

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
JUNE 30, 1999 AND 1998

**E. S. EVANS AND COMPANY**  
Certified Public Accountants  
Lima, Ohio

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
JUNE 30, 1999 AND 1998

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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ELECTED OFFICIALS

June 30, 1999

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>
<u>Board of Education</u>		
Larry Mouser	President	1/1/96 - 12/31/99
Dan Holbrook	Vice President	1/1/98 - 12/31/01
Dan Robinson	Member	1/1/96 - 12/31/99
Dan Ramsey	Member	1/1/98 - 12/31/01
Ronald Cronley	Member	1/1/96 - 12/31/99

Statutory Legal Counsel

Lora Manon  
Prosecuting Attorney

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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ADMINISTRATIVE PERSONNEL

June 30, 1999

<u>Title</u>	<u>Contract Period</u>	<u>Surety</u>	<u>Amount</u>	<u>Period</u>
<u>Treasurer</u>				
Fred Reinemeyer	Organizational Meeting 1998- Organizational Meeting 2000	(A)	\$ 20,000	9/2/98 - 9/2/99
<u>Superintendent</u>				
Richard Norviel	8/1/98 - 7/31/03			
<u>Retained Legal Counsel</u>				
Pepple & Waggoner Counselors at Law				

(A) Erie Insurance Company

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

INDEX OF FUNDS

Governmental Fund Types:

General Fund Type:  
General Fund

Special Revenue Funds Type:

School Managed Activity Funds  
Teacher Development Grant  
Financial Literacy Grant  
Management Information System Fund  
Public School Preschool Fund  
Textbook Subsidy Fund  
Parent Lending Library Grant  
Dwight D. Eisenhower Grant Fund  
Title I - Special Education Needs of Disadvantaged  
Children Fund  
Title VI - Innovative Education Program  
Drug Free Schools Grant  
Continuous Improvement Grant Fund  
Landscaping Fund

Debt Service Fund Type:

Bond Retirement Fund

Capital Projects Fund

SchoolNet Plus  
Technology Equity Fund  
Vocation Education Equipment Fund  
Emergency Building Repair Fund

Proprietary Fund Type:

Enterprise Funds Type:

Food Service Fund  
Uniform School Supply Fund

Fiduciary Fund Types:

Expendable Trust Funds:

Scholarship Fund  
Teacher's Lounge Fund

Agency Fund Type:

Student Managed Activity



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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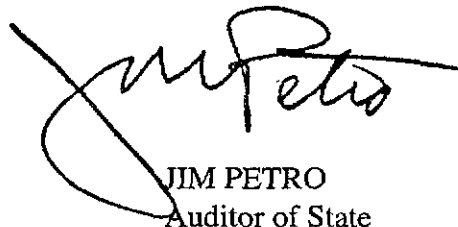
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Facsimile 614-728-7398

Board of Education  
Ridgemont Local School District  
Mt. Victory, Ohio

We have reviewed the Independent Auditor's Report of the Ridgemont Local School District, Hardin County, prepared by E. S. Evans and Company, for the audit period July 1, 1997 through June 30, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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



JIM PETRO  
Auditor of State

March 6, 2000



# E. S. EVANS AND COMPANY

Certified Public Accountants

ESTABLISHED 1926

ROBERT E. WENDEL, CPA  
DAN F. CLIFFORD, CPA

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E. S. EVANS, CPA, PFS  
(1930-1999)

November 22, 1999

## INDEPENDENT AUDITOR'S REPORT

Board of Education

Ridgemont Local School District  
Mt. Victory, Ohio

and

Auditor of State of Ohio

Columbus, Ohio

We have audited the accompanying general purpose financial statements of the Ridgemont Local School District as of and for the years ended June 30, 1999 and 1998. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Ridgemont Local School District, as of June 30, 1999 and 1998, and the results of its operations and cash flows of its proprietary funds for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated November 22, 1999 on our consideration of Ridgemont Local School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.



The year 2000 supplementary information on page 83 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that Ridgemont Local School District is or will become year 2000 compliant, that Ridgemont Local School District's year 2000 remediation efforts will be successful in whole or in part, or that parties with which Ridgemont Local School District does business are or will become year 2000 compliant.

*E. L. ...*

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1999

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<b>Assets and Other Debits</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 977,522	\$ 107,450	\$ 240,436
Restricted Cash	-	-	-
Receivables -			
Taxes	1,288,986	-	165,603
Accounts	1,583	-	-
Intergovernmental	150	22,746	-
Due From Other Funds	16,973	-	-
Prepaid Items	19,766	2,281	-
Inventory	-	-	-
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	-	-	-
Amount Available in Debt Service for Retirement of General Obligation Debt	-	-	-
Amount to be Provided from General Government Resources	-	-	-
<b>Total Assets and Other Debits</b>	<b>\$ 2,304,980</b>	<b>\$ 132,477</b>	<b>\$ 406,039</b>
<b>Liabilities, Fund Equity and Other Credits</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 11,509	\$ 1,410	\$ -
Accrued Salaries and Benefits	256,415	33,073	-
Due to Other Funds	-	-	-
Due to Students	-	-	-
Compensated Absences Payable	6,372	-	-
Intergovernmental Payable	63,302	7,426	-
Deferred Revenue	1,126,342	-	156,078
Undistributed Monies	-	-	-
General Obligation Bonds Payable	-	-	-
<b>Total Liabilities</b>	<b>1,463,940</b>	<b>41,909</b>	<b>156,078</b>
<b>Fund Equity and Other Credits:</b>			
Investment in General Fixed Assets	-	-	-
Contributed Capital	-	-	-
Retained Earnings	-	-	-
Fund Balance -			
Reserved for Encumbrances	-	11,027	-
Reserved for Property Taxes	45,562	-	9,525
Reserved for Bus Purchase	35,115	-	-
Reserved for Budget Stabilization	48,366	-	-
Unreserved Fund Balance	711,997	79,541	240,436
<b>Total Fund Equity and Other Credits</b>	<b>841,040</b>	<b>90,568</b>	<b>249,961</b>
<b>Total Liabilities, Fund Equity &amp; Other Credits</b>	<b>\$ 2,304,980</b>	<b>\$ 132,477</b>	<b>\$ 406,039</b>

The accompanying notes are an integral part of these financial statements.

Governmental Fund Types	Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
			General Fixed Assets	General Long-Term Obligations	
Capital Projects	Enterprise	Trust and Agency			
\$ 17,049	\$ 57,148	\$ 39,827	\$ -	\$ -	\$ 1,439,432
-	-	-	-	-	1,454,589
-	5	300	-	-	1,888
-	-	-	-	-	22,896
-	-	-	-	-	16,973
-	934	-	-	-	22,981
-	4,809	-	-	-	4,809
-	40,250	-	6,359,476	-	6,399,726
-	-	-	-	240,436	240,436
-	-	-	-	1,733,073	1,733,073
<u>\$ 17,049</u>	<u>\$ 103,146</u>	<u>\$ 40,127</u>	<u>\$ 6,359,476</u>	<u>\$ 1,973,509</u>	<u>\$ 11,336,803</u>
\$ -	\$ 6,312	\$ -	\$ -	\$ -	\$ 19,231
-	15,030	-	-	-	304,518
6,973	10,000	-	-	-	16,973
-	-	26,579	-	-	26,579
-	-	-	-	184,726	191,098
-	5,719	-	-	18,788	95,235
-	2,513	-	-	-	1,284,933
-	-	1,466	-	-	1,466
-	-	-	-	1,769,995	1,769,995
<u>6,973</u>	<u>39,574</u>	<u>28,045</u>	<u>-</u>	<u>1,973,509</u>	<u>3,710,028</u>
-	-	-	6,359,476	-	6,359,476
-	19,597	-	-	-	19,597
-	43,975	-	-	-	43,975
12,219	-	-	-	-	23,246
-	-	-	-	-	55,087
-	-	-	-	-	35,115
-	-	-	-	-	48,366
(2,143)	-	12,082	-	-	1,041,913
<u>10,076</u>	<u>63,572</u>	<u>12,082</u>	<u>6,359,476</u>	<u>-</u>	<u>7,626,775</u>
<u>\$ 17,049</u>	<u>\$ 103,146</u>	<u>\$ 40,127</u>	<u>\$ 6,359,476</u>	<u>\$ 1,973,509</u>	<u>\$ 11,336,803</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 1998

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<b>Assets and Other Debits</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 661,312	\$ 117,650	\$ 267,803
Restricted Cash	-	-	-
Receivables -			
Taxes	1,242,112	-	176,902
Accounts	344	-	-
Intergovernmental	250	-	-
Due From Other Funds	689	-	-
Prepaid Items	13,081	2,020	-
Inventory	-	-	-
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	-	-	-
Amount Available in Debt Service for Retirement of General Obligation Debt	-	-	-
Amount to be Provided from General Government Resources	-	-	-
<b>Total Assets and Other Debits</b>	<b>\$ 1,917,788</b>	<b>\$ 119,670</b>	<b>\$ 444,705</b>
<b>Liabilities, Fund Equity and Other Credits</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 5,868	\$ 2,205	\$ -
Accrued Salaries and Benefits	247,227	33,648	-
Due to Other Funds	-	-	-
Due to Students	-	-	-
Compensated Absences Payable	11,694	-	-
Intergovernmental Payable	56,254	7,108	-
Deferred Revenue	1,083,269	-	167,797
Undistributed Monies	-	-	-
General Obligation Bonds Payable	-	-	-
<b>Total Liabilities</b>	<b>1,404,312</b>	<b>42,961</b>	<b>167,797</b>
<b>Fund Equity and Other Credits:</b>			
Investment in General Fixed Assets	-	-	-
Contributed Capital	-	-	-
Retained Earnings	-	-	-
Fund Balance -			
Reserved for Encumbrances	867	19,379	-
Reserved for Property Taxes	39,426	-	9,105
Reserved for Bus Purchase	-	-	-
Reserved for Budget Stabilization	-	-	-
Unreserved Fund Balance	473,183	57,330	267,803
<b>Total Fund Equity and Other Credits</b>	<b>513,476</b>	<b>76,709</b>	<b>276,908</b>
<b>Total Liabilities, Fund Equity &amp; Other Credits</b>	<b>\$ 1,917,788</b>	<b>\$ 119,670</b>	<b>\$ 444,705</b>

The accompanying notes are an integral part of these financial statements.

