

Norman  
Jones  
Enlow  
& Co.

Certified Public Accountants  
& Management Consultants

**NEWARK CITY SCHOOL DISTRICT  
ANNUAL REPORT  
June 30, 1999**

**NEWARK CITY SCHOOL DISTRICT  
ANNUAL REPORT  
June 30, 1999**

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY  
TABLE OF CONTENTS**

Title	Page
Elected Officials .....	(i)
Administrative Personnel .....	(ii)
Index of Funds.....	(iii)
Independent Auditors' Report .....	1
Combined Balance Sheet <i>All Fund Types and Account Groups</i> .....	2
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds.....	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and Expendable Trust Funds.....	4-5
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary and Non-Expendable Trust Funds.....	6
Combined Statement of Cash Flows - All Proprietary and Non-Expendable Trust Funds.....	7
Notes to the General Purpose Financial Statements .....	8-30
Required Supplementary Information .....	31
Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	32
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 .....	33
Schedule of Findings and Questioned Costs .....	34
Schedule of Federal Awards Expenditures.....	35
Notes to Schedule of Federal Awards Expenditures .....	36
General Comments .....	37
Conclusion Statement .....	38
Data Collection Form .....	39-42

NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY  
ELECTED OFFICIALS  
JUNE 30, 1999

Title/Name	Term of Office	Surety	Amount	Period
<b><u>Board of Education:</u></b>				
<b><u>President</u></b>				
Peggy Batz	1/1/98-12/31/01	(A)	\$20,000	1/1/99-1/1/00
<b><u>Vice President</u></b>				
Susan Kamps	1/1/98-12/31/01	N/A	N/A	N/A
<b><u>Members</u></b>				
Mary Kay Fausey	1/1/98-12/31/01	N/A	N/A	N/A
Patrick Kelley	1/1/96-12/31/99	N/A	N/A	N/A
Don Ellington	1/1/96-12/31/99	N/A	N/A	N/A

**Legal Counsel**  
Bricker & Eckler LLP  
100 South Third Street  
Columbus, Ohio 43215-4291

**Official Address**  
Newark City School District  
85 East Main Street  
Newark, Ohio 43055

(A) Nationwide Mutual Insurance Company

NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY  
ADMINISTRATIVE PERSONNEL  
JUNE 30, 1999

<u>Name/Title</u>	<u>Contract Period</u>	<u>Surety</u>	<u>Amount</u>	<u>Period</u>
<u>Treasurer</u> Brian Wilson	4/19/99-12/31/99	(A)	\$20,000	1/1/99-1/1/00
<u>Superintendent</u> Richard Evans	11/22/96-7/31/00	(A)	\$20,000	1/1/99-1/1/00

(A) Nationwide Mutual Insurance Company

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY  
INDEX OF FUNDS**

**GOVERNMENTAL FUND TYPES:**

**General Fund Type:**

- General Fund

**Special Revenue Fund Types:**

- Public School Support Fund
- Teacher Development Fund
- Auxiliary Services Fund
- Venture Capital Grant Fund
- District Managed Activity Fund
- Disadvantaged Pupil Program Fund
- Model Project/Gifted Students Fund
- Preschool Grant Fund
- Drug Free Grant Fund
- Technology Equity Grant Fund
- Education Management Information System Fund
- Disadvantaged Pupil Impact Aid Fund
- Eisenhower Math and Science Fund
- Special Education Grants to States (IDEA Part B) Fund
- Grants to Local Educational Agencies – (ESEA Title I)
- Proficiency Grant Fund (GOALS 2000)

**Debt Service Fund Type:**

- Bond Retirement Fund

**Capital Projects Fund Type:**

- Permanent Improvement Fund
- Vocational Education Equipment Fund
- School Net Fund
- Emergency Building Repair Fund
- Technology Equity Fund

**PROPRIETARY AND FIDUCIARY FUND TYPES:**

**Enterprise Fund Types:**

- Food Service Fund
- Uniform School Supplies Fund
- Rotary Fund

**Internal Service Fund Type:**

- Fletcher Trust

**Expendable Trust Fund Type:**

- Special Trust Fund

**Agency Fund Types:**

- Student Managed Activities Fund

**Non – Expendable Trust Fund Type:**

- Endowment Fund



# NEWARK CITY SCHOOLS

ADMINISTRATIVE SERVICE CENTER  
85 East Main Street, Newark, Ohio 43055  
Phone (740) 345-9891  
Fax # (740) 349-2303

---

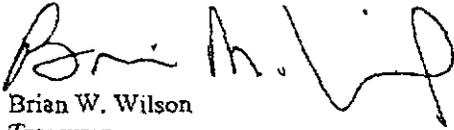
The mission of the Newark City Schools is to create a community that is forever learning, forever growing and forever serving.

---

January 31, 2000

To whom it may concern:

The following document is the general purpose financial statements for the Newark City School District. For those people requiring a more detailed document can request a copy of the District's Comprehensive Annual Financial Report. The CAFR is available at board offices located at 85 East Main Street, Newark, Ohio 43055.



Brian W. Wilson  
Treasurer

---

Randy C. Stortz  
Superintendent of Schools

Brian W. Wilson  
Treasurer

*Quality Teaching for Learning*

---



**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**

**JIM PETRO, AUDITOR OF STATE**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

Board of Education  
Newark City School District  
Newark, Ohio

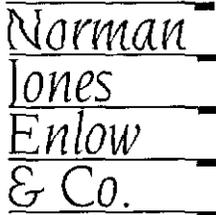
We have reviewed the independent auditor's report of the Newark City School District, Licking County, prepared by Norman, Jones, Enlow & Co., Certified Public Accountants, for the audit period July 1, 1998 through June 30, 1999. Based upon this review, we have accepted these reports in lieu of the audit 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 Newark City School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro", written over a large, stylized flourish that loops back to the left.

**JIM PETRO**  
Auditor of State

March 30, 2000



Certified Public Accountants  
& Management Consultants

INDEPENDENT AUDITORS' REPORT

Board of Education  
Newark City School District  
Newark, Ohio

We have audited the accompanying general purpose financial statements of the Newark City School District as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Newark City School District as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund types and non-expendable trust funds for the year then ended in conformity with generally accepted accounting principles.

The year 2000 supplementary information is not a required part of the basis financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain procedures, which consist primarily of inquires 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 the Newark City School District is or will become year 2000 compliant, that the Newark City School District's year 2000 remediation efforts will be successful in whole or in part, or that the parties with which the Newark City School District does business are or will become year 2000 compliant.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated January 7, 2000, on our consideration of Newark City School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Norman Jones Enlow & Co.*  
Zanesville, Ohio  
January 7, 2000

1418 Brice Road  
Reynoldsburg, Ohio 43068  
614/864-3134  
FAX 614/864-8117

4892 Blazer Parkway  
P.O. Box 566  
Dublin, Ohio 43017  
614/764-3661  
FAX 614/764-2335

3596 Maple Avenue  
Zanesville, Ohio 43701  
740/453-0515  
FAX 740/453-1452

216 Bradenton Ave.  
Dublin, Ohio 43017  
614/761-0808  
FAX 614/761-2423

**Newark City School District**  
**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
**As of June 30, 1999**

	<u>Governmental Fund Types</u>				<u>Proprietary I</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>
<b>Assets and other debits:</b>					
<b>Assets:</b>					
Equity in pooled:					
Cash and cash equivalents	\$ 7,233,545	\$ 926,360	\$ 431,742	\$ 1,555,206	\$ 882,223
Receivables:					
Taxes	20,234,130	-	881,026	1,457,706	-
Accounts	60,620	-	-	-	8,951
Intergovernmental	-	-	-	-	110,914
Interfund receivable	889,933	-	-	-	-
Inventory held for resale	-	-	-	-	11,860
Equity in pooled cash and cash equivalents (restricted)	563,151	-	-	-	-
Fixed assets (net, where applicable, of accumulated depreciation)	-	-	-	-	197,976
<b>Other debits:</b>					
Amount available in debt service fund for retirement of general obligation bonds	-	-	-	-	-
Amount to be provided from general government reso	-	-	-	-	-
<b>Total assets and other debits</b>	<b>\$ 28,981,379</b>	<b>\$ 926,360</b>	<b>\$ 1,312,768</b>	<b>\$ 3,012,912</b>	<b>\$ 1,211,924</b>
<b>Liabilities, fund equity and other credits:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 278,511	\$ 133,731	\$ -	\$ 184,031	\$ 12,785
Accrued wages	3,340,275	259,476	-	-	76,986
Compensated absences payable	67,562	62	-	-	-
Early retirement incentive payable	-	-	-	-	-
Interfund payable	-	38,368	-	453,481	222,598
Intergovernmental payable	863,044	58,692	-	1,336	134,980
Deferred revenue	15,999,236	-	842,926	1,355,006	8,700
Due to students	-	-	-	-	-
Notes payable	2,800,000	-	-	-	-
General obligation bonds payable	-	-	-	-	-
<b>Total liabilities</b>	<b>23,348,628</b>	<b>490,329</b>	<b>842,926</b>	<b>1,993,854</b>	<b>456,049</b>
<b>Fund equity and other credits:</b>					
Investment in general fixed assets	-	-	-	-	-
Retained earnings:					
Unreserved	-	-	-	-	755,875
Fund balance:					
Reserved for encumbrances	542,762	206,876	-	1,287,571	-
Reserved for budget reserve	563,151	-	-	-	-
Reserved for debt service	-	-	-	-	-
Reserved for endowments	-	-	-	-	-
Unreserved, undesignated	4,526,838	229,155	469,842	(268,513)	-
<b>Total fund equity and other credits</b>	<b>5,632,751</b>	<b>436,031</b>	<b>469,842</b>	<b>1,019,058</b>	<b>755,875</b>
<b>Total liabilities, fund equity and other credits</b>	<b>\$ 28,981,379</b>	<b>\$ 926,360</b>	<b>\$ 1,312,768</b>	<b>\$ 3,012,912</b>	<b>\$ 1,211,924</b>

