



Mary Taylor, CPA
Auditor of State

**WESTERN BROWN LOCAL SCHOOL DISTRICT
BROWN COUNTY**

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**WESTERN BROWN LOCAL SCHOOL DISTRICT
BROWN COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program	LL-P4-09	10.555	\$0	\$93,901	\$0	\$93,901
Cash Assistance:						
National School Breakfast Program	05-PU-09	10.553	262,191		262,191	
National School Lunch Program	LL-P4-09	10.555	493,552		493,552	
Total Nutrition Cluster			755,743	93,901	755,743	93,901
Total Department of Agriculture			755,743	93,901	755,743	93,901
<u>U.S. DEPARTMENT OF DEFENSE (ARMY)</u>						
National Guard Civilian Youth Opportunities	N/A	12.404	54,589	0	54,589	0
Total Department of Defense (Army)			54,589	0	54,589	0
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Grants to States (IDEA Part B)	6BSF-08 6BSF-09	84.027 84.027	50,963 498,367 549,330	0	50,058 488,865 538,923	0
Title I Grants to Local Educational Agencies	C1S1-08 C1S1-09	84.010 84.010	81,553 663,669 745,222	0	91,747 622,113 713,860	0
Safe and Drug-Free Schools and Communities - State Grants	DRS1-08 DRS1-09	84.186 84.186	0 8,582 8,582	0	3,649 8,646 12,295	0
Innovative Educational Program Strategies	C221-09	84.298	3,385		3,385	
Improving Teacher Quality	TRS1-08 TRS1-09	84.367 84.367	21,782 132,694 154,476	0	22,491 131,648 154,139	0
Education Technology State Grants	TJS1-08 TJS1-09	84.318 84.318	1,284 2,381 3,665	0	0 3,665 3,665	0
Total Department of Education			1,464,660	0	1,426,267	0
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>						
<i>Passed Through Ohio Department of Public Safety</i>						
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	FEMA-1805-DR-015-036A0 FEMA-3286-EM-015-036A0	97.036 97.036	4,540 3,251		4,540 3,251	
Total Department of Homeland Security			7,791	0	7,791	0
Totals			<u>\$2,282,783</u>	<u>\$93,901</u>	<u>\$2,244,390</u>	<u>\$93,901</u>

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

**WESTERN BROWN LOCAL SCHOOL DISTRICT
BROWN COUNTY**

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

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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

NOTE D - MATCHING REQUIREMENTS

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

NOTE E – TRANSFERS

The School District generally must spend Federal assistance within 15 months of receipt (funds must be obligated by June 30th and spent by September 30th). However, with ODE's approval, a District can transfer unspent Federal assistance to the succeeding year, thus allowing the School District a total of 27 months to spend the assistance. Schools can document this by using special cost centers for each year's activity, and transferring the amounts ODE approves between the cost centers. During fiscal year 2009 the Ohio Department of Education (ODE) authorized the following transfers:

<u>CFDA</u> <u>Number</u>	<u>Program Title</u>	<u>Pass-Through</u> <u>Entity Number</u> <u>(or Grant Year)</u>	<u>Transfers</u> <u>Out</u>	<u>Transfers</u> <u>In</u>
84.010	Title I Grants to Local Educational Agencies	C1S1-2008	\$ 369	
84.010	Title I Grants to Local Educational Agencies	C1S1-2009		\$ 369
84.027	Special Education - Grants to States	6BSF-2008	906	
84.027	Special Education - Grants to States	6BSF-2009		906
84.186	Safe and Drug-Free Schools and Communities	DRS1-2008	64	
84.186	Safe and Drug-Free Schools and Communities	DRS1-2009		64
84.318	Education Technology State Grants	TJS1-2008	<u>1,284</u>	
84.318	Education Technology State Grants	TJS1-2009		<u>1,284</u>
Totals			<u>\$ 2,623</u>	<u>\$ 2,623</u>



Mary Taylor, CPA

Auditor of State

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

Western Brown Local School District
Brown County
524 West Main Street
Mt. Orab, Ohio 45154

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Western Brown Local School District, Brown County, Ohio (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 21, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

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

We noted a certain matter that we reported to the District's management in a separate letter dated December 21, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note a certain instance of noncompliance or other matter that we reported to the District's management in a separate letter dated December 21, 2009.

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



Mary Taylor, CPA
Auditor of State

December 21, 2009



Mary Taylor, CPA

Auditor of State

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

Western Brown Local School District
Brown County
524 West Main Street
Mt. Orab, Ohio 45154

To the Board of Education:

Compliance

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

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

In our opinion, the Western Brown Local School District, Brown County, Ohio, complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

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

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

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

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

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Western Brown Local School District, Brown County, Ohio as of and for the year ended June 30, 2009, and have issued our report thereon dated December 21, 2009. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Mary Taylor, CPA
Auditor of State

December 21, 2009

**WESTERN BROWN LOCAL SCHOOL DISTRICT
BROWN COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster CFDA #84.027 and Improving Teacher Quality CFDA #84.367
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS REPORT ON APPLYING AGREED-UPON PROCEDURES

Western Brown Local School District
Brown County
524 West Main Street
Mt. Orab, Ohio 45154

To the Board of Education:

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

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

1. We noted the Board adopted an anti-harassment policy at its meeting on December 20, 2007.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that shall include the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;

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

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

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



Mary Taylor, CPA
Auditor of State

December 21, 2009

WESTERN BROWN
LOCAL SCHOOL DISTRICT
MT. ORAB, OHIO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

*FOR THE FISCAL YEAR
ENDED JUNE 30, 2009*

WESTERN BROWN LOCAL SCHOOL DISTRICT

MT. ORAB, OHIO

*COMPREHENSIVE ANNUAL
FINANCIAL REPORT*

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Issued by:
Treasurer's Office

Denny Dunlap, Treasurer

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INTRODUCTORY SECTION

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Western Brown Local School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

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Western Brown Local School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009

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WESTERN BROWN LOCAL SCHOOL DISTRICT

BOARD OF EDUCATION

Dennis R. Wright, President
Richard E. Pride II, Vice-President
JoAnn C. Hildebrandt
William H. Neal
Bruce S. Wallace



524 West Main Street
Mt. Orab, Ohio 45154
(937) 444-2044 Fax (937) 444-4303

ADMINISTRATION

Jeffrey Royalty, Superintendent
Denny Dunlap, CPA, Treasurer
Eva M. Lanter, Executive Secretary
Jina Bohl, Director of Curriculum and Instruction
Lola Royalty, PreSchool Special Education Director
Jennifer Bohrer, Special Education Director
Dan Colonel, Maintenance Supervisor
Joe Howser, Transportation Supervisor
Stella Schneider, Food Service Director

December 21, 2009

To the Citizens and
Board of Education of the
Western Brown Local School District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Western Brown Local School District (the "School District") for the fiscal year ended June 30, 2009. This Comprehensive Annual Financial Report, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to government entities. The intent of this report is to provide the taxpayers of the Western Brown Local School District with comprehensive financial data in a format that enables them to gain a true understanding of the School District's financial affairs as well as provide management with better financial information for future decision making.

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires the school districts reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of fiscal year-end.

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

The Auditor of State of Ohio has issued an unqualified ("clean") opinion on the Western Brown Local School District's financial statements for the fiscal year ended June 30, 2009. The Independent Accountants' Report is located at the front of the Financial Section of this report.

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

PROFILE OF THE SCHOOL DISTRICT

The Western Brown Local School District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities and special education programs.

The Western Brown Local School District was established July 12, 1971 with the merger of Hamersville Local School into Mt. Orab Local School. With the merger, Hamersville had a building for K-8 and Mt. Orab had two buildings, one for K-8 and a 9-12 high school building that combined both community's students.

In 1997, the Western Brown Local School District received notice from the Ohio School Facilities Commission that it would be eligible for new school buildings. A study was done and recommended that the Western Brown Local School District build a new 9-12 high school, a new K-8 building in Hamersville, additions and renovations to the old high school to make it a 5-8 middle school for Mt. Orab, and additions and renovations to the Mt. Orab Elementary building to make it a K-4 for Mt. Orab.

The estimated cost for the building project was \$53,467,552. On November 4, 1997, the residents of Western Brown Local School District passed a levy for the School District's share of the project which was \$5,688,997. The remaining balance of \$47,778,555 was paid by the State of Ohio.

The Board of Education of the Western Brown Local School District is a five member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body and policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the School District's tax dollars, and approves the annual appropriation resolution.

The current Board members, their terms and years on the Board as of June 30, 2009, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Bruce Wallace	Jan. 2006 - Dec. 2009	24 - 1/3
William Neal	Jan. 2008 - Dec. 2011	17 - 1/2
JoAnn Hildebrandt	Jan. 2008 - Dec. 2011	5 - 1/2
Richard E. Pride II	Jan. 2008 - Dec. 2011	1 - 1/2
Dennis Wright	Jan. 2006 - Dec. 2009	3 - 1/2

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations, except financial operations, of the School District. Jeff Royalty was appointed Superintendent on January 11, 2004. Mr. Royalty's contract expired on July 31, 2008 and was renewed through July 31, 2011.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board for all financial operations, investments, and the custody of all School District funds and assets. The Treasurer also serves as Secretary to the Board. Denny Dunlap was initially appointed Treasurer on March 12, 1991. His current four year contract expired in January 2009 and was renewed through July 31, 2013.

The School District served 3,422 students during the 2009 fiscal year. School District facilities include one senior high school (9-12), and three buildings that serve K-8; one at Mt. Orab serving grades Pre K-4, one at Mt. Orab serving grades K-8 and one at Hamersville serving grades K-8. The Western Brown High School and Hamersville Middle and Elementary School were constructed in 2002. The Mt. Orab Middle School was constructed in 1957, with additions in 1971, 1984, 1992 and 1998. The Mt. Orab Elementary school was constructed in 1971 with additions in 1988 and 1998.

The School District employs 323 full-time, part-time and seasonal employees. These employees include certified, non-certified and administrative personnel.

The reporting entity consists of all funds, departments, boards and agencies that are not legally separate from the School District. This includes general operations, food service and student related activities of the School District.

The School District participates in three jointly governed organizations, one public entity shared risk and insurance purchasing pool and one insurance purchasing pool. These organizations are presented in Notes 17, 18 and 19 to the basic financial statements.

ECONOMIC CONDITION AND OUTLOOK

The Western Brown Local School District is located in the Northwest corner of Brown County, approximately 35 miles east of Cincinnati and includes two population centers: Mt. Orab and Hamersville. Both municipalities are located within an hour of Cincinnati's attractions. Since they are closely located to a metropolitan area, many of the residents are employed outside the School District.

With Mt. Orab and Hamersville being rural communities in Southern Ohio, the county's unemployment rate of 13.70 percent continues to be higher than the State of Ohio rate of 11.10 percent. This is largely due to the area being a farming community. Mt. Orab is seeing more growth than Hamersville. A major highway goes through Mt. Orab, which helps the community. Housing developments have slowed down, due to the economy. Clermont Mercy Hospital in Mt. Orab opened in the summer of 2009. This should provide additional growth to the School District in the future. The Kroger grocery chain is building a new and bigger store to replace the current store. This store will carry other items besides food. This should help residents purchase more items locally, instead of going to the malls in Clermont County. This area continues to draw new small businesses which should provide additional jobs to the community.

During fiscal year 2009, the School District's enrollment increased by 66 students. The School District has had increases in enrollment the last two years and is glad to have the additional students. While our enrollment has increased, our buildings are not near capacity and still have room for additional growth in them. While the Mt. Orab side of the School District continues to increase, Hamersville is finally staying even. Students enrolled through open enrollment continue to provide an additional revenue source for the School District.

FINANCIAL TRENDS

The School District is starting to see student enrollment increases. The additional revenue from student enrollment is providing additional resources to our students. We expect student enrollment to continue to increase into the future. Even with the increase in funds from student enrollment, the General Fund expenditures exceeded our revenue. The School District purchased new literacy textbooks and special education costs continued to increase. While the textbooks are not annual expenses, special education will continue to increase. The School District will continue to monitor its expenditures during this difficult economic time in order to keep the School District fiscally stable.

FINANCIAL PLANNING AND POLICIES

During fiscal year 2009, the School District continued to review all expenditures in order to save money and bring our expenditures in line with our revenue.

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation resolution for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District adopts the permanent appropriation measure in September. The amended certificate of estimated resources and the final appropriation resolution serve as the foundation of the Western Brown Local School District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

In January 2008, the Governor of Ohio approved budget cuts totaling \$733 million for fiscal years 2008 and 2009. In September 2009, the Governor had to make another \$540 million of budget cuts in order for the State to balance its budget. Of the total, the Department of Education had cuts of \$51,578,163 for fiscal year 2008 and \$75,494,410 for fiscal year 2009. With the State and National economy in a recession, the School District cannot rely on additional revenues to fund its operation in the future. The School District will need to question every dollar it spends in the future. We will need to be creative and get the most out of each dollar, and the School District will need to learn, as businesses have, to do more with less.

MAJOR INITIATIVES

The School District is in the process of a major upgrade to our high school football field by installing artificial turf. This project was financed by the School District through the Ohio Association of School Board Officials School Pool Financing program. The School District is very fortunate to have exclusive contracts with Larosa's Restaurant and Coca-Cola that will provide the revenue for five years that will cover the cost of the payments on this project. We are hopeful that these will be able to be renewed in order to cover the cost of the project in its entirety.

The School District continues to see improvements in its academic performance as the School District was rated "Effective" again this year with Mt. Orab Elementary School achieving the rating of Excellent and Western Brown High School missing excellent by less than a point.

The School District continues to strive for improvement through the development of its District Improvement Plan which is summarized below.

- Implement a new reading/language arts curriculum K-5
- Implement a district wide short cycle assessment system
- Implement high quality instructional practices for all students
- Establish a highly effective accountability model that impacts all staff and their work processes
- Implement a team based approach for work processes
- Establish and maintain a highly successful employment process

AWARDS AND ACKNOWLEDGEMENTS

GFOA CERTIFICATE OF ACHIEVEMENT

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

In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one fiscal year only. The Western Brown Local School District believes our current report conforms to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ASBO CERTIFICATE OF EXCELLENCE

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2008 to the Western Brown Local School District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008, 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 extensive review of the report by an expert panel of certified public accountants and practicing school business officials.

The Western Brown Local School District believes our current report conforms to the ASBO's principles and standards and we are submitting it to ABSO to determine its eligibility for an award.

ACKNOWLEDGMENTS

A note of sincere appreciation is extended to the many conscientious people who have contributed their time and effort to the preparation of this report. A special thank you is also extended to the Auditor of State's Local Government Services Section for all of their efforts and contributions in the preparation of this Comprehensive Annual Financial Report.

The support and commitment to excellence by the Western Brown Board of Education was vital to the successful preparation and issuance of this report.

Respectfully submitted,



Jeff Royalty
Superintendent



Denny Dunlap, CPA
Treasurer

*Western Brown Local School District
Principal Officials
June 30, 2009*

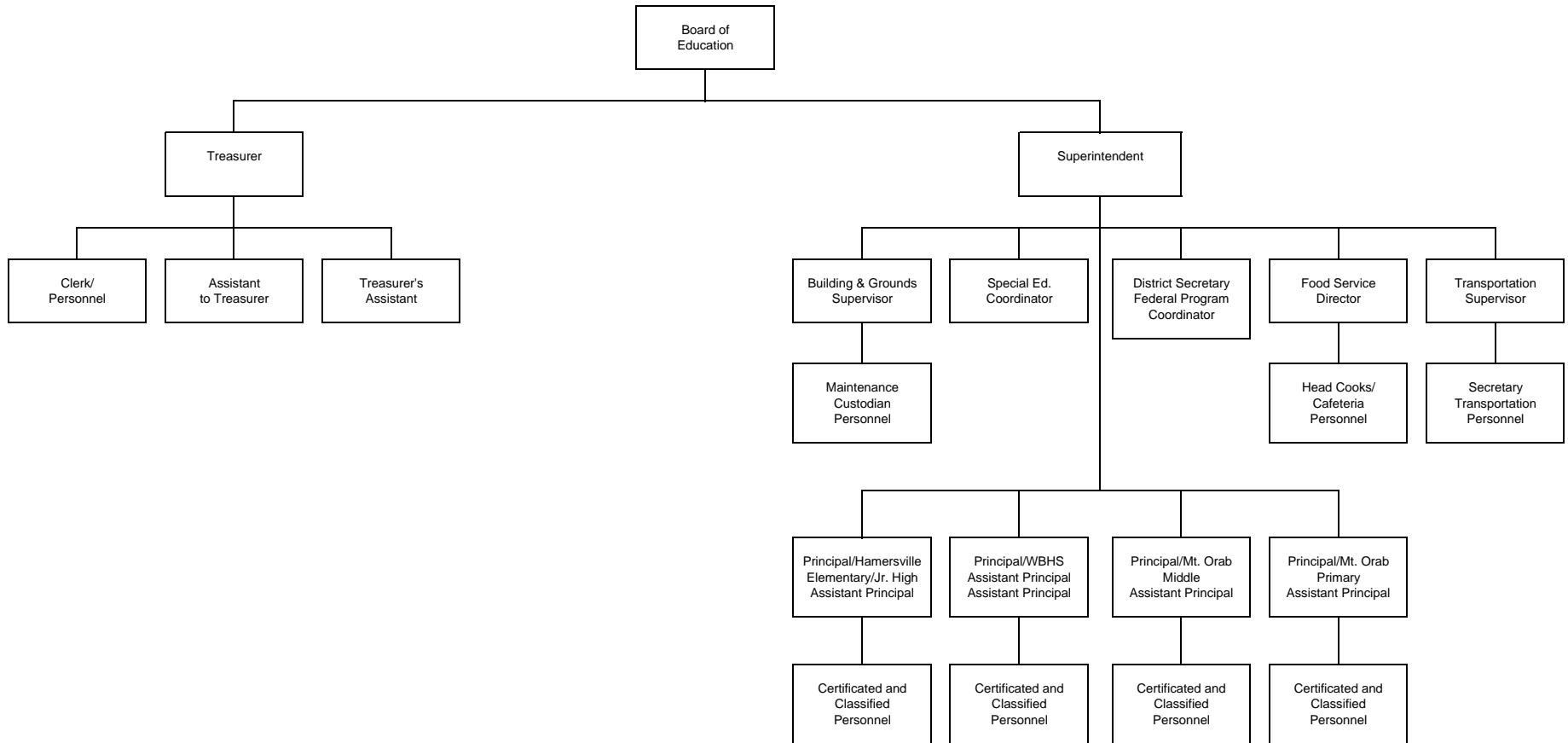
ELECTED OFFICIALS

President, Board of Education.....JoAnn Hildebrandt
Vice President, Board of Education.....William Neal
Board Member.....Bruce Wallace
Board Member..... Richard E. Pride II
Board Member.....Dennis Wright

ADMINISTRATIVE OFFICIALS

Superintendent Jeff Royalty
Treasurer Denny Dunlap
Special Education Coordinator Kendra Byrd
Buildings and Grounds Supervisor Dan Colonel
Transportation Supervisor..... Joe Howser

**Western Brown Local School District
Organizational Chart
June 30, 2009**



***Western Brown Local School District
Consultants and Advisors
June 30, 2009***

Architects

SHP Leading Design
82 Williams Avenue
Hamilton, OH 45011

Bond Counsel

Peck, Shaffer & Williams LLP
Suite 900
201 East Fifth Street
Cincinnati, OH 45202

Independent Auditor

Mary Taylor, CPA, Auditor of State
Audit Division
88 East Broad Street
Columbus, OH 43215

CAFR Preparation Consultants

Mary Taylor, CPA, Auditor of State
Local Government Services Section
88 East Broad Street
Columbus, OH 43215

**Workers' Compensation/
Unemployment**

Gates McDonald Health Plus
P.O. Box 182720
Columbus, OH 43218

Investment Advisor

RBC Capital Markets
414 Walnut Street
Cincinnati, OH 45202-3910

Legal Counsel

Ennis, Roberts & Fischer
121 West Ninth Street
Cincinnati, OH 45202

Roetzel & Andress
222 South Main Street
Akron, OH 44308-2098

Official Depositories

National Bank & Trust
452 West Main Street
Mt. Orab, OH 45154

State Treasury Asset Reserve of Ohio
1228 Euclid Avenue
Cleveland, OH 44115

PNC Bank
155 East Broad Street
Columbus, OH 43251-0061

NCB, FSB
139 South High Street
Hillsboro, OH 45133

Western Brown Local Schools

Strategic Plan

Adopted by the Western Brown Board of Education
June 30, 2009

Beliefs

- Every person has worth and value.
- Education is a shared responsibility of faculty, staff, community, administration, students and family.
- A safe, trusting, creative and disciplined environment is vital for teaching and learning.
- A strong democracy depends on well educated citizens.
- Learning is a life long process.

Mission Statement

In partnership with family and community, the Western Brown Local School District will graduate outstanding citizens capable of confidently adapting and competing in the ever-changing global society, by guaranteeing that a quality staff delivers a rigorous and relevant education in a safe, creative, and disciplined atmosphere.

Strategic Parameters

- We will always make decisions that are in the best interest of our students.
- Site-based decisions will always be consistent with the strategic plan.
- Priority will always be given to the K-12 instructional program as defined by approved course of study.

- No new program will be accepted unless:
 - it is consistent with the strategic plan;
 - benefits clearly exceed costs; and
 - provisions are made for staff development and program evaluation.
- No program or service will be retained unless benefits justify costs and it contributes to the mission.
- We will not condone any behavior which diminishes the dignity or self worth of any student, staff or community member.

