End of Year	\$ (283)	\$ 57,659	\$ 57,942

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DISTRICT MANAGED STUDENT ACTIVITIES SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Interest	\$ 695	\$ 752	\$ 57
Extracurricular Activities	111,668	110,092	(1,576)
Miscellaneous	<u>1,490</u>	<u>886</u>	<u>(604)</u>
 Total Revenues	 <u>113,853</u>	 <u>111,730</u>	 <u>(2,123)</u>
 Expenditures:			
Current:			
Support Services:			
Extracurricular Activities	<u>126,692</u>	<u>117,744</u>	<u>8,948</u>
 Total Expenditures	 <u>126,692</u>	 <u>117,744</u>	 <u>8,948</u>
 Excess of Revenues Under Expenditures	 (12,839)	 (6,014)	 6,825
 Fund Balance at Beginning of Year	 12,903	 12,903	 -
Prior Year Encumbrances Appropriated	<u>6,035</u>	<u>6,035</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 6,099</u>	 <u>\$ 12,924</u>	 <u>\$ 6,825</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PROFESSIONAL DEVELOPMENT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 18,770	\$ 18,770	\$ -
 Total Revenues	<u>18,770</u>	<u>18,770</u>	<u>-</u>
 Expenditures:			
Current:			
Support Services:			
Instructional Staff	9,317	2,444	6,873
Administration	<u>9,770</u>	<u>8,135</u>	<u>1,635</u>
 Total Expenditures	<u>19,087</u>	<u>10,579</u>	<u>8,508</u>
 Excess of Revenues Over(Under) Expenditures	<u>(317)</u>	<u>8,191</u>	<u>8,508</u>
 Other Financing Sources (Uses):			
Operating Transfers-In	421	421	-
Operating Transfers-Out	<u>(421)</u>	<u>(421)</u>	<u>-</u>
 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
 Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(317)</u>	<u>8,191</u>	<u>8,508</u>
 Fund Balance at Beginning of Year	463	463	-
Prior Year Encumbrances Appropriated	<u>204</u>	<u>204</u>	<u>-</u>
 Fund Balance at End of Year	<u>\$ 350</u>	<u>\$ 8,858</u>	<u>\$ 8,508</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
MANAGEMENT INFORMATION SYSTEMS SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 14,808	\$ 14,808	\$ -
 Total Revenues	 <u>14,808</u>	 <u>14,808</u>	 <u>-</u>
 Expenditures:			
Current:			
Support Services:			
Pupils	1,203	1,392	(189)
Administration	7,247	4,846	2,401
Central	<u>13,372</u>	<u>9,284</u>	<u>4,088</u>
 Total Expenditures	 <u>21,822</u>	 <u>15,522</u>	 <u>6,300</u>
 Excess of Revenues Under Expenditures	 <u>(7,014)</u>	 <u>(714)</u>	 <u>6,300</u>
 Other Financing Sources (Uses):			
Operating Transfers-In	1	1	-
Operating Transfers-Out	<u>(1)</u>	<u>(1)</u>	<u>-</u>
 Total Other Financing Sources (Uses)	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	 <u>(7,014)</u>	 <u>(714)</u>	 <u>6,300</u>
 Fund Balance at Beginning of Year	 7,072	 7,072	 -
Prior Year Encumbrances Appropriated	<u>4,124</u>	<u>4,124</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 4,182</u>	 <u>\$ 10,482</u>	 <u>\$ 6,300</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DISADVANTAGED PUPIL IMPACT AID SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 48,288	\$ 48,288	\$ -
	48,288	48,288	-
Total Revenues			
Expenditures:			
Current:			
Support Services:			
Pupils	58,363	58,538	(175)
	58,363	58,538	(175)
Total Expenditures			
Excess of Revenues Under Expenditures	(10,075)	(10,250)	(175)
Other Financing Sources (Uses):			
Operating Transfers-In	10,153	10,153	-
Operating Transfers-Out	(2,405)	(2,405)	-
	7,748	7,748	-
Total Other Financing Sources (Uses)			
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(2,327)	(2,502)	(175)
Fund Balance at Beginning of Year	2,502	2,502	-
Fund Balance at End of Year	\$ 175	\$ -	\$ (175)