See accompanying notes to the general purpose financial statements

Fund Types	Fiduciary Fund Types		Account Groups		Totals (Memorandum Only)
	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$ 6,558	\$ 200,530	\$ -	\$ -	\$ 11,236,164	
-	-	-	-	22,572,862	
30	10,590	-	-	80,191	
-	-	-	-	110,914	
-	-	-	-	889,933	
-	-	-	-	11,860	
-	-	-	-	563,151	
-	-	29,184,730	-	29,382,706	
-	-	-	469,842	469,842	
-	-	-	10,614,784	10,614,784	
<u>\$ 6,588</u>	<u>\$ 211,120</u>	<u>\$ 29,184,730</u>	<u>\$ 11,084,626</u>	<u>\$ 75,932,407</u>	

\$ 954	\$ 5,883	\$ -	\$ -	\$ 615,895
-	-	-	-	3,676,737
-	-	-	1,886,309	1,953,933
-	-	-	800,000	800,000
165,486	10,000	-	-	889,933
-	-	-	328,389	1,386,441
-	-	-	-	18,205,868
-	70,460	-	-	70,460
-	-	-	-	2,800,000
-	-	-	8,069,928	8,069,928
<u>166,440</u>	<u>86,343</u>	<u>-</u>	<u>11,084,626</u>	<u>38,469,195</u>
-	-	29,184,730	-	29,184,730
(159,852)	-	-	-	596,023
-	29,509	-	-	2,066,718
-	-	-	-	563,151
-	-	-	-	-
-	10,533	-	-	10,533
-	84,735	-	-	5,042,057
<u>(159,852)</u>	<u>124,777</u>	<u>29,184,730</u>	<u>-</u>	<u>37,463,212</u>
<u>\$ 6,588</u>	<u>\$ 211,120</u>	<u>\$ 29,184,730</u>	<u>\$ 11,084,626</u>	<u>\$ 75,932,407</u>

**Newark City School District**  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Governmental Fund Types and Expendable Trust Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Taxes	\$ 23,659,721	\$ -	\$ 1,006,662	\$ 1,369,258
Intergovernmental	20,747,861	3,778,543	65,658	1,088,080
Interest	502,281	-	-	-
Tuition and fees	205,311	-	-	-
Extracurricular activities	-	198,025	-	-
Miscellaneous	85,782	71,880	-	-
<b>Total revenues</b>	<b>45,200,956</b>	<b>4,048,448</b>	<b>1,072,320</b>	<b>2,457,338</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	20,043,214	842,085	-	994,206
Special	3,116,578	1,363,310	-	-
Vocational	796,506	15,130	-	3,095
Adult/continuing	-	-	-	-
Other	18,324	-	-	-
<b>Support services:</b>				
Pupils	2,034,253	41,965	-	-
Instructional staff	1,603,749	890,424	-	117,625
Board of education	148,382	-	-	-
Administration	2,987,540	28,068	-	95
Fiscal	886,806	25,599	10,202	35,015
Business	734,383	-	-	579
Operation and maintenance of plant	3,877,997	48,203	-	2,299
Pupil transportation	1,422,354	3,665	-	35,605
Central	271,514	146,245	-	85,827
Operation of non-instructional services	2,709	569,111	-	-
Extracurricular activities	540,852	197,653	-	-
Capital outlay	7,922	-	-	1,254,721
<b>Debt service:</b>				
Principal retirement	-	-	460,000	-
Interest and fiscal charges	-	-	549,725	-
<b>Total expenditures</b>	<b>38,493,083</b>	<b>4,171,458</b>	<b>1,019,927</b>	<b>2,529,067</b>
<b>Excess of revenues over (under) expenditures</b>	<b>6,707,873</b>	<b>(123,010)</b>	<b>52,393</b>	<b>(71,729)</b>
<b>Other financing sources (uses):</b>				
Proceeds from sale of fixed assets	5,883	-	-	-
Operating transfers in	35,575	32,073	-	-
Operating transfers out	(98,752)	(32,073)	-	-
<b>Total other financing sources (uses)</b>	<b>(57,294)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>6,650,579</b>	<b>(123,010)</b>	<b>52,393</b>	<b>(71,729)</b>
Fund balances at beginning of year, as restated	(1,017,828)	559,041	417,449	1,090,787
<b>Fund balances at end of year</b>	<b>\$ 5,632,751</b>	<b>\$ 436,031</b>	<b>\$ 469,842</b>	<b>\$ 1,019,058</b>

See accompanying notes to the general purpose financial statements

Fiduciary Funds	Totals (Memorandum Only)
Expendable Trust	
\$ -	\$ 26,035,641
1,632	25,681,774
1,517	503,798
-	205,311
14,200	212,225
71,439	229,101
<u>88,788</u>	<u>52,867,850</u>
9,336	21,888,841
-	4,479,888
-	814,731
-	-
-	18,324
-	2,076,218
19,530	2,631,328
-	148,382
-	3,015,703
-	957,622
-	734,962
-	3,928,499
-	1,461,624
-	503,586
49,411	621,231
-	738,505
-	1,262,643
-	460,000
-	549,725
<u>78,277</u>	<u>46,291,812</u>
<u>10,511</u>	<u>6,576,038</u>
-	5,883
-	67,648
-	(130,825)
-	<u>(57,294)</u>
10,511	6,518,744
102,829	1,152,278
<u>\$ 113,340</u>	<u>\$ 7,671,022</u>

**Newark City School District**  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances - Budget and Actual**  
**All Governmental Fund Types and Expendable Trust Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Governmental Fund Types		
	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<b>Revenues:</b>			
Taxes	\$ 20,649,290	\$ 20,649,290	\$ -
Intergovernmental	20,733,400	20,760,045	26,645
Interest	423,257	489,293	66,036
Tuition and fees	180,596	183,996	3,400
Extracurricular activities	-	-	-
Miscellaneous	24,431	25,260	829
Total revenues	<u>42,010,974</u>	<u>42,107,884</u>	<u>96,910</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	20,203,436	20,195,422	8,014
Special	3,226,629	3,221,693	4,936
Vocational	799,982	798,406	1,576
Adult/continuing	-	-	-
Other	18,444	18,444	-
<b>Support services:</b>			
Pupils	2,047,692	2,045,612	2,080
Instructional staff	1,633,195	1,631,971	1,224
Board of education	196,474	194,192	2,282
Administration	3,020,567	3,018,885	1,682
Fiscal	863,888	860,235	3,653
Business	758,348	757,143	1,205
Operation and maintenance of plant	4,017,822	4,013,625	4,197
Pupil transportation	1,486,730	1,485,375	1,355
Central	286,886	284,993	1,893
Operation of non-instructional services	-	-	-
Extracurricular activities	539,305	539,230	75
Capital outlay	11,922	11,922	-
<b>Debt service:</b>			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>39,111,320</u>	<u>39,077,148</u>	<u>34,172</u>
Excess of revenues over (under) expenditures	<u>2,899,654</u>	<u>3,030,736</u>	<u>131,082</u>
<b>Other financing sources (uses):</b>			
Proceeds from sale of fixed assets	5,883	5,883	-
Refund of prior year expenditures	28,855	28,855	-
Refund of prior year receipts	-	-	-
Pass through	-	-	-
Advances in	96,006	96,006	-
Advances out	(560,193)	(560,193)	-
Operating transfers in	35,575	35,575	-
Operating transfers out	(98,752)	(98,752)	-
Total other financing sources (uses)	<u>(492,626)</u>	<u>(492,626)</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	2,407,028	2,538,110	131,082
Fund balances at beginning of year	3,763,805	3,763,805	-
Prior year encumbrances appropriated	670,395	670,395	-
Fund balances at end of year	<u>\$ 6,841,228</u>	<u>\$ 6,972,310</u>	<u>\$ 131,082</u>