Governmental Fund Types	Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
			General Fixed Assets	General Long-Term Obligations	
Capital Projects	Enterprise	Trust and Agency			
\$ 178,500	\$ 46,661	\$ 29,603	\$ -	\$ -	\$ 1,301,529
-	-	-	-	-	-
-	-	-	-	-	1,419,014
-	9	-	-	-	353
-	-	2,050	-	-	2,300
-	-	-	-	-	689
-	554	-	-	-	15,655
-	4,578	-	-	-	4,578
-	42,626	-	5,881,152	-	5,923,778
-	-	-	-	276,908	276,908
-	-	-	-	1,839,199	1,839,199
<u>\$ 178,500</u>	<u>\$ 94,428</u>	<u>\$ 31,653</u>	<u>\$ 5,881,152</u>	<u>\$ 2,116,107</u>	<u>\$ 10,784,003</u>
\$ 7,695	\$ -	\$ -	\$ -	\$ -	\$ 15,768
-	15,269	-	-	-	296,144
-	689	-	-	-	689
-	-	19,189	-	-	19,189
-	-	-	-	167,957	179,651
-	10,630	-	-	18,150	92,142
-	2,801	-	-	-	1,253,867
-	-	1,257	-	-	1,257
-	-	-	-	1,930,000	1,930,000
<u>7,695</u>	<u>29,389</u>	<u>20,446</u>	<u>-</u>	<u>2,116,107</u>	<u>3,788,707</u>
-	-	-	5,881,152	-	5,881,152
-	19,597	-	-	-	19,597
-	45,442	-	-	-	45,442
11,695	-	-	-	-	31,941
-	-	-	-	-	48,531
-	-	-	-	-	-
-	-	-	-	-	-
159,110	-	11,207	-	-	968,633
<u>170,805</u>	<u>65,039</u>	<u>11,207</u>	<u>5,881,152</u>	<u>-</u>	<u>6,995,296</u>
<u>\$ 178,500</u>	<u>\$ 94,428</u>	<u>\$ 31,653</u>	<u>\$ 5,881,152</u>	<u>\$ 2,116,107</u>	<u>\$ 10,784,003</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND SIMILAR TRUST FUNDS

For the Year Ended June 30, 1999

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<b>Revenues:</b>			
Taxes	\$ 1,164,589	\$ -	\$ 164,058
Tuition and Fees	5,418	-	-
Intergovernmental	1,833,608	275,275	18,423
Interest	72,026	-	-
Extracurricular Activities	-	58,492	-
Rent	1,948	-	-
Gifts and Donations	-	1,320	-
Miscellaneous	13,090	650	-
Total Revenues	<u>3,090,679</u>	<u>335,737</u>	<u>182,481</u>
<b>Expenditures:</b>			
Current -			
Instruction -			
Regular	1,444,124	23,272	-
Special	62,932	206,418	-
Vocational	101,769	-	-
Other	16,801	-	-
Support Services -			
Pupils	91,758	34,538	-
Instruction	181,648	16,351	-
Board of Education	6,446	-	-
Administration	269,368	35	-
Fiscal	98,770	648	4,651
Business	-	-	-
Operation and Maintenance	269,147	-	-
Transportation	140,040	-	-
Central	-	-	-
Miscellaneous	162	-	-
Extracurricular Activities	72,000	48,766	-
Capital Outlay	-	-	-
Debt Service-			
Principal Retirement	-	-	2,303,400
Interest and Fiscal Charges	-	-	113,971
Total Expenditures	<u>2,754,965</u>	<u>330,028</u>	<u>2,422,022</u>
Excess (Deficiency) of Revenues			
Over/(Under) Expenditures	<u>335,714</u>	<u>5,709</u>	<u>(2,239,541)</u>

The accompanying notes are an integral part of these financial statements.

(continued)

Governmental Fund Types	Fiduciary Fund Type	Totals
Capital Projects	Expendable Trust	(Memorandum Only)
\$ -	\$ -	\$ 1,328,647
-	-	5,418
328,178	-	2,455,484
-	-	72,026
-	-	58,492
-	-	1,948
-	4,175	5,495
-	-	13,740
<u>328,178</u>	<u>4,175</u>	<u>3,941,250</u>
63,159	-	1,530,555
-	-	269,350
703	-	102,472
-	-	16,801
-	-	-
-	-	126,296
-	-	197,999
-	-	6,446
-	-	269,403
-	-	104,069
-	-	-
44,213	-	313,360
-	-	140,040
-	-	-
-	-	162
-	3,300	124,066
380,832	-	380,832
-	-	2,303,400
-	-	113,971
<u>488,907</u>	<u>3,300</u>	<u>5,999,222</u>
<u>(160,729)</u>	<u>875</u>	<u>(2,057,972)</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND SIMILAR TRUST FUNDS

For the Year Ended June 30, 1999

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<u>Other Financing Sources (Uses):</u>			
Proceeds of Bonds	\$ -	\$ -	\$ 2,207,202
Premium & Accrued Interest on Bonds	-	-	5,392
Operating Transfers In	-	8,150	-
Operating Transfers Out	(8,150)	-	-
Total Other Financing Sources (Uses)	(8,150)	8,150	2,212,594
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	327,564	13,859	(26,947)
Fund Balances (Deficits) at Beginning of Year	513,476	76,709	276,908
Fund Balances (Deficits) at End of Year	<u>\$ 841,040</u>	<u>\$ 90,568</u>	<u>\$ 249,961</u>

The accompanying notes are an integral part of these financial statements.  
(concluded)



Governmental Fund Types	Fiduciary Fund Type	Totals
Capital Projects	Expendable Trust	(Memorandum Only)
\$ -	\$ -	\$ 2,207,202
-	-	5,392
-	-	8,150
-	-	(8,150)
-	-	2,212,594
(160,729)	875	154,622
170,805	11,207	1,049,105
<u>\$ 10,076</u>	<u>\$ 12,082</u>	<u>\$ 1,203,727</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND SIMILAR TRUST FUNDS

For the Year Ended June 30, 1998

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<u>Revenues:</u>			
Taxes	\$ 1,190,332	\$ -	\$ 192,141
Tuition and Fees	-	-	-
Intergovernmental	1,752,257	270,550	19,356
Interest	56,160	-	-
Extracurricular Activities	-	70,864	-
Rent	2,677	-	-
Gifts and Donations	-	1,784	-
Miscellaneous	9,480	51	-
Total Revenues	<u>3,010,906</u>	<u>343,249</u>	<u>211,497</u>
<u>Expenditures:</u>			
Current -			
Instruction -			
Regular	1,327,389	14,728	-
Special	71,992	184,388	-
Vocational	111,863	-	-
Other	7,785	-	-
Support Services -			
Pupils	86,492	37,096	-
Instruction	104,085	26,871	-
Board of Education	9,660	-	-
Administration	288,787	4,922	-
Fiscal	122,081	63	3,197
Business	-	-	-
Operation and Maintenance	285,745	-	-
Transportation	150,429	-	-
Central	-	-	-
Miscellaneous	-	-	-
Extracurricular Activities	62,116	44,070	-
Capital Outlay	431	-	-
Debt Service-			
Principal Retirement	-	-	45,000
Interest and Fiscal Charges	-	-	143,960
Total Expenditures	<u>2,628,855</u>	<u>312,138</u>	<u>192,157</u>
Excess (Deficiency) of Revenues			
Over/(Under) Expenditures	<u>382,051</u>	<u>31,111</u>	<u>19,340</u>

The accompanying notes are an integral part of these financial statements.

(continued)

<u>Governmental Fund Types Capital Projects</u>	<u>Fiduciary Fund Type Expendable Trust</u>	<u>Totals (Memorandum Only)</u>
\$ -	\$ -	\$ 1,382,473
-	-	-
171,979	-	2,214,142
-	-	56,160
-	-	70,864
-	-	2,677
-	8,136	9,920
-	-	9,531
<u>171,979</u>	<u>8,136</u>	<u>3,745,767</u>

88,717	-	1,430,834
-	-	256,380
-	-	111,863
-	-	7,785
-	-	123,588
-	-	130,956
-	-	9,660
-	-	293,709
-	-	125,591
250	-	-
-	-	293,440
7,695	-	150,429
-	-	-
-	-	-
-	8,100	114,286
-	-	431
-	-	45,000
-	-	143,960
<u>96,662</u>	<u>8,100</u>	<u>3,237,912</u>
<u>75,317</u>	<u>36</u>	<u>507,855</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND SIMILAR TRUST FUNDS

For the Year Ended June 30, 1998

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<u>Other Financing Sources (Uses):</u>			
Proceeds of Bonds	\$ -	\$ -	\$ -
Premium & Accrued Interest on Bonds	-	-	-
Operating Transfers In	-	17,154	-
Operating Transfers Out	<u>(21,776)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(21,776)</u>	<u>17,154</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	360,275	48,265	19,340
Fund Balances (Deficits) at Beginning of Year	<u>153,201</u>	<u>28,444</u>	<u>257,568</u>
Fund Balances (Deficits) at End of Year	<u>\$ 513,476</u>	<u>\$ 76,709</u>	<u>\$ 276,908</u>

The accompanying notes are an integral part of these financial statements.  
(concluded)