Goals

- All students will graduate from high school.
- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in reading/language arts.
- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in mathematics.
- Students with disabilities will have Individualized Educational Program goals and measures aligned with the academic content standards.
- All students will be educated in learning environments that are safe, drug free, and conducive in learning.
- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in science.
- By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in citizenship.
- The Western Brown Local School District will provide meaningful opportunities for family and community involvement in the educational process.

FINANCIAL SECTION

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Western Brown Local School District
Brown County
524 West Main Street
Mt. Orab, Ohio 45154

To the Board of Education:

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

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

Mary Taylor, CPA
Auditor of State

December 21, 2009

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

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

Financial Highlights

- In total, net assets decreased \$2,150,131. Net assets of governmental activities decreased \$2,044,128 and net assets of the business-type activity decreased \$106,003. Governmental expenses increased \$1,779,361, due primarily to increases in instruction, support services administration and support services operation and maintenance of plant, while governmental activities revenues increased \$1,036,374 due primarily to increases in unrestricted grants and entitlements. In addition, capital assets of governmental activities decreased \$1,797,377 and long-term liabilities of governmental activities decreased \$76,247.
- Governmental activities general revenues accounted for \$24,512,847 or 84 percent of total revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions accounted for \$4,498,460, or 16 percent of total governmental revenues of \$29,011,307.
- Total assets of governmental activities decreased \$2,337,213.
- The School District had \$31,055,435 in expenses related to governmental activities; only \$4,498,460 of these expenses were offset by program specific charges for services, operating grants and contributions. General revenues (primarily grants, entitlements and property taxes) of \$24,512,847 were used to provide for these programs along with unrestricted net assets from prior years.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Western Brown Local School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

The Statement of Net Assets and the Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's major funds with all other nonmajor funds presented in total in one column. The major funds for the Western Brown Local School District are the General Fund and the Debt Service Fund.

Reporting the School District as a Whole

One of the most important questions asked about the School District is "How did we do financially during fiscal year 2009?" The Statement of Net Assets and the Statement of Activities, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all *assets* and *liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. However, the School District's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the School District's property tax base, current property tax laws in Ohio restricting revenue growth, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental Activities - Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- Business-Type Activities - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District's food service program is reported as a business-type activity.

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 9. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's major funds.

Governmental Funds - Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements.

Proprietary Fund - The proprietary fund uses the same basis of accounting as business-type activities; therefore, the statements for the proprietary fund will essentially match.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

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

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

(Table 1)
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Assets						
Current and other Assets	\$13,084,491	\$13,624,327	\$320,569	\$298,984	\$13,405,060	\$13,923,311
Capital Assets	49,536,163	51,333,540	1,554,351	1,674,004	51,090,514	53,007,544
Total Assets	62,620,654	64,957,867	1,874,920	1,972,988	64,495,574	66,930,855
Liabilities						
Other Liabilities	(6,740,392)	(6,957,230)	(151,921)	(144,506)	(6,892,313)	(7,101,736)
Long-Term Liabilities	(7,119,117)	(7,195,364)	(23,864)	(23,344)	(7,142,981)	(7,218,708)
Total Liabilities	(13,859,509)	(14,152,594)	(175,785)	(167,850)	(14,035,294)	(14,320,444)
Net Assets						
Invested in Capital Assets, Net of Related Debt	44,066,679	45,577,012	1,554,351	1,674,004	45,621,030	47,251,016
Restricted	4,993,982	4,797,894	0	0	4,993,982	4,797,894
Unrestricted (Deficit)	(299,516)	430,367	144,784	131,134	(154,732)	561,501
Total Net Assets	\$48,761,145	\$50,805,273	\$1,699,135	\$1,805,138	\$50,460,280	\$52,610,411

Restricted net assets increased \$196,088 during fiscal year 2009. This was due primarily to increases in the set-aside for textbooks and bus purchases and amounts restricted for classroom facilities. Governmental activities unrestricted net assets decreased \$729,883 during fiscal year 2009. This was due primarily to increases in grants and entitlements.

Table 2 shows the changes in net assets for fiscal years 2009 and 2008.

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

(Table 2)
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,442,221	\$1,434,916	\$635,435	\$642,333	\$2,077,656	\$2,077,249
Operating Grants and Contributions	3,056,239	3,228,610	868,996	781,692	3,925,235	4,010,302
Total Program Revenues	4,498,460	4,663,526	1,504,431	1,424,025	6,002,891	6,087,551
General Revenues:						
Property Taxes	4,913,099	4,731,138	0	0	4,913,099	4,731,138
Grants and Entitlements not Restricted to Specific Programs	19,244,661	18,173,233	0	0	19,244,661	18,173,233
Interest	142,432	234,172	2,737	8,116	145,169	242,288
Contributions and Donations	0	10,198	0	0	0	10,198
Miscellaneous	212,655	162,666	29,460	22,065	242,115	184,731
Total General Revenues	24,512,847	23,311,407	32,197	30,181	24,545,044	23,341,588
Total Revenues	29,011,307	27,974,933	1,536,628	1,454,206	30,547,935	29,429,139
Program Expenses						
Instruction:						
Regular	15,372,518	14,208,369	0	0	15,372,518	14,208,369
Special	3,698,014	3,382,298	0	0	3,698,014	3,382,298
Vocational	328,952	297,494	0	0	328,952	297,494
Student Intervention Services	146,996	203,039	0	0	146,996	203,039
Support Services:						
Pupils	928,674	986,900	0	0	928,674	986,900
Instructional Staff	1,076,896	998,888	0	0	1,076,896	998,888
Board of Education	20,524	17,970	0	0	20,524	17,970
Administration	2,254,135	2,104,497	0	0	2,254,135	2,104,497
Fiscal	585,596	584,051	0	0	585,596	584,051
Operation and Maintenance of Plant	3,158,807	2,959,634	0	0	3,158,807	2,959,634
Pupil Transportation	2,188,838	2,246,022	0	0	2,188,838	2,246,022
Central	266,667	274,331	0	0	266,667	274,331
Operation of Non-Instructional Services	16,395	3,565	0	0	16,395	3,565
Extracurricular Activities	737,047	714,507	0	0	737,047	714,507
Interest and Fiscal Charges	275,376	294,509	0	0	275,376	294,509
Food Service	0	0	1,642,631	1,566,497	1,642,631	1,566,497
Total Expenses	31,055,435	29,276,074	1,642,631	1,566,497	32,698,066	30,842,571
Decrease in Net Assets Before Extraordinary Item	(2,044,128)	(1,301,141)	(106,003)	(112,291)	(2,150,131)	(1,413,432)
Extraordinary Item - Insurance Settlement	0	500,000	0	0	0	500,000
Decrease in Net Assets	(2,044,128)	(801,141)	(106,003)	(112,291)	(2,150,131)	(913,432)
Net Assets at Beginning of Year	50,805,273	51,606,414	1,805,138	1,917,429	52,610,411	53,523,843
Net Assets at End of Year	\$48,761,145	\$50,805,273	\$1,699,135	\$1,805,138	\$50,460,280	\$52,610,411

Governmental Activities

Operating grants and contributions decreased \$172,371 in the governmental activities. This is due primarily to a decrease in Title VI-B grant receipts.

Grants and entitlements not restricted to specific programs increased \$1,071,428 in the governmental activities. This is due to increased enrollment and a three percent increase in per pupil funds.

Operating grants and contributions increased \$87,304 in the business-type activities. This is due to adding breakfast to the High School and Middle School.

Interest decreased \$91,740 due to a decrease in interest rates.

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

Regular instruction increased \$1,164,149 in the governmental activities. This is due to increases in salaries and fringe benefits plus additional professional development for the staff.

Special instruction increased \$315,716 in the governmental activities. In 2009, the School District received additional services and incurred cost increases to serve additional special needs students.

Administration increased \$149,638 in governmental activities. This is due to paying severance expenses and hiring an assistant for this fiscal year.

Operation and maintenance of plant increased \$199,173 in governmental activities. This is due to additional utilities costs and an increase in maintenance of buildings.

The School District remains heavily reliant on State funding. Grants and Entitlements made up 66 percent of revenues for governmental activities of the Western Brown Local School District for fiscal year 2009.

Instruction comprises 63 percent of governmental activities program expenses. Support services expenses make up 34 percent of governmental activities expenses.

The Statement of Activities shows the cost of program services and the charges for services and sales and grants and contributions offsetting those services. In Table 3, the total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Net costs are costs that must be covered by unrestricted State aid (State Foundation) or local taxes. The difference in these two columns would represent restricted grants, fees and donations.

(Table 3)

Governmental Activities

	Total Cost of Services 2009	Total Cost of Services 2008	Net Cost of Services 2009	Net Cost of Services 2008
Instruction	\$19,546,480	\$18,091,200	(\$15,790,029)	(\$14,305,504)
Support Services	10,480,137	10,172,293	(9,885,940)	(9,445,980)
Operation of Non-Instructional Services	16,395	3,565	(15,266)	851
Extracurricular Activities	737,047	714,507	(590,364)	(567,406)
Interest and Fiscal Charges	275,376	294,509	(275,376)	(294,509)
Total Expenses	\$31,055,435	\$29,276,074	(\$26,556,975)	(\$24,612,548)

***Western Brown Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited***

Business-Type Activities

The only business-type activity is the food service operation. This program had revenues of \$1,536,628 and expenses of \$1,642,631 for fiscal year 2009. Of the revenues, \$635,435 was charges for services and sales and \$868,996 was from State and Federal grants. Business activities receive no support from tax revenues. The School District will continue to monitor the charges and costs of this activity. If it becomes necessary, the School District will increase the charges for this activity.

The School District's Funds

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$28,976,051 and expenditures of \$29,334,316. The net change in fund balance for the fiscal year was most significant in the General Fund, a decrease of \$352,061. This was due primarily to increases in instruction expenditures, support services administration and operation and maintenance of plant offset by increases in intergovernmental revenue. The unreserved General Fund deficit of \$1,547,768 was due primarily to accruals for accrued wages which will be paid from future resources.

The Bond Retirement Fund saw an increase of \$38,687 during the fiscal year. This was due primarily to revenues exceeding expenditures.

General Fund - Budget Highlights

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

During the course of fiscal year 2009 the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures. A summary of the General Fund's original and final budgeted amounts is listed on page 20, as well as the actual amounts. A variance comparison is presented between the final budgeted amount and the actual amounts.

For the General Fund, the original budget basis revenue was \$25,822,732 with a final budget estimate of \$25,929,051. The difference of \$106,319 was primarily due to increases in intergovernmental revenues and tuition and fees that resulted from an unexpected increase in enrollment, which generated additional State funding. This was offset by a decrease in the amount of taxes expected to be received. The School District's actual revenues were \$25,944,616 at fiscal year-end, which represented a less than one percent increase over final budgeted revenues.

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

Original budget basis appropriations were \$25,854,289 with final budget estimates of \$26,701,524. The difference of \$847,235 was primarily due to increases in regular instruction and capital outlay estimates. The School District's actual expenditures and encumbrances were \$26,546,870 at fiscal year-end, which represented a less than one percent decrease under final budgeted appropriations.

The School District's ending unobligated cash balance was \$167,795 above the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2009, the School District had \$51,090,514 invested in land, construction in progress, buildings and improvements, furniture and equipment, and vehicles. Table 4 shows fiscal year 2009 balances compared to fiscal year 2008:

(Table 4)
Capital Assets at June 30
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$2,515,954	\$2,515,954	\$0	\$0	\$2,515,954	\$2,515,954
Construction in Progress	103,426	0	0	0	103,426	0
Buildings and Improvements	44,978,348	46,524,863	1,005,381	1,042,772	45,983,729	47,567,635
Furniture and Equipment	1,562,782	1,802,108	548,970	631,232	2,111,752	2,433,340
Vehicles	375,653	490,615	0	0	375,653	490,615
Totals	\$49,536,163	\$51,333,540	\$1,554,351	\$1,674,004	\$51,090,514	\$53,007,544

Net capital assets decreased from the prior fiscal year. The amount of depreciation was greater than the additions to capital assets, resulting in a net decrease for the fiscal year. The School District purchased new classroom and administration equipment and a vehicle. Also, some work was done on the football field.

For more information on capital assets, refer to note 9 to the basic financial statements.

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

Debt

At June 30, 2009, the School District had \$5,065,000 in bonds outstanding, \$270,000 of which is due within one year. Table 5 summarizes bonds outstanding at fiscal year-end 2009 and 2008:

(Table 5)

Outstanding Debt, at Fiscal Year-End

	2009	2008
General Obligation Bonds:		
1998 School Improvement Bonds	\$5,065,000	\$5,320,000

On June 15, 1998, the School District issued \$7,164,600 in voted general obligation bonds for the purpose of acquiring land, constructing new classroom facilities, and making renovations to existing buildings. The final payment is due in fiscal year 2021.

At June 30, 2009 the School District's overall legal debt margin was \$18,126,163 with an unvoted debt margin of \$237,115. The School District had a AA- bond rating by Standard and Poor's Rating Service on the 1998 School Improvement Bonds.

For more information about debt, refer to note 16 to the basic financial statements

District Challenges for the Future

Due to Ohio's economy and the budget cuts the Governor has put in place, we found ourselves making decisions based on financial decisions and not educational decisions. Our School District is primarily dependent on State funding for its operations and due to State provided gap-aid, running a levy to increase revenue is not a viable option. An increase in tax revenue would cause an equivalent decrease in State provided gap-aid. Indications are that the 2009-2010 and 2010-2011 Biennium Budget will provide little relief for the School District as most sources indicate flat funding as the best case scenario for our School District and schools in Ohio.

One bright point is that the School District's overall enrollment is up. We continue to see increasing numbers of open enrollment students coming into the School District, which serve as an offset to those leaving the School District. We have also learned the critical importance of accurate Education Management Information System (EMIS) reporting in regard to enrollment and will continue our vigilance in that area to be certain that every child and their percent of time is counted properly for maximum State funding.

***Western Brown Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited***

The School District continues to monitor and deal with home schooling and community schools, which constitute a significant drain on revenues for us. The deployment of the Virtual Learning Academy in conjunction with the Brown County Educational Service Center is an attempt on our part to offer alternatives to these other educational options. Our EMIS department is also closely monitoring the Community School Average Daily Membership website on a weekly basis in order to challenge Community School enrollments that in fact are not accurate. In regard to home schooling, we are seeing a modest decline in parents seeking this option.

It is highly unfortunate that we continue to work during a time of unprecedented accountability for student performance results in education and at the same time are more unsure than ever about the future of the State funding of education. This is especially distasteful, as our School District has once again been recognized by the Ohio Department of Education for being rated as "Effective" as on the Ohio Local Report Card. If we find ourselves in the position of making cuts to staff and programs, can we expect to continue that progress and move on into the Excellent category? We have many needs for continual improvement for the educational program in the Western Brown Local School District and our staff is giving an outstanding effort to move the School District to the Excellent category.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information contact Denny Dunlap, Treasurer at Western Brown Local School District, 524 West Main Street, Mt. Orab, OH 45154, or e-mail at denny_wb@scoca-k12.org.

Basic Financial Statements

Western Brown Local School District
Statement of Net Assets
June 30, 2009

	Governmental Activities	Business-Type Activity	Total
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$6,550,727	\$302,974	\$6,853,701
Prepaid Items	10,185	0	10,185
Inventory Held for Resale	0	10,527	10,527
Materials and Supplies Inventory	0	2,564	2,564
Intergovernmental Receivable	234,330	1,051	235,381
Taxes Receivable	5,025,432	0	5,025,432
Revenue in Lieu of Taxes Receivable	1,245,436	0	1,245,436
Accounts Receivable	2,865	3,453	6,318
Cash and Cash Equivalents with Fiscal Agents	5,000	0	5,000
Deferred Charges	10,516	0	10,516
Capital Assets:			
Land	2,515,954	0	2,515,954
Construction in Progress	103,426	0	103,426
Depreciable Capital Assets, Net	46,916,783	1,554,351	48,471,134
Total Assets	62,620,654	1,874,920	64,495,574
<u>Liabilities:</u>			
Accounts Payable	36,619	0	36,619
Contracts Payable	61,883	0	61,883
Accrued Wages and Benefits Payable	2,317,948	94,937	2,412,885
Matured Compensated Absences Payable	57,926	0	57,926
Intergovernmental Payable	620,370	56,984	677,354
Deferred Revenue	3,619,142	0	3,619,142
Matured Bonds Payable	5,000	0	5,000
Accrued Interest Payable	21,504	0	21,504
Long-Term Liabilities:			
Due Within One Year	506,806	0	506,806
Due in More Than One Year	6,612,311	23,864	6,636,175
Total Liabilities	13,859,509	175,785	14,035,294
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	44,066,679	1,554,351	45,621,030
Restricted for:			
Debt Service	1,853,926	0	1,853,926
Capital Projects	1,241,278	0	1,241,278
Classroom Facilities	902,512	0	902,512
Other Purposes	166,439	0	166,439
Set-Asides	829,827	0	829,827
Unrestricted (Deficit)	(299,516)	144,784	(154,732)
Total Net Assets	\$48,761,145	\$1,699,135	\$50,460,280

See accompanying notes to the basic financial statements

Western Brown Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2009

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	Business-Type Activity	Total
<u>Governmental Activities:</u>						
Instruction:						
Regular	\$15,372,518	\$1,069,057	\$253,477	(\$14,049,984)	\$0	(\$14,049,984)
Special	3,698,014	192,087	2,082,266	(1,423,661)	0	(1,423,661)
Vocational	328,952	21,464	132,795	(174,693)	0	(174,693)
Student Intervention Services	146,996	5,305	0	(141,691)	0	(141,691)
Support Services:						
Pupils	928,674	0	157,957	(770,717)	0	(770,717)
Instructional Staff	1,076,896	0	135,256	(941,640)	0	(941,640)
Board of Education	20,524	0	0	(20,524)	0	(20,524)
Administration	2,254,135	0	184,420	(2,069,715)	0	(2,069,715)
Fiscal	585,596	0	0	(585,596)	0	(585,596)
Operation and						
Maintenance of Plant	3,158,807	12,995	10,652	(3,135,160)	0	(3,135,160)
Pupil Transportation	2,188,838	0	80,917	(2,107,921)	0	(2,107,921)
Central	266,667	0	12,000	(254,667)	0	(254,667)
Operation of Non-Instructional						
Services	16,395	0	1,129	(15,266)	0	(15,266)
Extracurricular Activities	737,047	141,313	5,370	(590,364)	0	(590,364)
Interest and Fiscal Charges	275,376	0	0	(275,376)	0	(275,376)
Total Governmental Activities	31,055,435	1,442,221	3,056,239	(26,556,975)	0	(26,556,975)
<u>Business-Type Activity:</u>						
Food Service	1,642,631	635,435	868,996	0	(138,200)	(138,200)
Totals	\$32,698,066	\$2,077,656	\$3,925,235	(26,556,975)	(138,200)	(26,695,175)
<u>General Revenues:</u>						
Property Taxes Levied for:						
General Purposes				4,328,426	0	4,328,426
Debt Service				496,617	0	496,617
Classroom Facilities Maintenance				88,056	0	88,056
Grants and Entitlements						
not Restricted to Specific Programs				19,244,661	0	19,244,661
Interest				142,432	2,737	145,169
Miscellaneous				212,655	29,460	242,115
Total General Revenues				24,512,847	32,197	24,545,044
Change in Net Assets				(2,044,128)	(106,003)	(2,150,131)
Net Assets at Beginning of Year <i>(Restated - See Note 3)</i>				50,805,273	1,805,138	52,610,411
Net Assets at End of Year				\$48,761,145	\$1,699,135	\$50,460,280

See accompanying notes to the basic financial statements

Western Brown Local School District
Balance Sheet
Governmental Funds
June 30, 2009

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,621,047	\$1,736,031	\$2,363,822	\$5,720,900
Cash and Cash Equivalents with Fiscal Agents	0	5,000	0	5,000
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	829,827	0	0	829,827
Receivables:				
Taxes	4,451,334	482,384	91,714	5,025,432
Revenue in Lieu of Taxes	1,245,436	0	0	1,245,436
Accounts	824	0	2,041	2,865
Intergovernmental	957	0	233,373	234,330
Prepaid Items	10,185	0	0	10,185
<i>Total Assets</i>	<u>\$8,159,610</u>	<u>\$2,223,415</u>	<u>\$2,690,950</u>	<u>\$13,073,975</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$34,062	\$0	\$2,557	\$36,619
Contracts Payable	61,883	0	0	61,883
Accrued Wages and Benefits Payable	2,134,654	0	183,294	2,317,948
Matured Compensated Absences Payable	57,926	0	0	57,926
Intergovernmental Payable	597,272	0	23,098	620,370
Deferred Revenue	4,658,234	367,630	172,579	5,198,443
Matured Bonds Payable	0	5,000	0	5,000
<i>Total Liabilities</i>	<u>7,544,031</u>	<u>372,630</u>	<u>381,528</u>	<u>8,298,189</u>
<u>Fund Balances:</u>				
Reserved for Encumbrances	313,489	0	76,702	390,191
Reserved for Property Taxes	1,020,031	114,754	20,386	1,155,171
Reserved for Textbooks	774,357	0	0	774,357
Reserved for Bus Purchases	55,470	0	0	55,470
Unreserved, Undesignated (Deficit), Reported in:				
General Fund	(1,547,768)	0	0	(1,547,768)
Special Revenue Funds	0	0	973,306	973,306
Debt Service Fund	0	1,736,031	0	1,736,031
Capital Projects Fund	0	0	1,239,028	1,239,028
<i>Total Fund Balances</i>	<u>615,579</u>	<u>1,850,785</u>	<u>2,309,422</u>	<u>4,775,786</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$8,159,610</u>	<u>\$2,223,415</u>	<u>\$2,690,950</u>	<u>\$13,073,975</u>

See accompanying notes to the basic financial statements:

Western Brown Local School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities*
 June 30, 2009

Total Governmental Fund Balances \$4,775,786

***Amounts reported for governmental activities in the
 Statement of Net Assets are different because:***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	2,515,954	
Construction in progress	103,426	
Other capital assets	72,247,026	
Accumulated depreciation	<u>(25,330,243)</u>	
Total capital assets		49,536,163

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Taxes	251,119	
Revenue in lieu of taxes	1,226,931	
Intergovernmental	<u>101,251</u>	
		1,579,301

Governmental funds report capital lease issuance costs as expenditures, whereas these amounts are deferred and amortized in the Statement of Activities.