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DATA COMMUNICATIONS SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 24,000	\$ 24,000	\$ -
Total Revenues	<u>24,000</u>	<u>24,000</u>	<u>-</u>
Expenditures:			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	24,000	24,000	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 24,000</u>	<u>\$ 24,000</u>	<u>\$ -</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SCHOOLNET PROFESSIONAL DEVELOPMENT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 4,000	\$ 4,000	\$ -
 Total Revenues	 <u>4,000</u>	 <u>4,000</u>	 <u>-</u>
 Expenditures:			
Current:			
Support Services:			
Instructional Staff	<u>4,000</u>	<u>500</u>	<u>3,500</u>
 Total Expenditures	 <u>4,000</u>	 <u>500</u>	 <u>3,500</u>
 Excess of Revenues Over Expenditures	 -	 3,500	 3,500
 Fund Balance at Beginning of Year	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund Balance at End of Year	 <u>\$ -</u>	 <u>\$ 3,500</u>	 <u>\$ 3,500</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TEXTBOOK SUBSIDY SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Total Revenues	\$ -	\$ -	\$ -
Expenditures:			
Current:			
Instruction:			
Regular	<u>42,073</u>	<u>-</u>	<u>42,073</u>
Total Expenditures	<u>42,073</u>	<u>-</u>	<u>42,073</u>
Excess of Revenues Under Expenditures	(42,073)	-	42,073
Fund Balance at Beginning of Year	<u>42,073</u>	<u>42,073</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 42,073</u>	<u>\$ 42,073</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
OHIO READS SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 161,727	\$ 161,727	\$ -
 Total Revenues	 <u>161,727</u>	 <u>161,727</u>	 <u>-</u>
 Expenditures:			
Current:			
Instruction:			
Regular	61,729	40,235	21,494
Support Services:			
Pupils	8,517	6,938	1,579
Instructional Staff	89,448	80,178	9,270
Administration	6,281	2,764	3,517
Pupil Transportation	863	786	77
 Total Expenditures	 <u>166,838</u>	 <u>130,901</u>	 <u>35,937</u>
 Excess of Revenues Over(Under) Expenditures	 (5,111)	 30,826	 35,937
 Fund Balance at Beginning of Year	 (5)	 (5)	 -
Prior Year Encumbrances Appropriated	<u>6,817</u>	<u>6,817</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 1,701</u>	 <u>\$ 37,638</u>	 <u>\$ 35,937</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SUMMER INTERVENTION GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 39,056	\$ 39,056	\$ -
Total Revenues	<u>39,056</u>	<u>39,056</u>	<u>-</u>
Expenditures:			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	39,056	39,056	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 39,056</u>	<u>\$ 39,056</u>	<u>\$ -</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
EXTENDED LEARNING OPPORTUNITIES SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 30,600	\$ 30,600	\$ -
Total Revenues	<u>30,600</u>	<u>30,600</u>	<u>-</u>
Expenditures:			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	30,600	30,600	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 30,600</u>	<u>\$ 30,600</u>	<u>\$ -</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
MISCELLANEOUS STATE GRANTS SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 19,320	\$ 19,320	\$ -
 Total Revenues	<u>19,320</u>	<u>19,320</u>	<u>-</u>
 Expenditures:			
Current:			
Instruction:			
Regular	39,459	32,139	7,320
Support Services:			
Pupils	7,481	7,519	(38)
Instructional Staff	71,988	70,488	1,500
Administration	694	694	-
 Total Expenditures	<u>119,622</u>	<u>110,840</u>	<u>8,782</u>
 Excess of Revenues Under Expenditures	(100,302)	(91,520)	8,782
 Fund Balance at Beginning of Year	26,398	26,398	-
Prior Year Encumbrances Appropriated	73,997	73,997	-
 Fund Balance at End of Year	<u>\$ 93</u>	<u>\$ 8,875</u>	<u>\$ 8,782</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE I IMMIGRANT GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 139,416	\$ 85,337	\$ (54,079)
 Total Revenues	 <u>139,416</u>	 <u>85,337</u>	 <u>(54,079)</u>
 Expenditures:			
Current:			
Instruction:			
Regular	48,000	14,358	33,642
Support Services:			
Pupils	68,177	40,354	27,823
Instructional Staff	584	584	-
Administration	23,651	16,535	7,116
Plant Operation and Maintenance	4,942	848	4,094
Pupil Transportation	7,049	1,474	5,575
Non-Instructional Services	<u>7,605</u>	<u>1,971</u>	<u>5,634</u>
 Total Expenditures	 <u>160,008</u>	 <u>76,124</u>	 <u>83,884</u>
 Excess of Revenues Over(Under) Expenditures	 <u>(20,592)</u>	 <u>9,213</u>	 <u>29,805</u>
 Other Financing Sources (Uses):			
Refund of Prior Year Receipts	(2,499)	(2,499)	-
Operating Transfers-In	10,264	10,264	-
Operating Transfers-Out	<u>(10,264)</u>	<u>(10,264)</u>	<u>-</u>
 Total Other Financing Sources (Uses)	 <u>(2,499)</u>	 <u>(2,499)</u>	 <u>-</u>
 Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	 <u>(23,091)</u>	 <u>6,714</u>	 <u>29,805</u>
 Fund Balance at Beginning of Year	 23,812	 23,812	 -
Prior Year Encumbrances Appropriated	<u>1,511</u>	<u>1,511</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 2,232</u>	 <u>\$ 32,037</u>	 <u>\$ 29,805</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE II GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 16,456	\$ 14,810	\$ (1,646)
 Total Revenues	 <u>16,456</u>	 <u>14,810</u>	 <u>(1,646)</u>
 Expenditures:			
Current:			
Support Services:			
Pupils	453	453	-
Instructional Staff	<u>26,725</u>	<u>20,281</u>	<u>6,444</u>
 Total Expenditures	 <u>27,178</u>	 <u>20,734</u>	 <u>6,444</u>
 Excess of Revenues Under Expenditures	 (10,722)	 (5,924)	 4,798
 Fund Balance at Beginning of Year	 8,846	 8,846	 -
Prior Year Encumbrances Appropriated	<u>1,877</u>	<u>1,877</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 1</u>	 <u>\$ 4,799</u>	 <u>\$ 4,798</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE VI-B GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 306,717	\$ 281,493	\$ (25,224)
Total Revenues	<u>306,717</u>	<u>281,493</u>	<u>(25,224)</u>
Expenditures:			
Current:			
Instruction:			
Special	16,187	12,195	3,992
Support Services:			
Pupils	154,008	126,578	27,430
Administration	<u>139,359</u>	<u>119,384</u>	<u>19,975</u>
Total Expenditures	<u>309,554</u>	<u>258,157</u>	<u>51,397</u>
Excess of Revenues Over(Under) Expenditures	<u>(2,837)</u>	<u>23,336</u>	<u>26,173</u>
Other Financing Sources (Uses):			
Advances-Out	(6,285)	(6,285)	-
Operating Transfers-In	250	250	-
Operating Transfers-Out	<u>(250)</u>	<u>(250)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(6,285)</u>	<u>(6,285)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(9,122)</u>	<u>17,051</u>	<u>26,173</u>
Fund Balance at Beginning of Year	5,566	5,566	-
Prior Year Encumbrances Appropriated	<u>3,804</u>	<u>3,804</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 248</u>	<u>\$ 26,421</u>	<u>\$ 26,173</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE I GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 701,303	\$ 591,880	\$ (109,423)
 Total Revenues	701,303	591,880	(109,423)
 Expenditures:			
Current:			
Instruction:			
Special	506,439	382,136	124,303
Support Services:			
Pupils	10,858	4,556	6,302
Instructional Staff	187,557	145,813	41,744
Plant Operation and Maintenance	800	250	550
 Total Expenditures	705,654	532,755	172,899
 Excess of Revenues Over(Under) Expenditures	(4,351)	59,125	63,476
 Other Financing Sources (Uses):			
Operating Transfers-In	100	100	-
Operating Transfers-Out	(100)	(100)	-
 Total Other Financing Sources (Uses)	-	-	-
 Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	(4,351)	59,125	63,476
 Fund Balance at Beginning of Year	4,240	4,240	-
Prior Year Encumbrances Appropriated	139	139	-
 Fund Balance at End of Year	\$ 28	\$ 63,504	\$ 63,476