<u>Governmental Fund Types</u>	<u>Fiduciary Fund Type</u>	<u>Totals</u>
<u>Capital Projects</u>	<u>Expendable Trust</u>	<u>(Memorandum Only)</u>
\$ -	\$ -	\$ -
-	-	-
-	-	17,154
-	-	(21,776)
-	-	(4,622)
75,317	36	503,233
95,488	11,171	545,872
<u>\$ 170,805</u>	<u>\$ 11,207</u>	<u>\$ 1,049,105</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND  
ACTUAL - ALL GOVERNMENTAL FUNDS TYPES AND SIMILAR TRUST FUNDS**

For the Year Ended June 30, 1999

	Governmental Fund Types		
	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Income Taxes	\$ 387,316	\$ 387,316	\$ -
Property Taxes	773,472	773,472	-
Tuition and Fees	5,418	5,418	-
Intergovernmental	1,833,708	1,833,708	-
Interest	70,000	72,806	2,806
Rent	1,947	-	(1,947)
Extracurricular Activities	-	-	-
Gifts and Donations	-	-	-
Miscellaneous	8,344	9,511	1,167
Total Revenues	3,080,205	3,082,231	2,026
<b>Expenditures:</b>			
Current -			
Instruction -			
Regular	1,580,605	1,424,089	156,516
Special	67,770	64,224	3,546
Vocational	118,297	109,110	9,187
Other	18,000	16,801	1,199
Support Services -			
Pupils	104,858	95,420	9,438
Instruction	183,926	180,437	3,489
Board of Education	9,672	8,054	1,618
Administration	294,140	270,139	24,001
Fiscal	98,667	92,990	5,677
Operation and Maintenance	383,671	271,640	112,031
Transportation	186,672	140,132	46,540
Central Services	-	-	-
Extracurricular Activities	75,224	71,896	3,328
Miscellaneous	500	162	338
Capital Outlay	-	-	-
Debt Service -			
Principal Retirement	-	-	-
Interest and Fiscal Changes	-	-	-
Total Expenditures	3,122,002	2,745,094	376,908
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(41,797)	337,137	378,934

The accompanying notes are an integral part of these financial statements.

(continued)

Governmental Fund Types

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	163,638	163,638	-
-	-	-	-	-	-
249,529	252,529	3,000	18,423	18,423	-
-	-	-	-	-	-
-	-	-	-	-	-
58,492	58,492	-	-	-	-
4,920	820	(4,100)	-	-	-
-	1,100	1,100	-	-	-
<u>312,941</u>	<u>312,941</u>	<u>-</u>	<u>182,061</u>	<u>182,061</u>	<u>-</u>
28,379	25,201	3,178	-	-	-
210,187	203,365	6,822	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,617	35,033	4,584	-	-	-
20,559	18,120	2,439	-	-	-
-	-	-	-	-	-
4,611	556	4,055	-	-	-
1,328	634	694	6,000	4,651	1,349
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
61,313	48,432	12,881	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,090,000	2,090,000	-
-	-	-	50,500	50,164	336
<u>365,994</u>	<u>331,341</u>	<u>34,653</u>	<u>2,146,500</u>	<u>2,144,815</u>	<u>1,685</u>
<u>(53,053)</u>	<u>(18,400)</u>	<u>34,653</u>	<u>(1,964,439)</u>	<u>(1,962,754)</u>	<u>1,685</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND  
ACTUAL - ALL GOVERNMENTAL FUNDS TYPES AND SIMILAR TRUST FUNDS**

For the Year Ended June 30, 1999

	Governmental Fund Types Capital Projects Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Income Taxes	\$ -	\$ -	\$ -
Property Taxes	-	-	-
Tuition and Fees	-	-	-
Intergovernmental	328,178	328,178	-
Interest	-	-	-
Rent	-	-	-
Extracurricular Activities	-	-	-
Gifts and Donations	-	-	-
Miscellaneous	-	-	-
Total Revenues	328,178	328,178	-
<b>Expenditures:</b>			
Current -			
Instruction -			
Regular	65,070	63,159	1,911
Special	-	-	-
Vocational	703	703	-
Other	-	-	-
Support Services -			
Pupils	-	-	-
Instruction	-	-	-
Board of Education	-	-	-
Administration	-	-	-
Fiscal	-	-	-
Operation and Maintenance	52,112	432,740	(380,628)
Transportation	-	-	-
Central Services	-	-	-
Extracurricular Activities	-	-	-
Miscellaneous	-	-	-
Capital Outlay	392,847	-	392,847
Debt Service -			
Principal Retirement	-	-	-
Interest and Fiscal Changes	-	-	-
Total Expenditures	510,732	496,602	14,130
Excess of Revenues Over (Under) Expenditures	(182,554)	(168,424)	14,130

The accompanying notes are an integral part of these financial statements.

(continued)



Fiduciary Fund Types Expendable Trust Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 387,316	\$ 387,316	\$ -
-	-	-	937,110	937,110	-
-	-	-	5,418	5,418	-
-	-	-	2,429,838	2,432,838	3,000
-	-	-	70,000	72,806	2,806
-	-	-	1,947	-	(1,947)
5,925	8,114	2,189	64,417	66,606	2,189
-	-	-	4,920	820	(4,100)
-	-	-	8,344	10,611	2,267
<u>5,925</u>	<u>8,114</u>	<u>2,189</u>	<u>3,909,310</u>	<u>3,913,525</u>	<u>4,215</u>
-	-	-	1,674,054	1,512,449	161,605
-	-	-	277,957	267,589	10,368
-	-	-	119,000	109,813	9,187
-	-	-	18,000	16,801	1,199
-	-	-	144,475	130,453	14,022
-	-	-	204,485	198,557	5,928
-	-	-	9,672	8,054	1,618
-	-	-	298,751	270,695	28,056
-	-	-	105,995	98,275	7,720
-	-	-	435,783	704,380	#####
-	-	-	186,672	140,132	46,540
-	-	-	-	-	-
11,156	5,279	5,877	147,693	125,607	22,086
-	-	-	500	162	338
-	-	-	392,847	-	392,847
-	-	-	2,090,000	2,090,000	-
-	-	-	50,500	50,164	336
<u>11,156</u>	<u>5,279</u>	<u>5,877</u>	<u>6,156,384</u>	<u>5,723,131</u>	<u>433,253</u>
<u>(5,231)</u>	<u>2,835</u>	<u>8,066</u>	<u>(2,247,074)</u>	<u>(1,809,606)</u>	<u>437,468</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND  
ACTUAL - ALL GOVERNMENTAL FUNDS TYPES AND SIMILAR TRUST FUNDS**

For the Year Ended June 30, 1999

	Governmental Fund Types		
	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Other Financing Sources (Uses):</u>			
Other Financing Sources	\$ 3,508	\$ 3,508	\$ -
Proceeds from Bonds	-	-	-
Premium & Accrued Interest on Bonds	-	-	-
Advances In	689	689	-
Advances Out	(16,973)	(16,973)	-
Operating Transfers In	-	-	-
Operating Transfers Out	(8,150)	(8,150)	-
Total Other Financing Sources (Uses)	<u>(20,926)</u>	<u>(20,926)</u>	<u>-</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(62,723)	316,211	378,934
Prior Year Encumbrances Appropriated	4,558	4,558	-
Fund Balances (Deficit) at Beginning of Year	<u>366,776</u>	<u>656,754</u>	<u>289,978</u>
Fund Balances (Deficit) at End of Year	<u>\$ 308,611</u>	<u>\$ 977,523</u>	<u>\$ 668,912</u>

The accompanying notes are an integral part of these financial statements.  
(continued)

Governmental Fund Types

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 50	\$ 50	\$ -	\$ -	\$ -	\$ -
-	-	-	1,929,995	1,929,995	-
-	-	-	5,392	5,392	-
-	-	-	-	-	-
-	-	-	-	-	-
8,150	8,150	-	-	-	-
-	-	-	-	-	-
<u>8,200</u>	<u>8,200</u>	<u>-</u>	<u>1,935,387</u>	<u>1,935,387</u>	<u>-</u>
(44,853)	(10,200)	34,653	(29,052)	(27,367)	1,685
20,966	20,258	708	-	-	-
<u>24,798</u>	<u>97,392</u>	<u>72,594</u>	<u>17,066</u>	<u>267,803</u>	<u>250,737</u>
<u>\$ 911</u>	<u>\$ 107,450</u>	<u>\$ 107,955</u>	<u>\$ (11,986)</u>	<u>\$ 240,436</u>	<u>\$ 252,422</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND  
ACTUAL - ALL GOVERNMENTAL FUNDS TYPES AND SIMILAR TRUST FUNDS**

For the Year Ended June 30, 1999

	Governmental Fund Types Capital Projects Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Other Financing Sources (Uses):</u>			
Other Financing Sources	\$ -	\$ -	\$ -
Proceeds from Bonds	-	-	-
Premium & Accrued Interest on Bonds	-	-	-
Advances In	6,973	6,973	-
Advances Out	-	-	-
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>6,973</u>	<u>6,973</u>	<u>-</u>
<i>Excess of Revenues and Other Sources</i> Over (Under) Expenditures and Other Uses	(175,581)	(161,451)	14,130
Prior Year Encumbrances Appropriated	11,695	11,695	-
Fund Balances (Deficit) at Beginning of Year	<u>118,330</u>	<u>166,805</u>	<u>48,475</u>
Fund Balances (Deficit) at End of Year	<u>\$ (45,556)</u>	<u>\$ 17,049</u>	<u>\$ 62,605</u>

The accompanying notes are an integral part of these financial statements.  
(concluded)