See accompanying notes to the general purpose financial statements

Governmental Fund Types

Special Revenue Funds			Debt Service Funds		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 991,762	\$ 991,762	\$ -
4,528,682	3,890,329	(638,353)	65,658	65,658	-
-	-	-	-	-	-
196,879	198,025	1,146	-	-	-
70,537	71,880	1,343	-	-	-
<u>4,796,098</u>	<u>4,160,234</u>	<u>(635,864)</u>	<u>1,057,420</u>	<u>1,057,420</u>	-
1,019,594	900,258	119,336	-	-	-
1,696,897	1,365,198	331,699	-	-	-
17,069	16,411	658	-	-	-
-	-	-	-	-	-
64	-	64	-	-	-
57,669	48,556	9,113	-	-	-
1,169,603	868,552	301,051	-	-	-
-	-	-	-	-	-
30,697	27,096	3,601	-	-	-
28,374	25,767	2,607	10,202	10,202	-
-	-	-	-	-	-
45,122	45,122	-	-	-	-
8,177	5,523	2,654	-	-	-
152,262	131,950	20,312	-	-	-
736,510	676,720	59,790	-	-	-
233,979	209,564	24,415	-	-	-
-	-	-	-	-	-
-	-	-	460,000	460,000	-
-	-	-	549,725	549,725	-
<u>5,196,017</u>	<u>4,320,717</u>	<u>875,300</u>	<u>1,019,927</u>	<u>1,019,927</u>	-
<u>(399,919)</u>	<u>(160,483)</u>	<u>239,436</u>	<u>37,493</u>	<u>37,493</u>	-
-	-	-	-	-	-
(17,829)	(17,829)	-	-	-	-
(4,080)	(4,002)	78	-	-	-
38,368	38,368	-	-	-	-
(76,035)	(76,035)	-	-	-	-
32,073	32,073	-	-	-	-
<u>(32,073)</u>	<u>(32,073)</u>	-	-	-	-
<u>(59,576)</u>	<u>(59,498)</u>	<u>78</u>	-	-	-
(459,495)	(219,981)	239,514	37,493	37,493	-
566,077	566,077	-	394,249	394,249	-
240,060	240,060	-	-	-	-
<u>\$ 346,642</u>	<u>\$ 586,156</u>	<u>\$ 239,514</u>	<u>\$ 431,742</u>	<u>\$ 431,742</u>	<u>\$ -</u>

(Continued)

**Newark City School District**  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances - Budget and Actual**  
**All Governmental Fund Types and Expendable Trust Funds**  
**For the Fiscal Year Ended June 30, 1999 - (Continued)**

	Governmental Fund Types		
	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes	\$ 1,564,357	\$ 1,364,658	\$ (199,699)
Intergovernmental	1,224,162	1,088,080	(136,082)
Interest	-	-	-
Tuition and fees	-	-	-
Extracurricular activities	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>2,788,519</u>	<u>2,452,738</u>	<u>(335,781)</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	1,129,430	1,056,021	73,409
Special	-	-	-
Vocational	8,796	8,796	-
Adult/continuing	-	-	-
Other	-	-	-
<b>Support services:</b>			
Pupils	-	-	-
Instructional staff	121,186	117,625	3,561
Board of education	-	-	-
Administration	95	95	-
Fiscal	35,015	35,015	-
Business	579	579	-
Operation and maintenance of plant	2,280	2,280	-
Pupil transportation	156,473	156,473	-
Central	122,532	122,503	29
Operation of non-instructional services	-	-	-
Extracurricular activities	-	-	-
Capital outlay	2,361,696	2,361,696	-
<b>Debt service:</b>			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>3,938,082</u>	<u>3,861,083</u>	<u>76,999</u>
Excess of revenues over (under) expenditures	<u>(1,149,563)</u>	<u>(1,408,345)</u>	<u>(258,782)</u>
<b>Other financing sources (uses):</b>			
Proceeds from sale of fixed assets	-	-	-
Refund of prior year expenditures	-	-	-
Refund of prior year receipts	-	-	-
Pass through	-	-	-
Advances in	453,481	453,481	-
Advances out	(12,684)	(12,684)	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>440,797</u>	<u>440,797</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(708,766)</u>	<u>(967,548)</u>	<u>(258,782)</u>
Fund balances at beginning of year	129,250	129,250	-
Prior year encumbrances appropriated	921,902	921,902	-
Fund balances at end of year	<u>\$ 342,386</u>	<u>\$ 83,604</u>	<u>\$ (258,782)</u>

See accompanying notes to the general purpose financial statements

Fiduciary Fund Types			Totals (Memorandum Only)		
Expendable Trust Fund					
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 23,205,409	\$ 23,005,710	\$ (199,699)
1,632	1,632	-	26,553,534	25,805,744	(747,790)
1,397	1,517	120	424,654	490,810	66,156
-	-	-	180,596	183,996	3,400
13,955	14,200	245	210,834	212,225	1,391
70,791	60,874	(9,917)	165,759	158,014	(7,745)
87,775	78,223	(9,552)	50,740,786	49,856,499	(884,287)
10,235	10,467	(232)	22,362,695	22,162,168	200,527
-	-	-	4,923,526	4,586,891	336,635
-	-	-	825,847	823,613	2,234
-	-	-	-	-	-
-	-	-	18,508	18,444	64
-	-	-	2,105,361	2,094,168	11,193
26,504	24,674	1,830	2,950,488	2,642,822	307,666
-	-	-	196,474	194,192	2,282
-	-	-	3,051,359	3,046,076	5,283
-	-	-	937,479	931,219	6,260
-	-	-	758,927	757,722	1,205
-	-	-	4,065,224	4,061,027	4,197
-	-	-	1,651,380	1,647,371	4,009
-	-	-	561,680	539,446	22,234
55,391	57,955	(2,564)	791,901	734,675	57,226
-	-	-	773,284	748,794	24,490
24,000	48,000	(24,000)	2,397,618	2,421,618	(24,000)
-	-	-	460,000	460,000	-
-	-	-	549,725	549,725	-
116,130	141,096	(24,966)	49,381,476	48,419,971	961,505
(28,355)	(62,873)	(34,518)	1,359,310	1,436,528	77,218
-	-	-	5,883	5,883	-
-	-	-	28,855	28,855	-
-	-	-	(17,829)	(17,829)	-
-	-	-	(4,080)	(4,002)	78
10,000	10,000	-	597,855	597,855	-
-	-	-	(648,912)	(648,912)	-
-	-	-	67,648	67,648	-
-	-	-	(130,825)	(130,825)	-
10,000	10,000	-	(101,405)	(101,327)	78
(18,355)	(52,873)	(34,518)	1,257,905	1,335,201	77,296
99,767	99,767	-	4,953,148	4,953,148	-
4,971	4,971	-	1,837,328	1,837,328	-
\$ 86,383	\$ 51,865	\$ (34,518)	\$ 8,048,381	\$ 8,125,677	\$ 77,296

**Newark City School District**  
**Combined Statement of Revenues,**  
**Expenses and Changes in Retained Earnings**  
**All Proprietary Fund Types and Non-Expendable Trust Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Proprietary Fund Types		Fiduciary Fund Types	Totals
	Enterprise	Internal Service	Non-Expendable Trust	(Memorandum Only)
<b>Operating revenues:</b>				
Tuition	\$ 585	\$ -	\$ -	\$ 585
Sales	994,245	-	-	994,245
Charges for services	-	-	-	-
Other operating revenues	6,108	3,347	-	9,455
Total operating revenue	1,000,938	3,347	-	1,004,285
<b>Operating expenses:</b>				
Salaries	594,492	-	-	594,492
Fringe benefits	277,028	-	-	277,028
Purchased services	34,701	-	-	34,701
Materials and supplies	135,118	-	-	135,118
Cost of sales	974,377	-	-	974,377
Depreciation	14,986	-	-	14,986
Claims	-	-	-	-
Other operating expenses	34,699	109,851	700	145,250
Total operating expenses	2,065,401	109,851	700	2,175,952
Operating income (loss)	(1,064,463)	(106,504)	(700)	(1,171,667)
<b>Non-operating revenues:</b>				
Federal donated commodities	114,464	-	-	114,464
Operating grants	801,770	-	-	801,770
Miscellaneous	-	32,857	-	32,857
Interest	35,834	-	644	36,478
Total non-operating revenues	952,068	32,857	644	985,569
Income before operating transfers	(112,395)	(73,647)	(56)	(186,098)
Operating transfers in	-	63,177	-	63,177
Net loss	(112,395)	(10,470)	(56)	(122,921)
Retained earnings at beginning of year, as restated	868,270	(149,382)	11,493	730,381
Retained earnings at end of year	\$ 755,875	\$ (159,852)	\$ 11,437	\$ 607,460

See accompanying notes to the general purpose financial statements

**Newark City School District**  
**Combined Statement of Cash Flows**  
**All Proprietary Fund Types and Non-Expendable Trust Funds**  
**For the Year Ended June 30, 1999**