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TITLE VI GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 18,874	\$ 18,874	\$ -
Total Revenues	<u>18,874</u>	<u>18,874</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Regular	<u>18,874</u>	<u>18,874</u>	<u>-</u>
Total Expenditures	<u>18,874</u>	<u>18,874</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
DRUG FREE SCHOOLS GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 15,854	\$ 15,854	\$ -
 Total Revenues	 <u>15,854</u>	 <u>15,854</u>	 <u>-</u>
 Expenditures:			
Current:			
Support Services:			
Pupils	<u>15,854</u>	<u>15,854</u>	<u>-</u>
 Total Expenditures	 <u>15,854</u>	 <u>15,854</u>	 <u>-</u>
 Excess of Revenues Over Expenditures	 -	 -	 -
 Fund Balance at Beginning of Year	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund Balance at End of Year	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TELECOMMUNICATIONS GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 10,347	\$ 10,347	\$ -
 Total Revenues	 <u>10,347</u>	 <u>10,347</u>	 <u>-</u>
 Expenditures:			
Current:			
Support Services:			
Administration	<u>6,855</u>	<u>6,855</u>	<u>-</u>
 Total Expenditures	 <u>6,855</u>	 <u>6,855</u>	 <u>-</u>
 Excess of Revenues Over Expenditures	 3,492	 3,492	 -
 Fund Balance at Beginning of Year	 <u>6,855</u>	 <u>6,855</u>	 <u>-</u>
 Fund Balance at End of Year	 <u>\$ 10,347</u>	 <u>\$ 10,347</u>	 <u>\$ -</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
CONTINUOUS IMPROVEMENT GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 18,000	\$ 18,000	\$ -
Total Revenues	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Regular	40,586	31,409	9,177
Support Services:			
Instructional Staff	<u>4,414</u>	<u>4,414</u>	<u>-</u>
Total Expenditures	<u>45,000</u>	<u>35,823</u>	<u>9,177</u>
Excess of Revenues Under Expenditures	(27,000)	(17,823)	9,177
Fund Balance at Beginning of Year	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 9,177</u>	<u>\$ 9,177</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
MISCELLANEOUS FEDERAL GRANTS SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 332,778	\$ 327,912	\$ (4,866)
 Total Revenues	 <u>332,778</u>	 <u>327,912</u>	 <u>(4,866)</u>
 Expenditures:			
Current:			
Instruction:			
Regular	406,744	399,598	7,146
Support Services:			
Instructional Staff	28,902	26,847	2,055
Administration	<u>10,000</u>	<u>10,000</u>	<u>-</u>
 Total Expenditures	 <u>445,646</u>	 <u>436,445</u>	 <u>9,201</u>
 Excess of Revenues Under Expenditures	 (112,868)	 (108,533)	 4,335
 Other Financing Uses:			
Refund of Prior Year Receipts	<u>(259)</u>	<u>(259)</u>	<u>-</u>
 Excess of Revenues Under Expenditures and Other Financing Uses	 (113,127)	 (108,792)	 4,335
 Fund Balance at Beginning of Year	 120,976	 120,976	 -
Prior Year Encumbrances Appropriated	<u>14,904</u>	<u>14,904</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 22,753</u>	 <u>\$ 27,088</u>	 <u>\$ 4,335</u>

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects. The following are descriptions of each Capital Projects Fund.

Permanent Improvement

To account for the monies received through the District's two mill, permanent improvement levy that are used for the acquisition, construction or improvement of capital facilities other than those financed by the Non-Expendable Trust Fund.

SchoolNet Plus

To account for monies received through a State grant to help schools obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

Technology Equity

To account for monies received through a State grant to aid school districts in the purchase, installation and development of adequate technology infrastructure.

Video Distance Learning

To account for monies received through a State grant to provide schools with the necessary equipment to facilitate video and teleconferencing capabilities to allow remote learning opportunities.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS
 JUNE 30, 2001

	Permanent Improvement	School NetPlus	Technology Equity	Video Distance Learning	TOTAL
Assets:					
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 345,116	\$ 115,031	\$ -	\$ 7,900	\$ 468,047
Taxes Receivable	<u>628,604</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>628,604</u>
Total Assets and Other Debits	<u>\$ 973,720</u>	<u>\$ 115,031</u>	<u>\$ -</u>	<u>\$ 7,900</u>	<u>\$ 1,096,651</u>
Liabilities and Fund Equity:					
Liabilities:					
Accounts Payable	\$ 2,820	\$ -	\$ -	\$ -	\$ 2,820
Contracts Payable	139,251	-	-	-	139,251
Accrued Interest Payable	25,103	-	-	-	25,103
Deferred Revenue	563,893	-	-	-	563,893
Energy Conservation Notes Payable	173,000	-	-	-	173,000
Tax Anticipation Notes Payable	<u>685,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>685,000</u>
Total Liabilities	<u>1,589,067</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,589,067</u>
Fund Equity:					
Fund Balances:					
Reserved for Encumbrances	105,475	1,638	-	-	107,113
Reserved for Taxes	64,711	-	-	-	64,711
Unreserved	<u>(785,533)</u>	<u>113,393</u>	<u>-</u>	<u>7,900</u>	<u>(664,240)</u>
Total Fund Equity	<u>\$ (615,347)</u>	<u>\$ 115,031</u>	<u>\$ -</u>	<u>\$ 7,900</u>	<u>\$ (492,416)</u>
Total Liabilities and Fund Equity	<u>\$ 973,720</u>	<u>\$ 115,031</u>	<u>\$ -</u>	<u>\$ 7,900</u>	<u>\$ 1,096,651</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	PERMANENT IMPROVEMENT	SCHOOL NET PLUS	TECHNOLOGY EQUITY	VIDEO DISTANCE LEARNING	TOTAL
Revenues:					
Taxes	\$ 508,947	\$ -	\$ -	\$ -	\$ 508,947
Intergovernmental	76,128	181,000	35,493	7,900	300,521
Interest	12,505	-	-	-	12,505
Total Revenues	<u>597,580</u>	<u>181,000</u>	<u>35,493</u>	<u>7,900</u>	<u>821,973</u>
Expenditures:					
Current:					
Instruction:					
Regular	45,266	178,978	35,558	-	259,802
Support Services:					
Instructional Staff	600	7,500	-	-	8,100
Administration	4,139	-	-	-	4,139
Fiscal	10,811	-	-	-	10,811
Plant Operation and Maintenance	564,879	4,160	7,125	-	576,164
Pupil Transportation	56,215	-	-	-	56,215
Non-Instructional Services	4,247	-	-	-	4,247
Capital Outlay	698,832	-	-	-	698,832
Debt Service:					
Interest and Fiscal Charges	27,300	-	-	-	27,300
Total Expenditures	<u>1,412,289</u>	<u>190,638</u>	<u>42,683</u>	<u>-</u>	<u>1,645,610</u>
Excess of Revenues Over(Under) Expenditures	<u>(814,709)</u>	<u>(9,638)</u>	<u>(7,190)</u>	<u>7,900</u>	<u>(823,637)</u>
Other Financing Sources (Uses):					
Operating Transfers-In	-	-	5	-	5
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>5</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(814,709)</u>	<u>(9,638)</u>	<u>(7,185)</u>	<u>7,900</u>	<u>(823,632)</u>
Fund Balance at Beginning of Year	<u>199,362</u>	<u>124,669</u>	<u>7,185</u>	<u>-</u>	<u>331,216</u>
Fund Balance at End of Year	<u>\$ (615,347)</u>	<u>\$ 115,031</u>	<u>\$ -</u>	<u>\$ 7,900</u>	<u>\$ (492,416)</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
PERMANENT IMPROVEMENT CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 617,359	\$ 616,725	\$ (634)
Intergovernmental	76,128	76,128	-
Interest	12,505	12,505	-
Miscellaneous	230	-	(230)
Total Revenues	<u>706,222</u>	<u>705,358</u>	<u>(864)</u>
Expenditures:			
Current:			
Instruction:			
Regular	52,538	49,179	3,359
Support Services:			
Pupils	100	-	100
Instructional Staff	675	600	75
Administration	12,099	9,135	2,964
Fiscal	13,793	10,811	2,982
Plant Operation and Maintenance	868,323	858,118	10,205
Pupil Transportation	66,686	56,215	10,471
Non-Instructional Services	4,247	4,247	-
Capital Outlay	714,530	711,366	3,164
Debt Service:			
Principal Retirement	273,000	273,000	-
Interest and Fiscal Charges	11,239	11,239	-
Total Expenditures	<u>2,017,230</u>	<u>1,983,910</u>	<u>33,320</u>
Excess of Revenues Under Expenditures	<u>(1,311,008)</u>	<u>(1,278,552)</u>	<u>32,456</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Notes	858,000	858,000	-
Advances-Out	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	<u>808,000</u>	<u>808,000</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	<u>(503,008)</u>	<u>(470,552)</u>	<u>32,456</u>
Fund Balance at Beginning of Year	62,939	62,939	-
Prior Year Encumbrances Appropriated	505,183	505,183	-
Fund Balance at End of Year	<u>\$ 65,114</u>	<u>\$ 97,570</u>	<u>\$ 32,456</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
SCHOOLNET PLUS CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Intergovernmental	\$ 181,000	\$ 181,000	\$ -
 Total Revenues	 <u>181,000</u>	 <u>181,000</u>	 <u>-</u>
 Expenditures:			
Current:			
Instruction:			
Regular	233,011	180,662	52,349
Support Services:			
Instructional Staff	10,800	7,500	3,300
Plant Operation and Maintenance	<u>19,222</u>	<u>4,160</u>	<u>15,062</u>
 Total Expenditures	 <u>263,033</u>	 <u>192,322</u>	 <u>70,711</u>
 Excess of Revenues Under Expenditures	 (82,033)	 (11,322)	 70,711
 Fund Balance at Beginning of Year	 112,302	 112,302	 -
Prior Year Encumbrances Appropriated	<u>12,412</u>	<u>12,412</u>	<u>-</u>
 Fund Balance at End of Year	 <u>\$ 42,681</u>	 <u>\$ 113,392</u>	 <u>\$ 70,711</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
TECHNOLOGY EQUITY CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Intergovernmental	\$ 35,493	\$ 35,493	\$ -
 Total Revenues	<u>35,493</u>	<u>35,493</u>	<u>-</u>
 Expenditures:			
Current:			
Instruction:			
Regular	36,372	36,373	(1)
Support Services:			
Plant Operation and Maintenance	<u>7,125</u>	<u>7,125</u>	<u>-</u>
 Total Expenditures	<u>43,497</u>	<u>43,498</u>	<u>(1)</u>
 Excess of Revenues Under Expenditure	(8,004)	(8,005)	(1)
 Other Financing Sources:			
Operating Transfers-In	<u>5</u>	<u>5</u>	<u>-</u>
 Excess of Revenues and Other Financing Sources Under Expenditures	(7,999)	(8,000)	(1)
 Fund Balance at Beginning of Year	58	58	-
Prior Year Encumbrances Appropriated	<u>7,941</u>	<u>7,941</u>	<u>-</u>
 Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)
VIDEO DISTANCE LEARNING CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Revenues:			
Total Revenues	<u>7,900</u>	<u>7,900</u>	<u>-</u>
Expenditures:			
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	7,900	7,900	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 7,900</u>	<u>\$ 7,900</u>	<u>\$ -</u>