Fiduciary Fund Types Expendable Trust Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 3,558	\$ 3,558	\$ -
-	-	-	1,929,995	1,929,995	-
-	-	-	5,392	5,392	-
-	-	-	7,662	7,662	-
-	-	-	(16,973)	(16,973)	-
-	-	-	8,150	8,150	-
-	-	-	(8,150)	(8,150)	-
-	-	-	<u>1,929,634</u>	<u>1,929,634</u>	-
(5,231)	2,835	8,066	(317,440)	120,028	437,468
-	-	-	37,219	36,511	-
<u>9,157</u>	<u>10,413</u>	<u>1,256</u>	<u>536,127</u>	<u>1,199,167</u>	<u>663,040</u>
<u>3,926</u>	<u>\$ 13,248</u>	<u>\$ 9,322</u>	<u>\$ 255,906</u>	<u>\$ 1,355,706</u>	<u>\$ 1,100,508</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND  
ACTUAL - ALL GOVERNMENTAL FUNDS TYPES AND SIMILAR TRUST FUNDS

For the Year Ended June 30, 1998

	Governmental Fund Types		
	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Income Taxes	\$ 354,725	\$ 354,725	\$ -
Property Taxes	815,408	815,408	-
Tuition and Fees	-	-	-
Intergovernmental	1,727,060	1,727,060	-
Interest	50,128	56,160	6,032
Rent	2,677	2,677	-
Extracurricular Activities	-	-	-
Gifts and Donations	-	-	-
Miscellaneous	9,381	9,381	-
Total Revenues	<u>2,959,379</u>	<u>2,965,411</u>	<u>6,032</u>
<u>Expenditures:</u>			
Current -			
Instruction -			
Regular	1,393,018	1,317,286	75,732
Special	72,307	68,933	3,374
Vocational	111,245	102,975	8,270
Other	18,000	7,785	10,215
Support Services -			
Pupils	84,006	78,120	5,886
Instruction	125,031	103,829	21,202
Board of Education	8,719	7,783	936
Administration	304,808	281,418	23,390
Fiscal	135,413	122,645	12,768
Operation and Maintenance	365,261	276,788	88,473
Transportation	175,658	146,817	28,841
Central Services	-	-	-
Extracurricular Activities	69,876	61,935	7,941
Miscellaneous	1,000	431	569
Capital Outlay	-	-	-
Debt Service -			
Principal Retirement	-	-	-
Interest and Fiscal Changes	-	-	-
Total Expenditures	<u>2,864,342</u>	<u>2,576,745</u>	<u>287,597</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>95,037</u>	<u>388,666</u>	<u>293,629</u>

The accompanying notes are an integral part of these financial statements.

(continued)

Governmental Fund Types

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	191,360	191,360	-
-	-	-	-	-	-
293,857	293,857	-	19,356	19,356	-
-	-	-	-	-	-
71,438	71,902	464	-	-	-
1,784	-	(1,784)	-	-	-
-	320	320	-	-	-
<u>367,079</u>	<u>366,079</u>	<u>(1,000)</u>	<u>210,716</u>	<u>210,716</u>	<u>-</u>
27,380	15,430	11,950	-	-	-
219,836	181,060	38,776	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
42,069	34,511	7,558	-	-	-
31,757	24,858	6,899	-	-	-
-	-	-	-	-	-
5,944	4,551	1,393	-	-	-
700	-	700	7,000	3,197	3,803
-	-	-	-	-	-
-	-	-	-	-	-
71,248	44,723	26,525	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	45,000	45,000	-
-	-	-	390,893	143,960	246,933
<u>398,934</u>	<u>305,133</u>	<u>93,801</u>	<u>442,893</u>	<u>192,157</u>	<u>250,736</u>
<u>(31,855)</u>	<u>60,946</u>	<u>92,801</u>	<u>(232,177)</u>	<u>18,559</u>	<u>250,736</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND  
ACTUAL - ALL GOVERNMENTAL FUNDS TYPES AND SIMILAR TRUST FUNDS**

For the Year Ended June 30, 1998

	Governmental Fund Types		Variance Favorable (Unfavorable)
	Capital Projects Fund		
	Revised Budget	Actual	
<b>Revenues:</b>			
Income Taxes	\$ -	\$ -	\$ -
Property Taxes	-	-	-
Tuition and Fees	-	-	-
Intergovernmental	171,979	171,979	-
Interest	-	-	-
Rent	-	-	-
Extracurricular Activities	-	-	-
Gifts and Donations	-	-	-
Miscellaneous	-	-	-
Total Revenues	171,979	171,979	-
<b>Expenditures:</b>			
Current -			
Instruction -			
Regular	148,887	88,717	60,170
Special	-	-	-
Vocational	-	-	-
Other	-	-	-
Support Services -			
Pupils	-	-	-
Instruction	-	-	-
Board of Education	-	-	-
Administration	-	-	-
Fiscal	500	250	250
Operation and Maintenance	-	-	-
Transportation	-	-	-
Central Services	-	-	-
Extracurricular Activities	-	-	-
Miscellaneous	-	-	-
Capital Outlay	-	-	-
Debt Service -			
Principal Retirement	-	-	-
Interest and Fiscal Changes	-	-	-
Total Expenditures	149,387	88,967	60,420
Excess of Revenues Over (Under) Expenditures	22,592	83,012	60,420

The accompanying notes are an integral part of these financial statements.

(continued)



Fiduciary Fund Types Expendable Trust Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 354,725	\$ 354,725	\$ -
-	-	-	1,006,768	1,006,768	-
-	-	-	-	-	-
-	-	-	2,212,252	2,212,252	-
-	-	-	50,128	56,160	6,032
-	-	-	2,677	2,677	-
6,086	7,560	1,474	77,524	79,462	1,938
-	-	-	1,784	-	(1,784)
-	1,000	1,000	9,381	10,701	1,320
<u>6,086</u>	<u>8,560</u>	<u>2,474</u>	<u>3,715,239</u>	<u>3,722,745</u>	<u>7,506</u>
-	1,000	(1,000)	1,569,285	1,422,433	146,852
-	-	-	292,143	249,993	42,150
-	-	-	111,245	102,975	8,270
-	-	-	18,000	7,785	10,215
-	-	-	126,075	112,631	13,444
-	-	-	156,788	128,687	28,101
-	-	-	8,719	7,783	936
-	-	-	310,752	285,969	24,783
-	-	-	143,613	126,092	17,521
-	-	-	365,261	276,788	88,473
-	-	-	175,658	146,817	28,841
-	-	-	-	-	-
17,170	9,842	7,328	158,294	116,500	41,794
-	-	-	1,000	431	569
-	-	-	-	-	-
-	-	-	45,000	45,000	-
-	-	-	390,893	143,960	246,933
<u>17,170</u>	<u>10,842</u>	<u>6,328</u>	<u>3,872,726</u>	<u>3,173,844</u>	<u>698,882</u>
<u>(11,084)</u>	<u>(2,282)</u>	<u>8,802</u>	<u>(157,487)</u>	<u>548,901</u>	<u>706,388</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND  
ACTUAL - ALL GOVERNMENTAL FUNDS TYPES AND SIMILAR TRUST FUNDS**

For the Year Ended June 30, 1998

	Governmental Fund Types		
	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Other Financing Sources (Uses):</b>			
Other Financing Sources	\$ 24,980	\$ 25,047	\$ 67
Proceeds from Bonds	-	-	-
Premium & Accrued Interest on Bonds	-	-	-
Advances In	30,503	30,503	-
Advances Out	(689)	(689)	-
Operating Transfers In	-	-	-
Operating Transfers Out	(93,701)	(92,861)	840
Total Other Financing Sources (Uses)	<u>(38,907)</u>	<u>(38,000)</u>	<u>907</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	56,130	350,666	294,536
Prior Year Encumbrances Appropriated	22,553	22,553	-
Fund Balances (Deficit) at Beginning of Year	<u>288,093</u>	<u>288,093</u>	-
Fund Balances (Deficit) at End of Year	<u>\$ 366,776</u>	<u>\$ 661,312</u>	<u>\$ 294,536</u>

The accompanying notes are an integral part of these financial statements.  
(continued)

Governmental Fund Types

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ 51	\$ 51	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(30,503)	(30,503)	-	-	-	-
17,154	17,154	-	12,886	12,886	-
-	-	-	-	-	-
<u>(13,349)</u>	<u>(13,298)</u>	<u>51</u>	<u>12,886</u>	<u>12,886</u>	<u>-</u>
(45,204)	47,648	92,852	(219,291)	31,445	250,736
13,120	13,120	-	-	-	-
56,882	56,882	-	236,358	236,358	-
<u>\$ 24,798</u>	<u>\$ 117,650</u>	<u>\$ 92,852</u>	<u>\$ 17,067</u>	<u>\$ 267,803</u>	<u>\$ 250,736</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND  
ACTUAL - ALL GOVERNMENTAL FUNDS TYPES AND SIMILAR TRUST FUNDS**

For the Year Ended June 30, 1998

	Governmental Fund Types Capital Projects Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b><u>Other Financing Sources (Uses):</u></b>			
Other Financing Sources	\$ -	\$ -	\$ -
Proceeds from Bonds	-	-	-
Premium & Accrued Interest on Bonds	-	-	-
Advances In	-	-	-
Advances Out	-	-	-
Operating Transfers In	58,199	82,701	24,502
Operating Transfers Out	-	(24,502)	(24,502)
Total Other Financing Sources (Uses)	58,199	58,199	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	80,791	141,211	60,420
Prior Year Encumbrances Appropriated	11,695	11,695	-
Fund Balances (Deficit) at Beginning of Year	25,594	25,594	-
Fund Balances (Deficit) at End of Year	\$ 118,080	\$ 178,500	\$ 60,420

The accompanying notes are an integral part of these financial statements.  
(concluded)

Fiduciary Fund Types Expendable Trust Funds			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 24,980	\$ 25,098	\$ 118
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	30,503	30,503	-
-	-	-	(31,192)	(31,192)	-
-	-	-	88,239	112,741	24,502
-	-	-	(93,701)	(117,363)	(23,662)
-	-	-	18,829	19,787	958
(11,084)	(2,282)	8,802	(138,658)	568,688	707,346
-	-	-	47,368	47,368	-
11,171	12,695	1,524	618,098	619,622	1,524
\$ 87	\$ 10,413	\$ 10,326	\$ 526,808	\$ 1,235,678	\$ 708,870