	Proprietary Fund Types		Fiduciary Fund Type	Totals
	Enterprise	Internal Service	Non-Expendable Trust	(Memorandum Only)
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 985,894	\$ -	\$ -	\$ 985,894
Cash received from other operating sources	6,093	11,793	-	17,886
Cash received from quasi-external transactions with other funds	-	-	-	-
Cash payments to suppliers for goods and services	(1,017,223)	-	-	(1,017,223)
Cash payments to employees for services	(584,881)	-	-	(584,881)
Cash payments for employee benefits	(211,350)	-	-	(211,350)
Cash payments for claims	-	(96,034)	-	(96,034)
Cash payments for other operating expenses	(34,699)	(12,996)	(700)	(48,395)
Net cash provided by (used for) operating activities	(856,166)	(97,237)	(700)	(954,103)
<b>Cash flows from noncapital financing activities:</b>				
Operating grants	800,835	-	-	800,835
Miscellaneous	-	32,857	-	32,857
Advances in	58,344	63,177	-	121,521
Advances out	(6,730)	(556)	-	(7,286)
Net cash provided by noncapital financing activities	852,449	95,478	-	947,927
<b>Cash flows from capital financing activities:</b>				
Acquisition of capital assets	(29,450)	-	-	(29,450)
<b>Cash flows from investing activities:</b>				
Interest on investments	35,834	-	644	36,478
Purchase of investments	-	-	-	-
Net cash provided by (used for) investing activities	35,834	-	644	36,478
Net increase (decrease) in cash and cash equivalents	2,667	(1,759)	(56)	852
Cash and cash equivalents at beginning of year	879,556	8,317	11,493	899,366
Cash and cash equivalents at end of year	\$ 882,223	\$ 6,558	\$ 11,437	\$ 900,218
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	(1,064,463)	(106,504)	(700)	\$ (1,171,667)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>				
Depreciation	14,986	-	-	14,986
Federal donated commodities	114,464	-	-	114,464
<b>Change in assets and liabilities:</b>				
<b>(Increase) decrease in assets:</b>				
Inventory	15,939	-	-	15,939
Accounts receivable	(8,951)	8,446	-	(505)
<b>Increase (decrease) in liabilities:</b>				
Accounts payable	10,467	821	-	11,288
Accrued wages	(20,111)	-	-	(20,111)
Compensated absences payable	(992)	-	-	(992)
Intergovernmental payable	93,238	-	-	93,238
Claims payable	-	-	-	-
Deferred revenue	(10,743)	-	-	(10,743)
Total adjustments	208,297	9,267	-	217,564
Net cash provided by (used for) operating activities	\$ (856,166)	\$ (97,237)	\$ (700)	\$ (954,103)

See accompanying notes to the general purpose financial statements

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### **NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

The Newark City School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. The Board controls the School District's 28 instructional/support facilities (11 buildings at campus style high school), 1 administrative building, and 1 transportation/maintenance/warehouse building compound staffed by 328 non-certificated employees and 508 certificated full time teaching personnel, and thirty eight administrators, who provide services to 7,674 students and other community members.

### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting entity for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board 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 School District's significant accounting policies are described below.

#### **A. Reporting Entity**

The reporting entity is composed 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 Newark City School District, this includes general operations, food service, preschool 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 organizations' 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 organizations' 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.

Within the boundaries of the Newark City School District, Saint Francis Elementary, Blessed Sacrament Elementary, and Newark Catholic High School are operated through the Columbus Catholic Diocese; Par Excellence and Montessori are operated as private schools. State legislation provides funding to these parochial and private schools. The School District receives the money and then disburses the money as directed by the parochial/private schools. The accounting for the moneys is reflected in a special revenue fund of the School District. The School District does not have any component units.

The School District is associated with the Licking Area Computer Association, Licking County Joint Vocational School and the Newark Public Library, which are defined as jointly governed organizations.

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

Jointly governed organizations are governed by representatives from each of the governments that create the organizations, but there is no ongoing financial interest or responsibility by the participating governments. Information regarding these organizations is presented in Note 15 and 22.

### **B. Basis of Presentation - Fund Accounting**

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

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special 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 expendable available financial resources.

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

#### **Governmental Fund Types:**

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

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

**Special Revenue Funds** - The special revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to 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 debt 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).

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

### **Proprietary Fund Types:**

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

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

**Internal Service Funds** - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis.

### **Fiduciary 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. These include expendable trust and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

### **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.

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

### **C. Measurement Focus and Basis of Accounting**

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

## *Newark City School District*

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

All proprietary 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 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. The available period for the School District is sixty days after year end.

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

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 at the end of the current fiscal year, and delinquent property taxes, whose availability is indeterminable and which are intended to finance the subsequent fiscal year 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. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. 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 funds. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred. There were no unbilled service charges receivable at year end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### D. Budgetary Data

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

#### 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 Licking County Budget Commission for rate determination.

#### Estimated Resources:

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

#### Appropriations:

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

The Board may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the 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

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions. Under Ohio law advances are not required to be budgeted.

### 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.

### Lapsing of Appropriations:

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

### E. Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Equity in pooled cash and cash equivalents in all funds and also as Restricted Equity in pooled cash and cash equivalents in the General Fund.

Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments" was implemented during FY 1998. In accordance with this statement, investments held at June 30, 1999 with original maturities greater than one year are stated at fair value. Fair Value is estimated based on quoted market prices at fiscal year end. All investments not required to be reported at fair value are stated at cost or amortized cost.

## *Newark City School District*

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### F. Inventory

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds was not significant at the end of the current fiscal period. Inventories of proprietary funds consist of donated food, purchased food, and supplies held for resale and are expensed when used.

### G. Fixed Assets and Depreciation

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

Assets in the general fixed assets account group are not depreciated. Depreciation of equipment in the proprietary fund types is computed using the straight line method over an estimated useful life of five to twenty years.

### H. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval of the Superintendent of Public Instruction. The balance in the budget stabilization reserve is now \$563,151. A fund balance reserve has also been established. See Note 20 for the calculation of the year-end restricted asset balance and the corresponding fund balance reserve.

### I. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis and entitlements, are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred and all other grant requirements have been met. 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 became measurable.

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

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
- State Equity Program

### Non-Reimbursable Grants

#### Special Revenue Funds

- Auxiliary Services
- Career Development
- Disadvantaged Pupil Impact Aid
- Diversity Grant
- Drug Free Schools
- Educational Management Information System
- Goals 2000
- Instructional Material Subsidy
- Learn and Serve America
- Library Automation
- Parent Mentor
- Professional Development Block Grant
- Public School Preschool
- Raising the Bar
- School Net Technology and Learning Center
- School To Work
- Schools on the Move
- Title I
- Title II
- Title VI
- Title VI-B
- Venture Capital

### Capital Projects

- School Net
- School Net Plus
- Emergency Building Repairs
- Technology Equity

### Reimbursable Grants

#### General Fund

- Driver Education Reimbursement

#### Proprietary Funds

- National School Lunch Program
- National School Breakfast Program
- Government Donated Commodities

Grants and entitlements amounted to approximately fifty-three percent of the School District's operating revenue during the current fiscal year.

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### **J. Short-term Interfund Assets/Liabilities**

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.

### **K. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee's 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. 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, years of employment in the district 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 90% liability for accumulated unused sick leave for employees after twenty years of current service, 35% liability for accumulated unused sick leave for employees after ten years of current service and 5% liability for accumulated unused sick leave for employees after five years of current service.

Accumulated vacation and sick leave of employees paid from governmental funds has been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources. The balance of the liability is recorded in the general long-term debt account group. Vacation and sick leave for employees paid from proprietary funds are recorded as an expense and liability of the fund.

### **L. 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. Bonds and capital leases are reported as a liability of the general long-term obligations account group until due.

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

### **M. Interfund Transactions**

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/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.

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### **N. Fund Balance Reserves**

The School District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations for expenditures. 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 and debt service.

### **O. 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.

### **P. 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.

## **NOTE 3 - 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 Expendable Trust Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/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 enterprise funds (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).

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements for All Governmental Fund Types and Expendable trust fund.

**Newark City School District**

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

	<i>Excess of Revenues and Other Financing Sources Over (Under)</i>				
	<i>Expenditures and Other Financing Uses</i>				
	<i>General</i>	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>	<i>Expendable Trust</i>
<i>GAAP Basis</i>	\$ 6,650,579	\$ (123,010)	\$ 52,393	\$ (71,729)	\$ 10,511
<i>Revenue Accruals</i>	(2,968,211)	146,152	(14,900)	448,881	(565)
<i>Expenditure Accruals</i>	832,308	97,081	-	126,902	(62,819)
<i>Encumbrances (Budget Basis)</i>					
<i>Outstanding at year end</i>	(1,976,566)	(340,204)	-	(1,471,602)	-
<i>Budget Basis</i>	<u>\$ 2,538,110</u>	<u>\$ (219,981)</u>	<u>\$ 37,493</u>	<u>\$ (967,548)</u>	<u>\$ (52,873)</u>

**NOTE 4 - 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 moneys. Interim moneys are those moneys 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 pass book accounts. Interim moneys may be invested in the following obligations provided they mature or are redeemable within five years from the date of settlement:

1. United States treasury bills, notes, bonds, or any other obligations or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements for a period not to exceed thirty days in securities listed above that mature within five years from the date of settlement;
4. Bonds and other obligations of the State of Ohio;

## *Newark City School District*

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

5. No-load money market mutual funds consisting exclusively of obligations described in item (1) or (2) above 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); and
7. Certain bankers' acceptances and commercial paper notes in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

Protection of the 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 moneys deposited with the institution.

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.

### Deposits:

At year-end, the carrying amount of the School District's deposits was \$1,253,822, and the bank balance was \$2,295,021. Of the bank balance, \$100,000 was covered by federal depository insurance and \$195,021 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School District's name and 2,000,000 was insured with a surety bond as allowed by Ohio Revised Code.

### Investments:

GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that the School District's investments be classified in categories of risk. 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 for which the securities 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.