10,516

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.

(21,504)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds payable	(5,065,000)	
Capital leases payable	(415,000)	
Compensated absences	(1,631,117)	
Early retirement incentive	<u>(8,000)</u>	
Total liabilities		<u>(7,119,117)</u>

Net Assets of Governmental Activities \$48,761,145

See accompanying notes to the basic financial statements

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

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues:</u>				
Taxes	\$4,300,334	\$496,175	\$87,284	\$4,883,793
Intergovernmental	20,334,717	78,080	1,875,654	22,288,451
Interest	137,313	0	5,119	142,432
Tuition and Fees	1,205,817	0	82,096	1,287,913
Extracurricular Activities	0	0	141,313	141,313
Rent	12,995	0	0	12,995
Contributions and Donations	0	0	6,499	6,499
Miscellaneous	89,082	0	123,573	212,655
<i>Total Revenues</i>	<u>26,080,258</u>	<u>574,255</u>	<u>2,321,538</u>	<u>28,976,051</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	13,566,894	0	460,105	14,026,999
Special	2,683,056	0	932,254	3,615,310
Vocational	292,940	0	0	292,940
Student Intervention Services	73,420	0	73,576	146,996
Support Services:				
Pupils	726,907	0	161,858	888,765
Instructional Staff	877,003	0	182,604	1,059,607
Board of Education	20,524	0	0	20,524
Administration	1,753,204	0	202,900	1,956,104
Fiscal	523,070	16,717	2,964	542,751
Operation and Maintenance of Plant	2,977,144	0	91,954	3,069,098
Pupil Transportation	2,055,205	0	0	2,055,205
Central	261,575	0	12,000	273,575
Operation of Non-Instructional Services	10,037	0	6,358	16,395
Extracurricular Activities	450,373	0	160,703	611,076
Capital Outlay	116,431	0	79,153	195,584
Debt Service:				
Principal Retirement	33,000	255,000	0	288,000
Interest and Fiscal Charges	11,536	263,851	0	275,387
<i>Total Expenditures</i>	<u>26,432,319</u>	<u>535,568</u>	<u>2,366,429</u>	<u>29,334,316</u>
<i>Net Change in Fund Balances</i>	(352,061)	38,687	(44,891)	(358,265)
<i>Fund Balances at Beginning of Year</i>	<u>967,640</u>	<u>1,812,098</u>	<u>2,354,313</u>	<u>5,134,051</u>
<i>Fund Balances at End of Year</i>	<u>\$615,579</u>	<u>\$1,850,785</u>	<u>\$2,309,422</u>	<u>\$4,775,786</u>

See accompanying notes to the basic financial statements

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

Net Change in Fund Balances - Total Governmental Funds (\$358,265)

***Amounts reported for governmental activities in the
Statement of Activities are different because:***

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital assets additions	291,442	
Depreciation expense	<u>(2,088,819)</u>	
Excess of depreciation expense over capital outlay		(1,797,377)

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues changed by this amount this fiscal year.

Delinquent property taxes	29,306	
Intergovernmental	<u>5,950</u>	
		35,256

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current fiscal year, these amounts consist of:

Bond principal retirement	255,000	
Capital lease payments	<u>33,000</u>	
Total long-term debt repayment		288,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The difference in the amount of interest on the Statement of Activities is the result of the following:

Decrease in accrued interest	967	
Amortization of issuance costs	<u>(956)</u>	
		11

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Increase in compensated absences	(203,753)	
Increase in early retirement incentive	<u>(8,000)</u>	
Total additional expenditures		<u>(211,753)</u>

Change in Net Assets of Governmental Activities (\$2,044,128)

See accompanying notes to the basic financial statements

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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<u>Revenues:</u>				
Taxes	\$5,010,213	\$4,175,213	\$4,160,772	(\$14,441)
Intergovernmental	19,448,650	20,273,756	20,356,323	82,567
Interest	72,000	77,800	75,360	(2,440)
Tuition and Fees	1,152,051	1,205,318	1,205,817	499
Rent	12,416	13,000	12,995	(5)
Miscellaneous	127,402	183,964	133,349	(50,615)
<i>Total Revenues</i>	25,822,732	25,929,051	25,944,616	15,565
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	11,753,727	12,263,585	11,854,797	408,788
Special	2,287,283	2,287,896	2,757,372	(469,476)
Vocational	248,988	248,988	298,816	(49,828)
Student Intervention Services	0	20,000	73,420	(53,420)
Other	1,680,047	1,660,047	1,680,770	(20,723)
Support Services:				
Pupils	615,783	615,783	723,157	(107,374)
Instructional Staff	748,829	748,829	864,788	(115,959)
Board of Education	14,850	14,850	20,607	(5,757)
Administration	1,677,297	1,677,297	1,766,001	(88,704)
Fiscal	534,816	534,816	527,413	7,403
Operation and Maintenance of Plant	3,218,053	3,293,053	3,000,778	292,275
Pupil Transportation	2,207,436	2,232,094	2,047,267	184,827
Central	285,129	285,129	261,147	23,982
Operation of Non-Instructional Services	0	0	10,037	(10,037)
Extracurricular Activities	491,333	504,329	463,656	40,673
Capital Outlay	37,718	261,828	152,308	109,520
Debt Service:				
Principal Retirement	33,000	33,000	33,000	0
Interest and Fiscal Charges	20,000	20,000	11,536	8,464
<i>Total Expenditures</i>	25,854,289	26,701,524	26,546,870	154,654
Excess of Revenues Over (Under) Expenditures	(31,557)	(772,473)	(602,254)	170,219
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Receipts	0	0	(2,156)	(2,156)
Advances In	0	113,268	113,268	0
Advances Out	0	(113,000)	(113,268)	(268)
<i>Total Other Financing Sources (Uses)</i>	0	268	(2,156)	(2,424)
Net Change in Fund Balance	(31,557)	(772,205)	(604,410)	167,795
Fund Balance at Beginning of Year	2,428,380	2,428,380	2,428,380	0
Prior Year Encumbrances Appropriated	295,531	295,531	295,531	0
Fund Balance at End of Year	\$2,692,354	\$1,951,706	\$2,119,501	\$167,795

See accompanying notes to the basic financial statements

Western Brown Local School District
Statement of Fund Net Assets
Proprietary Fund
June 30, 2009

	<u>Food Service</u>
<u>Assets:</u>	
<u>Current Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$302,974
Accounts Receivable	3,453
Intergovernmental Receivable	1,051
Inventory Held for Resale	10,527
Materials and Supplies Inventory	<u>2,564</u>
<i>Total Current Assets</i>	320,569
<u>Noncurrent Assets:</u>	
Capital Assets, Net	<u>1,554,351</u>
<i>Total Assets</i>	<u>1,874,920</u>
<u>Liabilities:</u>	
<u>Current Liabilities:</u>	
Accrued Wages and Benefits Payable	94,937
Intergovernmental Payable	<u>56,984</u>
<i>Total Current Liabilities</i>	151,921
<u>Long-term Liabilities:</u>	
Compensated Absences Payable	<u>23,864</u>
<i>Total Liabilities</i>	<u>175,785</u>
<u>Net Assets:</u>	
Invested in Capital Assets	1,554,351
Unrestricted	<u>144,784</u>
<i>Total Net Assets</i>	<u><u>\$1,699,135</u></u>

See accompanying notes to the basic financial statements

Western Brown Local School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2009*

	Food Service
<u>Operating Revenues:</u>	
Sales	\$635,435
Miscellaneous	29,460
	664,895
<i>Total Operating Revenues</i>	<i>664,895</i>
<u>Operating Expenses:</u>	
Salaries	435,514
Fringe Benefits	334,658
Purchased Services	21,239
Materials and Supplies	88,296
Cost of Sales	643,271
Depreciation	119,653
	1,642,631
<i>Total Operating Expenses</i>	<i>1,642,631</i>
<i>Operating Loss</i>	<i>(977,736)</i>
<u>Non-Operating Revenues:</u>	
Donated Commodities	92,732
Operating Grants	776,264
Interest	2,737
	871,733
<i>Total Non-Operating Revenues</i>	<i>871,733</i>
<i>Change in Net Assets</i>	<i>(106,003)</i>
<i>Net Assets at Beginning of Year</i>	<i>1,805,138</i>
<i>Net Assets at End of Year</i>	<i>\$1,699,135</i>

See accompanying notes to the basic financial statements

Western Brown Local School District
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2009

	Food Service
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Customers	\$636,435
Cash Received from Others	26,007
Cash Payments for Employee Benefits	(329,307)
Cash Payments to Employees for Services	(432,930)
Cash Payments to Suppliers for Goods and Services	(667,343)
<i>Net Cash Used for Operating Activities</i>	(767,138)
Cash Flows from Noncapital Financing Activities	
Operating Grants Received	775,213
Cash Flows from Investing Activities	
Interest	2,737
<i>Net Increase in Cash and Cash Equivalents</i>	10,812
<i>Cash and Cash Equivalents at Beginning of Year</i>	292,162
<i>Cash and Cash Equivalents at End of Year</i>	\$302,974
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	(\$977,736)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities	
Depreciation	119,653
Donated Commodities Received During Year	92,732
(Increase) Decrease in Assets	
Inventory Held for Resale	(6,662)
Materials and Supplies Inventory	(607)
Accounts Receivable	(2,453)
Increase (Decrease) in Liabilities	
Accrued Wages and Benefits	153
Compensated Absences Payable	520
Intergovernmental Payable	7,262
Total Adjustments	210,598
<i>Net Cash Used for Operating Activities</i>	(\$767,138)

Non-Cash Transactions

During fiscal year 2009, the Food Service Enterprise Fund received \$92,732 in donated commodities.

See accompanying notes to the basic financial statements

Western Brown Local School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009

	Private Purpose Trust	Agency
	Scholarship	
<u>Assets:</u>		
Equity in Pooled Cash and Cash Equivalents	\$21,820	\$96,652
<u>Liabilities:</u>		
Undistributed Monies	0	\$96,652
<u>Net Assets:</u>		
Held in Trust for Scholarships	\$21,820	

See accompanying notes to the basic financial statements

Western Brown Local School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2009

	Private Purpose Trust
	Scholarship
<u>Additions:</u>	
Contributions and Donations	\$4,322
Interest	81
	4,403
<i>Total Additions</i>	4,403
<u>Deductions:</u>	
Scholarships Awarded	3,900
	503
<i>Change in Net Assets</i>	503
<i>Net Assets at Beginning of Year</i>	21,317
	21,820
<i>Net Assets at End of Year</i>	\$21,820

See accompanying notes to the basic financial statements

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

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Western Brown Local School District (the “School District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally elected Board of Education (five members) and is responsible for the education of the residents of the School District. The Board controls the School District's four instructional support facilities staffed by 116 non-certificated, 181 teaching and 26 administrative employees providing education to 3,422 students.

The School District serves an area of approximately 141 square miles. It is located in Brown County, and includes the Village of Mt. Orab, the Village of Hamersville and portions of surrounding townships.

Reporting Entity

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

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

The School District participates in three jointly governed organizations, one public entity shared risk and insurance purchasing pool and one insurance purchasing pool. These organizations are the South Central Ohio Computer Association (SCOCA), the Unified Purchasing Cooperative of the Ohio River Valley (UPC), the Southern Hills Joint Vocational School District, the Brown County Schools Benefits Consortium, and the Ohio School Boards Association Workers’ Compensation Group Rating Plan. These organizations are presented in Notes 18, 19 and 20 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements normally distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

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

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest and certain other long-term obligations when the School District is obligated for the payment.

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

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no internal service funds.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Enterprise Fund - Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services. The only enterprise fund of the School District accounts for the financial transactions related to food service operations.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary funds are a private purpose trust fund and an agency fund. The private purpose trust fund accounts for college scholarship programs for students. The School District's agency fund accounts for those student activities which consist of a student body, student president, student treasurer and faculty advisor.

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the Statement of Net Assets. The Statement of Activities reports increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Fund Financial Statements

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

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Fund Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. The Statement of Cash Flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The private purpose trust fund is reported using the economic resources measurement focus.

D. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined, and “available” means that the resources are collectible 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 60 days of fiscal year-end.

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

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

Deferred Revenue

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Expenses/Expenditures

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

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

E. Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds, including the proprietary fund, are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. The School District utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the financial statements as "Cash and Cash Equivalents with Fiscal Agents" and represents deposits.

During fiscal year 2009, the School District's investments were limited to a money market mutual fund and funds invested in the State Treasury Asset Reserve of Ohio (STAROhio). Investments are reported at fair value which is based on quoted market prices. For investments in open-end mutual funds, the fair value is determined by the fund's current share price.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2009.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2009 amounted to \$137,313, which includes \$66,667 assigned from other School District funds.

*Western Brown Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash and cash equivalents.

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund represent amounts required by Statute to be set aside by the School District to purchase textbooks and unexpended grants restricted for the purchase of buses (see Note 17).

G. 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, property taxes, textbooks and bus purchases.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute for fiscal year 2009.

H. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed when used. Inventories consist of purchased and donated food held for resale and consumable supplies.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2009, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

J. Capital Assets

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the government-wide Statement of Net Assets and in the fund.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$1,000. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activity Estimated Lives
Buildings and Improvements	10 – 75 years	10 – 75 years
Furniture and Equipment	5 – 20 years	10 years
Vehicles	3 - 15 years	N/A

K. Compensated Absences

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

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees are paid. The remaining portion of the liability is not reported.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the enterprise funds are reported on the enterprise fund financial statements.

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

M. Issuance Costs

In the government-wide financial statements, issuance costs are deferred and amortized over the term of the capital lease using the straight-line method since the results are not significantly different from the effective interest method. Issuance costs are reported as deferred charges.

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

N. Net Assets

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

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are classified as non-operating.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Internal Activity

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

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

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

Q. Estimates

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

R. Budgetary Process

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 3 - CORRECTION OF AN ERROR AND CHANGES IN ACCOUNTING PRINCIPLES

A. Correction of an Error

It was determined that the School District should have recognized Revenue in Lieu of Taxes Receivable. Accordingly, the School District changed the accounting treatment applied to Revenue in Lieu of Taxes transactions related to tax increment financing agreements. The School District views these transactions as exchange transactions and has recognized revenue in the year the exchange takes place. In previous years, the School District viewed these transactions as non-exchange transactions. The restatement had the following effect on net assets at June 30, 2008 as previously reported.

Net Assets, June 30, 2008, as previously reported	\$49,578,342
Adjustment for Revenue in Lieu of Taxes Receivable	<u>1,226,931</u>
Net Assets, June 30, 2008, as restated	<u><u>\$50,805,273</u></u>

B. Changes in Accounting Principles

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

GASB Statement No. 49 addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effect of existing pollution by participating in pollution remediation activities such as site assessments and cleanup. The implementation of this statement did not result in any change to the School District's financial statements.

NOTE 3 - CORRECTION OF AN ERROR AND CHANGES IN ACCOUNTING PRINCIPLES (Continued)

GASB Statement No. 52 establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments are also required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value. The implementation of this statement did not result in any change in the School District's financial statements.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB authoritative literature. The GAAP hierarchy consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. The implementation of this statement did not result in any change in the School District's financial statements.

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

NOTE 4 - ACCOUNTABILITY

At June 30, 2009, the Alternative School, Title VI-B, and Improving Teacher Quality nonmajor special revenue funds had deficit fund balances of \$9,727, \$3,209, and \$19,997, respectively. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

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

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

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING (Continued)

3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statement. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

<u>Net Change in Fund Balance</u>	
GAAP Basis	(\$352,061)
Adjustments:	
Revenue Accruals	(20,283)
Expenditure Accruals	99,307
Encumbrances	(329,282)
Unrecorded Cash	<u>(2,091)</u>
Budget Basis	<u><u>(\$604,410)</u></u>

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

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

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year-end, \$1,086 of the School District's bank balance of \$1,255,074 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all 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 FDIC.

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

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

Investments

As of June 30, 2009, the School District had the following investments, which are in an internal investment pool:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>
STAROhio	\$1,984,224	Average 58.1 Days
Goldman Sachs Financial Square Government Mutual Fund	4,075,193	Average 47 Days
Total Investments	<u>\$6,059,417</u>	

Interest Rate Risk

The School District has no investment policy that addresses interest rate risk beyond the requirements of State statute. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk

STAROhio and the Goldman Sachs Financial Square Government Mutual Fund carry ratings of AAAM and AAA, respectively, by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market mutual fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk.

NOTE 7 - PROPERTY TAXES

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

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

NOTE 7 - PROPERTY TAXES (Continued)

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

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

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

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

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

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

NOTE 7 - PROPERTY TAXES (Continued)

The amount available as an advance at June 30, 2009, was \$1,020,031 in the General Fund, \$114,754 in the Debt Service Fund and \$20,386 in the Nonmajor Governmental Funds. The amount available as an advance at June 30, 2008, was \$878,313 in the General Fund, \$109,789 in the Debt Service Fund and \$17,543 in the Nonmajor Governmental Funds.

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

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

	2008 Second- Half Collections		2009 First- Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$226,267,400	95.81%	\$230,092,600	96.67%
Public Utility Personal	7,245,790	3.07%	7,384,120	3.10%
General Business Personal	2,655,650	1.12%	551,880	0.23%
Total Assessed Value	\$236,168,840	100.00%	\$238,028,600	100.00%

Tax rate per \$1,000 of assessed valuation	\$23.00	\$22.75
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NOTE 8 - RECEIVABLES

Receivables at June 30, 2009, consisted of property taxes, revenue in lieu of taxes, accounts and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivable amounts are expected to be received within one year with the exception of revenue in lieu of taxes and delinquent property taxes. Revenue in lieu of taxes will be received over the designated period established by the agreement. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. The intergovernmental receivables are as follows:

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

NOTE 8 – RECEIVABLES (Continued)

	<u>Amounts</u>
<u>Governmental Activities:</u>	
Ohio Reads	\$22,917
High Schools That Work	\$10,987
Miscellaneous State Grants	950
Title VI-B - Special Education IDEA Grant	47,045
Title I - Targeted Assistance Grant	131,358
Title V Grant	3,734
Drug Free Schools Grant	7,268
Reducing Class Size Grant	2,984
Title II-D Grant	6,130
E-Rate	957
Total Governmental Activities	<u>234,330</u>
<u>Business-Type Activity:</u>	
Food Service - Federal Lunch Reimbursements	<u>1,051</u>
Total Intergovernmental Receivables	<u><u>\$235,381</u></u>

Revenue in Lieu of Taxes

The School District receives revenue in lieu of taxes from a tax increment financing agreement with the Village of Mt. Orab. The agreement was entered into on December 29, 2005. This agreement will expire during fiscal year 2036. Revenue in lieu of taxes expected to be collected in more than one year amounts to \$1,221,905.

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

NOTE 9 - CAPITAL ASSETS

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

	Balance 6/30/08	Additions	Deductions	Balance 6/30/09
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$2,515,954	\$0	\$0	\$2,515,954
Construction in Progress	0	103,426	0	103,426
Total Capital Assets, Not Being Depreciated	2,515,954	103,426	0	2,619,380
Capital Assets, Being Depreciated:				
Buildings and Improvements	62,551,053	92,158	0	62,643,211
Furniture and Equipment	7,073,359	73,479	0	7,146,838
Vehicles	2,434,598	22,379	0	2,456,977
Total Capital Assets, Being Depreciated	72,059,010	188,016	0	72,247,026
Less Accumulated Depreciation:				
Buildings and Improvements	(16,026,190)	(1,638,673)	0	(17,664,863)
Furniture and Equipment	(5,271,251)	(312,805)	0	(5,584,056)
Vehicles	(1,943,983)	(137,341)	0	(2,081,324)
Total Accumulated Depreciation	(23,241,424)	(2,088,819) *	0	(25,330,243)
Total Capital Assets, Being Depreciated, Net	48,817,586	(1,900,803)	0	46,916,783
Governmental Activities Capital Assets, Net	\$51,333,540	(\$1,797,377)	\$0	\$49,536,163
	Balance 6/30/08	Additions	Deductions	Balance 6/30/09
<u>Business-Type Activity:</u>				
Capital Assets, Being Depreciated:				
Buildings and Improvements	\$1,422,497	\$0	\$0	\$1,422,497
Furniture and Equipment	1,254,994	0	0	1,254,994
Total Capital Assets, Being Depreciated	2,677,491	0	0	2,677,491
Less Accumulated Depreciation:				
Buildings and Improvements	(379,725)	(37,391)	0	(417,116)
Furniture and Equipment	(623,762)	(82,262)	0	(706,024)
Total Accumulated Depreciation	(1,003,487)	(119,653)	0	(1,123,140)
Business-Type Activity Capital Assets, Net	\$1,674,004	(\$119,653)	\$0	\$1,554,351

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

NOTE 9 - CAPITAL ASSETS (Continued)

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,308,005
Special	94,878
Vocational	32,346
Support Services:	
Pupils	60,806
Instructional Staff	10,605
Administration	256,495
Fiscal	11,244
Operation and Maintenance of Plant	29,689
Pupil Transportation	147,900
Central	9,740
Extracurricular Activities	127,111
Total Depreciation Expense	<u><u>\$2,088,819</u></u>

NOTE 10 - RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2009, the School District contracted with Netherlands Insurance Company for general liability insurance with a \$1,000,000 single occurrence limit and a \$2,000,000 aggregate. The School District contracts with Midwestern Indemnity Company for commercial umbrella liability insurance with a \$3,000,000 single occurrence and aggregate limit. Property is protected by the Netherlands Insurance Company and holds a \$5,000 deductible. The School District's vehicles are covered by the Consolidated Insurance Company under a business policy and hold a \$100 deductible for comprehensive and a \$500 deductible for collision with a \$1,000,000 limit on any accident. School Board errors and omissions coverage is provided by Netherlands Insurance Company and has a \$1,000,000 limit. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has been no significant reduction in coverage from the prior fiscal year.