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS - ALL PROPRIETARY  
FUND TYPES AND SIMILAR FIDUCIARY FUNDS**

For the Year Ended June 30, 1999

	<u>Enterprise</u>
<u>Operating Revenues:</u>	
Sales	\$ 164,439
Contributions and Donations	-
Total Operating Revenues	164,439
<u>Operating Expenses:</u>	
Salaries	67,111
Fringe Benefits	18,967
Purchased Services	2,369
Materials and Supplies	6,713
Cost of Sales	115,907
Depreciation	4,385
Miscellaneous	-
Capital Outlay	-
Total Operating Expenses	215,452
Operating Income (Loss)	(51,013)
<u>Non-Operating Revenues (Expenses):</u>	
Interest	687
Operating Grants	34,574
Federal Donated Commodities	14,285
Total Non-Operating Revenues and (Expenses)	49,546
Net Income (Loss)	(1,467)
Retained Earnings/Fund Balance (Deficit) at Beginning of Year	45,442
Retained Earnings/Fund Balance (Deficit) at End of Year	43,975
Contributed Capital at Beginning and End of Year	19,597
Total Fund Equity at End of Year	\$ 63,572

The accompanying notes are an integral part of these financial statements.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS - ALL PROPRIETARY  
FUND TYPES AND SIMILAR FIDUCIARY FUNDS**

For the Year Ended June 30, 1998

	<u>Enterprise</u>
<b><u>Operating Revenues:</u></b>	
Sales	\$ 148,205
Contributions and Donations	-
<b>Total Operating Revenues</b>	<b>148,205</b>
<b><u>Operating Expenses:</u></b>	
Salaries	54,188
Fringe Benefits	29,650
Purchased Services	2,505
Materials and Supplies	5,163
Cost of Sales	94,010
Depreciation	4,284
Miscellaneous	-
Capital Outlay	-
<b>Total Operating Expenses</b>	<b>189,800</b>
Operating Income (Loss)	<b>(41,595)</b>
<b><u>Non-Operating Revenues (Expenses):</u></b>	
Interest	-
Operating Grants	32,926
Federal Donated Commodities	14,187
<b>Total Non-Operating Revenues         and (Expenses)</b>	<b>47,113</b>
Net Income (Loss)	5,518
Retained Earnings/Fund Balance (Deficit) at Beginning of Year	39,924
Retained Earnings/Fund Balance (Deficit) at End of Year	45,442
Contributed Capital at Beginning and End of Year	19,597
Total Fund Equity at End of Year	<b>\$ 65,039</b>

The accompanying notes are an integral part of these financial statements.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND EQUITY - BUDGET (NON-GAAP BASIS) AND ACTUAL -  
ALL PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUNDS**

For the Year Ended June 30, 1999

	Proprietary Fund Types Enterprise Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Sales	\$ 164,444	\$ 164,444	\$ -
Operating Grants	34,574	34,574	-
Interest	525	687	162
Total Revenues	<u>199,543</u>	<u>199,705</u>	<u>162</u>
<b>Expenditures:</b>			
Salaries	68,008	67,111	897
Fringe Benefits	25,976	24,497	1,479
Purchased Services	2,950	2,369	581
Materials and Supplies	112,408	101,954	10,454
Miscellaneous	-	-	-
Capital Outlay	3,546	2,597	949
Total Expenditures	<u>212,888</u>	<u>198,528</u>	<u>14,360</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(13,345)</u>	<u>1,177</u>	<u>14,522</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditure			
Advances In	10,000	10,000	
Advances Out	(689)	(689)	-
Total Other Financing Sources (Uses)	<u>9,311</u>	<u>9,311</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over/(Under) Expenditures and Other Uses	<u>(4,034)</u>	<u>10,488</u>	<u>14,522</u>
Prior Year Encumbrances Appropriated	-	-	-
Fund Equity (Deficit) Beginning of Year	<u>46,661</u>	<u>46,661</u>	<u>-</u>
Fund Equity (Deficit) End of Year	<u>\$ 42,627</u>	<u>\$ 57,149</u>	<u>\$ 14,522</u>

The accompanying notes are an integral part of these financial statements.



RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND EQUITY - BUDGET (NON-GAAP BASIS) AND ACTUAL -  
ALL PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUNDS**

For the Year Ended June 30, 1998

	Proprietary Fund Types Enterprise Funds		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<b>Revenues:</b>			
Sales	\$ 148,214	\$ 148,214	\$ -
Operating Grants	36,073	36,073	-
Interest	-	-	-
Total Revenues	<u>184,287</u>	<u>184,287</u>	<u>-</u>
<b>Expenditures:</b>			
Salaries	69,000	65,997	3,003
Fringe Benefits	30,009	16,474	13,535
Purchased Services	3,035	2,505	530
Materials and Supplies	96,195	85,897	10,298
Miscellaneous	-	-	-
Capital Outlay	4,000	2,626	1,374
Total Expenditures	<u>202,239</u>	<u>173,499</u>	<u>28,740</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(17,952)</u>	<u>10,788</u>	<u>28,740</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditure	-	-	-
Advances In	689	689	-
Advances Out	-	-	-
Total Other Financing Sources (Uses)	<u>689</u>	<u>689</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over/(Under) Expenditures and Other Uses	<u>(17,263)</u>	<u>11,477</u>	<u>28,740</u>
Prior Year Encumbrances Appropriated	813	813	-
Fund Equity (Deficit) Beginning of Year	<u>34,371</u>	<u>34,371</u>	<u>-</u>
Fund Equity (Deficit) End of Year	<u>\$ 17,921</u>	<u>\$ 46,661</u>	<u>\$ 28,740</u>

The accompanying notes are an integral part of these financial statements.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

**COMBINED STATEMENT OF CASH FLOWS - ALL  
PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUNDS**

For the Year Ended June 30, 1999

	<u>Enterprise</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<b><u>Cash Flows from Operating Activities:</u></b>	
Cash Received from Customers	\$ 164,444
Cash Payments to Suppliers for Goods and Services	(67,111)
Cash Payments to Employees for Services	(24,497)
Cash Payments for Employee Benefits	<u>(104,911)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(32,075)</u>
<b><u>Cash Flows from Noncapital Financing Activities:</u></b>	
Operating Grants Received	34,574
Advances In	10,000
Advances Out	<u>(689)</u>
Net Cash Provided by (Used for) Noncapital Investing Activities	<u>43,885</u>
<b><u>Cash Flows from Capital Financing Activities:</u></b>	
Acquisition of Capital Assets	<u>(2,009)</u>
<b><u>Cash Flows from Investing Activities:</u></b>	
Interest	<u>687</u>
Net Increase (Decrease) in Cash and Cash Equivalents	10,488
Cash and Cash Equivalents at Beginning of Year	<u>46,661</u>
Cash and Cash Equivalents at End of Year	<u>\$ 57,149</u>

The accompanying notes are an integral part of these financial statements.

(continued)

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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COMBINED STATEMENT OF CASH FLOWS - ALL  
PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUNDS

For the Year Ended June 30, 1999

	<u>Enterprise</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>	
Operating Income (Loss)	\$ <u>(51,013)</u>
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>	
Depreciation	4,385
Donated Commodities Used During Year	14,285
Changes in Assets and Liabilities -	
(Increase)/Decrease in Accounts Receivable	4
(Increase)/Decrease in Prepaid Items	(380)
(Increase)/Decrease in Inventory	(1,223)
Increase/(Decrease) in Accounts Payable	6,312
Increase/(Decrease) in Accrued Salaries and Benefits	(9,814)
Increase/(Decrease) in Compensated Absences Payable	-
Increase/(Decrease) in Intergovernmental Payable	4,664
Increase/(Decrease) in Deferred Revenue	<u>705</u>
Total Adjustments	<u>18,938</u>
Net Cash Provided by (Used for) Operating Activities	\$ <u>(32,075)</u>

The accompanying notes are an integral part of these financial statements.  
(concluded)

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED STATEMENT OF CASH FLOWS - ALL  
PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUNDS

For the Year Ended June 30, 1998

	<u>Enterprise</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$ 148,213
Cash Payments to Suppliers for Goods and Services	(65,997)
Cash Payments to Employees for Services	(16,474)
Cash Payments for Employee Benefits	<u>(88,402)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(22,660)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>	
Operating Grants Received	36,073
Transfers In	689
Advances Out	<u>-</u>
Net Cash Provided by (Used for) Noncapital Investing Activities	<u>36,762</u>
<u>Cash Flows from Capital Financing Activities:</u>	
Acquisition of Capital Assets	<u>(2,626)</u>
<u>Cash Flows from Investing Activities:</u>	
Interest	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	11,476
Cash and Cash Equivalents at Beginning of Year	<u>35,185</u>
Cash and Cash Equivalents at End of Year	<u>\$ 46,661</u>

The accompanying notes are an integral part of these financial statements.

(continued)

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

COMBINED STATEMENT OF CASH FLOWS - ALL  
PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUNDS

For the Year Ended June 30, 1998

	<u>Enterprise</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>	
Operating Income (Loss)	\$ <u>(41,595)</u>
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</u>	
Depreciation	4,284
Donated Commodities Used During Year	14,187
Changes in Assets and Liabilities -	
(Increase)/Decrease in Accounts Receivable	8
(Increase)/Decrease in Prepaid Items	149
(Increase)/Decrease in Inventory	(911)
Increase/(Decrease) in Accounts Payable	-
Increase/(Decrease) in Accrued Salaries and Benefits	5,766
Increase/(Decrease) in Compensated Absences Payable	(3,713)
Increase/(Decrease) in Intergovernmental Payable	(835)
Increase/(Decrease) in Deferred Revenue	-
Total Adjustments	<u>18,935</u>
Net Cash Provided by (Used for) Operating Activities	\$ <u><u>(22,660)</u></u>

The accompanying notes are an integral part of these financial statements.  
(concluded)

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note A - Description of the School District and Reporting Entity

Description of the School

Ridgemont Local School District is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally elected, five-member Board for staggered four year terms. The School District provides educational services as mandated by state and/or federal agencies. The Board controls the Local School District staffed by 48 certified teaching personnel and 27 non-certified support personnel to provide services to approximately 616 students.