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ENTERPRISE FUNDS

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises (a) 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 (b) 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.

Food Service Fund

To account for the financial transactions related to the food service operation of the School District.

Latchkey Fund

To account for the financial transactions related to the operation of after school latchkey programs at the various schools throughout the School District.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
JUNE 30, 2001

	<u>FOOD SERVICE</u>	<u>LATCHKEY</u>	<u>TOTAL</u>
<u>Assets:</u>			
Assets:			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 117,919	\$ 75,129	\$ 193,048
Inventory of Supplies and Materials	4,874	-	4,874
Inventory Held for Resale	41,506	-	41,506
Total Current Assets	<u>164,299</u>	<u>75,129</u>	<u>239,428</u>
Fixed Asset (Net, where applicable, of Accumulated Depreciation)	<u>21,348</u>	<u>66,126</u>	<u>87,474</u>
Total Assets	<u>\$ 185,647</u>	<u>\$ 141,255</u>	<u>\$ 326,902</u>
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Current Liabilities:			
Accounts Payable	\$ 634	\$ -	\$ 634
Accrued Salaries and Benefits Payable	88,363	8,037	96,400
Intergovernmental Payable	64,889	5,515	70,404
Deferred Revenue	31,707	-	31,707
Total Current Liabilities	<u>185,593</u>	<u>13,552</u>	<u>199,145</u>
Compensated Absences Payable	<u>32,290</u>	<u>-</u>	<u>32,290</u>
Total Liabilities	<u>217,883</u>	<u>13,552</u>	<u>231,435</u>
Fund Equity:			
Retained Earnings:			
Unrestricted	<u>(32,236)</u>	<u>127,703</u>	<u>95,467</u>
Total Fund Equity	<u>\$ (32,236)</u>	<u>\$ 127,703</u>	<u>\$ 95,467</u>
Total Liabilities and Fund Equity	<u>\$ 185,647</u>	<u>\$ 141,255</u>	<u>\$ 326,902</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
ALL ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	FOOD SERVICE	LATCHKEY	TOTAL
Operating Revenues:			
Sales	\$ 695,690	\$ -	\$ 695,690
Charges for Services	-	127,452	127,452
Other Operating Revenue	108,512	-	108,512
Total Operating Revenues	804,202	127,452	931,654
Operating Expenses:			
Salaries and Wages	551,931	57,245	609,176
Fringe Benefits	210,861	16,224	227,085
Purchased Services	45,014	859	45,873
Supplies and Materials	80,326	11,489	91,815
Cost of Sales	542,143	-	542,143
Other	-	6,933	6,933
Depreciation	5,430	8,554	13,984
Total Operating Expenses	1,435,705	101,304	1,537,009
Operating Income (Loss)	(631,503)	26,148	(605,355)
Non-Operating Revenues and Losses:			
Federal and State Subsidies	362,110	-	362,110
Federal Donated Commodities	192,934	-	192,934
Interest	786	-	786
Loss on Sale of Asset	(456)	-	(456)
Total Non-Operating Revenues and Losses	555,374	-	555,374
Income (Loss) Before Transfers-In	(76,129)	26,148	(49,981)
Operating Transfers-In	60,000	-	60,000
Net Income (Loss)	(16,129)	26,148	10,019
Retained Earnings at Beginning of Year	(16,107)	101,555	85,448
Retained Earnings at End of Year	(32,236)	127,703	\$ 95,467