NOTE 10 - RISK MANAGEMENT (Continued)

B. Workers' Compensation

For fiscal year 2009, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 20). 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. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

C. Employee Medical

The School District participates in the Brown County Schools Benefits Consortium (the Consortium), a public entity shared risk and insurance purchasing pool (Note 19) consisting of nine districts. The Consortium has elected to have Humana provide medical coverage purchased as a group through the Consortium. Dental coverage is being provided through a shared risk pool based on member districts' number of employees. The School District is responsible for providing a current listing of enrolled employees and for providing timely pro-rata payments of premiums to the Consortium for employee health coverage. The Consortium is responsible for the management and operations of the program. Upon termination from the Consortium, for any reason, the terminated member assumes and is responsible for the payment of any delinquent contributions relating to the medical insurance and all claims related to dental of its employees from the date of termination, regardless of the date such claims were incurred.

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District’s required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008 and 2007 were \$325,304, \$295,151 and \$361,437 respectively; 46.51 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System of Ohio

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

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member’s lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

Funding Policy – For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2008, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2009, 2008, and 2007 were \$1,518,268, \$1,473,444, and \$1,436,374 respectively; 83.18 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007. Contributions to the DC and Combined Plans for fiscal year 2009 were \$16,490 made by the School District and \$31,791 made by the plan members.

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

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

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2009, this amount was \$35,800.

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

The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$220,682, \$134,687, and \$144,575 respectively; 46.51 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

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

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For 2009, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007 were \$26,840, \$21,266, and \$24,578 respectively; 46.51 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System of Ohio

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$116,790, \$113,342, and \$110,490 respectively; 83.18 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

NOTE 13 - EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements, Board resolutions and State laws. Eligible classified employees and administrators earn 10 to 20 days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and administrators who are not on a 12 month contract do not earn vacation time.

Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month for a total of 15 days of sick leave for each fiscal year under contract. Only 225 days of sick leave may be accumulated during regular employment. Upon severance from the School District, payment is made for one-half of administrators' unused sick leave credit and one-fourth of teachers' and classified employees' accumulated, but unused sick leave credit.

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

NOTE 13 - EMPLOYEE BENEFITS (Continued)

B. Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through a private insurance carrier. Vision insurance is provided by Vision Service Plan.

NOTE 14 - CAPITALIZED LEASE - LESSEE DISCLOSURE

In fiscal year 2003, the School District entered into a lease-purchase agreement for the construction of a new School District administration building. The School District is leasing the project from Rickenbacker Port Authority. Rickenbacker Port Authority will retain title to the project during the lease term. Rickenbacker Port Authority has assigned National City Bank as trustee. The School District makes semi-annual lease payments to National City Bank. Interest rates are based on a calculation of the TBMA Index. The lease is renewable annually and expires in fiscal year 2018. The intention of the School District is to renew the lease annually.

In fiscal year 2009, the School District made the fifth scheduled principal payment of \$33,000.

The asset acquired through the capital lease is as follows:

	Asset Value	Accumulated Depreciation	Net Book Value
Asset:			
Administration Building	\$991,436	\$237,945	\$753,491

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

Fiscal Year Ending June 30,	Total Payments
2010	\$40,187
2011	40,690
2012	41,179
2013	42,647
2014	44,087
2015-2018	233,440
Total	442,230
Less: Amount Representing Interest	(27,230)
Present Value of Minimum Lease Payments	\$415,000

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

NOTE 15 - EARLY RETIREMENT INCENTIVE

For certified and classified employees, the School District is offering a retirement incentive during the first year that an employee becomes eligible to retire. The benefit is a \$10,000 bonus. During fiscal year 2009, \$42,000 in early retirement incentives were paid. The outstanding balance at June 30, 2009 was \$8,000. Of this balance, \$2,000 will be paid in fiscal year 2010.

NOTE 16 - LONG-TERM LIABILITIES

The changes in the School District's long-term liabilities during fiscal year 2009 were as follows:

	Amount Outstanding 6/30/08	Additions	Deductions	Amount Outstanding 6/30/09	Amounts Due in One Year
<u>Governmental Activities:</u>					
School Improvement					
Bonds 1998 5.01%	\$5,320,000	\$0	\$255,000	\$5,065,000	\$270,000
Compensated Absences	1,427,364	524,193	320,440	1,631,117	199,806
Early Retirement Incentive	0	50,000	42,000	8,000	2,000
Capital Leases	448,000	0	33,000	415,000	35,000
Total General					
Long-Term Liabilities	<u>\$7,195,364</u>	<u>\$574,193</u>	<u>\$650,440</u>	<u>\$7,119,117</u>	<u>\$506,806</u>
<u>Business-Type Activities:</u>					
Compensated Absences	<u>\$23,344</u>	<u>\$557</u>	<u>\$37</u>	<u>\$23,864</u>	<u>\$0</u>

School Improvement Bonds 1998

On June 15, 1998, the School District issued \$7,164,600 in voted general obligation bonds for the purpose of acquiring land, constructing new classroom facilities, and making renovations to existing classrooms. These bonds are being paid from property tax revenues. The Ohio Department of Education, School Finance, announced that the School District was eligible for State school building assistance funding on June 2, 1997. The bond issue satisfied the local match required to receive State assistance for the construction project. The bonds were issued for a 23 year period with final maturity in December 2020. These bonds are being paid from the Debt Service Fund.

Compensated absences will be paid from the General, Classroom Facilities Maintenance, Ohio Reads, Alternative School, Title VI-B, Title I, Reducing Class Size and Food Service funds. The early retirement incentive and capital lease obligations will be paid from the General Fund.

The School District's overall legal debt margin was \$18,126,163 with an unvoted debt margin of \$237,115 at June 30, 2009.

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

NOTE 16 - LONG-TERM LIABILITIES (Continued)

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

School Improvement Bonds 1998

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	\$270,000	\$251,840	\$521,840
2011	300,000	238,655	538,655
2012	315,000	223,333	538,333
2013	335,000	206,108	541,108
2014	375,000	187,293	562,293
2015-2019	2,300,000	601,993	2,901,993
2020-2021	1,170,000	59,250	1,229,250
Total	<u>\$5,065,000</u>	<u>\$1,768,472</u>	<u>\$6,833,472</u>

NOTE 17 - SET-ASIDE CALCULATIONS

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

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

	Textbooks	Capital Acquisition
Set-aside Reserve Balance as of June 30, 2008	\$634,358	\$0
Current Fiscal Year Set-Aside Requirement	523,826	523,826
Current Fiscal Year Offsets	0	(224,459)
Qualifying Disbursements	(383,827)	(348,370)
Totals	<u>\$774,357</u>	<u>(\$49,003)</u>
Set-aside Reserve Balance as of June 30, 2009	<u>\$774,357</u>	<u>\$0</u>
Required Set-aside Balances Carried Forward to FY 2010	<u>\$774,357</u>	<u>\$0</u>

Although the School District had qualifying disbursements during the year that reduced the set-aside amounts to below zero for capital acquisition, this extra amount may not be used to reduce the set-aside requirements for future fiscal years. Negative amounts are therefore not presented as being carried forward to the next fiscal year for the capital acquisition set-aside.

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS

A. South Central Ohio Computer Association

The School District is a participant in the South Central Ohio Computer Association (SCOCA), which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Adams, Brown, Gallia, Highland, Pickaway, Pike, Ross, Scioto, Vinton, Jackson and Lawrence Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCA consists of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, plus a representative of the fiscal agent. The School District paid SCOCA \$173,983 for services provided during the fiscal year. Financial information can be obtained from their fiscal agent, the Pike County Joint Vocational School District, Tonya Cooper, who serves as Treasurer, at P.O. Box 577, 175 Beaver Creek Rd., Piketon, Ohio, 45661.

B. Unified Purchasing Cooperative of the Ohio River Valley

The Unified Purchasing Cooperative of the Ohio River Valley (UPC) is a purchasing cooperative made up of 44 public school districts and three joint vocational school districts in Brown, Butler, Clermont and Hamilton Counties in Ohio, as well as districts in Kentucky and Indiana. The purpose of the cooperative 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 UPC.

The Board of Directors is elected from among the active members and consists of one representative each from Brown, Butler, Clermont and Hamilton Counties, as well as one representative from Kentucky, one from Indiana, and one at-large representative from a public school district with an enrollment greater than 5,000 students. In addition, the superintendents of the Hamilton County Educational Service Center and the Clermont County Educational Service Center also serve on the Board of Directors. The Hamilton County Educational Service Center serves as fiscal agent. Sixty days prior notice is necessary for withdrawal from the UPC.

During fiscal year 2009, the School District paid \$400 to the UPC. Financial information can be obtained from Don Rabe, Treasurer, Hamilton County Educational Service Center, at 11083 Hamilton Avenue, Cincinnati, Ohio, 45231.

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

C. Southern Hills Joint Vocational School District

The Southern Hills Joint Vocational School District is a distinct political subdivision of the State of Ohio, operated under the direction of a seven-member Board of Education. The Board of Education is not directly elected. It is comprised of elected board members of participating school districts who, by charter, also serve as board members of the Southern Hills Joint Vocational School District. A board member is appointed by each local Board of Education within the Southern Hills Joint Vocational School District, including Western Brown Local School District. To obtain financial information, write to the Southern Hills Joint Vocational School District, Michael Boyd, who serves as Treasurer, at 9193 Hamer Road, Georgetown, Ohio 45121.

NOTE 19 - PUBLIC ENTITY SHARED RISK AND INSURANCE PURCHASING POOL

Brown County Schools Benefits Consortium

The Brown County Schools Benefits Consortium, a public entity shared risk and insurance purchasing pool, currently operates to provide medical insurance (insurance purchasing pool) and dental coverage (public entity shared risk pool) to enrolled employees of the consortium members and to eligible dependents of those enrolled employees. Six Brown County school districts (Eastern, Fayetteville-Perry, Georgetown, Ripley-Union-Lewis-Huntington, Southern Hills Joint Vocational, and Western Brown Schools) and two Highland County school districts (Bright Local and Lynchburg-Clay Local School Districts), along with the Brown County Educational Service Center have entered into an agreement to form the Brown County Schools Benefits Consortium. The Consortium is governed by a nine member board consisting of the superintendents of each participating school district along with the superintendent of the Brown County Educational Service Center. The overall objectives of the consortium are to formulate and administer a program of medical and dental insurance for the benefit of the consortium members' employees and their dependents. The consortium contracts with Humana of Ohio to provide medical insurance directly to consortium member employees. The Educational Service Center pays premiums to the consortium based on employee membership. For dental coverage the consortium acts as a public entity shared risk pool. Each member district pays dental premiums based on the consortium estimates of future claims. If the member district's dental claims exceed its premiums, there is no individual supplemental assessment; on the other hand, if the Educational Service Center's claims are low, it will not receive a refund. Dental coverage is administered through a third party administrator, Dental Care Plus. Participating member districts pay an administrative fee to the fiscal agent to cover the costs associated with the administering of the Consortium. To obtain financial information write to the Brown County Educational Service Center at 325 West State St., Georgetown, Ohio 45121.

NOTE 20 - INSURANCE PURCHASING POOL

Ohio School Boards Association Workers' Compensation Group Rating Plan

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of directors consisting of the President, the President-Elect, and the Immediate Past President of the Ohio School Boards Association (OSBA). The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each fiscal year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 21 - CONTINGENCIES

A. Grants

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

B. Litigation

The School District is not party to any legal proceedings.

NOTE 22 - SUBSEQUENT EVENT

On August 13, 2009, the School District entered into a 10-year capital lease through Rickenbacker Port Authority in the amount of \$610,000 at an interest rate of 3.55 percent. The money will be used for new football field turf. This lease will be paid out of the General Fund.

Western Brown Local School District

Nonmajor Fund Descriptions

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. The following are descriptions of the School District's nonmajor Special Revenue Funds:

Nonmajor Special Revenue Funds

MEMORIAL - This fund accounts for donations received by the School District to be used for the purchase of new signs and a bench to be placed on the grounds of the new school buildings.

UNIFORM SCHOOL SUPPLIES - This fund accounts for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the School District. Revenues derived from such sale are to be used for school purposes or activities in connection with the school.

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

OTHER GRANT - This fund accounts for the proceeds of specific revenue sources, except for State and federal grants that are legally restricted to expenditures for specified purposes.

CLASSROOM FACILITY MAINTENANCE - This fund accounts for property tax revenues that are restricted to expenditures for the maintenance and upkeep of School District classroom facilities.

DISTRICT MANAGED ACTIVITY - This fund accounts for those student activity programs which have student participation in the activity but do not have student management of the programs.

EDUCATIONAL MANAGEMENT INFORMATION SYSTEMS - This fund accounts for hardware and software development, or other costs associated with the requirements of the management information system.

ONENET - This fund accounts for monies appropriated for Ohio Educational Computer Network connections.

PROFESSIONAL DEVELOPMENT - This fund accounts for the revenues and expenditures associated with a limited number of professional development subsidy grants.

(continued)

Western Brown Local School District

Nonmajor Fund Descriptions

Nonmajor Special Revenue Funds (Continued)

OHIO READS - This fund accounts for State monies and operating expenditures associated with administering the Ohio Reads Program. The Ohio Reads Program is intended to improve reading outcomes, especially on the fourth grade reading proficiency test.

HIGH SCHOOLS THAT WORK - This fund accounts for State monies. This is the first large-scale national effort to engage states, districts and schools in improving student success for the world of work and for further education. High Schools That Work is a framework that provides direction for schools to improve academic and career-technical instruction.

ALTERNATIVE SCHOOL - This fund accounts for State monies and expenditures for alternative educational programs for existing and new, at-risk and delinquent youth.

POVERTY BASED ASSISTANCE - This fund accounts for monies which are provided for the improvement of the educational and cultural status of disadvantaged pupils.

MISCELLANEOUS STATE GRANTS - This fund accounts for various monies received from State agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

TITLE VI-B - This fund accounts for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

TITLE I - This fund accounts for federal funds expended for services provided to meet special educational needs of educationally deprived children.

TITLE VI - This fund accounts for federal funds used to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; and programs to enhance personal excellence of students and student achievement.

DRUG FREE GRANT - This fund accounts for federal funds used to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

IMPROVING TEACHER QUALITY - This fund accounts for federal funds used to hire additional classroom teachers in grades one through three, so that the number of students per teacher will be reduced.

(continued)

Western Brown Local School District

Nonmajor Fund Descriptions

Nonmajor Special Revenue Funds (Continued)

MISCELLANEOUS FEDERAL GRANTS - This fund accounts for the proceeds of specific federal grants that are legally restricted to expenditures for specific purposes.

Capital Projects Fund

The Capital Projects Fund is used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, and for major renovation projects, including equipment purchases. The following is a description of the School District's nonmajor Capital Projects Fund:

Nonmajor Capital Projects Fund

WESTERN BROWN CONSTRUCTION PROJECT - This fund is used to account for all debt proceeds and interest received and expended in connection with the contracts entered into by the School District and the Ohio School Facilities Commission for the building and equipping of the new and remodeled classroom facilities.

Western Brown Local School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,122,544	\$1,241,278	\$2,363,822
Receivables:			
Taxes	91,714	0	91,714
Accounts	2,041	0	2,041
Intergovernmental	233,373	0	233,373
Total Assets	\$1,449,672	\$1,241,278	\$2,690,950
<u>Liabilities and Fund Balances:</u>			
<u>Liabilities:</u>			
Accounts Payable	\$2,557	\$0	\$2,557
Accrued Wages and Benefits Payable	183,294	0	183,294
Intergovernmental Payable	23,098	0	23,098
Deferred Revenue	172,579	0	172,579
Total Liabilities	381,528	0	381,528
<u>Fund Balances:</u>			
Reserved for Encumbrances	74,452	2,250	76,702
Reserved for Property Taxes	20,386	0	20,386
Unreserved, Undesignated	973,306	1,239,028	2,212,334
Total Fund Balances	1,068,144	1,241,278	2,309,422
Total Liabilities and Fund Balances	\$1,449,672	\$1,241,278	\$2,690,950

Western Brown Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	Memorial	Uniform School Supplies	Public School Support	Other Grant
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,302	\$46,390	\$70,522	\$15,384
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	2,041	0
Intergovernmental	0	0	0	0
Total Assets	\$1,302	\$46,390	\$72,563	\$15,384
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$0	\$0	\$1,137	\$0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	0	0	1,137	0
<u>Fund Balances:</u>				
Reserved for Encumbrances	0	6	12,475	0
Reserved for Property Taxes	0	0	0	0
Unreserved, Undesignated (Deficit)	1,302	46,384	58,951	15,384
Total Fund Balances (Deficit)	1,302	46,390	71,426	15,384
Total Liabilities and Fund Balances	\$1,302	\$46,390	\$72,563	\$15,384

Classroom Facility Maintenance	District Managed Activity	Educational Management Information Systems	Ohio Reads	High Schools That Work	Alternative School
\$883,262	\$44,492	\$2,644	\$1,206	\$1,526	\$1,163
91,714	0	0	0	0	0
0	0	0	0	0	0
0	0	0	22,917	10,987	0
<u>\$974,976</u>	<u>\$44,492</u>	<u>\$2,644</u>	<u>\$24,123</u>	<u>\$12,513</u>	<u>\$1,163</u>
\$425	\$995	\$0	\$0	\$0	\$0
107	0	2,186	20,499	0	10,713
242	0	364	466	0	177
71,328	0	0	2,275	10,987	0
<u>72,102</u>	<u>995</u>	<u>2,550</u>	<u>23,240</u>	<u>10,987</u>	<u>10,890</u>
10,926	22,698	0	0	425	0
20,386	0	0	0	0	0
871,562	20,799	94	883	1,101	(9,727)
<u>902,874</u>	<u>43,497</u>	<u>94</u>	<u>883</u>	<u>1,526</u>	<u>(9,727)</u>
<u>\$974,976</u>	<u>\$44,492</u>	<u>\$2,644</u>	<u>\$24,123</u>	<u>\$12,513</u>	<u>\$1,163</u>

(continued)

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

	Poverty Based Assistance	Miscellaneous State Grants	Title VI-B	Title I
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,275	\$0	\$10,408	\$41,923
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	950	47,045	131,358
Total Assets	\$1,275	\$950	\$57,453	\$173,281
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits Payable	0	0	45,128	83,636
Intergovernmental Payable	366	0	7,927	10,553
Deferred Revenue	0	950	7,607	62,300
Total Liabilities	366	950	60,662	156,489
<u>Fund Balances:</u>				
Reserved for Encumbrances	0	0	0	27,922
Reserved for Property Taxes	0	0	0	0
Unreserved, Undesignated (Deficit)	909	0	(3,209)	(11,130)
Total Fund Balances (Deficit)	909	0	(3,209)	16,792
Total Liabilities and Fund Balances	\$1,275	\$950	\$57,453	\$173,281

<u>Title VI</u>	<u>Drug Free Grant</u>	<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$0	\$0	\$1,047	\$0	\$1,122,544
0	0	0	0	91,714
0	0	0	0	2,041
<u>3,734</u>	<u>7,268</u>	<u>2,984</u>	<u>6,130</u>	<u>233,373</u>
<u>\$3,734</u>	<u>\$7,268</u>	<u>\$4,031</u>	<u>\$6,130</u>	<u>\$1,449,672</u>
\$0	\$0	\$0	\$0	\$2,557
0	0	21,025	0	183,294
0	0	3,003	0	23,098
<u>3,734</u>	<u>7,268</u>	<u>0</u>	<u>6,130</u>	<u>172,579</u>
<u>3,734</u>	<u>7,268</u>	<u>24,028</u>	<u>6,130</u>	<u>381,528</u>
0	0	0	0	74,452
0	0	0	0	20,386
<u>0</u>	<u>0</u>	<u>(19,997)</u>	<u>0</u>	<u>973,306</u>
<u>0</u>	<u>0</u>	<u>(19,997)</u>	<u>0</u>	<u>1,068,144</u>
<u>\$3,734</u>	<u>\$7,268</u>	<u>\$4,031</u>	<u>\$6,130</u>	<u>\$1,449,672</u>

Western Brown Local School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Revenues:</u>			
Taxes	\$87,284	\$0	\$87,284
Intergovernmental	1,875,654	0	1,875,654
Interest	0	5,119	5,119
Tuition and Fees	82,096	0	82,096
Extracurricular Activities	141,313	0	141,313
Contributions and Donations	6,499	0	6,499
Miscellaneous	123,573	0	123,573
<i>Total Revenues</i>	<u>2,316,419</u>	<u>5,119</u>	<u>2,321,538</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	460,105	0	460,105
Special	932,254	0	932,254
Student Intervention Services	73,576	0	73,576
Support Services:			
Pupils	161,858	0	161,858
Instructional Staff	182,604	0	182,604
Administration	202,900	0	202,900
Fiscal	2,964	0	2,964
Operation and Maintenance of Plant	91,954	0	91,954
Central	12,000	0	12,000
Operation of Non-Instructional Services	6,358	0	6,358
Extracurricular Activities	160,703	0	160,703
Capital Outlay	72,403	6,750	79,153
<i>Total Expenditures</i>	<u>2,359,679</u>	<u>6,750</u>	<u>2,366,429</u>
<i>Net Change in Fund Balances</i>	(43,260)	(1,631)	(44,891)
<i>Fund Balances at Beginning of Year</i>	<u>1,111,404</u>	<u>1,242,909</u>	<u>2,354,313</u>
<i>Fund Balances at End of Year</i>	<u>\$1,068,144</u>	<u>\$1,241,278</u>	<u>\$2,309,422</u>