Interest is legally required to be placed in the General fund; the Food Service enterprise fund; the Special Trust fund and the Fletcher Trust Endowment fund. Interest revenue credited to the General fund, the Food Service enterprise fund, the Special Trust fund, and the Fletcher Trust Endowment fund during the fiscal year 1999 amounted to \$502,281, \$35,834, \$1,517 and \$644. The General fund and Food Service enterprise fund interest respectively includes \$127,532, and \$1,826 assigned from other School District funds.

The District has invested funds in STAR Ohio during 1999. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 1999.

**Newark City School District**  
 Notes to the General Purpose Financial Statements  
 For the fiscal year ended June 30, 1999

	Category		Carrying	Fair
	2	3	Amounts	Value
<u>Categorized Investments</u>				
Repurchase Agreements	\$ -	355,672	355,672	357,172
US Government Securities	5,398,341	-	5,398,341	5,407,329
Total Categorized	<u>\$ 5,398,341</u>	<u>355,672</u>	<u>5,754,013</u>	<u>5,764,501</u>
<u>Noncategorized Investments</u>				
State Treasurer's Pool			4,780,992	4,780,992
Total Investments			<u>\$ 10,535,005</u>	<u>\$ 10,545,493</u>

**NOTE 5 - 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 listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at eighty-eight percent of true value (with certain exceptions) and on real property at thirty-five 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 twenty-five percent of true value.

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

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

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property and public utility taxes, which became measurable as of June 30. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current 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 was \$1,294,200 in the general fund, \$102,700 in the Permanent Improvement Fund and \$38,100 in the Bond Retirement Fund and is recognized as revenue.

**Newark City School District**  
 Notes to the General Purpose Financial Statements  
 For the fiscal year ended June 30, 1999

There were no new levies passed during the current fiscal year. The assessed values upon which the current fiscal year taxes were collected are:

<i>Property Category</i>	<i>1998 Assessed Value</i>	<i>1997 Assessed Value</i>
<i>Real Property</i>		
<i>Residential and Agricultural</i>	\$ 367,296,400	\$ 353,764,710
<i>Commercial and Industrial</i>	119,793,230	114,956,810
<i>Public Utilities</i>	329,880	323,960
<i>Tangible Personal Property</i>		
<i>General</i>	59,310,510	60,571,730
<i>Public Utilities</i>	<u>39,243,900</u>	<u>39,180,720</u>
<i>Total</i>	<u>\$ 585,973,920</u>	<u>\$ 568,797,930</u>

**NOTE 6 - INCOME TAXES**

The School District levies a voted tax of 1 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 1998, and will continue for five years. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

**NOTE 7 - RECEIVABLES**

Receivables at year end consisted of taxes, accounts (tuition and excess costs), interfund and intergovernmental grants and entitlements. 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 year guarantee of federal funds. The enterprise fund's intergovernmental receivable at June 30, consisted of \$110,914.

**NOTE 8 - FIXED ASSETS**

A summary of the enterprise funds' fixed assets at year end follows:

<i>Classification</i>	<i>Balance</i>
<i>Equipment</i>	285,970
<i>Less: accumulated depreciation</i>	<u>(87,994)</u>
<i>Net Fixed Assets</i>	<u>\$ 197,976</u>

## Newark City School District

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

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

Classification	Balance			Balance June 30
	July 1	Additions	Deletions	
Land and Land Improvements	\$ 931,174	\$ 45,970	\$ -	\$ 977,144
Buildings	19,701,886	783,843	-	20,485,729
Furniture and Equipment	4,506,366	1,186,871	-	5,693,237
Vehicles	2,046,750	98,859	147,281	1,998,328
Construction in Progress	-	30,292	-	30,292
Total	<u>\$ 27,186,176</u>	<u>\$ 2,145,835</u>	<u>\$ 147,281</u>	<u>\$ 29,184,730</u>

In 1999 the school's fixed asset policy was revised. The capitalization threshold was increased from \$500 to \$1,000. This decreased the beginning balance of general fixed assets from \$28,204,266 to \$27,186,176. This change significantly reduced the number of fixed assets maintained by the district for accounting purposes. For additional information see Note 22.

### NOTE 9 - 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. These risks are covered by commercial insurance purchased from independent third parties. There have been no settlements paid in excess of insurance nor has insurance coverage been significantly reduced in the past three years.

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.

### NOTE 10 - DEFINED BENEFIT PENSION PLANS

#### A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides 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 North Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute nine percent of their annual covered salary and the School District is required to contribute an actuarially determined rate of fourteen percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to the statutory maximum amounts, by the SERS Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$810,232, \$876,792, and \$847,896, respectively; fifty percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$592,867 representing the unpaid contribution for fiscal year

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

1999 is recorded as a liability within the respective funds and the general long-term obligations account group.

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

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer defined benefit pension plan. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3307 of the Ohio Revised Code. STRS 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 State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District is required to contribute an actuarially determined rate of fourteen percent of annual covered payroll. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of ten percent for members and fourteen percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$3,394,857, \$3,316,260, and \$3,216,324, respectively; eighty-three percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$552,897 representing the unpaid contribution for fiscal year 1999 is recorded as a liability within the respective funds.

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### **NOTE 11 - POSTEMPLOYMENT BENEFITS**

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System (STRS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Benefit provisions and the obligations to contribute are established by the STRS based on authority granted by State statute. Most benefit recipients are required to 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 fourteen percent of covered payroll. The retirement board currently allocates employer contributions equal to eight percent of covered payroll to the Health Care Reserve Fund from which payments for health care benefits are paid. For the School District this amount equaled \$1,939,918 during the 1999 fiscal year. The balance in the Health Care Reserve Fund for the STRS was \$2,156 million at June 30, 1998, (latest information available). For the year ended June 30, 1998, the net health care costs paid by the STRS were \$219,224,000 and eligible benefit recipients totaled 91,999.

For the School Employees Retirement System (SERS), coverage is made available to service retirees with ten or more years of qualifying service credit, 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 seventy-five percent of the premium. For this fiscal year, employer contributions to fund health care benefits were 4.98 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to fourteen percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1998, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the fourteen percent contribution rate, provides for maintenance of the asset target level for the health care fund. For the School District, the amount of employer contributions used to fund health care equaled \$288,211, which includes a surcharge of \$64,818 during the 1999 fiscal year.

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 125% of annual health care expenses. Expenses for health care at June 30, 1998, (latest information available) were \$111,900,575 and the target level was \$139.9 million. At June 30, 1998, the SERS's net assets available for payment of health care benefits was \$160.3 million, at cost. The number of participants receiving health care benefits was approximately 50,000.

**Newark City School District**

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

**NOTE 12 - INTERFUND TRANSACTIONS**

Interfund balances at year end consist of the following individual fund receivables and payables:

<i>General</i>	<i>Permanent Improvement</i>	\$ 332,567
<i>General</i>	<i>Special Trust</i>	10,000
<i>General</i>	<i>Uniform School Supplies</i>	222,597
<i>General</i>	<i>Special Rotary</i>	746
<i>General</i>	<i>Other Grant</i>	6,420
<i>General</i>	<i>Self-Insurance</i>	164,740
<i>General</i>	<i>Vocational Ed. Equipment</i>	4,978
<i>General</i>	<i>Emergency building repair</i>	115,936
<i>General</i>	<i>Title II</i>	3,834
<i>General</i>	<i>Drug free school</i>	1,527
<i>General</i>	<i>Title VI</i>	12,566
<i>General</i>	<i>SchoolNet</i>	210
<i>General</i>	<i>Miscellaneous Federal Grant</i>	<u>13,811</u>
<b>Total</b>		<b><u>\$ 889,932</u></b>

**NOTE 13 - LONG TERM DEBT**

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

	<u>Balance</u>			<u>Balance</u>
	<u>July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30</u>
<b><u>General Long-Term Debt</u></b>				
<b><u>Bonds</u></b>				
<i>Energy Conservation Bonds, 6.743%, maturing on December 1, 2000</i>	550,000	-	170,000	380,000
<i>Energy Conservation Bonds, 5.904%, maturing on March 1, 2002</i>	410,000	-	95,000	315,000
<i>Library Improvement Bonds, 5.137% maturing on December 1, 2022</i>	<u>7,569,928</u>	-	<u>195,000</u>	<u>7,374,928</u>
<b>Total Bonds</b>	<u>8,529,928</u>	-	<u>460,000</u>	<u>8,069,928</u>
<b><u>Other Obligations</u></b>				
<i>Long-term compensated absences</i>	1,838,384	47,925	-	1,886,309
<i>Early retirement incentive obligation</i>	83,333	800,000	83,333	800,000
<i>Employer pension obligations</i>	<u>269,238</u>	<u>328,389</u>	<u>269,238</u>	<u>328,389</u>
<b>Total Other Obligations</b>	<u>2,190,955</u>	<u>1,176,314</u>	<u>352,571</u>	<u>3,014,698</u>
<b>Total General Long-Term Debt</b>	<b><u>\$ 10,720,883</u></b>	<b><u>\$ 1,176,314</u></b>	<b><u>\$ 812,571</u></b>	<b><u>\$ 11,084,626</u></b>

**Newark City School District**

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

The annual requirements to amortize all bonds and notes outstanding as of year-end including interest payments of \$5,606,060 are as follows:

	<i>Energy Conservation Bonds</i>	<i>Library Improvement Bonds</i>	<i>Total Bonded Debt</i>
2000	\$ 417,185	\$ 445,665	\$ 862,850
2001	318,143	543,670	861,813
2002	115,940	540,063	656,003
2003	-	540,930	540,930
2004	-	541,211	541,211
Thereafter	-	10,213,181	10,213,181
<b>Total</b>	<b>\$ 851,268</b>	<b>\$ 12,824,720</b>	<b>\$ 13,675,988</b>

The Energy Conservation Bonds Payable and the Library Improvement Bonds Payable will be paid from the Bond Retirement Debt Service Fund. Compensated absences and employer pension due to the School Employees Retirement System will be paid from the fund from which the person is paid.