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	FOOD SERVICE	LATCHKEY	TOTAL
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 804,202	\$ 128,119	\$ 932,321
Cash Payments for Employee Services and Benefits	(741,799)	(73,812)	(815,611)
Cash Payments to Suppliers for Goods and Services	(475,245)	(12,492)	(487,737)
Other Operating Expenses	-	(6,933)	(6,933)
Net Cash Provided by (Used in) Operating Activities	<u>(412,842)</u>	<u>34,882</u>	<u>(377,960)</u>
Cash Flows from Noncapital Financing Activities:			
Federal and State Subsidies	362,110	-	362,110
Operating Transfers-In	60,000	-	60,000
Net Cash Provided from Noncapital Financing Activities	<u>422,110</u>	<u>-</u>	<u>422,110</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Capital Assets	-	(12,784)	(12,784)
Cash Flows from Investing Activities:			
Interest	786	-	786
Net Increase in Cash and Cash Equivalents	10,054	22,098	32,152
Cash and Cash Equivalents Beginning of Year	<u>107,865</u>	<u>53,031</u>	<u>160,896</u>
Cash and Cash Equivalents End of Year	<u>\$ 117,919</u>	<u>\$ 75,129</u>	<u>\$ 193,048</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating Income	\$ (631,503)	\$ 26,148	\$ (605,355)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	5,430	8,554	13,984
Donated Commodities Received	192,934	-	192,934
Changes in Assets and Liabilities			
Decrease in Accounts Receivable	-	667	667
Decrease in Inventory of Supplies and Materials	1,790	-	1,790
Decrease in Inventory Held for Resale	385	-	385
Decrease in Accounts Payable	(114)	(144)	(258)
Increase in Accrued Wages and Benefits Payable	1,761	532	2,293
Increase (Decrease) in Intergovernmental Payable	27,744	(875)	26,869
Decrease in Deferred Revenue	(2,757)	-	(2,757)
Decrease in Compensated Absences Payable	(8,512)	-	(8,512)
Net Cash Provided by (Used in) Operating Activities	<u>\$ (412,842)</u>	<u>\$ 34,882</u>	<u>\$ (377,960)</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
FOOD SERVICE ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Sales	\$ 696,536	\$ 695,690	\$ (846)
Interest Earnings	786	786	-
Federal and State Subsidies	362,111	362,110	(1)
Other Revenue	<u>108,820</u>	<u>108,511</u>	<u>(309)</u>
Total Operating Revenues	<u>1,168,253</u>	<u>1,167,097</u>	<u>(1,156)</u>
Expenses:			
Salaries & Wages:			
Food Service Operations	541,328	561,269	(19,941)
Fringe Benefits:			
Food Service Operations	177,913	180,530	(2,617)
Purchased Services:			
Plant Operation and Maintenance	8,686	8,464	222
Food Service Operations	<u>42,120</u>	<u>37,371</u>	<u>4,749</u>
Total Purchased Services	50,806	45,835	4,971
Materials and Supplies:			
Food Service Operations	452,902	431,992	20,910
Capital Outlay:			
Food Service Operation	<u>1,600</u>	<u>619</u>	<u>981</u>
Total Expenses	<u>1,224,549</u>	<u>1,220,245</u>	<u>4,304</u>
Excess of Revenues Under Expenses	(56,296)	(53,148)	3,148
Operating Transfers-In	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Excess of Revenues Over Expenses and Operating Transfers	3,704	6,852	3,148
Fund Equity at Beginning of Year	105,826	105,826	-
Prior Year Encumbrances Appropriated	<u>2,039</u>	<u>2,039</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ 111,569</u>	<u>\$ 114,717</u>	<u>\$ 3,148</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
LATCHKEY ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Charges for Services	\$ 128,119	\$ 128,119	\$ -
 Total Operating Revenues	 128,119	 128,119	 -
 Expenses:			
Salaries & Wages:			
Community Services	81,875	56,699	25,176
Fringe Benefits:			
Community Services	22,800	17,113	5,687
Purchased Services:			
Central Support Services	200	122	78
Community Services	165	737	(572)
Total Purchased Services	365	859	(494)
Materials and Supplies:			
Community Services	16,082	7,609	8,473
Capital Outlay:			
Community Services	30,329	25,700	4,629
Miscellaneous:			
Community Services	7,869	6,933	936
 Total Expenses	 159,320	 114,913	 44,407
 Excess of Revenues Over (Under) Expenses	 (31,201)	 13,206	 44,407
 Fund Equity at Beginning of Year	 41,930	 41,930	 -
Prior Year Encumbrances Appropriated	11,103	11,103	-
 Fund Equity at End of Year	 \$ 21,832	 \$ 66,239	 \$ 44,407

FIDUCIARY FUNDS

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

NON-EXPENDABLE TRUST FUND

Scholarship Trust

To account for monies donated to the School District to be used to as a permanent trust fund to provide necessary supplies and materials through the interest earned on the original donation.

AGENCY FUND

Student Managed Activities

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

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL FIDUCIARY FUNDS TYPES
 JUNE 30, 2001

	NON- EXPENDABLE TRUST	AGENCY STUDENT MANAGED ACTIVITIES	TOTAL
	OMB ENDOWMENT		
<u>Assets:</u>			
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 50,456	\$ 50,456
Investments	2,000	-	2,000
Total Assets	<u>\$ 2,000</u>	<u>\$ 50,456</u>	<u>\$ 52,456</u>
<u>Liabilities and Fund Equity</u>			
Liabilities:			
Accounts Payable	\$ -	\$ 50	\$ 50
Due to Students	-	50,406	50,406
Total Liabilities	<u>-</u>	<u>50,456</u>	<u>50,456</u>
Fund Equity:			
Fund Balances:			
Reserved for Non-Expendable Trust	2,000	-	2,000
Total Fund Equity	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,000</u>
Total Liabilities and Fund Equity	<u>\$ 2,000</u>	<u>\$ 50,456</u>	<u>\$ 52,456</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
OMB ENDOWMENT NON-EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Interest Earnings	\$ 96	\$ 96	\$ -
Total Operating Revenues	<u>96</u>	<u>96</u>	<u>-</u>
Expenses:			
Materials and Supplies: Regular Instruction	<u>96</u>	<u>96</u>	<u>-</u>
Total Expenses	<u>96</u>	<u>96</u>	<u>-</u>
Excess of Revenues Over Expenses	-	-	-
Fund Equity at Beginning of Year	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>ENDING BALANCE</u>
<u>Student Managed Activities:</u>				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 53,021	\$ 102,183	\$ 104,748	\$ 50,456
Total Assets	<u>\$ 53,021</u>	<u>\$ 102,183</u>	<u>\$ 104,748</u>	<u>\$ 50,456</u>
Liabilities:				
Accounts Payable	\$ -	\$ 50	\$ -	\$ 50
Due to Students	53,021	102,183	104,798	50,406
Total Liabilities	<u>\$ 53,021</u>	<u>\$ 102,233</u>	<u>\$ 104,798</u>	<u>\$ 50,456</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is used to account for all land and land improvements, building and building improvements, furniture and equipment not purchased by the Proprietary Funds or Non-Expendable Trust Fund.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCE
JUNE 30, 2001

General Fixed Assets:	
Land and Improvements	317,878
Buildings and Improvements	9,991,051
Furniture, Fixtures and Equipment	4,774,886
Vehicles	<u>1,621,229</u>
Total General Fixed Assets	<u><u>16,705,044</u></u>
Investment in General Fixed Assets From:	
General Fund Revenues	80,031
Special Revenue Fund Revenues:	
Public School Support Fund	10,000
School Improvement Model	12,783
Title VI Grant	9,366
Miscellaneous Federal Grant	185,924
Capital Projects Fund Revenues	
Permanent Improvement Fund	1,114,511
SchoolNet	98,742
Technology Equity	25,925
Acquired Before July 1, 2000 *	<u>15,167,762</u>
Total Investment in General Fixed Assets	<u><u>16,705,044</u></u>