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

	Memorial	Uniform School Supplies	Public School Support	Other Grant
<u>Revenues:</u>				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental	0	0	0	15,299
Tuition and Fees	0	82,096	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	1,129
Miscellaneous	0	0	123,573	0
<i>Total Revenues</i>	<u>0</u>	<u>82,096</u>	<u>123,573</u>	<u>16,428</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	0	114,706	62,516	30,935
Special	0	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	37,840	0
Administration	0	0	3,060	0
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	6,358
Extracurricular Activities	0	0	23,059	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>114,706</u>	<u>126,475</u>	<u>37,293</u>
<i>Net Change in Fund Balances</i>	0	(32,610)	(2,902)	(20,865)
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>1,302</u>	<u>79,000</u>	<u>74,328</u>	<u>36,249</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$1,302</u>	<u>\$46,390</u>	<u>\$71,426</u>	<u>\$15,384</u>

(continued)

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

	Classroom Facility Maintenance	District Managed Activity	Educational Management Information Systems	OneNet
<u>Revenues:</u>				
Taxes	\$87,284	\$0	\$0	\$0
Intergovernmental	140,018	0	9,835	12,000
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	141,313	0	0
Contributions and Donations	0	5,370	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>227,302</u>	<u>146,683</u>	<u>9,835</u>	<u>12,000</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	147	0	0	0
Special	0	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	12,288	0
Fiscal	2,964	0	0	0
Operation and Maintenance of Plant	84,163	0	0	0
Central	0	0	0	12,000
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	137,644	0	0
Capital Outlay	72,403	0	0	0
<i>Total Expenditures</i>	<u>159,677</u>	<u>137,644</u>	<u>12,288</u>	<u>12,000</u>
<i>Net Change in Fund Balances</i>	67,625	9,039	(2,453)	0
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>835,249</u>	<u>34,458</u>	<u>2,547</u>	<u>0</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$902,874</u>	<u>\$43,497</u>	<u>\$94</u>	<u>\$0</u>

Professional Development	Ohio Reads	High Schools That Work	Alternative School	Poverty Based Assistance	Miscellaneous State Grants
\$0	\$0	\$0	\$0	\$0	\$0
2,970	142,012	6,313	54,727	37,717	25,771
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
2,970	142,012	6,313	54,727	37,717	25,771
2,970	258	4,787	51,568	366	19,050
0	0	0	0	0	8,721
0	0	0	0	73,576	0
0	0	0	0	0	8,515
0	140,744	0	4	0	0
0	0	0	2,354	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
2,970	141,002	4,787	53,926	73,942	36,286
0	1,010	1,526	801	(36,225)	(10,515)
0	(127)	0	(10,528)	37,134	10,515
\$0	\$883	\$1,526	(\$9,727)	\$909	\$0

(continued)

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

	Title VI-B	Title I	Title VI	Drug Free Grant
<u>Revenues:</u>				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental	537,805	732,728	3,385	8,582
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>537,805</u>	<u>732,728</u>	<u>3,385</u>	<u>8,582</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	0	13,608	3,385	0
Special	259,795	663,738	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	147,436	0	0	5,907
Instructional Staff	4,016	0	0	0
Administration	129,316	46,345	0	6,389
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>540,563</u>	<u>723,691</u>	<u>3,385</u>	<u>12,296</u>
<i>Net Change in Fund Balances</i>	(2,758)	9,037	0	(3,714)
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>(451)</u>	<u>7,755</u>	<u>0</u>	<u>3,714</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>(\$3,209)</u></u>	<u><u>\$16,792</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$87,284
135,036	11,456	1,875,654
0	0	82,096
0	0	141,313
0	0	6,499
0	0	123,573
<u>135,036</u>	<u>11,456</u>	<u>2,316,419</u>
152,144	3,665	460,105
0	0	932,254
0	0	73,576
0	0	161,858
0	0	182,604
3,148	0	202,900
0	0	2,964
0	7,791	91,954
0	0	12,000
0	0	6,358
0	0	160,703
0	0	72,403
<u>155,292</u>	<u>11,456</u>	<u>2,359,679</u>
(20,256)	0	(43,260)
<u>259</u>	<u>0</u>	<u>1,111,404</u>
<u>(\$19,997)</u>	<u>\$0</u>	<u>\$1,068,144</u>

Western Brown Local School District

Agency Fund Description

Agency Fund

Agency Funds are used to account for assets held by the School District as an agent for individuals, private organizations, other governmental units, and/or other funds. The following is the description of the School District's Agency Fund:

STUDENT MANAGED ACTIVITY - This fund accounts for student activity programs which have student participation in the activity and have students involved in the management of the program.

Western Brown Local School District
Statement of Changes in Fiduciary Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2009

	<u>Balance at</u> <u>6/30/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at</u> <u>6/30/09</u>
<u>STUDENT MANAGED ACTIVITY</u>				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	<u>\$107,906</u>	<u>\$190,304</u>	<u>\$201,558</u>	<u>\$96,652</u>
<u>Liabilities:</u>				
Undistributed Monies	<u>\$107,906</u>	<u>\$190,304</u>	<u>\$201,558</u>	<u>\$96,652</u>

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Western Brown Local School District

Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balance/Fund Equity – Budget
(Non-GAAP Basis) and Actual

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Taxes	\$5,010,213	\$4,175,213	\$4,160,772	(\$14,441)
Intergovernmental	19,448,650	20,273,756	20,356,323	82,567
Interest	72,000	77,800	75,360	(2,440)
Tuition and Fees	1,152,051	1,205,318	1,205,817	499
Rent	12,416	13,000	12,995	(5)
Miscellaneous	127,402	183,964	133,349	(50,615)
<i>Total Revenues</i>	25,822,732	25,929,051	25,944,616	15,565
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	8,324,450	8,324,450	8,152,415	172,035
Fringe Benefits	3,048,158	3,201,158	3,012,022	189,136
Purchased Services	116,663	116,663	143,456	(26,793)
Materials and Supplies	247,456	554,702	489,096	65,606
Capital Outlay - New	17,000	66,612	57,808	8,804
<i>Total Regular</i>	11,753,727	12,263,585	11,854,797	408,788
Special:				
Salaries and Wages	872,666	872,666	864,435	8,231
Fringe Benefits	316,468	316,468	380,068	(63,600)
Purchased Services	1,098,149	1,098,149	1,510,659	(412,510)
Materials and Supplies	0	613	2,210	(1,597)
<i>Total Special</i>	2,287,283	2,287,896	2,757,372	(469,476)
Vocational:				
Salaries and Wages	152,532	152,532	155,634	(3,102)
Fringe Benefits	44,778	44,778	73,431	(28,653)
Purchased Services	8,419	8,419	19,258	(10,839)
Materials and Supplies	39,409	39,409	45,149	(5,740)
Other	3,850	3,850	5,344	(1,494)
<i>Total Vocational</i>	248,988	248,988	298,816	(49,828)
Student Intervention Services:				
Salaries and Wages	0	0	8,055	(8,055)
Fringe Benefits	0	0	59	(59)
Purchased Services	0	20,000	65,306	(45,306)
<i>Total Student Intervention Services</i>	0	20,000	73,420	(53,420)
Other:				
Purchased Services	1,680,047	1,660,047	1,680,770	(20,723)
<i>Total Instruction</i>	15,970,045	16,480,516	16,665,175	(184,659)
Support Services:				
Pupils:				
Salaries and Wages	430,666	430,666	433,058	(2,392)
Fringe Benefits	151,617	151,617	201,925	(50,308)
Purchased Services	25,000	25,000	83,104	(58,104)
Materials and Supplies	8,500	8,500	5,070	3,430
<i>Total Pupils</i>	\$615,783	\$615,783	\$723,157	(\$107,374)

(continued)

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2009
(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Instructional Staff:				
Salaries and Wages	\$416,912	\$416,912	\$508,114	(\$91,202)
Fringe Benefits	307,917	307,917	337,241	(29,324)
Purchased Services	0	0	1,099	(1,099)
Materials and Supplies	24,000	24,000	18,334	5,666
Total Instructional Staff	748,829	748,829	864,788	(115,959)
Board of Education:				
Salaries and Wages	8,250	8,250	12,500	(4,250)
Fringe Benefits	0	0	57	(57)
Purchased Services	0	0	7,050	(7,050)
Materials and Supplies	5,000	5,000	0	5,000
Other	1,600	1,600	1,000	600
Total Board of Education	14,850	14,850	20,607	(5,757)
Administration:				
Salaries and Wages	1,070,223	1,070,223	1,076,184	(5,961)
Fringe Benefits	423,942	423,942	481,145	(57,203)
Purchased Services	112,948	112,948	146,957	(34,009)
Materials and Supplies	15,329	15,329	11,215	4,114
Capital Outlay - Replacement	0	0	240	(240)
Other	54,855	54,855	50,260	4,595
Total Administration	1,677,297	1,677,297	1,766,001	(88,704)
Fiscal:				
Salaries and Wages	233,801	233,801	235,660	(1,859)
Fringe Benefits	83,236	83,236	78,957	4,279
Purchased Services	17,919	17,919	21,696	(3,777)
Materials and Supplies	10,500	10,500	6,335	4,165
Other	189,360	189,360	184,765	4,595
Total Fiscal	534,816	534,816	527,413	7,403
Operation and Maintenance of Plant:				
Salaries and Wages	1,110,265	1,110,265	1,076,464	33,801
Fringe Benefits	581,884	581,884	534,187	47,697
Purchased Services	1,320,085	1,395,085	1,163,226	231,859
Materials and Supplies	205,619	205,619	225,372	(19,753)
Capital Outlay - Replacement	0	0	752	(752)
Other	200	200	777	(577)
Total Operation and Maintenance of Plant	3,218,053	3,293,053	3,000,778	292,275
Pupil Transportation:				
Salaries and Wages	835,580	835,580	877,615	(42,035)
Fringe Benefits	537,584	537,584	548,352	(10,768)
Purchased Services	291,063	291,063	174,564	116,499
Materials and Supplies	540,909	540,909	424,642	116,267
Capital Outlay - New	1,800	26,458	21,994	4,464
Other	500	500	100	400
Total Pupil Transportation	\$2,207,436	\$2,232,094	\$2,047,267	\$184,827

(continued)

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2009
(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Central:				
Salaries and Wages	\$46,904	\$46,904	\$51,850	(\$4,946)
Fringe Benefits	12,646	12,646	12,986	(340)
Purchased Services	66,059	66,059	47,831	18,228
Materials and Supplies	25,372	25,372	12,044	13,328
Capital Outlay - New	15,000	15,000	17,743	(2,743)
Other	119,148	119,148	118,693	455
Total Central	285,129	285,129	261,147	23,982
Total Support Services	9,302,193	9,401,851	9,211,158	190,693
Operation of Non-Instructional Services:				
Food Service Operations:				
Fringe Benefits	0	0	10,037	(10,037)
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	70,098	70,098	69,856	242
Fringe Benefits	11,400	11,400	11,752	(352)
Purchased Services	20,044	20,044	6,876	13,168
Materials and Supplies	0	0	2,108	(2,108)
Capital Outlay - New	0	0	1,140	(1,140)
Total Academic and Subject Oriented Activities	101,542	101,542	91,732	9,810
Sports Oriented Activities:				
Salaries and Wages	302,701	302,701	280,813	21,888
Fringe Benefits	53,198	53,198	52,706	492
Purchased Services	33,892	33,892	22,100	11,792
Materials and Supplies	0	0	3,309	(3,309)
Capital Outlay - New	0	12,996	12,996	0
Total Sports Oriented Activities	389,791	402,787	371,924	30,863
Total Extracurricular Activities	491,333	504,329	463,656	40,673
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Site Acquisition Services:				
Purchased Services	24,740	24,740	24,740	0
Site Improvement Services:				
Capital Outlay - New	0	0	3,703	(3,703)
Capital Outlay - Replacement	12,978	12,978	12,978	0
Total Site Improvement Services	12,978	12,978	16,681	(3,703)
Building Acquisition and Construction Services:				
Capital Outlay - New	0	224,110	110,887	113,223
Total Capital Outlay	\$37,718	\$261,828	\$152,308	\$109,520

(continued)

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2009
(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal Retirement	\$33,000	\$33,000	\$33,000	\$0
Interest and Fiscal Charges	20,000	20,000	11,536	8,464
Total Debt Service	53,000	53,000	44,536	8,464
<i>Total Expenditures</i>	25,854,289	26,701,524	26,546,870	154,654
Excess of Revenues Over (Under) Expenditures	(31,557)	(772,473)	(602,254)	170,219
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Receipts	0	0	(2,156)	(2,156)
Advances In	0	113,268	113,268	0
Advances Out	0	(113,000)	(113,268)	(268)
<i>Total Other Financing Sources (Uses)</i>	0	268	(2,156)	(2,424)
Net Change in Fund Balance	(31,557)	(772,205)	(604,410)	167,795
Fund Balance at Beginning of Year	2,428,380	2,428,380	2,428,380	0
Prior Year Encumbrances Appropriated	295,531	295,531	295,531	0
Fund Balance at End of Year	\$2,692,354	\$1,951,706	\$2,119,501	\$167,795

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Taxes	\$627,000	\$491,210	\$491,210	\$0
Intergovernmental	0	77,468	78,080	612
<i>Total Revenues</i>	627,000	568,678	569,290	612
<u>Expenditures:</u>				
Current:				
Support Services:				
Fiscal:				
Other	0	16,717	16,717	0
Debt Service:				
Principal Retirement	255,000	255,000	255,000	0
Interest and Fiscal Charges	263,851	263,851	263,851	0
Total Debt Service	518,851	518,851	518,851	0
<i>Total Expenditures</i>	518,851	535,568	535,568	0
Net Change in Fund Balance	108,149	33,110	33,722	612
Fund Balance at Beginning of Year	1,702,309	1,702,309	1,702,309	0
Fund Balance at End of Year	\$1,810,458	\$1,735,419	\$1,736,031	\$612