The School District serves an area of approximately 98.3 square miles and includes parts of Hardin and Logan Counties. The School District currently operates two instructional buildings.

Reporting Entity

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

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

The following activities are included within the reporting entity:

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note A - Description of the School District and Reporting Entity (continued)

Reporting Entity (continued)

The School District is associated with two jointly governed organizations, an insurance pool, and a related organization. These organizations are the Western Ohio Area Computer Organization (WOCO), Ohio Hi-Point Joint Vocational School District, the Hardin County School Employees' Health and Welfare Benefit Plan and Trust, and the Ridgemont Public Library. These organizations are presented in Notes N, O, and P to the general purpose financial statements.

Note B - Summary of Significant Accounting Policies

Basis of Presentation

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

Basis of Presentation - Fund Accounting

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Basis of Presentation - Fund Accounting (continued)

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

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

Governmental Fund Types

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

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

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

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

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



NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Proprietary Fund Types

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

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

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The School District's fiduciary funds include expendable trust, nonexpendable trust, and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Nonexpendable trust funds are accounted for in essentially the same manner as proprietary funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

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

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Account Groups (continued)

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

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

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

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

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

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

The School District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 1999, and delinquent property taxes, whose availability is indeterminable and which are intended to finance fiscal year 2000 operations, have been recorded as deferred revenue.

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

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

Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each function. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Budgetary Process (continued)

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

Tax Budget

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

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

Estimated Resources

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 1999.

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Budgetary Process (continued)

Appropriations

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation, or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant.

The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

Encumbrances

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Budgetary Process (continued)

Lapsing of Appropriations

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

Cash and Cash Equivalents

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

During fiscal year 1999 and 1998, investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio). 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, 1999 and 1998.

Investment earning are allocated as authorized by state statute.

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Inventory

Inventory of proprietary funds is stated at the lower of cost or market. Cost is determined on a first-in, first-out basis. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 1999, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Fixed Assets and Depreciation

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

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Fixed Assets and Depreciation (continued)

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture, equipment, and vehicles in the proprietary fund types is computed using the straight-line method over an estimated useful life of five to twenty years. Buildings and improvements are depreciated over the estimated useful life of the related asset.

Intergovernmental Revenues

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

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

Entitlements:

General Fund

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

Non-Reimbursable Grants

Special Revenue Funds

- Professional Development Block Grant
  - Public School Preschool
  - Education Management Information Systems
  - Title I
  - Title II
  - Title VI
  - Drug Free Schools
- Capital Projects Funds
- Technology Equity
  - School Net Plus
  - Emergency Building Repair



NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

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Intergovernmental Revenues (continued)

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Reimbursable Grants

General Fund

Drivers Education

Proprietary Funds

National School Lunch Program

Government Donated Commodities

Grants and Entitlements amounted to approximately 62 and 59 percent of the operating revenues of the School District's governmental fund types during the 1999 and 1998 fiscal years, respectively.

Interfund Assets/Liabilities

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Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables" and "interfund payables". Long-term interfund loans are classified as "advances to/from other funds" and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources since they are not a component of net current assets.

Compensated Absences

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Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees after ten years of current service with the School District.

RIDGEMONT LOCAL SCHOOL DISTRICT  
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Compensated Absences (continued)

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

Accrued Liabilities and Long-Term Obligations

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

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

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

Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

RIDGEMONT LOCAL SCHOOL DISTRICT  
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Contributed Capital

Contributed capital represents resources from other funds, other governments, and private sources provided to the proprietary funds that are not subject to repayment. These assets are recorded at their fair market values on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end. There was no change in contributed capital during either fiscal year.

Because the School District did not prepare financial statements in accordance with generally accepted accounting principles prior to fiscal year 1995, the exact amount of contributed capital cannot be determined. Consequently, only those amounts that have been specifically identified have been classified as contributed capital in the accompanying combined financial statements. All other fund equity amounts pertaining to proprietary funds have been classified as retained earnings.

Fund Balance Reserves

The School District reserves fund balance for amounts that are legally segregated for a specific purpose or which are not available for appropriation. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, budget stabilization, bus purchase, and property taxes.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The budget stabilization represents monies required to be set aside by State statute to protect against cyclical changes in revenues and expenditures.

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.

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note B - Summary of Significant Accounting Policies (continued)

Total Columns on General Purpose Financial Statements

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

Note C - Budgetary Basis of Accounting

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

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note C - Budgetary Basis of Accounting (continued)

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type:

<u>Governmental and Similar Trust Funds</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Fund Balance - GAAP Basis	\$ 841,040	\$ 90,568	\$ 249,961	\$ 10,076
Adjustments to GAAP Basis -				
Accrued Revenues/Prepaid Expenses at June 30, 1999	(1,327,457)	(25,027)	(165,603)	-
Accrued Expenditures/Deferred Revenue at June 30, 1999	1,463,940	41,909	156,078	6,973
 Budget Basis - Fund Balance	 \$ <u>977,523</u>	 \$ <u>107,450</u>	 \$ <u>240,436</u>	 \$ <u>17,049</u>

<u>Governmental and Similar Trust Funds</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Fund Balance - GAAP Basis	\$ 513,476	\$ 76,709	\$ 276,908	\$ 170,805
Adjustments to GAAP Basis -				
Accrued Revenues/Prepaid Expenses at June 30, 1998	(1,256,476)	(2,020)	(176,902)	-
Accrued Expenditures/Deferred Revenue at June 30, 1998	1,404,312	42,961	167,797	7,695
 Budget Basis - Fund Balance	 \$ <u>661,312</u>	 \$ <u>117,650</u>	 \$ <u>267,803</u>	 \$ <u>178,500</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note C - Budgetary Basis of Accounting (continued)

<u>Proprietary and Similar Fiduciary Funds</u>	<u>1999</u>	<u>1998</u>
Fund Balance - GAAP Basis	\$ 63,572	65,039
Adjustments to GAAP Basis -		
Accrued Revenues/Prepaid Expenses/ Inventory Held for Resale at June 30th	(45,997)	(46,775)
Accrued Expenditures/ Deferred Revenue at June 30th	<u>39,574</u>	<u>28,397</u>
Budget Basis - Fund Balance	<u>\$ 57,149</u>	<u>46,661</u>

Note D - Deposits and Investments

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

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

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

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note D - Deposits and Investments (continued)

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

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note D - Deposits and Investments (continued)

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

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reserve Repurchase Agreements".

Deposits - At fiscal year end, the carrying amount of the School District's deposits was \$(1,034) and \$2,656, and the bank balance was \$91,605 and \$81,215 for fiscal year 1999 and 1998 respectively. The entire bank balance was covered by federal depository insurance.

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

During fiscal year 1999 and 1998, the School District's investments were limited STAR Ohio.



RIDGEMONT LOCAL SCHOOL DISTRICT  
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note D - Deposits and Investments (continued)

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Government Entities That Use Proprietary Fund Accounting." A reconciliation between the classifications of cash and cash equivalents and investments on the combined financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

<u>June 30, 1999</u>	<u>Cash and Cash Equivalents/ Deposits</u>	<u>Investments</u>
GASB Statement 9	\$ 1,439,432	\$ -
Investments:		
STAR Ohio	<u>(1,440,466)</u>	<u>1,440,466</u>
GASB Statement 3	<u>\$ (1,034)</u>	<u>\$ 1,440,466</u>

<u>June 30, 1998</u>	<u>Cash and Cash Equivalents/ Deposits</u>	<u>Investments</u>
GASB Statement 9	\$ 1,301,529	\$ -
Investments:		
STAR Ohio	<u>(1,298,873)</u>	<u>1,298,873</u>
GASB Statement 3	<u>\$ 2,656</u>	<u>\$ 1,298,873</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note E - Property Taxes

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value lists as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be re-valued every six years. Public utility property taxes are assessed on tangible personal property 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value. The assessed values upon which the fiscal year 1999 and 1998 taxes were collected are as follows:

	<u>1998 Second - Half Valuation</u>		<u>1999 First - Half Valuation</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 29,648,370	79.22 %	\$ 31,153,380	79.69 %
Industrial/Commercial	1,043,560	2.79	1,049,000	2.69
Public Utility Personal	5,648,290	15.09	5,755,060	14.72
Tangible Personal Property	<u>1,084,231</u>	<u>2.90</u>	<u>1,134,640</u>	<u>2.90</u>
Total Assessed Value	<u>\$ 37,424,451</u>	<u>100.00 %</u>	<u>\$ 39,092,080</u>	<u>100.00 %</u>
Effective Tax Rate Per \$1,000 of Assessed Valuation	\$36.20		\$35.70	

RIDGEMONT LOCAL SCHOOL DISTRICT  
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note E - Property Taxes (continued)

	1997 Second - Half Valuation		1998 First - Half Valuation	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 26,961,490	77.59 %	\$ 29,648,370	79.22 %
Industrial/Commercial	1,117,880	3.22	1,043,560	2.79
Public Utility Personal	5,461,490	15.72	5,648,290	15.09
Tangible Personal Property	1,206,520	3.47	1,084,231	2.90
<b>Total Assessed Value</b>	<b>\$ 34,747,380</b>	<b>100.00 %</b>	<b>\$ 37,424,451</b>	<b>100.00 %</b>
Effective Tax Rate Per \$1,000 of Assessed Valuation	\$36.80		\$36.20	

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

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

The School District receives property taxes from Hardin and Logan Counties. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 1999 is available to finance fiscal year 1999 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 1999. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30th is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 1999 was \$45,562 in the General Fund and \$9,525 in the Bond Retirement debt service fund. The amount available as an advance at June 30, 1998 was \$39,426 in the General Fund and \$9,105 in the Bond Retirement debt service fund.