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

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND TYPE
JUNE 30, 2001

Function	Land and Improvements	Buildings and Improvements	Furniture, Fixtures and Equipment	Vehicles	Total
Instruction:					
Regular	\$ -	\$ -	\$ 376,688	\$ -	\$ 376,688
Vocational	-	-	4,057	-	4,057
Total Instruction	-	-	380,745	-	380,745
Support Services:					
Instructional Staff	-	-	10,142	-	10,142
Administration	-	-	17,398	-	17,398
Plant Operation and Maintenance	-	726,692	59,947	-	786,639
Pupil Transportation	-	-	720	161,123	161,843
Total Support Services	-	726,692	88,207	161,123	976,022
Non-Instructional Services	-	-	6,477	-	6,477
Extracurricular Activities	-	-	4,181	-	4,181
Construction and Acquisition of School Facilities	-	140,184	29,673	-	169,857
Acquisitions Prior to July 1, 2000 *	317,878	9,124,175	4,265,603	1,460,106	15,167,762
Total General Fixed Assets	\$ 317,878	\$ 9,991,051	\$ 4,774,886	\$ 1,621,229	\$ 16,705,044

* Represents older assets for which function cannot practically be obtained.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

FUNCTION	General Fixed Assets July 1, 2000	Increase	Decrease	General Fixed Assets June 30, 2001
Instruction:				
Regular	\$ -	\$ 376,688	\$ -	\$ 376,688.00
Vocational	-	4,057	-	4,057
Total Instruction	-	380,745	-	380,745
Support Services:				
Instructional Staff	-	10,142	-	10,142
Administration	-	17,398	-	17,398
Plant Operation and Maintenance	-	786,639	-	786,639
Pupil Transportation	-	161,843	-	161,843
Total Support Services	-	976,022	-	976,022
Non-Instructional Services	-	6,477	-	6,477
Extracurricular Activities	-	4,181	-	4,181
Construction and Acquisition of School Facilities	-	169,857	-	169,857
Acquisitions Prior to July 1, 2000 *	<u>15,216,662</u>	<u>-</u>	<u>48,900</u>	<u>15,167,762</u>
Total General Fixed Assets	<u>\$ 15,216,662</u>	<u>\$ 1,537,282</u>	<u>\$ 48,900</u>	<u>\$ 16,705,044</u>

* Represents older assets for which function cannot practically be obtained.

STATISTICAL SECTION

INTRODUCTION FINANCIAL



2001



STATISTICAL SECTION

The following unaudited statistical tables reflect social and economic data, financial trends and fiscal capacity of the School District.

The School District does not have, and has not had over the last ten years, any revenue bonds payable from the enterprise funds nor any general obligation bonded debt. Therefore, related statistical tables are not presented.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
GENERAL FUND EXPENDITURES BY FUNCTION AND OTHER FINANCING USES
LAST TEN FISCAL YEARS

	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Current:										
Instruction:										
Regular	\$ 10,469,893	\$ 9,908,671	\$ 9,911,967	\$ 9,537,289	\$ 8,834,734	\$ 8,276,130	\$ 7,785,739	\$ 7,978,742	\$ 7,683,508	\$ 7,037,062
Special	1,521,798	1,400,857	1,444,932	1,264,838	1,320,400	1,291,790	1,177,727	1,048,348	985,570	864,519
Vocational	481,547	459,044	467,574	452,030	450,675	420,221	448,834	453,709	467,380	404,223
Other	526,582	-	-	-	-	-	-	-	-	107,378
Support Services:										
Pupils	1,149,863	1,136,357	1,002,600	1,108,806	872,505	780,095	771,311	863,905	720,340	689,484
Instructional Staff	838,933	727,545	600,972	581,790	545,237	388,482	354,802	342,559	235,975	272,459
Board of Education	46,024	44,253	37,625	38,439	30,446	29,623	32,695	29,760	24,685	37,181
Administration	2,323,350	2,227,355	2,120,631	1,692,055	1,594,409	1,359,622	1,366,087	1,393,394	1,355,531	1,291,410
Fiscal	436,743	413,572	407,135	348,243	346,059	297,362	328,941	284,432	300,799	272,204
Business	17,661	24,011	61,520	8,231	36,282	24,119	26,955	14,479	57,684	17,437
Plant Operation & Maintenance	2,406,213	2,110,292	2,203,206	2,010,469	1,943,005	1,715,372	1,573,291	1,685,222	1,528,252	1,433,025
Pupil Transportation	1,316,185	1,318,810	1,292,724	1,009,407	1,043,818	1,027,192	867,398	865,190	758,558	795,094
Central	35,176	25,100	30,608	34,083	36,933	29,692	25,453	30,968	28,938	21,218
Extracurricular Activities	295,724	299,298	280,408	291,792	252,007	232,245	228,010	219,386	233,345	196,440
Capital Outlay	10,045	5,265	5,300	3,047	4,114	13,627	5,555	14,048	7,856	8,408
Debt Service	-	-	-	100,000	-	-	5,691	8,181	8,924	-
Other Financing Uses	-	-	-	-	-	-	-	-	-	4,720
Total	\$ 21,875,737	\$ 20,100,430	\$ 19,867,202	\$ 18,480,519	\$ 17,310,624	\$ 15,885,572	\$ 14,998,489	\$ 15,232,323	\$ 14,397,345	\$ 13,452,262

Source: School District Financial Records

- (1) Fiscal years 1993 through 2001 are reported on a GAAP basis; fiscal year 1992 is reported on a cash basis
(2) For fiscal years on a GAAP basis, Other Financing Uses will not be included.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
GENERAL FUND REVENUES BY SOURCE AND OTHER FINANCING SOURCES
LAST TEN FISCAL YEARS

	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Taxes	\$ 6,329,825	\$ 7,641,221	\$ 7,434,664	\$ 6,134,798	\$ 7,089,354	\$ 5,437,263	\$ 4,780,335	\$ 4,784,931	\$ 4,552,834	\$ 4,192,356
Intergovernmental	13,841,488	13,444,597	12,950,484	11,879,945	11,102,166	10,745,657	9,785,903	9,427,417	10,424,701	8,511,313
Interest	391,912	353,229	252,317	239,535	203,269	132,177	103,151	68,841	69,480	136,151
Tuition and Fees	263,615	193,160	159,948	142,307	149,689	132,029	139,847	120,670	161,313	133,781
Transportation	82,226	-	-	-	-	-	-	-	-	-
Rent	-	1,750	-	-	-	-	-	-	-	-
Gifts and Donations	5,750	-	-	-	-	-	-	-	-	-
Miscellaneous	93,144	4,415	11,637	131,039	5,197	6,897	24,225	33,639	13,517	18,460
Other Financing Sources	-	-	-	-	-	-	-	-	-	219,257
Total	\$ 21,007,960	\$ 21,638,372	\$ 20,809,050	\$ 18,527,624	\$ 18,549,675	\$ 16,454,023	\$ 14,833,461	\$ 14,435,498	\$ 15,221,845	\$ 13,211,318

Source: School District Financial Records

(1) Fiscal years 1993 through 2001 are reported on a GAAP basis; fiscal year 1992 is reported on a cash basis

(2) For fiscal years on a GAAP basis, Other Financing Sources will not be included.