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Memorial
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Pupils:				
Other	<u>0</u>	<u>516</u>	<u>0</u>	<u>516</u>
Net Change in Fund Balance	0	(516)	0	516
Fund Balance at Beginning of Year	<u>1,302</u>	<u>1,302</u>	<u>1,302</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,302</u></u>	<u><u>\$786</u></u>	<u><u>\$1,302</u></u>	<u><u>\$516</u></u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Uniform School Supplies
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues:</u>				
Tuition and Fees	\$111,126	\$81,126	\$82,096	\$970
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	190,124	119,124	114,712	4,412
Net Change in Fund Balance	(78,998)	(37,998)	(32,616)	5,382
Fund Balance at Beginning of Year	78,874	78,874	78,874	0
Prior Year Encumbrances Appropriated	132	132	132	0
Fund Balance at End of Year	<u>\$8</u>	<u>\$41,008</u>	<u>\$46,390</u>	<u>\$5,382</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues:</u>				
Extracurricular Activities	\$88,288	\$90,850	\$97,804	\$6,954
Contributions and Donations	15,101	7,300	16,729	9,429
Miscellaneous	11,111	8,740	12,308	3,568
<i>Total Revenues</i>	<u>114,500</u>	<u>106,890</u>	<u>126,841</u>	<u>19,951</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Purchased Services	17,722	17,722	17,361	361
Materials and Supplies	49,592	49,942	44,211	5,731
Capital Outlay - New	0	0	7,952	(7,952)
Other	3,950	3,600	3,350	250
Total Instruction	<u>71,264</u>	<u>71,264</u>	<u>72,874</u>	<u>(1,610)</u>
Support Services:				
Instructional Staff:				
Materials and Supplies	44,500	44,500	38,805	5,695
Administration:				
Capital Outlay - New	0	0	3,190	(3,190)
Total Support Services	<u>44,500</u>	<u>44,500</u>	<u>41,995</u>	<u>2,505</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Purchased Services	0	0	200	(200)
Materials and Supplies	0	0	50	(50)
Other	22,500	23,880	22,274	1,606
Total Academic and Subject Oriented Activities	<u>22,500</u>	<u>23,880</u>	<u>22,524</u>	<u>1,356</u>
Sports Oriented Activities:				
Materials and Supplies	500	500	535	(35)
Total Extracurricular Activities	<u>23,000</u>	<u>24,380</u>	<u>23,059</u>	<u>1,321</u>
<i>Total Expenditures</i>	<u>138,764</u>	<u>140,144</u>	<u>137,928</u>	<u>2,216</u>
Net Change in Fund Balance	(24,264)	(33,254)	(11,087)	22,167
Fund Balance at Beginning of Year	64,905	64,905	64,905	0
Prior Year Encumbrances Appropriated	4,114	4,114	4,114	0
Fund Balance at End of Year	<u>\$44,755</u>	<u>\$35,765</u>	<u>\$57,932</u>	<u>\$22,167</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Other Grant
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$19,557	\$15,299	\$15,299	\$0
Contributions and Donations	1,443	1,127	1,129	2
<i>Total Revenues</i>	<u>21,000</u>	<u>16,426</u>	<u>16,428</u>	<u>2</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	4,800	3,900	3,000	900
Purchased Services	8,352	8,611	4,895	3,716
Materials and Supplies	30,273	20,895	23,040	(2,145)
Total Instruction	<u>43,425</u>	<u>33,406</u>	<u>30,935</u>	<u>2,471</u>
Support Services:				
Pupils:				
Materials and Supplies	2,000	2,000	0	2,000
Operation of Non-Instructional Services:				
Community Services:				
Fringe Benefits	0	0	4,011	(4,011)
Materials and Supplies	5,138	5,138	2,347	2,791
Total Operation of Non-Instructional Services	<u>5,138</u>	<u>5,138</u>	<u>6,358</u>	<u>(1,220)</u>
Total Support Services	<u>7,138</u>	<u>7,138</u>	<u>6,358</u>	<u>780</u>
<i>Total Expenditures</i>	<u>50,563</u>	<u>40,544</u>	<u>37,293</u>	<u>3,251</u>
Net Change in Fund Balance	(29,563)	(24,118)	(20,865)	3,253
Fund Balance at Beginning of Year	28,900	28,900	28,900	0
Prior Year Encumbrances Appropriated	<u>7,349</u>	<u>7,349</u>	<u>7,349</u>	<u>0</u>
Fund Balance at End of Year	<u>\$6,686</u>	<u>\$12,131</u>	<u>\$15,384</u>	<u>\$3,253</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Classroom Facility Maintenance
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Taxes	\$102,500	\$84,441	\$84,441	\$0
Intergovernmental	123,900	139,853	140,018	165
<i>Total Revenues</i>	<u>226,400</u>	<u>224,294</u>	<u>224,459</u>	<u>165</u>
<u>Expenditures:</u>				
Current:				
Support Services:				
Fiscal:				
Other	1,800	1,800	2,964	(1,164)
Operation and Maintenance of Plant:				
Salaries and Wages	64,184	64,184	64,408	(224)
Fringe Benefits	25,086	25,086	19,643	5,443
Purchased Services	500,000	100,000	0	100,000
Total Operation and Maintenance of Plant	<u>589,270</u>	<u>189,270</u>	<u>84,051</u>	<u>105,219</u>
Total Support Services	591,070	191,070	87,015	104,055
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Building Acquisition and Construction Services:				
Capital Outlay - New	81,483	81,483	89,279	(7,796)
<i>Total Expenditures</i>	<u>672,553</u>	<u>272,553</u>	<u>176,294</u>	<u>96,259</u>
Net Change in Fund Balance	(446,153)	(48,259)	48,165	96,424
Fund Balance at Beginning of Year	767,690	767,690	767,690	0
Prior Year Encumbrances Appropriated	<u>56,481</u>	<u>56,481</u>	<u>56,481</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$378,018</u></u>	<u><u>\$775,912</u></u>	<u><u>\$872,336</u></u>	<u><u>\$96,424</u></u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Activity
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<u>Revenues:</u>				
Extracurricular Activities	\$142,046	\$139,848	\$142,328	\$2,480
Contributions and Donations	5,454	5,370	5,370	0
<i>Total Revenues</i>	<u>147,500</u>	<u>145,218</u>	<u>147,698</u>	<u>2,480</u>
<u>Expenditures:</u>				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Purchased Services	64,548	70,548	66,452	4,096
Materials and Supplies	75,158	89,158	92,959	(3,801)
<i>Total Expenditures</i>	<u>139,706</u>	<u>159,706</u>	<u>159,411</u>	<u>295</u>
Net Change in Fund Balance	7,794	(14,488)	(11,713)	2,775
Fund Balance at Beginning of Year	20,738	20,738	20,738	0
Prior Year Encumbrances Appropriated	<u>12,706</u>	<u>12,706</u>	<u>12,706</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$41,238</u></u>	<u><u>\$18,956</u></u>	<u><u>\$21,731</u></u>	<u><u>\$2,775</u></u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Educational Management Information Systems
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$14,552	\$9,835	\$9,835	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Administration:				
Salaries and Wages	15,000	9,841	9,841	0
Fringe Benefits	3,100	1,771	1,842	(71)
Purchased Services	1,500	750	558	192
<i>Total Expenditures</i>	<u>19,600</u>	<u>12,362</u>	<u>12,241</u>	<u>121</u>
Net Change in Fund Balance	(5,048)	(2,527)	(2,406)	121
Fund Balance at Beginning of Year	<u>5,050</u>	<u>5,050</u>	<u>5,050</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2</u></u>	<u><u>\$2,523</u></u>	<u><u>\$2,644</u></u>	<u><u>\$121</u></u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OneNet
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$12,000	\$12,000	\$12,000	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Central:				
Purchased Services	12,000	12,000	12,000	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Professional Development
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$3,800	\$2,970	\$2,970	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Purchased Services	3,800	2,970	2,970	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$188,202	\$138,671	\$138,671	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	108,976	103,424	103,424	0
Fringe Benefits	39,147	35,802	35,802	0
Purchased Services	10,000	1,517	1,517	0
<i>Total Expenditures</i>	<u>158,123</u>	<u>140,743</u>	<u>140,743</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>30,079</u>	<u>(2,072)</u>	<u>(2,072)</u>	<u>0</u>
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Receipts	0	(1,324)	(1,324)	0
Advances In	0	17,500	17,500	0
Advances Out	0	(17,500)	(17,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(1,324)</u>	<u>(1,324)</u>	<u>0</u>
Net Change in Fund Balance	30,079	(3,396)	(3,396)	0
Fund Balance at Beginning of Year	<u>4,602</u>	<u>4,602</u>	<u>4,602</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$34,681</u></u>	<u><u>\$1,206</u></u>	<u><u>\$1,206</u></u>	<u><u>\$0</u></u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
High Schools That Work
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$14,000	\$6,313	\$6,313	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	2,310	910	910	0
Purchased Services	11,690	4,604	4,302	302
<i>Total Expenditures</i>	<u>14,000</u>	<u>5,514</u>	<u>5,212</u>	<u>302</u>
Net Change in Fund Balance	0	799	1,101	302
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$799</u></u>	<u><u>\$1,101</u></u>	<u><u>\$302</u></u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Alternative School
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$58,000	\$54,727	\$54,727	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	56,000	51,296	51,296	0
Support Services:				
Administration:				
Salaries and Wages	0	900	900	0
Purchased Services	2,000	1,368	1,368	0
Total Support Services	2,000	2,268	2,268	0
<i>Total Expenditures</i>	58,000	53,564	53,564	0
Excess of Revenues Over Expenditures	0	1,163	1,163	0
<u>Other Financing Sources (Uses):</u>				
Advances In	0	3,000	3,000	0
Advances Out	0	(3,000)	(3,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	0	0	0
Net Change in Fund Balance	0	1,163	1,163	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$1,163</u>	<u>\$1,163</u>	<u>\$0</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Poverty Based Assistance
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$39,000	\$37,717	\$37,717	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	37,337	37,337	0	37,337
Student Intervention Services:				
Salaries and Wages	39,000	37,700	51,704	(14,004)
Fringe Benefits	0	0	154	(154)
Materials and Supplies	0	0	21,922	(21,922)
Total Student Intervention Services	39,000	37,700	73,780	(36,080)
<i>Total Expenditures</i>	<u>76,337</u>	<u>75,037</u>	<u>73,780</u>	<u>1,257</u>
Net Change in Fund Balance	(37,337)	(37,320)	(36,063)	1,257
Fund Balance at Beginning of Year	<u>37,338</u>	<u>37,338</u>	<u>37,338</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1</u></u>	<u><u>\$18</u></u>	<u><u>\$1,275</u></u>	<u><u>\$1,257</u></u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$8,600	\$27,771	\$27,771	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Purchased Services	0	2,921	2,858	63
Materials and Supplies	0	2,978	2,920	58
Capital Outlay - New	0	13,272	13,272	0
Total Regular	0	19,171	19,050	121
Special:				
Purchased Services	8,600	8,600	8,721	(121)
Total Instruction	8,600	27,771	27,771	0
Support Services:				
Pupils:				
Purchased Services	0	8,515	8,515	0
<i>Total Expenditures</i>	8,600	36,286	36,286	0
Excess of Revenues Under Expenditures	0	(8,515)	(8,515)	0
<u>Other Financing Sources (Uses):</u>				
Advances In	0	268	268	0
Advances Out	0	(268)	(268)	0
<i>Total Other Financing Sources (Uses)</i>	0	0	0	0
Net Change in Fund Balance	0	(8,515)	(8,515)	0
Fund Balance at Beginning of Year	8,515	8,515	8,515	0
Fund Balance at End of Year	<u>\$8,515</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$719,530	\$549,330	\$549,330	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Special:				
Salaries and Wages	216,522	182,641	182,641	0
Fringe Benefits	67,530	66,711	66,711	0
Total Instruction	284,052	249,352	249,352	0
Support Services:				
Pupils:				
Salaries and Wages	30,382	2,267	2,267	0
Fringe Benefits	480	0	0	0
Purchased Services	277,876	150,989	150,989	0
Total Pupils	308,738	153,256	153,256	0
Instructional Staff:				
Salaries and Wages	314	3,275	3,275	0
Fringe Benefits	0	646	646	0
Total Instructional Staff	314	3,921	3,921	0
Administration:				
Salaries and Wages	123,218	107,035	107,035	0
Fringe Benefits	3,207	25,358	25,358	0
Total Administration	126,425	132,393	132,393	0
Total Support Services	435,477	289,570	289,570	0
Total Expenditures	719,529	538,922	538,922	0
Excess of Revenues Over Expenditures	1	10,408	10,408	0
<u>Other Financing Sources (Uses):</u>				
Advances In	0	20,000	20,000	0
Advances Out	0	(20,000)	(20,000)	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	1	10,408	10,408	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$1</u>	<u>\$10,408</u>	<u>\$10,408</u>	<u>\$0</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$836,646	\$745,222	\$745,222	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	7,938	10,000	10,000	0
Capital Outlay - New	0	3,608	3,608	0
Total Regular	7,938	13,608	13,608	0
Special:				
Salaries and Wages	498,300	436,841	436,841	0
Fringe Benefits	185,496	160,394	160,394	0
Purchased Services	18,331	95,739	84,939	10,800
Total Special	702,127	692,974	682,174	10,800
Other:				
Purchased Services	7,021	0	0	0
Total Instruction	717,086	706,582	695,782	10,800
Support Services:				
Administration:				
Salaries and Wages	36,785	39,284	39,284	0
Purchased Services	10,716	6,716	6,716	0
Total Support Services	47,501	46,000	46,000	0
<i>Total Expenditures</i>	<u>764,587</u>	<u>752,582</u>	<u>741,782</u>	<u>10,800</u>
Excess of Revenues Over (Under) Expenditures	<u>72,059</u>	<u>(7,360)</u>	<u>3,440</u>	<u>10,800</u>
<u>Other Financing Sources (Uses):</u>				
Advances In	0	66,000	66,000	0
Advances Out	0	(66,000)	(66,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	72,059	(7,360)	3,440	10,800
Fund Balance at Beginning of Year	3,809	3,809	3,809	0
Prior Year Encumbrances Appropriated	6,752	6,752	6,752	0
Fund Balance at End of Year	<u>\$82,620</u>	<u>\$3,201</u>	<u>\$14,001</u>	<u>\$10,800</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$12,923	\$3,385	\$3,385	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	40	3,385	3,385	0
Purchased Services	12,883	0	0	0
<i>Total Expenditures</i>	12,923	3,385	3,385	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Grant
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$15,823	\$8,582	\$8,582	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Purchased Services	6,000	0	0	0
Support Services:				
Pupils:				
Purchased Services	7,496	5,907	5,907	0
Administration:				
Salaries and Wages	39	49	49	0
Purchased Services	6,000	6,340	6,340	0
Total Administration	6,039	6,389	6,389	0
<i>Total Expenditures</i>	19,535	12,296	12,296	0
Net Change in Fund Balance	(3,712)	(3,714)	(3,714)	0
Fund Balance at Beginning of Year	3,714	3,714	3,714	0
Fund Balance at End of Year	<u>\$2</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Improving Teacher Quality
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Intergovernmental	\$179,814	\$154,476	\$154,476	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	116,056	112,473	112,473	0
Fringe Benefits	46,077	38,325	38,325	0
Total Instruction	162,133	150,798	150,798	0
Support Services:				
Administration:				
Salaries and Wages	11,811	3,340	3,340	0
<i>Total Expenditures</i>	<u>173,944</u>	<u>154,138</u>	<u>154,138</u>	<u>0</u>
Excess of Revenues Over Expenditures	<u>5,870</u>	<u>338</u>	<u>338</u>	<u>0</u>
<u>Other Financing Sources (Uses):</u>				
Advances In	0	6,000	6,000	0
Advances Out	0	(6,000)	(6,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	5,870	338	338	0
Fund Balance at Beginning of Year	709	709	709	0
Fund Balance at End of Year	<u>\$6,579</u>	<u>\$1,047</u>	<u>\$1,047</u>	<u>\$0</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Revenues:</u>				
Intergovernmental	\$9,607	\$11,456	\$11,456	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Purchased Services	9,607	3,665	3,665	0
Support Services:				
Operation and Maintenance of Plant:				
Salaries and Wages	0	1,773	1,773	0
Purchased Services	0	1,119	1,119	0
Materials and Supplies	0	4,899	4,899	0
Total Support Services	0	7,791	7,791	0
<i>Total Expenditures</i>	9,607	11,456	11,456	0
Excess of Revenues Over Expenditures	0	0	0	0
<u>Other Financing Sources (Uses):</u>				
Advances In	0	500	500	0
Advances Out	0	(500)	(500)	0
<i>Total Other Financing Sources (Uses)</i>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Western Brown Construction Project
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Interest	\$20,000	\$5,900	\$6,151	\$251
<u>Expenditures:</u>				
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Building Acquisition and Construction Services:				
Capital Outlay - New	0	89,000	9,000	80,000
Excess of Revenues Over (Under) Expenditures	20,000	(83,100)	(2,849)	80,251
<u>Other Financing Uses:</u>				
Transfers Out	(\$1,245,000)	\$0	\$0	\$0
Net Change in Fund Balance	(1,225,000)	(83,100)	(2,849)	80,251
Fund Balance at Beginning of Year	1,241,877	1,241,877	1,241,877	0
Fund Balance at End of Year	<u>\$16,877</u>	<u>\$1,158,777</u>	<u>\$1,239,028</u>	<u>\$80,251</u>

WESTERN BROWN LOCAL SCHOOL DISTRICT
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Food Service
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues:</u>				
Sales	\$671,300	\$636,100	\$636,435	\$335
Interest	2,887	0	2,737	2,737
Federal and State Subsidies	817,681	774,500	775,213	713
Other Revenues	27,432	25,700	26,007	307
<i>Total Revenues</i>	<u>1,519,300</u>	<u>1,436,300</u>	<u>1,440,392</u>	<u>4,092</u>
<u>Expenses:</u>				
Salaries	419,985	429,985	432,930	(2,945)
Fringe Benefits	325,060	325,060	329,307	(4,247)
Purchased Services	14,780	24,380	21,737	2,643
Materials and Supplies	640,540	668,540	648,995	19,545
<i>Total Expenses</i>	<u>1,400,365</u>	<u>1,447,965</u>	<u>1,432,969</u>	<u>14,996</u>
<i>Net Change in Fund Equity</i>	118,935	(11,665)	7,423	19,088
Fund Equity at Beginning of Year	291,342	291,342	291,342	0
Prior Year Encumbrances Appropriated	820	820	820	0
Fund Equity at End of Year	<u>\$411,097</u>	<u>\$280,497</u>	<u>\$299,585</u>	<u>\$19,088</u>

STATISTICAL SECTION

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Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2-S13
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S14-S19
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S20-S24
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S25-S26
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S27-S33

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

Western Brown Local School District
Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<u>Governmental Activities:</u>				
Invested in Capital Assets, Net of Related Debt	\$27,950,343	\$50,234,994	\$54,382,759	\$53,812,800
Restricted for:				
Debt Service	720,668	1,025,227	1,200,826	1,278,683
Capital Projects	31,096,187	8,071,299	2,383,815	3,407,766
Classroom Facilities	0	0	0	0
Other Purposes (1)	1,382,398	1,025,497	658,867	827,117
Set-Asides	0	0	0	0
Unrestricted (Deficit)	<u>(4,196,147)</u>	<u>1,852,180</u>	<u>2,191,495</u>	<u>(1,024,935)</u>
Total Governmental Activities Net Assets	<u>\$56,953,449</u>	<u>\$62,209,197</u>	<u>\$60,817,762</u>	<u>\$58,301,431</u>
<u>Business-Type Activity:</u>				
Invested in Capital Assets, Net of Related Debt	\$125,642	\$2,175,985	\$2,344,334	\$2,232,744
Unrestricted	<u>60,606</u>	<u>151,622</u>	<u>188,005</u>	<u>171,498</u>
Total Business-type Activities Net Assets	<u>\$186,248</u>	<u>\$2,327,607</u>	<u>\$2,532,339</u>	<u>\$2,404,242</u>
<u>Primary Government:</u>				
Invested in Capital Assets, Net of Related Debt	\$28,075,985	\$52,410,979	\$56,727,093	\$56,045,544
Restricted	33,199,253	10,122,023	4,243,508	5,513,566
Unrestricted (Deficit)	<u>(4,135,541)</u>	<u>2,003,802</u>	<u>2,379,500</u>	<u>(853,437)</u>
Total Primary Government Net Assets	<u>\$57,139,697</u>	<u>\$64,536,804</u>	<u>\$63,350,101</u>	<u>\$60,705,673</u>

(1) 2007 was the first year other purposes was further classified.

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$52,270,245	\$51,070,621	\$48,946,361	\$47,291,229	\$45,577,012	\$44,066,679
1,404,525	1,589,643	1,679,299	1,787,001	1,813,830	1,853,926
2,337,331	1,137,508	733,409	719,152	1,242,909	1,241,278
0	0	0	736,086	839,232	902,512
1,150,675	898,263	838,607	325,876	243,919	166,439
0	327,633	82,367	319,466	658,004	829,827
<u>(665,002)</u>	<u>(292,727)</u>	<u>(476,305)</u>	<u>(757,121)</u>	<u>430,367</u>	<u>(299,516)</u>
<u>\$56,497,774</u>	<u>\$54,730,941</u>	<u>\$51,803,738</u>	<u>\$50,421,689</u>	<u>\$50,805,273</u>	<u>\$48,761,145</u>
\$2,111,448	\$2,033,945	\$1,905,617	\$1,793,601	\$1,674,004	\$1,554,351
<u>97,274</u>	<u>73,733</u>	<u>87,315</u>	<u>123,828</u>	<u>131,134</u>	<u>144,784</u>
<u>\$2,208,722</u>	<u>\$2,107,678</u>	<u>\$1,992,932</u>	<u>\$1,917,429</u>	<u>\$1,805,138</u>	<u>\$1,699,135</u>
\$54,381,693	\$53,104,566	\$50,851,978	\$49,084,830	\$47,251,016	\$45,621,030
4,892,531	3,953,047	3,333,682	3,803,169	4,797,894	4,993,982
<u>(567,728)</u>	<u>(218,994)</u>	<u>(388,990)</u>	<u>(591,087)</u>	<u>561,501</u>	<u>(154,732)</u>
<u>\$58,706,496</u>	<u>\$56,838,619</u>	<u>\$53,796,670</u>	<u>\$52,296,912</u>	<u>\$52,610,411</u>	<u>\$50,460,280</u>

Western Brown Local School District

Changes in Net Assets

Last Ten Fiscal Years

(accrual basis of accounting)

	2000	2001	2002	2003
<u>Expenses:</u>				
<u>Governmental Activities:</u>				
Instruction:				
Regular	\$8,068,695	\$10,067,185	\$12,180,875	\$12,465,772
Special	1,719,676	1,862,292	1,804,213	2,242,856
Vocational	\$199,223	\$247,993	265,181	273,998
Other	246,475	322,220	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	648,298	781,023	972,090	1,084,700
Instructional Staff	585,093	733,883	871,741	886,418
Board of Education	17,873	19,462	30,269	18,213
Administration	1,415,779	1,818,114	1,973,300	2,126,037
Fiscal	399,413	412,367	457,010	485,519
Business	0	15,950	115	0
Operation and Maintenance of Plant	1,163,058	1,441,306	2,164,658	2,534,729
Pupil Transportation	1,335,397	1,473,213	1,609,885	1,662,716
Central	39,941	61,637	70,364	97,847
Operation of Non-Instructional Services	2,124	3,093	73,801	1,916
Extracurricular Activities	254,892	291,069	401,793	521,942
Interest and Fiscal Charges	357,420	341,112	330,800	338,146
<i>Total Governmental Activities Expenses</i>	<u>16,453,357</u>	<u>19,891,919</u>	<u>23,206,095</u>	<u>24,740,809</u>
 <u>Business-Type Activity:</u>				
Food Service	<u>953,772</u>	<u>1,013,583</u>	<u>1,109,624</u>	<u>1,148,095</u>
 <i>Total Expenses</i>	 <u>17,407,129</u>	 <u>20,905,502</u>	 <u>24,315,719</u>	 <u>25,888,904</u>
 <u>Program Revenues:</u>				
<u>Governmental Activities:</u>				
Charges for Services and Sales				
Instruction:				
Regular	156,222	95,952	136,802	149,335
Special	0	0	0	0
Vocational	0	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	0	0	315	1,901
Instructional Staff	21,142	0	18,100	29,823
Board of Education	0	0	0	0
Administration	12,290	0	3,394	0
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	67	0	0	0
Extracurricular Activities	70,758	153,313	102,895	105,427
Operating Grants and Contributions	1,798,652	1,029,607	1,828,883	1,801,397
Capital Grants and Contributions	283,058	164,651	187,682	67,045
<i>Total Governmental Activities Program Revenues</i>	<u>\$2,342,189</u>	<u>\$1,443,523</u>	<u>\$2,278,071</u>	<u>\$2,154,928</u>

2004	2005	2006	2007	2008	2009
\$13,157,172	\$13,628,477	\$14,703,897	\$14,051,085	\$14,208,369	\$15,372,518
2,100,815	2,596,384	2,751,167	3,028,459	3,382,298	3,698,014
269,774	288,623	319,570	254,430	297,494	328,952
0	0	0	0	0	0
0	0	101,933	87,630	203,039	146,996
1,064,124	1,095,373	1,083,805	1,042,719	986,900	928,674
904,816	878,219	1,029,535	833,832	998,888	1,076,896
26,087	23,317	25,214	17,796	17,970	20,524
2,092,474	2,178,806	2,323,665	2,252,897	2,104,497	2,254,135
625,984	534,234	487,405	526,057	584,051	585,596
294	31,641	23,666	168	0	0
3,098,831	2,821,977	2,866,079	2,824,911	2,959,634	3,158,807
1,769,004	1,920,582	2,107,161	2,235,642	2,246,022	2,188,838
179,493	211,797	181,968	225,768	274,331	266,667
1,887	46,862	3,578	2,865	3,565	16,395
568,400	640,459	692,746	648,268	714,507	737,047
333,859	321,848	317,740	309,796	294,509	275,376
26,193,014	27,218,599	29,019,129	28,342,323	29,276,074	31,055,435
1,199,293	1,266,525	1,383,302	1,485,512	1,566,497	1,642,631
27,392,307	28,485,124	30,402,431	29,827,835	30,842,571	32,698,066
369,450	503,348	567,375	1,016,663	1,062,083	1,069,057
40,150	75,845	79,065	161,032	189,825	192,087
5,736	8,427	11,349	16,658	21,463	21,464
0	0	0	3,332	0	5,305
23,399	25,281	29,129	0	0	0
28,267	33,709	32,912	0	0	0
0	0	1,050	0	0	0
45,886	67,417	71,026	0	0	0
17,207	16,854	18,253	0	0	0
74,564	109,553	115,193	11,230	14,444	12,995
45,886	67,417	83,321	0	0	0
0	0	6,896	0	0	0
0	0	0	0	0	0
197,859	104,415	110,867	105,919	147,101	141,313
2,253,283	2,484,693	2,573,020	2,745,174	3,228,610	3,056,239
78,650	0	71,992	0	0	0
\$3,180,337	\$3,496,959	\$3,771,448	\$4,060,008	\$4,663,526	\$4,498,460

(continued)

Western Brown Local School District

*Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(continued)*

	2000	2001	2002	2003
<u>Business-Type Activity:</u>				
Food Service				
Charges for Services and Sales	\$614,916	\$623,757	\$631,462	\$609,331
Operating Grants and Contributions	363,891	348,812	388,620	381,847
<i>Total Business-Type Activity Program Revenues</i>	<u>978,807</u>	<u>972,569</u>	<u>1,020,082</u>	<u>991,178</u>
<i>Total Program Revenues</i>	<u>3,320,996</u>	<u>2,416,092</u>	<u>3,298,153</u>	<u>3,146,106</u>
<u>Net (Expense)/Revenue:</u>				
Governmental Activities	(14,111,168)	(18,448,396)	(20,928,024)	(22,585,881)
Business-Type Activity	25,035	(41,014)	(89,542)	(156,917)
<i>Total Net (Expense)/Revenue</i>	<u>(14,086,133)</u>	<u>(18,489,410)</u>	<u>(21,017,566)</u>	<u>(22,742,798)</u>
<u>General Revenues and Other Changes in Net Assets:</u>				
<u>Governmental Activities:</u>				
Property Taxes Levied for:				
General Purposes	2,777,773	3,012,419	3,283,024	3,304,693
Debt Service	0	0	0	528,751
Classroom Facilities Maintenance	722,177	783,205	672,444	82,614
Grants and Entitlements not				
Restricted to Specific Programs	13,072,046	13,715,161	15,421,480	15,899,676
Unrestricted Contributions and Donations	0	0	8,096	0
Interest	1,042,221	1,148,868	306,638	126,630
Gain on Sale of Capital Assets	0	0	0	53,143
Miscellaneous	290,924	88,103	127,206	82,964
Transfers	(56,226)	(2,004,712)	(282,299)	(8,921)
<i>Total Governmental Activities</i>	<u>17,848,915</u>	<u>16,743,044</u>	<u>19,536,589</u>	<u>20,069,550</u>
<i>Extraordinary Item - Insurance Settlement</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Business-Type Activity:</u>				
Grants and Entitlements not				
Restricted to Specific Programs	0	8,955	0	2,720
Interest	0	0	4,581	0
Miscellaneous	0	0	7,394	17,179
Transfers	56,226	2,004,712	282,299	8,921
<i>Total Business-Type Activity</i>	<u>56,226</u>	<u>2,013,667</u>	<u>294,274</u>	<u>28,820</u>
<i>Total Primary Government</i>	<u>17,905,141</u>	<u>18,756,711</u>	<u>19,830,863</u>	<u>20,098,370</u>
<u>Change in Net Assets:</u>				
Governmental Activities	3,737,747	(1,705,352)	(1,391,435)	(2,516,331)
Business-Type Activity	81,261	1,972,653	204,732	(128,097)
<i>Total Change in Net Assets</i>	<u>\$3,819,008</u>	<u>\$267,301</u>	<u>(\$1,186,703)</u>	<u>(\$2,644,428)</u>