**NOTE 14 – TAX ANTICIPATION NOTE**

Ohio Revised code allows for the issuance of tax anticipation notes with a maximum maturity not exceeding five years. The District issued \$2,800,000 of Income Tax Anticipation Notes at an interest rate of 4.6% on April 8, 1998. These notes are reflected as a liability of the General Fund and will be retired with tax revenues over the next five years with the final payment due in fiscal year 2004.

**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS**

Licking Area Computer Association (LACA) is the computer service organization or Data Acquisition Site (DAS) used by the School District. LACA is an association of public school districts in a geographic area determined by the Ohio Department of Education. The Licking County Educational Service Center acts as the fiscal agent for the consortium. The purpose of the consortium is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All Districts in the consortium are required to pay fees, charges, and assessments as charged. LACA is governed by a board made up of superintendents from all of the participating districts. An elected Executive Board consisting of five members of the governing board is the managerial body of the consortium and meets on a monthly basis. The School District does not maintain an ongoing financial interest or an ongoing financial responsibility. Payments to LACA are made from the general fund. During the current fiscal year the School District contributed \$103,763 to LACA.

The Licking County Joint Vocational School (JVS) is a distinct political subdivision of the State of Ohio, which provides vocational education for students. The JVS is operated under the direction of a Board consisting of three representatives from the Licking County Educational Service Center, two representatives from Newark City Schools, one representative from the Heath City Schools, and one representative from the Granville Exempted Village Schools elected boards. The JVS possesses its own budgeting and taxing authority.

**Newark City School District**  
Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

**NOTE 16 - CONTINGENCIES**

A. Grants:

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

B. Litigation:

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

C. Other Contingencies:

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 the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to this School District. During the fiscal year ended June 30, 1999, the School District received \$18,348,690 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature 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 February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "through 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. As of the date of this report, the Ohio Supreme Court has not rendered an opinion on this issue. The decision made by the Court of Common Pleas in 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 School District is unable to determine what effect, if any, this decision will have on its future State funding under this Program and on its financial operations.

D. Other Contingencies:

On November 3, 1998 voters repealed two property tax levies originally approved by voters in 1988 and 1993. The District estimates that it will lose approximately \$5,000,000 in property tax revenue as a result of this repeal. The full effect of the repeal will take place in fiscal year 2001.

**Newark City School District**

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

**NOTE 17 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The School District maintains three enterprise funds to account for the operations of food service, uniform school supplies programs and rotary special services. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30.

<i>Description</i>	<i>Food Service</i>	<i>Uniform School Supply</i>	<i>Rotary Special Services</i>	<i>Total</i>
<i>Operating revenues</i>	\$ 977,570	\$ 14,773	\$ 8,595	\$ 1,000,938
<i>Depreciation expense</i>	14,986	-	-	14,986
<i>Operating loss</i>	(1,049,975)	(9,371)	(5,117)	(1,064,463)
<i>Operating grants</i>	801,770	-	-	801,770
<i>Donated commodities</i>	114,464	-	-	114,464
<i>Operating transfers in</i>	-	-	-	-
<i>Net income (loss)</i>	(97,907)	(9,371)	(5,117)	(112,395)
<i>Fixed asset additions</i>	29,450	-	-	29,450
<i>Net working capital</i>	658,221	(124,628)	24,306	557,899
<i>Total assets</i>	1,081,513	106,105	24,306	1,211,924
<i>Compensated absences payable</i>	-	-	-	-
<i>Total equity</i>	856,197	(124,628)	24,306	755,875
<i>Encumbrances outstanding (budget basis) at June 30, 1999</i>	\$ 43,604	\$ 46,322	\$ 601	\$ 90,527

**NOTE 18 - FUND DEFICITS**

As of June 30, 1999, several funds had deficit fund balances/retained earnings. These deficits were caused by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The following funds had deficits at year end:

<i>Special Revenue</i>	
<i>Management Information Systems</i>	\$ 21,421
<i>Disadvantaged Pupil Impact Aid</i>	66,803
<i>Job Training Partnership</i>	2,481
<i>Title I</i>	17,352
<i>Title VI</i>	7,802
<i>Title VI-B</i>	29,373
<i>EHA Preschool Grant</i>	2,283
<i>Capital Projects</i>	
<i>Emergency Repair</i>	19,957

## Newark City School District

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

### NOTE 19 – CONSTRUCTION COMMITMENTS

The School District is in the process of constructing a new 8-room school building to increase space at Kettering Intermediate. Estimated cost of the project is \$513,000. The construction is a commitment of the Permanent Improvement fund. The district has several other small projects under way that are not material to these financial statements. As of June 30, 1999, the School District has recorded construction in progress of \$30,292.

### NOTE 20 – STATUTORY RESERVES

The School District is required by State statute to annually set aside monies for the purchase of textbooks and other instructional materials, and for capital improvements. The amounts set-aside may be reduced by offset credits, which are monies received and restricted for the same specific purpose. Qualifying expenditures and offset-credits may only be used to reduce the current year set-aside requirement and may not be carried forward to reduce subsequent year requirements. Amounts not spent by year end or reduced by offset credits must be held in cash at year end and carried forward to be used for the same purposes in future years.

Amounts are also to be set aside for budget stabilization if the School District's revenues increase three percent or more from the prior year.

During the fiscal year ended June 30, 1999, the reserve activity was as follows:

	<i>Textbook Reserve</i>	<i>Capital Maintenance Reserve</i>	<i>Budget Stabilization Reserve</i>
<i>Balance, July 1, 1998</i>	\$ -	\$ -	\$ 264,425
<i>Required Set-Aside</i>	597,453	597,453	298,726
<i>Offset Credits</i>	-	-	-
<i>Qualifying Expenditures</i>	<u>(597,453)</u>	<u>(597,453)</u>	<u>-</u>
<i>Balance, June 30, 1999</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 563,151</u>

### NOTE 21 – RELATED ORGANIZATION

#### **Newark Public Library**

The Newark Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. A Board of Trustees appointed by the Newark City School District Board of Education governs the Library. 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 serves as the taxing authority and may issue tax-related debt on behalf of the Library, its role is limited to an administrative function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. The Library is not considered part of the School District, and its operations are not included within the accompanying financial statements.

## Newark City School District

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### NOTE 22 – PRIOR PERIOD ADJUSTMENTS

In 1999 the school's fixed asset policy was revised. The capitalization threshold was increased from \$500 to \$1,000. This decreased the beginning balance of general fixed assets from \$28,204,266 to \$27,186,176. This change significantly reduced the number of fixed assets maintained by the district for accounting purposes.

An error in proper classification of the \$2.8 million tax anticipation note resulted in a restatement of beginning fund balance for the general fund and the general long-term debt account group. The tax anticipation note was listed as a liability for the long-term debt account group when in fact it should have been listed as a liability of the general fund.

The general long-term debt account group also required a restatement due to the not including \$7,569,928 of G.O. bonds issued by the District for the Newark Public Library in 1998. The District issued bonds for the construction of a new library that was approved by the voters in 1997.

Several other errors in accounting in the general fund, special revenue funds, capital project funds and enterprise funds in the prior year affecting the current year required the fund balance/retained earnings to be restated. The majority of the errors were related to advances between funds. These advances have been restated as interfund payables and are accounted for correctly in this report. The restatements are as follows:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>General Fixed Asset Account Group</u>	<u>General Long-Term Debt Account Group</u>
Fund balance as previously stated, 6/30/98	\$ 940,612	\$ 635,077	\$ 1,103,471	\$ 882,325		
Account balance as previously stated, 6/30/98					28,204,266	5,950,955
Restatement	(1,958,440)	(76,036)	(12,684)	(14,055)	(1,018,090)	4,769,928
Restated July 1, 1998	\$ (1,017,828)	\$ 559,041	\$ 1,090,787	\$ 868,270	\$ 27,186,176	\$ 10,720,883

### NOTE 23 – EMPLOYEE BENEFITS

#### A. Compensated Absences

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 240 days for certified employees, 260 days for certified and classified administrators and unlimited for classified employees. Upon retirement, payment is made for 25 percent of accrued, but unused sick leave credit to a maximum of up to 50 days for all employees.

#### B. Life Insurance

The School District provides life insurance and accidental death and dismemberment insurance to employees through CoreSource.