TECUMSEH LOCAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY	ACCUMULATED OUTSTANDING DELINQUENT TAXES	PERCENTAGE OF ACCUMULATED DELINQUENT TAXES TO TOTAL TAX LEVY
2001	\$ 8,202,954	\$ 6,548,835	\$ 416,945	\$ 6,965,780	84.92%	\$ 4,072,066	49.64%
2000	8,020,829	7,148,489	391,656	7,540,145	94.01%	2,834,891	35.34%
1999	7,755,165	7,059,941	429,847	7,489,788	96.58%	2,354,207	30.36%
1998	7,225,406	6,409,112	389,590	6,798,702	94.09%	2,088,829	28.91%
1997	7,194,164	6,466,752	386,159	6,852,911	95.26%	1,662,125	23.10%
1996	7,631,720	6,718,817	457,388	7,176,205	94.03%	1,320,872	17.31%
1995	5,923,896	5,164,625	368,294	5,532,919	93.40%	865,357	14.61%
1994	5,929,749	5,069,297	386,072	5,455,369	92.00%	474,380	8.00%
1993	(1)	(1)	(1)	(1)	N/A	(1)	N/A
1992	(1)	(1)	(1)	(1)	N/A	(1)	N/A

Source: Clark County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

Includes state reimbursements of homestead and rollback exemptions. In addition, the tax information for collection years 1991 through 1994 does not include tangible personal property taxes as information could not practically be obtained by the County Auditor's Office.

(1) Information could not practically be obtained.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
LAST TEN YEARS

COLLECTION YEAR	Real Estate		Public Utility Real and Personal		Tangible Personal		Total		Assessed Value Ratio
	Assessed Value	Actual Value (1)	Assessed Value	Actual Value (1)	Assessed Value	Actual Value (1)	Assessed Value	Actual Value (1)	
2001	\$ 204,034,560	\$ 582,955,886	\$ 14,049,160	\$ 15,964,955	\$ 16,515,230	\$ 66,060,920	\$ 234,598,950	\$ 664,981,760	35.28%
2000	201,715,160	576,329,029	15,650,590	17,784,761	15,393,791	61,575,164	232,759,541	655,688,954	35.50%
1999	199,533,980	570,097,086	14,756,850	16,769,148	14,400,288	57,601,152	228,691,118	644,467,385	35.49%
1998	172,513,370	492,895,343	13,044,240	14,823,000	12,018,698	48,074,792	197,576,308	555,793,135	35.55%
1997	170,430,840	486,945,257	10,544,150	11,981,989	15,203,210	60,812,840	196,178,200	559,740,086	35.05%
1996	168,218,330	480,623,800	10,823,970	12,299,966	13,780,810	55,123,240	192,823,110	548,047,006	35.18%
1995	154,972,390	442,778,257	12,517,400	14,224,318	11,475,959	45,903,836	178,965,749	502,906,411	35.59%
1994	153,238,540	437,824,400	11,105,000	12,619,318	12,597,810	50,391,240	176,941,350	500,834,958	35.33%
1993	151,007,730	431,450,657	11,291,140	12,830,841	12,011,830	48,047,320	174,310,700	492,328,818	35.41%
1992	(2)	N/A	(2)	N/A	(2)	N/A	(2)	N/A	N/A

Source: Clark County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(1) This amount is calculated based on the following percentages:

Real Estate is assessed at 35 percent of actual value

Public Utility Real is assessed at 35 percent of actual value

Tangible Personal Property is assessed at 25 percent of actual value

Public Utility Personal is assessed at 88 percent of true value (with certain exceptions)

(2) Information could not practically be obtained.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (PER \$1,000 OF ASSESSED VALUATION)
 LAST TEN YEARS

COLLECTION YEAR	SCHOOL LEVY	COUNTY LEVY	JVS LEVY	CITY OF NEW CARLISLE			TOTAL LEVY (1)	CITY OF DONNELLSVILLE LEVY (2)	BETHEL TOWNSHIP LEVY (3)	PIKE TOWNSHIP LEVY (3)	LIBRARY DISTRICT LEVY (3)
				\$		\$					
2001	\$ 44.10	\$ 13.10	\$ 3.00	\$ 8.00	\$ 68.20	\$ 10.30	\$ 6.00	\$ 10.40	\$ 0.24		
2000	44.40	13.00	3.00	9.00	69.40	10.30	6.00	10.40	0.24		
1999	44.40	13.75	3.00	9.00	70.15	10.30	6.00	7.40	0.24		
1998	45.63	13.85	3.00	9.00	71.48	10.30	6.00	7.40	0.24		
1997	46.18	13.85	3.00	10.80	73.83	10.30	6.00	7.40	0.24		
1996	46.67	13.80	3.00	10.80	74.27	8.30	6.00	7.40	0.20		
1995	39.40	13.80	3.00	10.80	67.00	8.30	5.00	7.40	0.20		
1994	39.55	12.80	3.00	10.80	66.15	8.30	4.00	7.40	0.20		
1993	39.75	12.80	3.00	10.80	66.35	8.30	4.00	7.40	0.40		
1992	41.40	12.80	3.00	10.80	68.00	8.30	4.00	7.40	0.40		

Source: Clark County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

- (1) Amount represents the total for City of New Carlisle residents
- (2) City of Donnelsville resides entirely within the Tecumseh Local School District
- (3) Certain portions of Bethel and Pike Townships, as well as the County Library are within the Tecumseh Local School District and are subject to the School Levy.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2001

Assessed Value	\$ <u>234,598,950</u>
Bonded Debt Limit - 9% of Assessed Value (1)	<u>21,113,906</u>
Amount of Debt Applicable to Debt Limit:	
Tax Anticipation Note	-
Amount Available in Debt Service Fund	<u>-</u>
Net Bonded Debt	<u>-</u>
Overall Debt Margin	<u>21,113,906</u>
Energy Conservation Debt Limit - 9/10% of 1% of Assessed Value (1)	2,111,391
Amount of Debt Applicable	<u>(173,000)</u>
Energy Conservation Debt Margin	<u>1,938,391</u>
Unvoted Debt Limit - .10% of Assessed Value (1)	234,599
Amount of Debt Applicable	<u>-</u>
Unvoted Debt Margin	<u>234,599</u>

Source: County Auditor and School District's financial records

(1) Ohio Bond Law sets a limit of 9% for voted debt, 9/10 of 1% for energy conservation and 1/10 of 1% for unvoted debt.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
JUNE 30, 2001