2004	2005	2006	2007	2008	2009
\$584,299	\$596,124	\$637,513	\$625,630	\$642,333	\$635,435
400,574	506,964	613,495	758,600	781,692	868,996
984,873	1,103,088	1,251,008	1,384,230	1,424,025	1,504,431
4,165,210	4,600,047	5,022,456	5,444,238	6,087,551	6,002,891
(23,012,677)	(23,721,640)	(25,247,681)	(24,282,315)	(24,612,548)	(26,556,975)
(214,420)	(163,437)	(132,294)	(101,282)	(142,472)	(138,200)
(23,227,097)	(23,885,077)	(25,379,975)	(24,383,597)	(24,755,020)	(26,695,175)
3,396,506	3,954,688	4,050,425	4,251,580	4,132,956	4,328,426
552,220	623,941	535,614	533,573	514,460	496,617
135,571	89,958	93,574	88,306	83,722	88,056
16,729,287	17,078,312	17,302,267	17,584,596	18,173,233	19,244,661
0	5,841	18,265	9,672	10,198	0
65,060	103,622	182,083	261,884	234,172	142,432
276,088	0	0	0	0	0
54,288	142,060	138,250	128,449	162,666	212,655
0	(43,615)	0	0	0	0
21,209,020	21,954,807	22,320,478	22,858,060	23,311,407	24,512,847
0	0	0	0	500,000	0
0	0	0	0	0	0
1,592	0	0	0	8,116	2,737
17,308	18,778	17,548	25,779	22,065	29,460
0	43,615	0	0	0	0
18,900	62,393	17,548	25,779	30,181	32,197
21,227,920	22,017,200	22,338,026	22,883,839	23,841,588	24,545,044
(1,803,657)	(1,766,833)	(2,927,203)	(1,424,255)	(801,141)	(2,044,128)
(195,520)	(101,044)	(114,746)	(75,503)	(112,291)	(106,003)
(\$1,999,177)	(\$1,867,877)	(\$3,041,949)	(\$1,499,758)	(\$913,432)	(\$2,150,131)

Western Brown Local School District
Program Revenues by Function, Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<u>Governmental Activities:</u>				
Function:				
Instruction:				
Regular	\$762,291	\$524,215	\$728,968	\$479,630
Special	905,078	297,467	895,369	1,030,478
Vocational	0	0	62,577	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	99,991	107,173	155,069	223,983
Instructional Staff	21,271	47,150	78,142	103,451
Board of Education	0	0	0	0
Administration	328,823	179,126	201,356	156,167
Fiscal	12,601	8,393	9,172	9,397
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	104,659	101,480	0	0
Central	12,604	14,219	0	12,361
Operation of Non-Instructional Services	4,029	2,648	267	2,017
Extracurricular Activities	90,842	161,652	147,151	137,444
Total Program Revenues	<u>\$2,342,189</u>	<u>\$1,443,523</u>	<u>\$2,278,071</u>	<u>\$2,154,928</u>

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$795,667	\$846,693	\$906,390	\$1,277,396	\$1,345,399	\$1,322,534
1,330,330	1,425,496	1,623,649	1,902,715	2,291,226	2,274,353
74,870	80,040	88,986	95,796	140,838	154,259
0	0	0	3,332	8,233	5,305
382,288	410,951	249,948	335,209	259,923	157,957
55,221	71,814	179,508	38,578	148,568	135,256
0	0	1,050	0	0	0
203,220	248,155	240,241	145,956	175,565	184,420
19,224	16,854	18,253	0	0	0
0	25,750	18,046	66	0	0
74,564	109,553	115,193	11,230	14,444	23,647
45,886	142,194	161,575	86,255	115,813	80,917
0	12,000	18,896	54,205	12,000	12,000
1,208	3,044	3,846	3,191	4,416	1,129
<u>197,859</u>	<u>104,415</u>	<u>145,867</u>	<u>106,079</u>	<u>147,101</u>	<u>146,683</u>
<u><u>\$3,180,337</u></u>	<u><u>\$3,496,959</u></u>	<u><u>\$3,771,448</u></u>	<u><u>\$4,060,008</u></u>	<u><u>\$4,663,526</u></u>	<u><u>\$4,498,460</u></u>

Western Brown Local School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
General Fund				
Reserved	\$991,644	\$1,468,817	\$1,448,229	\$2,328,325
Unreserved (Deficit)	1,266,604	1,400,369	1,894,687	51,614
Total General Fund	<u>2,258,248</u>	<u>2,869,186</u>	<u>3,342,916</u>	<u>2,379,939</u>
All Other Governmental Funds				
Reserved	780,811	5,799,919	395,295	266,407
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	714,953	824,210	583,928	662,252
Debt Service Fund	609,157	891,993	1,086,384	1,171,367
Capital Projects Funds	16,248,771	2,370,497	2,197,615	1,844,901
Total All Other Governmental Funds	<u>18,353,692</u>	<u>9,886,619</u>	<u>4,263,222</u>	<u>3,944,927</u>
Total Governmental Funds	<u><u>\$20,611,940</u></u>	<u><u>\$12,755,805</u></u>	<u><u>\$7,606,138</u></u>	<u><u>\$6,324,866</u></u>

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$1,207,910	\$1,664,886	\$1,238,665	\$1,642,030	\$1,820,710	\$2,163,347
<u>280,613</u>	<u>(417,369)</u>	<u>(470,171)</u>	<u>(856,912)</u>	<u>(853,070)</u>	<u>(1,547,768)</u>
<u>1,488,523</u>	<u>1,247,517</u>	<u>768,494</u>	<u>785,118</u>	<u>967,640</u>	<u>615,579</u>
136,694	659,603	169,829	234,802	214,861	211,842
798,834	876,730	856,516	928,812	1,006,332	973,306
1,325,663	1,470,683	1,565,053	1,648,831	1,702,309	1,736,031
<u>1,608,143</u>	<u>619,028</u>	<u>702,802</u>	<u>719,152</u>	<u>1,242,909</u>	<u>1,239,028</u>
<u>3,869,334</u>	<u>3,626,044</u>	<u>3,294,200</u>	<u>3,531,597</u>	<u>4,166,411</u>	<u>4,160,207</u>
<u>\$5,357,857</u>	<u>\$4,873,561</u>	<u>\$4,062,694</u>	<u>\$4,316,715</u>	<u>\$5,134,051</u>	<u>\$4,775,786</u>

Western Brown Local School District
Changes in Fund Balances
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2000	2001	2002	2003
<u>Revenues:</u>				
Taxes	\$3,391,359	\$3,717,413	\$4,045,516	\$3,699,848
Intergovernmental	38,529,501	30,562,605	17,688,565	17,711,280
Interest	1,042,221	1,148,868	306,638	126,630
Tuition and Fees	126,643	95,952	\$81,376.00	73,402
Extracurricular Activities	133,836	153,313	177,630	197,649
Rent	0	46	0	0
Contributions and Donations	25,971	24,931	58,555	49,468
Miscellaneous	290,924	88,057	134,706	98,399
Total Revenues	43,540,455	35,791,185	22,492,986	21,956,676
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	7,562,398	8,815,842	10,393,020	10,647,348
Special	1,696,333	1,798,908	1,723,141	2,129,407
Vocational	201,082	235,505	237,884	230,475
Other	246,475	322,220	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	668,085	737,671	916,806	1,001,563
Instructional Staff	588,016	715,753	856,387	861,362
Board of Education	17,463	19,691	30,438	18,208
Administration	1,372,313	1,696,706	1,740,695	1,796,803
Fiscal	370,393	394,236	443,539	453,750
Business	0	0	115	0
Operation and Maintenance of Plant	1,157,787	1,431,397	2,225,489	2,459,572
Pupil Transportation	1,394,202	1,625,326	1,733,213	1,838,405
Central	27,274	35,632	70,304	96,431
Operation of Non-Instructional Services	2,124	3,093	54,351	1,916
Extracurricular Activities	246,507	266,885	362,070	443,485
Capital Outlay	20,034,990	25,207,716	6,349,331	1,767,310
Debt Service:				
Principal Retirement	227,863	212,185	222,249	207,569
Interest and Fiscal Charges	353,435	342,182	331,935	355,546
Total Expenditures	36,166,740	43,860,948	27,690,967	24,309,150
Excess of Revenues Over (Under) Expenditures	7,373,715	(8,069,763)	(5,197,981)	(2,352,474)
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Capital Assets	0	213,628	48,314	54,202
Inception of Capital Lease	0	0	0	1,017,000
Transfers In	112,005	0	0	0
Transfers Out	(168,231)	0	0	0
Total Other Financing Sources (Uses)	(56,226)	213,628	48,314	1,071,202
Extraordinary Item - Insurance Settlement	0	0	0	0
Net Change in Fund Balances	\$7,317,489	(\$7,856,135)	(\$5,149,667)	(\$1,281,272)
Debt Service as a Percentage of Noncapital Expenditures	3.6%	3.0%	2.6%	2.5%

2004	2005	2006	2007	2008	2009
\$4,248,472	\$4,661,605	\$4,680,792	\$4,875,707	\$4,661,669	\$4,883,793
19,058,488	19,407,256	20,044,154	20,306,460	21,335,869	22,288,451
65,060	103,622	182,083	261,884	234,172	142,432
635,271	907,851	1,015,569	1,197,685	1,273,371	1,287,913
197,859	104,415	110,867	105,919	147,101	141,313
0	0	0	11,230	14,444	12,995
10,102	8,885	57,111	14,223	14,614	6,499
69,562	142,060	140,250	128,449	162,666	212,655
<u>24,284,814</u>	<u>25,335,694</u>	<u>26,230,826</u>	<u>26,901,557</u>	<u>27,843,906</u>	<u>28,976,051</u>
11,599,196	11,918,062	12,710,950	12,668,464	12,915,717	14,026,999
2,023,942	2,426,572	2,673,191	2,925,480	3,286,834	3,615,310
233,561	251,460	293,065	220,087	268,917	292,940
0	0	0	0	0	0
0	0	101,933	87,630	203,039	146,996
995,329	1,025,420	995,537	973,060	919,811	888,765
882,559	858,842	1,063,031	823,038	1,004,078	1,059,607
26,104	23,317	25,214	17,796	17,970	20,524
1,845,501	1,861,765	1,922,762	1,980,783	1,833,720	1,956,104
603,353	510,261	457,776	502,126	574,482	542,751
294	31,641	23,666	168	0	0
2,844,385	2,754,605	2,822,968	2,800,624	2,957,372	3,069,098
1,666,455	1,797,817	2,033,526	2,251,693	2,097,419	2,055,205
181,903	212,270	192,540	236,577	280,721	273,575
1,700	46,862	3,578	2,865	3,565	16,395
487,731	533,401	577,560	522,518	592,662	611,076
1,323,343	1,004,905	599,884	61,688	3,975	195,584
605,000	241,000	230,000	273,000	272,000	288,000
333,681	321,790	317,619	309,737	294,288	275,387
<u>25,654,037</u>	<u>25,819,990</u>	<u>27,044,800</u>	<u>26,657,334</u>	<u>27,526,570</u>	<u>29,334,316</u>
(1,369,223)	(484,296)	(813,974)	244,223	317,336	(358,265)
402,214	0	3,107	9,798	0	0
0	0	0	0	0	0
0	0	41	0	78	0
0	0	(41)	0	(78)	0
<u>402,214</u>	<u>0</u>	<u>3,107</u>	<u>9,798</u>	<u>0</u>	<u>0</u>
0	0	0	0	500,000	0
<u>(\$967,009)</u>	<u>(\$484,296)</u>	<u>(\$810,867)</u>	<u>\$254,021</u>	<u>\$817,336</u>	<u>(\$358,265)</u>
3.9%	2.3%	2.1%	2.2%	2.1%	1.9%

Western Brown Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2000	\$106,861,160	\$11,458,100	\$338,055,029	\$15,131,770	\$18,914,713
2001	128,159,730	10,019,580	394,798,029	15,303,270	19,129,088
2002	133,250,960	15,035,190	423,674,714	7,796,490	9,745,613
2003	139,999,030	16,001,850	445,716,800	8,089,690	10,112,113
2004	160,347,390	17,789,940	508,963,800	8,247,680	10,309,600
2005	167,878,040	16,149,780	525,793,771	8,307,630	10,384,538
2006	173,569,980	17,580,970	546,145,571	8,383,120	10,478,900
2007	202,644,720	22,892,470	644,391,971	8,252,990	10,316,238
2008	204,389,990	21,877,410	646,478,286	7,245,790	9,057,238
2009	207,785,260	22,307,340	657,407,429	7,384,120	9,230,150

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and 23 percent for inventories. General business tangible personal property tax other than telephone property tax was phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009. Telephone property tax was phased out beginning in 2006. The listing percentage is 25 percent for 2006, 20 percent for 2007, 15 percent for 2008, 10 percent for 2009, 5 percent for 2010 and zero for 2011.

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

Source: Western Brown Local School District records and Ohio Department of Taxation.

Tangible Personal Property		Total			Weighted Average Tax Rate
General Business		Assessed	Estimated	Ratio	
Assessed Value	Estimated Actual Value	Value	Value		
\$8,771,935	\$35,087,740	\$142,222,965	\$392,057,481	36.28%	\$25.20
11,096,690	44,386,760	164,579,270	458,313,876	35.91%	25.20
11,338,708	45,354,832	167,421,348	478,775,159	34.97%	23.70
9,720,179	38,880,716	173,810,749	494,709,629	35.13%	23.70
9,837,558	39,350,232	196,222,568	558,623,632	35.13%	23.66
9,247,660	36,990,640	201,583,110	573,168,949	35.17%	23.66
6,645,838	35,444,469	206,179,908	592,068,941	34.82%	22.96
4,198,610	33,588,880	237,988,790	688,297,089	34.58%	22.91
2,655,650	42,490,400	236,168,840	698,025,923	33.83%	22.90
551,880	5,518,800	238,028,600	672,156,379	35.41%	22.66

Western Brown Local School District
Property Tax Rates (Per \$1,000 of Assessed Valuation)
Direct and Overlapping Governments
Last Ten Collection (Calendar) Years

	2000	2001	2002
UNVOTED MILLAGE:			
Operating	\$4.70	\$4.70	\$4.70
VOTED MILLAGE - BY LEVY:			
1976 Current Expense			
Residential/Agricultural Real	15.30	15.30	15.30
Commercial/Industrial and Public Utility Real	15.30	15.30	15.30
General Business and Public Utility Personal	15.30	15.30	15.30
1997 Bond (\$5,659,600)			
Residential/Agricultural Real	3.70	3.70	2.70
Commercial/Industrial and Public Utility Real	3.70	3.70	2.70
General Business and Public Utility Personal	3.70	3.70	2.70
1997 Bond (\$1,505,000)			
Residential/Agricultural Real	1.00	1.00	0.50
Commercial/Industrial and Public Utility Real	1.00	1.00	0.50
General Business and Public Utility Personal	1.00	1.00	0.50
2001 Capital Improvement			
Residential/Agricultural Real	0.00	0.00	0.50
Commercial/Industrial and Public Utility Real	0.00	0.00	0.50
General Business and Public Utility Personal	0.00	0.00	0.50
TOTAL VOTED MILLAGE BY TYPE OF PROPERTY			
Residential/Agricultural Real	20.00	20.00	19.00
Commercial/Industrial and Public Utility Real	20.00	20.00	19.00
General Business and Public Utility Personal	20.00	20.00	19.00
TOTAL SCHOOL DISTRICT MILLAGE			
	24.70	24.70	23.70
OVERLAPPING RATES BY TAXING DISTRICT			
TOWNSHIPS:			
Residential/Agricultural Real	0.10 - 2.08	0.10 - 2.08	0.10 - 2.08
Commercial/Industrial and Public Utility Real	0.10 - 2.45	0.10 - 2.45	0.10 - 2.45
General Business and Public Utility Personal	0.10 - 3.00	0.10 - 3.00	0.10 - 3.00
CORPORATIONS:			
Residential/Agricultural Real	0.60 - 2.10	0.60 - 3.31	0.60 - 3.31
Commercial/Industrial and Public Utility Real	0.60 - 2.80	0.60 - 3.52	0.60 - 3.52
General Business and Public Utility Personal	0.60 - 4.00	0.60 - 4.00	0.60 - 4.00
SOUTHERN HILLS JOINT VOCATIONAL DISTRICT:			
Residential/Agricultural Real	3.40	2.91	2.91
Commercial/Industrial and Public Utility Real	4.10	3.56	3.57
General Business and Public Utility Personal	5.80	5.80	5.80
COUNTY AND OTHER UNITS:			
BROWN COUNTY			
Residential/Agricultural Real	5.04	4.88	4.88
Commercial/Industrial and Public Utility Real	5.09	4.93	4.93
General Business and Public Utility Personal	5.80	5.80	5.80
CLERMONT COUNTY			
Residential/Agricultural Real	6.37	6.37	7.28
Commercial/Industrial and Public Utility Real	7.15	7.14	7.80
General Business and Public Utility Personal	9.25	9.25	9.35
BROWN COUNTY PUBLIC LIBRARY			
Residential/Agricultural Real	1.00	1.00	1.00
Commercial/Industrial and Public Utility Real	1.00	1.00	1.00
General Business and Public Utility Personal	1.00	1.00	1.00
BETHEL-TATE JOINT AMBULANCE DISTRICT			
Residential/Agricultural Real	4.55	4.55	4.55
Commercial/Industrial and Public Utility Real	5.05	5.05	5.05
General Business and Public Utility Personal	6.60	6.60	6.60

Source: Ohio Department of Taxation

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue for that year.

Rates may only be raised by obtaining the approval of the voters at a public election.

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

As real property values increase from inflation, voted levies that were approved at a specific rate (current operating levies and permanent improvement levies) are reduced so that the same property does not generate additional revenue. State law prohibits the reduction factors from reducing the effective millage of the sum of the current operating levies plus inside millage used for operating purposes below 20 mills.

2003	2004	2005	2006	2007	2008	2009
\$4.70	\$4.70	\$4.70	\$4.70	\$4.70	\$4.70	\$4.70
15.30	15.30	15.30	15.30	15.30	15.30	15.30
15.30	15.30	15.30	15.30	15.30	15.30	15.30
15.30	15.30	15.30	15.30	15.30	15.30	15.30
2.70	2.70	2.70	2.00	2.00	2.00	1.75
2.70	2.70	2.70	2.00	2.00	2.00	1.75
2.70	2.70	2.70	2.00	2.00	2.00	1.75
0.50	0.50	0.50	0.50	0.50	0.50	0.50
0.50	0.50	0.50	0.50	0.50	0.50	0.50
0.50	0.50	0.50	0.50	0.50	0.50	0.50
0.50	0.45	0.45	0.45	0.40	0.40	0.40
0.50	0.47	0.50	0.50	0.40	0.40	0.40
0.50	0.50	0.50	0.50	0.50	0.50	0.50
19.00	18.95	18.95	18.25	18.20	18.20	17.95
19.00	18.97	19.00	18.30	18.20	18.20	17.95
19.00	19.00	19.00	18.30	18.30	18.30	18.05
23.70	23.70	23.70	23.00	23.00	23.00	22.75
0.10 - 1.84	0.10 - 4.10	0.10 - 4.10	0.10 - 4.10	0.10 - 3.67	0.10 - 3.69	0.10 - 3.46
0.10 - 2.15	0.10 - 4.10	0.10 - 4.10	0.10 - 4.10	0.10 - 3.74	0.10 - 3.77	0.10 - 3.60
0.10 - 3.00	0.10 - 4.10	0.10 - 4.10	0.10 - 4.10	0.10 - 4.10	0.10 - 4.10	0.10 - 4.10
0.60 - 3.31	0.60 - 2.97	0.60 - 2.97	0.60 - 2.97	0.60 - 2.61	0.60 - 4.51	0.60 - 2.61
0.60 - 3.52	0.60 - 3.32	0.60 - 3.58	0.60 - 3.58	0.60 - 2.91	0.60 - 4.66	0.60 - 2.91
0.60 - 4.00	0.60 - 4.00	0.60 - 4.00	0.60 - 4.00	0.60 - 4.00	0.60 - 5.00	0.60 - 4.00
2.91	2.64	2.43	3.43	3.06	3.06	3.06
3.60	3.41	3.16	4.16	3.59	3.61	3.62
5.80	5.80	5.40	6.40	6.40	6.40	6.40
4.88	4.77	4.77	4.78	4.67	4.67	5.47
4.94	4.88	4.90	4.90	4.75	4.75	5.55
5.80	5.80	5.80	5.80	5.80	5.80	6.60
6.41	7.16	7.16	6.79	7.42	7.41	7.80
6.83	7.63	7.63	7.37	7.90	7.90	8.49
8.60	9.35	9.35	9.35	9.55	9.55	9.95
0.75	0.75	0.75	0.75	0.50	0.35	0.35
0.75	0.75	0.75	0.75	0.50	0.35	0.35
0.75	0.75	0.75	0.75	0.50	0.35	0.35
4.02	0.00	0.00	0.00	0.00	0.00	0.00
4.44	0.00	0.00	0.00	0.00	0.00	0.00
6.60	0.00	0.00	0.00	0.00	0.00	0.00

Western Brown Local School District
Property Tax Levies and Collections
Last Ten Collection (Calendar) Years

Collection Year	Current Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2000	\$3,619,000	\$2,773,798	76.65%	\$201,748	\$2,975,546	82.22%
2001	3,996,074	2,784,616	69.68%	230,414	3,015,030	75.45%
2002	3,996,074	3,498,450	87.55%	230,908	3,729,358	93.33%
2003	4,153,755	3,620,965	87.17%	226,570	3,847,535	92.63%
2004	4,213,785	3,600,460	85.44%	322,475	3,922,935	93.10%
2005	4,043,336	3,770,901	93.26%	307,254	4,078,155	100.86%
2006	5,216,214	3,849,893	73.81%	145,651	3,995,544	76.60%
2007	5,261,215	4,481,289	85.18%	331,531	4,812,820	91.48%
2008	5,410,259	4,370,292	80.78%	343,175	4,713,467	87.12%
2009	5,429,057	4,230,507	77.92%	331,925	4,562,432	84.04%

Source: Brown County Auditor

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

(2) The County does not identify delinquent tax collections by tax year.