RIDGEMONT LOCAL SCHOOL DISTRICT  
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note F - Receivables

Receivables at June 30, 1999, consisted of both property and income taxes, accounts (rent, billings for user charged services, and student fees), interfund, 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.

Note G - Fixed Assets

A summary of the Enterprise Fund's fixed assets at June 30, 1999, is as follows:

Furniture and Equipment	\$ 93,121
Less: Accumulated Depreciation	<u>(52,871)</u>
<b>Net Fixed Assets</b>	<b>\$ <u>40,250</u></b>

A summary of the changes in general fixed assets during fiscal year 1999 follows:

<u>Asset Category</u>	<u>Balance 6-30-98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6-30-99</u>
Land and Improvements	\$ 53,132	\$ -	\$ -	\$ 53,132
Buildings and Improvements	4,775,467	392,527	-	5,167,994
Furniture, Fixtures, and Equipment	433,706	85,797	-	519,503
Books	282,187	-	-	282,187
Vehicles	336,660	-	-	336,660
<b>Total</b>	<b>\$ <u>5,881,152</u></b>	<b>\$ <u>478,324</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>6,359,476</u></b>

RIDGEMONT LOCAL SCHOOL DISTRICT  
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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note G - Fixed Assets

A summary of the Enterprise Fund's fixed assets at June 30, 1998, is as follows:

Furniture and Equipment	\$ 91,112
Less: Accumulated Depreciation	<u>(48,486)</u>
Net Fixed Assets	<u>\$ 42,626</u>

A summary of the changes in general fixed assets during fiscal year 1998 follows:

<u>Asset Category</u>	<u>Balance 6-30-97</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6-30-98</u>
Land and Improvements	\$ 53,132	\$ -	\$ -	\$ 53,132
Buildings and Improvements	4,775,467	-	-	4,775,467
Furniture, Fixtures, and Equipment	331,314	102,392	-	433,706
Books	282,187	-	-	282,187
Vehicles	336,660	-	-	336,660
Total	<u>\$ 5,778,760</u>	<u>\$ 102,392</u>	<u>\$ -</u>	<u>\$ 5,881,152</u>

There was no significant construction in progress at June 30, 1999 or 1998.

Note H - Employee Benefits

Compensated Absences

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Administrative and classified employees earn ten to twenty days of vacation per year depending upon length of service. Accumulated, unused vacation time is paid to classified employees upon termination of employment. Teachers 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 administrators, teachers, and classified employees, such days shall accumulate equal to a maximum of 175 days, and for classified employees, up to a maximum of 183 days. Upon retirement, payment is made at the rate of one fourth of the accumulated sick leave limited to a maximum of 45 paid days.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note H - Employee Benefits (continued)

Health Care Benefits

The School District offered insurance benefits, including medical, dental, and life insurance to all employees through the Hardin County School Employees' Health and Welfare Benefit Plan and Trust. Depending upon the plan chosen, the employees share the cost of the monthly premium with the Board. The premium varies with the employee depending on the terms of the union contract.

Note I - Long-Term Obligations

The changes in the School District's long-term obligations during fiscal year 1999 were as follows:

	Principal Outstanding 6-30-98	Additions	Deletions	Principal Outstanding 6-30-99
<u>General Obligation Bonds</u>				
School Building Improvement Bonds 1992, 3.5 - 9.5%	\$ 1,930,000	-	\$ 1,930,000	-
School Building Advance Refunding Bonds 1999, 3.75 - 5.20%	-	1,929,995	160,000	1,769,995
	<u>1,930,000</u>	<u>1,929,995</u>	<u>2,090,000</u>	<u>1,769,995</u>
<u>Other Long-Term Obligations</u>				
Compensated Absences Payable	167,957	16,769	-	184,726
Intergovernmental Payable	18,150	18,788	18,150	18,788
Total Other Long-Term Obligations	<u>186,107</u>	<u>35,557</u>	<u>18,150</u>	<u>203,514</u>
Total General Long-Term Obligations \$	<u>2,116,107</u>	<u>\$ 1,965,552</u>	<u>\$ 2,108,150</u>	<u>\$ 1,973,509</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note 1 - Long-Term Obligations (continued)

	Principal Outstanding 6-30-97	Additions	Deletions	Principal Outstanding 6-30-98
<u>General Obligation Bonds</u>				
School Building Improvement Bonds \$ 1992, 3.5 - 9.5%	\$ 1,975,000	-	\$ 45,000	\$ 1,930,000
<u>Other Long-Term Obligations</u>				
Compensated Absences Payable	150,092	17,865	-	167,957
Intergovernmental Payable	22,977	18,150	22,977	18,150
Total Other Long-Term Obligations	173,069	36,015	22,977	186,107
Total General Long-Term Obligations \$	\$ 2,148,069	\$ 36,015	\$ 67,977	\$ 2,116,107

School Building Improvement General Obligation Bonds – On March 15, 1992, the Ridgemont Local School District issued \$2,150,000 in voted general obligation bonds for the purpose of constructing and improving existing school buildings. The bonds were issued for a twenty-three year period, with final maturity in 2015.

Advance Refunding - On July 8, 1998, the School District issued \$1,994,995 in general obligation advance refunding bonds for sixteen years with interest rates ranging from 3.75 percent to 5.20 percent to advance refund \$1,930,000 in 1992 school building improvement general obligation bonds. The bonds will be retired from the Bond Retirement debt service fund. A portion of the net proceeds, amounting to \$2,143,400, was used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments for the 1992 school building improvement general obligation bonds. As a result, the 1992 school building improvement general obligation bonds are considered defeased and the liability for those bonds has been removed in fiscal year 1999 from the general long term debt account group. At June 30, 1999, \$1,875,000 of the bonds outstanding are considered defeased by assets of \$2,038,907 held in the irrevocable trust.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note 1 - Long-Term Obligations (continued)

Proceeds of Bonds

Bonds - Par Value	\$ 1,929,995
Original Issue Premium	276,080
Accrued Interest	<u>1,127</u>
	<u>\$ 2,207,202</u>

Usage of Proceeds

Deposited with Escrow Agent	\$ 2,143,400
Issuing Expenses	<u>63,802</u>
	<u>\$ 2,207,202</u>

The School District's aggregated debt service payments decreased by \$199,008 for the 1992 school building improvement general obligation bonds over the next sixteen years and obtained an economic gain (difference between present value of old and new debt) of \$114,948 for the general obligation refunding bonds.

Compensated absences and intergovernmental payables will be paid from the fund from which the employees' salaries are paid. The School District's voted legal debt margin was \$3,518,287 and \$1,152,264 with an unvoted debt margin of \$39,092 and \$34,747 at June 30, 1999 and 1998, respectively.



RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note I - Long-Term Obligations (continued)

..... Principal and interest requirements to retire general obligation debt, including notes outstanding at June 30, 1999, are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 135,000	\$ 51,998	\$ 186,998
2001	140,000	46,800	186,800
2002	150,000	41,200	191,200
2003	150,000	35,125	185,125
2004	150,000	28,975	178,975
2005-2009	680,121	265,641	945,762
2010-2014	312,798	612,202	925,000
2015	52,076	132,924	185,000
Total	<u>\$ 1,769,995</u>	<u>\$ 1,214,865</u>	<u>\$ 2,984,860</u>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note J – Interfund Activity

As of June 30, 1999, receivable and payable that resulted from various interfund transactions were as follows:

Fund Type/Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 16,973	\$ -
Capital Projects Fund:		
Emergency Building Repair	-	6,973
Enterprise Fund:		
Uniform School Supply	-	10,000
<b>Total All Funds</b>	<b>\$ 16,973</b>	<b>\$ 16,973</b>

As of June 30, 1998, receivable and payable that resulted from various interfund transactions were as follows:

Fund Type/Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 689	\$ -
Enterprise Fund:		
Uniform School Supply	-	689
<b>Total All Funds</b>	<b>\$ 689</b>	<b>\$ 689</b>

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note K - Defined Benefit Pension Plans

School Employee Retirement System

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

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. For fiscal year 1998, 9.79 percent was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS Retirement Board. The School District's contributions for pension obligations to SERS for the fiscal years ending June 30, 1999, 1998, and 1997 were \$57,542, \$53,813 and \$36,588, respectively. For fiscal year 1999, 42.10 percent has been contributed and 100 percent for the fiscal years 1998 and 1997. For 1999, \$33,318 representing the unpaid contribution for fiscal year 1999 is recorded as a liability within the respective funds and the general long-term obligations account group.

State Teachers Retirement System

The Ridgemont Local School District participates in the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that included financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note K - Defined Benefit Pension Plans (continued)

State Teachers Retirement System (continued)

Plan members are required to contribute 9.3 percent of their annual covered salary and the Ridgemont Local School District is required to contribute 14 percent; 10.5 percent was the portion used to fund pension obligations. Prior to July 1, 1997, the portion used to fund pension obligations was 12 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's contributions to STRS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$222,197, \$208,497 and \$169,679, respectively. For fiscal year 1999, 83.54 percent has been contributed and 100 percent for the fiscal years 1998 and 1997. \$36,568 representing the unpaid contribution for fiscal year 1999 is recorded as a liability within the respective funds and the general long-term obligations account group.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. The Board's liability is 6.2 percent of wages paid. As of June 30, 1999, four members of the Board of Education have elected Social Security.