<u>JURISDICTION</u>	<u>NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING (1)</u>	<u>PERCENTAGE APPLICABLE TO SCHOOL DISTRICT</u>	<u>AMOUNT APPLICABLE TO SCHOOL DISTRICT</u>
Tecumseh Local School District	\$ -	100.00%	\$ -
City of New Carlisle	-	100.00%	-
Clark County	5,277,895	12.09% (2)	<u>638,098</u>
			<u>\$ 638,098</u>

Source: Clark County Auditor; Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(1) - Includes all general obligation bonded debt less fund balance in debt service fund

(2) - Percentage of County's valuation within the School District compared to the total valuation of the County

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
STUDENT ENROLLMENT DATA
LAST TEN FISCAL YEARS/TEN YEAR PROJECTION

ACTUAL ENROLLMENT (1)

<u>FISCAL YEAR</u>	<u>SCHOOL ENROLLMENT</u>
2001	3,623
2000	3,772
1999	3,853
1998	3,783
1997	3,813
1996	3,875
1995	3,854
1994	3,752
1993	3,768
1992	3,755

TEN YEAR ENROLLMENT PROJECTION (2)

<u>FISCAL YEAR</u>	<u>SCHOOL ENROLLMENT</u>
2002	3,677
2003	3,733
2004	3,788
2005	3,845
2006	3,903
2007	3,962
2008	4,021
2009	4,081
2010	4,143
2011	4,205

(1) Source: District Records

(2) The ten year enrollment projection is required by Ohio law. The process of predicting enrollment is difficult at best, and should be considered only a judgement based on present information. The degree of potential error becomes greater each year into the future, particularly after the point at which predictions are made concerning children not yet born.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

<u>FISCAL YEAR</u>	<u>POPULATION (1)</u>	<u>SCHOOL ENROLLMENT (2)</u>	<u>UNEMPLOYMENT RATE (3)</u>
2001	19,352	3,623	4.5%
2000	19,381	3,772	4.3%
1999	19,422	3,853	4.2%
1998	19,503	3,783	4.6%
1997	19,622	3,813	5.6%
1996	19,651	3,875	4.7%
1995	19,669	3,854	4.6%
1994	19,689	3,752	6.1%
1993	19,781	3,768	7.5%
1992	19,744	3,755	6.6%

Source:

(1) District Estimate

(2) School District Records

(3) Ohio Bureau of Employment Services
 Estimated unemployment rate for Clark County

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
PROPERTY VALUE, CONSTRUCTION PERMITS AND BANK DEPOSITS
LAST TEN YEARS

YEAR	NUMBER OF BUILDING PERMITS ALL TYPE (1)	VALUATION OF CONSTRUCTION (1)	CERTIFIED COMMERCIAL BANK DEPOSITS (1)	ASSESSED PROPERTY VALUE (2)
2001	1,060	\$ 37,351,282	\$ 490,007,000	\$ 234,598,950
2000	1,167	46,322,022	462,453,000	232,759,541
1999	1,401	51,916,019	464,700,000	228,691,118
1998	1,310	40,102,393	437,272,000	197,576,308
1997	943	48,921,315	430,977,000	196,178,200
1996	859	41,487,154	436,256,000	192,823,110
1995	896	46,135,309	426,767,000	178,965,749
1994	881	43,473,920	419,682,000	176,941,350
1993	679	20,013,603	389,671,000	174,310,700
1992	715	33,406,209	369,879,000	(3)

(1) Source: Clark County, Ohio Annual Comprehensive Financial Report. Amounts reported are for Clark County as information specific to the District was not available. Information is presented on a calendar basis, the manner in which it is maintained by the County.

(2) Source: Clark County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(3) Information could not practically be obtained.

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
PRINCIPAL TAXPAYERS - REAL PROPERTY
DECEMBER 31, 2000

NAME OF TAXPAYER	ASSESSED VALUE (1)	PERCENT OF TOTAL ASSESSED VALUE
Bodner Properties 4 Limited Properties	\$ 728,990	0.36%
Laynecrest Associates Limited	606,620	0.30%
Harruff Family Limited Partnership	561,320	0.28%
Suburban Investment Company	529,800	0.26%
Smart Properties LTD	449,140	0.22%
Krohn Steel Service Center	449,140	0.22%
CYKA Investments Inc.	393,380	0.19%
Brubaker Square Limited Partnership	294,900	0.14%
Beach Manufacturing Company	291,900	0.14%
Hensley, Tommy & Cynthia	<u>284,770</u>	<u>0.00%</u>
Subtotal	4,589,960	2.25%
All Other Taxpayers	<u>199,444,600</u>	<u>97.75%</u>
Total Assessed Valuation	<u>\$ 204,034,560</u>	<u>100.00%</u>

Source: Clark County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(1) Assessed Values are for collection year 2001

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
PRINCIPAL TAXPAYERS - TANGIBLE PERSONAL PROPERTY
DECEMBER 31, 2000

<u>NAME OF TAXPAYER</u>	<u>ASSESSED VALUE (1)</u>	<u>PERCENT OF TOTAL ASSESSED VALUE</u>
Metals USA Carbon Flat Rolled Inc.	\$ 2,072,130	12.55%
Beach Manufacturing Company	1,087,010	6.58%
Hal Gilliam Ford Sales Inc.	993,050	6.01%
Rite Aid of Ohio Inc.	672,030	4.07%
New Carlisle Chrysler Plymouth Dodge Inc.	617,430	3.74%
New Carlisle Tractor Inc.	570,880	3.46%
Carmichael Machine Corporation	539,470	3.27%
American Aggregates Company	532,390	3.22%
Parts Fabricators Inc.	520,850	3.15%
Stapleton Buick - GMC Inc.	<u>492,750</u>	<u>2.98%</u>
Subtotal	8,097,990	49.03%
All Other Taxpayers	<u>8,417,240</u>	<u>50.97%</u>
Total Assessed Valuation	<u>\$ 16,515,230</u>	<u>100.00%</u>

Source: Clark County, Ohio; County Auditor - Presented on calendar year basis because that is the manner the information is maintained by the County Auditor.

(1) Assessed Values are for collection year 2001

TECUMSEH LOCAL SCHOOL DISTRICT, OHIO
COST PER PUPIL
LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>GENERAL FUND EXPENDITURES (1)</u>	<u>AVERAGE DAILY MEMBERSHIP (2)</u>	<u>PER PUPIL COST</u>
2001	\$ 21,875,737	3,623	\$ 6,038
2000	20,100,430	3,772	5,329
1999	19,867,202	3,853	5,156
1998	18,480,519	3,783	4,885
1997	17,310,624	3,813	4,540
1996	15,885,572	3,875	4,100
1995	14,998,489	3,854	3,892
1994	15,232,323	3,752	4,060
1993	14,397,345	3,768	3,821
1992	13,452,262	3,755	3,582

(1) Fiscal years 1993 through 2001 are reported on a GAAP basis; fiscal year 1992 is reported on a cash basis. Years reported on a GAAP basis do not include other financing sources.

(2) Source: School District Financial Records



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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TECUMSEH LOCAL SCHOOL DISTRICT

CLARK 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**