Western Brown Local School District
Principal Tax Payers
Real Property
2009 and 2002 (1)

Name of Taxpayer	2009	
	Assessed Value	Percent of Real Property Assessed Value
Kroger Limited Partnership	\$5,769,657	2.51%
Cincinnati Milacron	4,805,114	2.09%
Sterling Group	4,000,000	1.74%
Barry Burkenmeier	1,990,400	0.87%
Brown County Industrial Park	1,984,228	0.86%
Shriji Krupa LLC	1,741,400	0.76%
Locust Ridge Land Corporation	1,452,171	0.63%
Northpoint Center	1,327,314	0.58%
Alma Monk Trustee	1,319,142	0.57%
Scottwood Commons	1,303,800	0.57%
Totals	<u>\$25,693,226</u>	<u>11.18%</u>
Total Assessed Valuation	<u>\$230,092,600</u>	<u>100.00%</u>

Name of Taxpayer	2002	
	Assessed Value	Percent of Real Property Assessed Value
Kroger Limited Partnership	\$4,892,400	3.30%
Cincinnati Milacron	4,047,600	2.73%
Trinity Industries	3,974,114	2.68%
Ava Jo Bohl	1,537,857	1.04%
BHM Enterprises	1,423,342	0.96%
Howard Meeker L & F	1,254,742	0.85%
Countrytyme Lebanon	1,208,600	0.82%
Scottwood Commons	1,143,800	0.77%
Lake Grant Ltd	1,092,142	0.74%
N A L Company	1,072,171	0.72%
Totals	<u>\$21,646,768</u>	<u>14.60%</u>
Total Assessed Valuation	<u>\$148,286,150</u>	<u>100.00%</u>

(1) The amounts represent the assessed values upon which 2009 and 2002 collections were based.

Source: Brown County Auditor.
2000 - 2001 information was not available.
Tangible Personal Property information was also not available.

Western Brown Local School District
*Ratio of Debt to Estimated Actual Value,
 Personal Income and Debt per Capita
 Last Ten Fiscal Years*

Fiscal Year	Population (1)	Estimated Actual Value of Taxable Property(2)	General Bonded Debt			
			General Bonded Debt Outstanding	Ratio of Bonded Debt to Estimated Actual Value	Bonded Debt per Capita	General Bonded Debt Outstanding
2000	15,717	\$392,057,481	\$6,931,000	1.77%	\$440.99	\$6,931,000
2001	15,717	458,313,876	6,676,000	1.46%	424.76	6,676,000
2002	15,717	478,775,159	6,508,000	1.36%	414.07	6,508,000
2003	15,717	494,709,629	6,330,000	1.28%	402.75	6,330,000
2004	15,717	558,623,632	6,165,000	1.10%	392.25	6,165,000
2005	15,717	573,168,949	5,975,000	1.04%	380.16	5,975,000
2006	15,717	592,068,941	5,775,000	0.98%	367.44	5,775,000
2007	15,717	688,297,089	5,560,000	0.81%	353.76	5,560,000
2008	15,717	698,025,923	5,320,000	0.76%	338.49	5,320,000
2009	15,717	672,156,379	5,065,000	0.75%	322.26	5,065,000

Sources: (1) National Center for Education Statistics
 2000-2009 from 2000 U.S. Census Data

(2) Ohio Department of Taxation

(3) See S25 for personal income data. The ratios for 2000-2009 were calculated using data from the 2000 U.S. Census.

General Debt

Energy Conservation Notes	Capital Leases	Total Debt	Ratio of General Debt to Estimated Actual Value	Percentage of Personal Income (3)	General Debt Per Capita
\$64,232	\$18,771	\$7,014,003	1.79%	2.61%	\$446.27
37,612	6,206	6,719,818	1.47%	2.50%	427.55
9,569	0	6,517,569	1.36%	2.43%	414.68
0	1,017,000	7,347,000	1.49%	2.74%	467.46
0	597,000	6,762,000	1.21%	2.52%	430.23
0	568,000	6,543,000	1.14%	2.44%	416.30
0	538,000	6,313,000	1.07%	2.35%	401.67
0	480,000	6,040,000	0.88%	2.25%	384.30
0	448,000	5,768,000	0.83%	2.15%	366.99
0	415,000	5,480,000	0.82%	2.04%	348.67

Western Brown Local School District
Legal Debt Margin
Last Ten Fiscal Years

	2000	2001	2002	2003	2004
Assessed Valuation (1)	\$142,222,965	\$164,579,270	\$167,421,348	\$173,810,749	\$196,222,568
Less:					
General Business Personal Property	0	0	0	0	0
Railroad and Telephone Tangible Property	0	0	0	0	0
Total Assessed Valuation used to calculate Legal Debt Margin	142,222,965	164,579,270	167,421,348	173,810,749	196,222,568
Debt Limit - 9% of Assessed Value (2)	12,800,067	14,812,134	15,067,921	15,642,967	17,660,031
Amount of Debt Applicable to Debt Limit					
Gross Indebtedness	6,995,232	6,795,612	6,579,569	6,372,000	6,187,000
Less Exempt Debt	(166,232)	(119,612)	(71,569)	(42,000)	(22,000)
Less Amount Available in Debt Service	(700,415)	(990,387)	(1,187,762)	(1,263,046)	(1,410,236)
Amount of Debt Subject to Limit	6,128,585	5,685,613	5,320,238	5,066,954	4,754,764
Legal Debt Margin	<u>\$6,671,482</u>	<u>\$9,126,521</u>	<u>\$9,747,683</u>	<u>\$10,576,013</u>	<u>\$12,905,267</u>
Legal Debt Margin as a Percentage of the Debt Limit	52.12%	61.62%	64.69%	67.61%	73.08%
Unvoted Debt Limit - .10% of Assessed Value (2)	\$142,223	\$164,579	\$167,421	\$173,811	\$196,223
Amount of Debt Subject to Limit	0	0	0	0	0
Unvoted Legal Debt Margin	<u>\$142,223</u>	<u>\$164,579</u>	<u>\$167,421</u>	<u>\$173,811</u>	<u>\$196,223</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Ohio Department of Taxation and School District Financial records

- (1) For fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.
- (2) Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.

2005	2006	2007	2008	2009
\$201,583,110	\$206,179,908	\$237,988,790	\$236,168,840	\$238,028,600
0	(9,164,247)	(4,198,610)	(2,655,650)	(551,880)
<u>0</u>	<u>(2,139,510)</u>	<u>(1,792,870)</u>	<u>(1,193,050)</u>	<u>(361,410)</u>
201,583,110	194,876,151	231,997,310	232,320,140	237,115,310
<u>18,142,480</u>	<u>17,538,854</u>	<u>20,879,758</u>	<u>20,908,813</u>	<u>21,340,378</u>
5,975,000	5,775,000	5,560,000	5,320,000	5,065,000
0	0	0	0	0
<u>(1,593,513)</u>	<u>(1,684,546)</u>	<u>(1,790,395)</u>	<u>(1,812,098)</u>	<u>(1,850,785)</u>
4,381,487	4,090,454	3,769,605	3,507,902	3,214,215
<u>\$13,760,993</u>	<u>\$13,448,400</u>	<u>\$17,110,153</u>	<u>\$17,400,911</u>	<u>\$18,126,163</u>
75.85%	76.68%	81.95%	83.22%	84.94%
\$201,583	\$194,876	\$231,997	\$232,320	\$237,115
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$201,583</u>	<u>\$194,876</u>	<u>\$231,997</u>	<u>\$232,320</u>	<u>\$237,115</u>
100.00%	100.00%	100.00%	100.00%	100.00%

Western Brown Local School District
Computation of Direct and Overlapping Debt
Governmental Activities
June 30, 2009

	General Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
General Obligation Bonds	\$5,065,000	100.00%	\$5,065,000
Capital Leases	415,000	100.00%	415,000
Total Direct	5,480,000		5,480,000
Overlapping:			
Brown County General Obligation Bonds	1,789,068	35.09%	627,699
Southern Hills Joint Vocational School District	3,832,665	34.61%	1,326,364
Village of Mt. Orab	482,990	100.00%	482,990
Total Overlapping	6,104,723		2,437,053
Total	\$11,584,723		\$7,917,053

Sources: Western Brown Local School District records
Individual entity's financial records

Percentages were determined by dividing the total assessed valuation of the School District by each overlapping subdivision's assessed valuation within the School District.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken in account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

Western Brown Local School District
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Personal Income (2) (in thousands)	Per Capita Personal Income (1)	Median Household Income (1)	Brown County Unemployment Rate (3)
2000	15,717	\$268,477,794	\$17,082	\$41,045	5.90%
2001	15,717	268,477,794	17,082	41,045	5.50%
2002	15,717	268,477,794	17,082	41,045	7.20%
2003	15,717	268,477,794	17,082	41,045	6.20%
2004	15,717	268,477,794	17,082	41,045	6.20%
2005	15,717	268,477,794	17,082	41,045	6.50%
2006	15,717	268,477,794	17,082	41,045	6.20%
2007	15,717	268,477,794	17,082	41,045	6.60%
2008	15,717	268,477,794	17,082	41,045	7.30%
2009	15,717	268,477,794	17,082	41,045	13.70%

Sources: (1) National Center for Education Statistics
2000-2009 from 2000 U.S. Census Data

(2) Computation of Per Capita Personal Income
multiplied by population

(3) Ohio Department of Job and Family Services

Western Brown Local School District
Principal Employers
2009 and 2006

		2009	
Employer	Nature of Business	Number of Employees	Rank
Western Brown Local School District	Education	517	1
Kroger	Retail Grocer	287	2
Cincinnati Milacron	Plastic Injection	175	3
McDonald's	Food Service	127	4
Hawline Nevada	Farm Implements	60	5
N A L Company	Paper Products	50	6
Kibler Lumber	Retail Lumber	45	7
Cincinnati Wood & Dowel	Wood Products	40	8
Liberty Sheet Metal	Manufacturing	30	9
Mt. Orab Ford	Auto Sales	30	10
Total		1,361	

		2006	
Employer	Nature of Business	Number of Employees	Rank
Western Brown Local School District	Education	340	1
Kroger	Retail Grocer	287	2
Cincinnati Milacron	Plastic Injection	263	3
McDonald's	Food Service	127	4
N A L Company	Paper Products	50	6
Kibler Lumber	Retail Lumber	45	7
Liberty Sheet Metal	Manufacturing	40	8
Cincinnati Wood & Dowel	Wood Products	40	9
Hawline Nevada	Farm Implements	40	5
Stevens Plumbing & Mechanical	Commercial Plumbing & Fabrication	37	10
Village of Mt. Orab	Government	32	11
Mt. Orab Ford	Auto Sales	30	12
Total		1,331	

Source: Brown County Department of Economic Development

(1) Historical data prior to 2006 and information on total employment within the School District is not available.

Western Brown Local School District
Per Pupil Cost
Last Ten Fiscal Years

Fiscal Year	Enrollment	General Government		Governmental Activities	
		Total Expenditures (1)	Per Pupil Cost	Total Expenses (2)	Per Pupil Cost
2000	3,381	\$35,585,442	\$10,525	\$16,095,937	\$4,761
2001	3,287	43,306,581	13,175	19,550,807	5,948
2002	3,335	27,136,783	8,137	22,875,295	6,859
2003	3,356	23,746,035	7,076	24,899,220	7,419
2004	3,365	24,562,128	7,299	25,859,155	7,685
2005	3,383	25,257,200	7,466	26,896,751	7,951
2006	3,367	26,501,894	7,871	28,706,102	8,526
2007	3,314	26,074,597	7,868	28,032,527	8,459
2008	3,356	26,960,282	8,033	28,981,565	8,636
2009	3,422	28,770,929	8,408	30,780,059	8,995

Source: Western Brown Local School District Records

(1) Excludes debt service expenditures

(2) The Total Expenses do not include interest and fiscal charges.

Western Brown Local School District
School District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2000	2001	2002	2003
Regular Instruction				
Elementary Classroom Teachers	89	89	132	130
High School Classroom Teachers	29	35	35	35
Special Instruction				
Elementary Classroom Teachers	11	11	11	11
High School Classroom Teachers	4	4	4	4
Vocational Instruction				
High School Classroom Teachers	3	3	3	3
Pupil Support Services				
Guidance Counselors	5	5	5	5
Librarians	3	3	3	3
Psychologists	0	0	0	0
Speech and Language Pathologists	0	0	0	0
Nurses	2	2	2	2
Aides	13	13	13	13
Administrators				
Elementary	6	6	6	6
High School	3	3	3	3
District	13	13	13	13
Secretaries	4	4	4	4
Secretaries' Assistants	4	4	4	4
Fiscal Services	4	4	4	4
Operation and Maintenance of Plant				
Custodians	14	16	23	27
Maintenance	2	2	2	2
Pupil Transportation				
Bus Drivers	35	38	38	39
Bus Aides	2	2	2	3
Van Drivers	0	0	0	0
Food Service Program				
Elementary Cooks	12	12	12	18
High School Cooks	6	6	6	6
Totals:	<u>264</u>	<u>275</u>	<u>325</u>	<u>335</u>

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee. The count is performed on September 1 of each year.

Source: Western Brown Local School District records.

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
130	129	129	125	125	122
35	36	36	36	36	36
11	13	14	14	14	14
4	5	5	6	6	6
3	3	3	3	3	3
5	5	5	5	5	5
3	3	3	3	3	3
0	0	1	1	1	1
0	0	0	0	0	0
2	2	2	1	1	1
13	13	13	13	13	13
6	6	6	6	6	6
3	3	3	3	3	3
13	13	13	13	13	9
4	4	4	4	4	4
4	4	4	4	4	4
4	4	4	4	4	4
27	26	26	26	26	25
2	3	3	3	3	3
39	39	39	38	38	34
3	3	3	3	3	3
0	0	0	0	0	0
18	18	18	18	18	18
<u>6</u>	<u>0</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
<u>335</u>	<u>332</u>	<u>340</u>	<u>335</u>	<u>335</u>	<u>323</u>

Western Brown Local School District
Building Statistics
Last Ten Fiscal Years

	2000	2001	2002	2003
<u>Mt. Orab Elementary/Middle School:</u>				
Constructed in 1971				
Additions in 1988 and 1998				
Total Building Square Footage	100,965	100,965	100,965	100,965
Enrollment Grades K-8 1997 - 2001	1,577	1,527	0	0
Enrollment Grades K-4 2002 - Present	N/A	N/A	855	853
Student Capacity	1,100	1,100	1,100	1,100
Regular Instruction Classrooms	54	54	44	44
Regular Instruction Teachers	54	54	38	38
Special Instruction Classrooms	7	7	4	4
Special Instruction Teachers	7	7	2	2
<u>Mt. Orab Middle School:</u>				
Converted from the old High School				
Constructed in 1957				
Additions in 1971, 1984, 1992 and 1998				
Total Building Square Footage	N/A	N/A	94,851	94,851
Enrollment Grades K-8	N/A	N/A	672	727
Student Capacity	N/A	N/A	1,000	1,000
Regular Instruction Classrooms	N/A	N/A	34	34
Regular Instruction Teachers	N/A	N/A	29	29
Special Instruction Classrooms	N/A	N/A	7	7
Special Instruction Teachers	N/A	N/A	5	5
<u>Hamersville Elementary School:</u>				
Constructed in 1922				
Additions in 1940, 1957, 1960 and 1968				
Total Building Square Footage	151,250	151,250	N/A	N/A
Enrollment Grades K-8	886	858	N/A	N/A
Student Capacity	675	675	N/A	N/A
Regular Instruction Classrooms	35	35	N/A	N/A
Regular Instruction Teachers	35	35	N/A	N/A
Special Instruction Classrooms	4	4	N/A	N/A
Special Instruction Teachers	4	4	N/A	N/A
<u>Hamersville Elementary & Middle School:</u>				
Constructed in 2002				
Total Building Square Footage	N/A	N/A	129,780	129,780
Enrollment Grades K-8	N/A	N/A	859	819
Student Capacity	N/A	N/A	1,100	1,100
Regular Instruction Classrooms	N/A	N/A	36	36
Regular Instruction Teachers	N/A	N/A	35	35
Special Instruction Classrooms	N/A	N/A	8	8
Special Instruction Teachers	N/A	N/A	4	4
<u>Western Brown High School:</u>				
Constructed in 1957				
Additions in 1971, 1984, 1992 and 1998				
Total Building Square Footage	64,085	64,085	N/A	N/A
Enrollment Grades 9-12	918	902	N/A	N/A
Student Capacity	564	564	N/A	N/A
Regular Instruction Classrooms	26	26	N/A	N/A
Regular Instruction Teachers	26	26	N/A	N/A
Special Instruction Classrooms	4	4	N/A	N/A
Special Instruction Teachers	4	4	N/A	N/A
<u>Western Brown High School:</u>				
Constructed in 2002				
<i>Extraordinary Item - Insurance Settlement</i>				
Total Building Square Footage	N/A	N/A	189,729	189,729
Enrollment Grades 9-12	N/A	N/A	949	957
Student Capacity	N/A	N/A	1,200	1,200
Regular Instruction Classrooms	N/A	N/A	40	40
Regular Instruction Teachers	N/A	N/A	35	35
Special Instruction Classrooms	N/A	N/A	5	5
Special Instruction Teachers	N/A	N/A	4	4

Source: Western Brown Local School District records.

2004	2005	2006	2007	2008	2009
100,965	100,965	100,965	100,965	100,965	100,965
0	0	0	0	0	0
871	859	883	851	865	903
1,100	1,100	1,100	1,100	1,100	1,100
44	44	44	44	44	44
37	37	38	38	38	47
4	4	4	4	4	4
2	2	3	3	3	3
94,851	94,851	94,851	94,851	94,851	94,851
755	769	728	744	743	760
1,000	1,000	1,000	1,000	1,000	1,000
34	34	34	34	34	34
29	30	32	32	32	35
7	7	7	7	7	7
5	6	6	6	6	5
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
129,780	129,780	129,780	129,780	129,780	129,780
783	768	701	663	676	668
1,100	1,100	1,100	1,100	1,100	1,100
36	36	36	36	36	36
34	32	32	32	32	40
8	8	8	8	8	8
4	5	5	5	4	4
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
189,729	189,729	189,729	189,729	187,729	187,729
956	1,024	1,055	1,056	1,072	1,091
1,200	1,200	1,200	1,200	1,200	1,200
40	40	40	40	40	40
35	36	36	36	36	36
5	5	5	5	5	5
4	5	5	5	5	6

Western Brown Local School District
Student to Teacher Ratio
Last Ten Fiscal Years

Year	Average Number of Students per Teacher (1)	State Average (2)
2000	24.9	18.1
2001	23.1	18.0
2002	18.0	16.9
2003	18.3	16.5
2004	18.4	18.5
2005	18.2	18.5
2006	18.0	18.6
2007	18.0	19.6
2008	18.2	18.6
2009	18.9	N/A

Sources: (1) Western Brown Local School District records.

(2) Ohio Department of Education EMIS Data (Power User Reports).

Western Brown Local School District
Percentage of Students who Receive Free and Reduced Lunches
Last Eight Fiscal Years

District Buildings	2002	2003	2004	2005	2006	2007	2008	2009
Hamersville Elementary	38.07%	36.25%	34.56%	37.60%	42.02%	39.23%	41.23%	49.70%
Mt. Orab Elementary	32.37	32.05	32.26	38.94	37.66	40.31	41.33	46.11
Mt. Orab Middle School	27.83	26.85	35.99	37.23	36.91	37.94	38.37	43.50
Western Brown High School	16.89	14.69	15.17	18.12	24.45	27.73	27.09	34.51

Information prior to 2002 was not available.

Source: Ohio Department of Education



Mary Taylor, CPA
Auditor of State

WESTERN BROWN LOCAL SCHOOL DISTRICT
BROWN 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 12, 2010