Note L- Post Employment Benefits

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

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. Through June 30, 1997, the Board allocated employer contributions equal to 2 percent of covered payroll to the Health Care Reserve Fund. Beginning July 1, 1997 this allocation was increased to 3.5 percent. For the School District, this amount equaled \$55,549 during fiscal 1999.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note L- Post Employment Benefits (continued)

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$1,860 million at June 30, 1997. For the year ended June 30, 1997, net health care costs paid by STRS were \$192,077,000 and STRS had 88,718 eligible benefit recipients.

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

For this fiscal year, employer contributions to fund health care benefits were 4.21 percent of covered payroll, an increase from 3.5 percent for fiscal year 1997. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 125 percent of annual health care expenses. Expenses for health care at June 30, 1997, were \$97,429,197 and the target level was \$121.8 million. At June 30, 1997 SERS had net assets available for payment of health care benefits of \$146.4 million. SERS has approximately 48,200 participants currently receiving health care benefits. For the School District, the amount to fund health care benefits, including the surcharge, equaled \$17,309 during the 1999 fiscal year.

Note M - Segment Information for Enterprise Funds

The School District maintains two Enterprise funds to account for the operations of food service and uniform school supplies. The following table summarizes the more significant financial data relating to the Enterprise Funds of the Ridgemont Local School District for the fiscal year ended June 30, 1999.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note M - Segment Information for Enterprise Funds (continued)

	1999			1998		
	Food Service	Uniform School Supplies	Total Enterprise Funds	Food Service	Uniform School Supplies	Total Enterprise Funds
Operating Revenues	\$ 152,530	\$ 11,909	\$ 164,439	\$ 140,839	\$ 7,366	\$ 148,205
Depreciation Expense	4,385	-	4,385	4,284	-	4,284
Operating Income (Loss)	(44,495)	(6,518)	(51,013)	(41,904)	(683)	(42,587)
Donated Commodities	14,285	-	14,285	15,179	-	15,179
Operating Grants	34,574	-	34,574	32,926	-	32,926
Net Income (Loss)	5,051	(6,518)	(1,467)	6,201	(683)	5,518
Total Assets	94,035	9,111	103,146	93,430	6	93,436
Total Equity	70,773	(7,201)	63,572	65,722	(683)	65,039

Note N - Joint Venture

Western Ohio Computer Organization (WOCO) - The School District is a participant in WOCO which is a computer consortium. WOCO is an association of public school districts within the boundaries of Auglaize, Champaign, Hardin, Logan, and Shelby 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 WOCO consists of two representative from each county elected by majority vote of all charter member schools districts within each county plus one representative of the fiscal agent. Financial information can be obtained from Sonny Ivey, who serves as Director, at 129 E. Court Street, Sidney, Ohio 45365.

Ohio Hi-Point Joint Vocational School - The Ohio Hi-Point Joint Vocational School District is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the eleven participating school districts' Board of Education, which possesses its own budgeting and taxing authority. To obtain financial information write to the Ohio Hi-Point Joint Vocational School, Eric Adelsberger, Treasurer, 2280 State Route 540, Bellefontaine, Ohio 43311.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note O - Insurance Pool

Hardin County School Employees' Health and Welfare Benefit Plan and Trust - The Hardin County School Employees' Health and Welfare Benefit Plan and Trust (the Trust) is a public entity shared risk pool consisting of six school districts and the Hardin County Educational Service Center. The Trust is organized as a Voluntary Employee Benefit association under Section 501(c)(9) of the Internal Revenue Code and provides sick, accident and other benefits to the employees of the participating school districts. Each participating school district's superintendent is appointed to an Administrative Committee which advises the Trustee, The Ohio Bank, concerning aspects of the administration of the Trust.

Each school district decides which plans offered by the Administrative Committee will be extended to its employees. Participation in the Trust is by written application subject to acceptance by the Administrative Committee and payment of the monthly premiums. Financial information can be obtained from Rick Combs, who serves as Director, at P. O. Box 98, Dola, Ohio 45835-0098.

Note P - Related Organization

Ridgemont Public Library - The Ridgemont Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Ridgemont School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Ridgemont Public Library, April Ealy, Clerk/Treasurer, at 124 East Taylor Street, Mt. Victory, Ohio 43340

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note Q - Contingencies

Grants - The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 1999.

Note R- Risk Management

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 1999 and 1998, the School District contracted with Commercial Insurers for property and fleet insurance, liability insurance, and inland marine coverage. Coverages provided by those insurers are as follows at June 30, 1999:

Building and Contents - replacement cost (\$500 deductible) \$6,937,400  
Automobile Liability \$1,000,000  
Uninsured Motorists \$1,000,000  
Medical Payments (per person) \$5,000  
General Liability -  
    Per occurrence \$2,000,000  
    Aggregate \$5,000,000  
Umbrella -  
    Per occurrence \$2,000,000  
    Aggregate \$2,000,000  
Commercial Crime (\$200 deductible) \$10,000



RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note R- Risk Management (continued)

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

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

The School District participates in the Hardin County School Employees' Health and Welfare Benefit Plan and Trust (the Trust), a public entity shared risk pool consisting of six local school districts and the Hardin County Educational Service Center. The School District pays monthly premiums to the Trust for employee medical, dental, and life insurance benefits. The Trust is responsible for the management and operations of the program. Upon withdrawal from the Trust, a participant is responsible for the payment of all Trust liabilities to its employees, dependents, and designated beneficiaries accruing as a result of withdrawal.

Note S – Accountability and Compliance

At June 30, 1999, the Title I, special revenue fund had a deficit fund balance of \$500. The deficit fund balance was created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note T - State School Funding Decision

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to this District. During the fiscal year ended June 30, 1999, the District received \$1,754,871 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the Ohio General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws, and in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. At this time, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas of Perry County has been stayed by the Ohio Supreme Court, and, as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

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

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 1999 and 1998

Note U – Reservations of Fund Balance

The School District is required by State statute to annually set aside, in the General Fund, an amount based on a statutory formula for the purchase of textbooks and other instructional materials, and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end. These amounts must be carried forward and used for the same purposes in future years. In addition, the School District is required to set aside money for budget stabilization. This reserve is required by State Statute and can be used only after receiving approval from the State Superintendent of Public Institution.

The School District also receives resources from the State of Ohio which are restricted by State law to the purchase of school buses. The balance of this allocation is also reflected as a reservation of fund balance in the General Fund at fiscal year end.

The following cash basis information identifies the changes in the fund balance reserves for textbooks, capital improvements, and budget stabilization during fiscal year 1999 as well as the balance of the bus purchase allocation.

	Textbook Reserve	Maintenance Reserve	Stabilization Reserve	Total
Balance, 7/1/1998	\$ -	\$ -	\$ 24,980	\$ 24,980
Required Set-Aside	46,771	46,771	23,386	116,928
Offset Credits	-	-	-	-
Qualifying Expenditures	<u>(46,771)</u>	<u>(46,771)</u>	-	<u>(93,542)</u>
Balance, 6/30/1999	\$ -	\$ -	\$ 48,366	48,366
Amount Restricted for Bus Purchase				<u>35,115</u>
Total Restricted Assets			\$	<u>83,481</u>



# E. S. EVANS AND COMPANY

*Certified Public Accountants*

ESTABLISHED 1926

ROBERT E. WENDEL, CPA

DAN F. CLIFFORD, CPA

E. S. EVANS, CPA, PFS  
(1930-1999)

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November 22, 1999

**REPORT ON COMPLIANCE AND ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Education  
Ridgemont Local School District  
Mt. Victory, Ohio

and

Auditor of State of Ohio  
Columbus, Ohio

We have audited the general purpose financial statements of Ridgemont Local School District as of and for the years ended June 30, 1999 and 1998, and have issued our report thereon dated November 22, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Ridgemont Local School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance, which we have reported to management of Ridgemont Local School District in a separate letter dated November 22, 1999.

Internal Control Over Financial Reporting

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In planning and performing our audit, we considered Ridgemont Local School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of Ridgemont Local School District in a separate letter dated November 22, 1999.

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

*E. L. Hoover and Company*

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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STATUS OF PRIOR YEAR COMMENTS

June 30, 1999 and 1998

<u>Comment</u>	<u>Present Status</u>
1) Budgeting Issues	Condition Corrected in Current Year
2) Separation of Duties	Improvement Made in Current Year
3) Property and Equipment	Condition Improved - See Current Year Management Letter
4) Transfers	Condition Corrected in Current Year
5) Filing Procedures	Condition Improved in Current Year
6) Contracts – Bidding Procedures	Condition Corrected in Current Year

RIDGEMONT LOCAL SCHOOL DISTRICT  
MT. VICTORY, OHIO

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SUPPLEMENTARY INFORMATION  
YEAR 2000

June 30, 1999 and 1998

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the District's operations as early as fiscal year 1999.

Ridgemont Local School District has completed an inventory of computer systems and other equipment necessary to conduct District operations and has identified such systems as being financial reporting and payroll.

The District uses the State of Ohio Uniform School Accounting System software for its financial reporting, and the State of Ohio Uniform Staff Payroll System software for its payroll. The State of Ohio is responsible for remediating these systems.

The State of Ohio distributes a substantial sum of money to the District in the form of "Foundation" and Federal and State grant payments. Further, the State processes a significant amount of financial and non-financial information about the District through EMIS. The State is responsible for remediating these systems.

Hardin and Logan Counties collect property taxes for distribution to the District. The Counties are responsible for remediating their tax collection systems.

There are no outside contracted amounts for this project as of November 22, 1999.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that the Ridgemont Local School District is or will be Year 2000 ready, that the District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business with will be Year 2000 ready.



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

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800-282-0370  
Facsimile 614-466-4490

RIDGEMONT LOCAL SCHOOL DISTRICT

HARDIN 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.

By: Susan Babbitt

Date: MARCH 21, 2000