#### C. Retirement Incentive

The School District Board of Education offered a Retirement Incentive program until June 30, 1999. Participation was open to all certified teachers and all administrators qualified for retirement per the retirement systems. Individuals must notify the board by June 30 of the year of retirement. The Board will pay the employee \$20,000 the January following the retirement. Retirement incentive payments have been classified and are reflected as debt service expenditures in the general purpose financial statements for governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

***Newark City School District***  
Required Supplementary Information  
For the fiscal year ended June 30, 1999

**YEAR 2000 ISSUE**

The year 2000 is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the School District's operations.

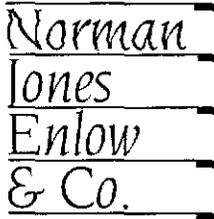
The School District has completed an inventory of computer systems and other equipment necessary to conducting District operations and has identified such systems as being financial reporting, payroll and employee benefits, equipment inventory and education management information reporting. The District's High School Campus has a heating system that utilizes a computerized energy management system.

The District has received assurances from the manufacturer of the computerized energy management system attached to the High School heating system that the system is Y2K compliant, but if problems arose the system can be taken offline and the heating system run manually.

The School District uses the State of Ohio Uniform School Accounting System (USAS) for financial reporting, the Uniform Staff Payroll System (USPS) for payroll and employee benefits, the Equipment Inventory System (EIS) for equipment and vehicle inventory and the Education Management and Information System (EMIS) for educational statistics reporting. The State of Ohio distributes a substantial sum of money to the School 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 School District through EMIS. The State is responsible for remediating these systems and all costs associated with it.

Licking County collects property taxes for distribution to the School District. Licking County is responsible for remediating the tax collection system and all costs associated with it.

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 School District is or will be Year 2000 ready, that the School District's remediation efforts will be successful in whole or in part, or that parties with whom the School District does business will be year 2000 ready.



Certified Public Accountants  
& Management Consultants

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

**Board of Education  
Newark City School District  
Newark, Ohio**

We have audited the general purpose financial statements of Newark City School District as of and for the year ended June 30, 1999, and have issued our report thereon dated January 7, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Newark City 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 a few instances of noncompliance that we have reported to the district's management in a separate letter dated January 7, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Newark City 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 function. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a few matters involving internal control over financial reporting that we have reported to the district's management in a separate letter dated January 7, 2000.

This report is intended for the information of the District's Board of Education, management, 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.

*Norman Jones Enlow & Co.*  
Zanesville, Ohio  
January 7, 2000

1418 Brice Road  
Reynoldsburg, Ohio 43068  
614/864-3134  
FAX 614/864-8117

4892 Blazer Parkway  
P.O. Box 566  
Dublin, Ohio 43017  
614/764-3661  
FAX 614/764-2335

3596 Maple Avenue  
Zanesville, Ohio 43701  
740/453-0515  
FAX 740/453-1452

216 Bradenton Ave.  
Dublin, Ohio 43017  
614/761-0808  
FAX 614/761-2423

Norman  
Jones  
Enlow  
& Co.

Certified Public Accountants  
& Management Consultants

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

Board of Education  
Newark City School District  
Newark, Ohio

Compliance

We have audited the compliance of Newark City School District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1999. Newark City School District's major federal programs are identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Newark City School District's management. Our responsibility is to express an opinion on Newark City School District's compliance based on our audit.

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

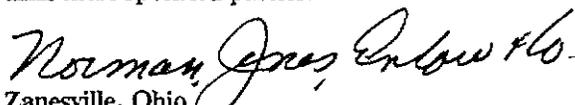
In our opinion, Newark City School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

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

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

This report is intended for the information of the District's Board of Education, management, 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.

  
Zanesville, Ohio  
January 7, 2000

1418 Brice Road  
Reynoldsburg, Ohio 43068  
614/864-3134  
FAX 614/864-8117

4892 Blazer Parkway  
P.O. Box 566  
Dublin, Ohio 43017  
614/764-3661  
FAX 614/764-2335

3596 Maple Avenue  
Zanesville, Ohio 43701  
740/453-0515  
FAX 740/453-1452

216 Bradenton Ave.  
Dublin, Ohio 43017  
614/761-0808  
FAX 614/761-2423

NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY  
JUNE 30, 1999

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 .505

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

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial level (GAGAS)?	No
(d)(1)(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under .510?	No
(d)(1)(vii)	Major Programs (list):	Nutrition Cluster: Food Distribution CFDA #10.550; School Breakfast CFDA #10.553; National School Lunch CFDA #10.555. Special Education Cluster: Special Education Grants to States CFDA #84.027; Special Education - Preschool Grants CFDA #84.173. Library Automation Grant CFDA #45.310
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000, Type B: All others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None.

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

Finding Number	N/A
CFDA Title and Number	N/A
Federal Award Number / Year	N/A
Federal Agency	N/A
Pass-Through Agency	N/A

NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY  
SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
Year Ended June 30, 1999

Federal Grantor/ Pass-Through Agency/ Programs Title	CFDA Number	Pass-through Number	Receipts
United States Department of Agriculture Ohio Department of Education			
<i>Nutrition Cluster:</i>			
Food Distribution	10.550		\$ -
School Breakfast Program	10.553		98,766
National School Lunch Program	10.555		650,343
<i>Total United States Department of Agriculture - Nutrition Cluster</i>			749,109
U.S. Department of Labor			
Employment Services and Job Training - Pilot and Demonstration Programs	17.249	98-B01010	67,279
National Foundation on the Arts and the Humanities			
Library Automation Grant	45.310	I-FF-98	124,255
United States Department of Education/ Ohio Department of Education			
<i>Special Education Cluster:</i>			
Special Education Grants to States (IDEA Part B)	84.027	044453-6B-SF	346,058
Special Education - Preschool Grants	84.173	044453-PG-S1	106,251
<i>Total Special Education Cluster</i>			452,309
Raising the Bar in the Middle Grades	84.318		162,500
Title I Grants to Local Educational Agencies (Title I of ESEA)	84.010	044453-C1-S1	1,632,455
Eisenhower Professional Development State Grants	84.281	044453-MS-S1	70,920
Innovative Education Program Strategies	84.298	044453-C2-S1	50,638
Safe and Drug Free Schools and Communities - State Grants	84.186	044453-DR-S1	39,754
Goals 2000 Proficiency Grant	84.276	044453-G2-SP	6,000
<i>Total United States Department of Education</i>			1,962,267
Corporation for National and Community Service <i>Learn and Serve America</i>			
	94.004	044453-SV-S4	10,000
			\$ 3,365,219

<u>In-Kind Receipts</u>	<u>Disbursements</u>
\$ 103,721	\$ 114,464
-	98,766
-	650,343
<hr/> 103,721	<hr/> 863,573
-	68,837
-	110,510
-	363,805
-	25,007
<hr/> -	<hr/> 388,812
-	185,672
-	1,548,960
-	67,093
-	48,352
-	72,443
<hr/> -	<hr/> 2,865
-	2,314,197
-	10,000
<hr/> <u>\$ 103,721</u>	<hr/> <u>\$ 3,367,117</u>

See Notes to Schedule of Federal Awards Expenditures.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**NOTE A - Significant Accounting Policies**

The accompanying schedule of federal awards expenditures is a summary of the activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B - Food Distribution**

Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. Monies are commingled with state grants. It is assumed federal monies are expended first. At June 30, 1999, the District had no significant food commodities in inventory.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY**

**GENERAL COMMENTS**

**District personnel were cooperative and available for questions during regular work hours.**

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY**

**CONCLUSION STATEMENT**

**The audit report, including citations and recommendations, was reviewed with and acknowledged by the following officials on February 10, 2000:**

**Mr. Randy C. Stortz, Superintendent  
Mr. Brian W. Wilson, Treasurer  
Mr. Patrick Kelley, Board Vice-President  
Dr. Tom Hall, Board Member**

**These officials were informed that they had five working days from the date of the post audit conference to respond to, or contest, in writing, the report contents. Brian indicated that they did not intend to issue such a response.**



STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

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

NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY

CLERK'S CERTIFICATION

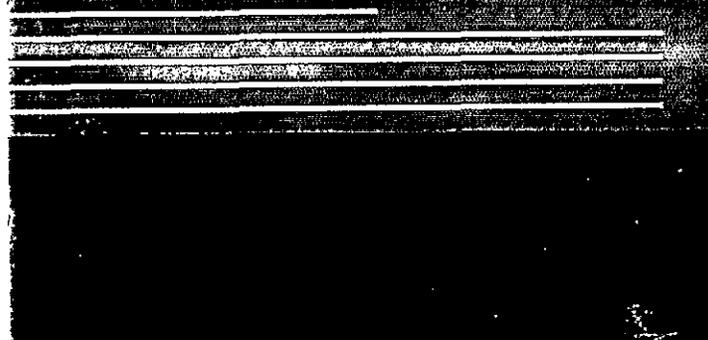
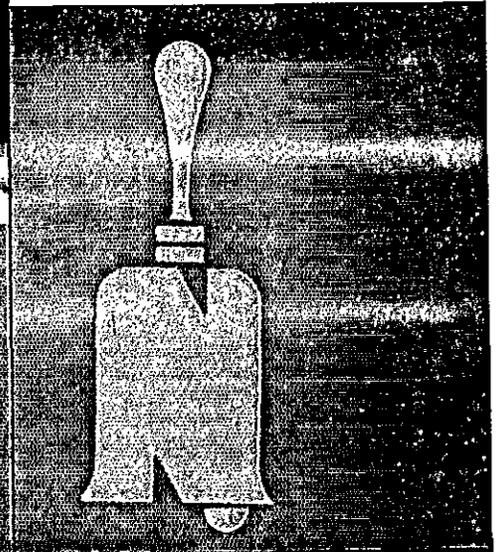
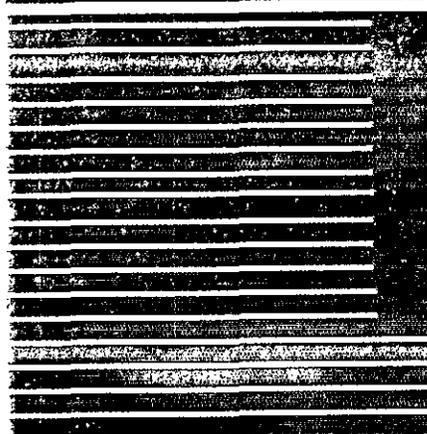
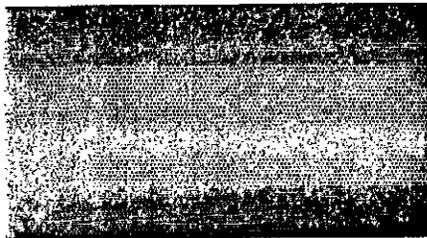
This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

By: Susan Babbitt

Date: APRIL 11, 2000

NEWARK CITY SCHOOL DISTRICT  
Newark, Ohio

9 | 9



**Comprehensive Annual  
Financial Report**

For the Fiscal Year  
ended June 30, 1999

NEWARK CITY SCHOOL DISTRICT  
NEWARK, OHIO

---

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 1999

Prepared by:  
Treasurer's Office

Brian W. Wilson	Treasurer
Christine Walpole	Secretary
Phyllis Hindman	Benefits/Payroll Specialist
Deborah Snider	Payroll Specialist
Lynn Hoffer	Accounting Specialist
Judith Schneider	Accounting/Payroll Clerk
Rebecca Underhill	Accounting Clerk
Carol Vermilion	Accounting Clerk
Marjorie Wheeler	Payroll Clerk

**Newark City School District**  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 1999**

Table of Contents

<b>Introductory Section</b>	<b>Page</b>
Letter of Transmittal.....	v
Public Officials Roster.....	xiv
Organization Chart.....	xv
 <b>Financial Section</b>	
Independent Auditor's Report.....	1
General Purpose Financial Statements	
Combined Balance Sheet - All Fund Types and Account Groups .....	2
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Fund .....	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types and Expendable Trust Fund .....	6
Combined Statement of Revenues, Expenses and Changes in Retained Earnings - All Proprietary Fund Types and Nonexpendable Trust Fund .....	10
Combined Statement of Cash Flows - All Proprietary Fund Types and Nonexpendable Trust Fund .....	11
Notes to the General Purpose Financial Statements .....	12
Required Supplementary Information - Year 2000 .....	35
Combining, Individual Fund and Account Group Statements and Schedules	
General Fund.....	37
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	38
Special Revenue Funds.....	42
Combining Balance Sheet.....	44
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	48
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Public School Support Fund .....	52
Miscellaneous Grants Fund .....	53
Venture Capital Grant Fund.....	56
District Managed Student Activity Fund.....	58
Auxiliary Services Fund .....	60
Local Professional Development Fund.....	61
Career Development Fund.....	63
Management Information Systems Fund.....	64

**Newark City School District**  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 1999**

Table of Contents  
(Continued)

	<b>Page</b>
Adolescent Pregnancy Program Fund .....	65
Disadvantaged Pupil Impact Aid Fund.....	66
SchoolNet Professional Development Fund.....	68
Instructional Materials Subsidy Fund.....	70
Miscellaneous State Grants Fund .....	71
Data Communications Fund .....	73
Title II- Eisenhower Fund.....	74
Title VI-B Fund .....	76
Telecommunications Act Grant Fund.....	78
Title I Fund .....	79
Title VI Fund .....	81
Drug Free Schools Program Fund .....	83
Preschool Grant Fund .....	85
Miscellaneous Federal Grants Fund .....	86
Debt Service Fund .....	88
Capital Projects Funds .....	89
Combining Balance Sheet.....	90
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	91
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Permanent Improvement Fund .....	92
Vocational Education Equipment Fund.....	94
SchoolNet Fund .....	95
Technology Grant Fund.....	96
Emergency Building Repair Fund .....	97
Enterprise Funds .....	98
Combining Balance Sheet.....	99
Combining Statement of Revenues, Expenses and Changes in Retained Earnings.....	100
Combining Statement of Cash Flows .....	101
Schedule of Revenues, Expenses and Changes in Fund Equity - Budget and Actual	
Food Service Fund.....	102
Uniform School Supplies Fund .....	103
Rotary Fund .....	104

**Newark City School District**  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 1999**

Table of Contents  
(Continued)

	<b>Page</b>
Internal Service Funds .....	105
Combining Balance Sheet.....	106
Combining Statement of Revenues, Expenses and Changes in Retained Earnings.....	107
Combining Statement of Cash Flows .....	108
Schedule of Revenues, Expenses and Changes in Fund Equity - Budget and Actual	
Rotary Fund .....	109
Self Insurance Fund .....	110
Fiduciary Funds .....	111
Combining Balance Sheet.....	112
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Special Trust .....	113
Endowment Fund.....	115
Statement of Changes in Assets and Liabilities – Agency Fund.....	116
General Fixed Assets Account Group .....	117
Schedule of General Fixed Assets by Source .....	118
Schedule of General Fixed Assets by Function and Activity .....	119
Schedule of Changes in General Fixed Assets by Function .....	120

**Statistical Section**

General Governmental Revenues by Source And Expenditures by Function - Last Ten Years .....	S-1
Property Tax Levies and Collections - Last Ten Years.....	S-3
Assessed and Estimated Valuation of Property - Last Ten Years .....	S-4
Direct and Overlapping Property Tax Rates - Last Ten Years.....	S-5
Computation of Legal Debt Margin .....	S-6
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt per Capita - Last Ten Years .....	S-7
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total Governmental Expenditures - Last Ten Years.....	S-8
Demographic Statistics .....	S-9
Property Values, Bank Deposits and Construction .....	S-10
Principal Taxpayers .....	S-11
Computation of Direct and Overlapping Bonded Debt .....	S-12
Miscellaneous Statistics.....	S-13

---

## INTRODUCTORY SECTION



# NEWARK CITY SCHOOLS

ADMINISTRATIVE SERVICE CENTER  
85 East Main Street, Newark, Ohio 43055  
Phone (740) 345-9891  
Fax # (740) 349-2303

---

The mission of the Newark City Schools is to create a community that is forever learning, forever growing and forever serving.

---

January 31, 2000

To the Citizens and Board of Education of the Newark City School District:

It is my honor to present the first annual Comprehensive Annual Financial Report (CAFR) of the Newark City School District, for the fiscal year ended June 30, 1999. This report, prepared by the Treasurer's Office, includes financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 1998-99 fiscal year.

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with District management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District.

This CAFR, which includes an opinion from Norman Jones Enlow & Co., conforms to generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's commitment to provide meaningful information to the citizens of the Newark City School District.

This CAFR is presented in three sections:

The Introductory Section, which is unaudited, includes a table of contents, this transmittal letter, a list of principal officials, and the District's organizational chart.

The Financial Section includes the independent auditor's report, the general-purpose financial statements and explanatory notes, and combining and individual fund financial statements.

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

## DESCRIPTION OF THE DISTRICT

The City of Newark, the county seat of Licking County, is located approximately 33 miles east of Columbus in the central part of the state. The District serves an area of approximately 19 square miles and approximately 47,450 residents.

In the spring of 1802, General William Schenk platted around the ancient mounds of Central Ohio a settlement named after his hometown of Newark, New Jersey. There were many salt licks in the area and by 1808 the area known as Licking County was founded. In 1809 the first school was started in the Courthouse on the North side of the Town Square. James Maxwell was the first school teacher in this floorless room. The first official body designated as the Newark City Board of Education was formed in 1848.

v

---

Randy C. Stortz  
Superintendent of Schools

Brian W. Wilson  
Treasurer

---

*Quality Teaching for Learning*

---

During the 1998-99 school year, the District had 7,365 (Spring 1999) students enrolled in sixteen community schools: Cherry Valley Elementary, Johnny Clem Elementary, Conrad Elementary, Ben Franklin Elementary, Hazelwood Elementary, Maholm Elementary, McGuffey Elementary, Miller Elementary and North Elementary schools housing grades K through 4. Central Intermediate, Kettering Intermediate and West Main Intermediate schools housing grades 5 and 6. Lincoln Middle, Roosevelt Middle and Wilson Middle school housing grades 7 and 8. Newark High School houses grades 9 through 12 with 2,051 students.

#### **THE REPORTING ENTITY**

This report includes all funds and account groups of the Newark City School District. The District provides a full range of traditional and non-traditional educational programs, services and facilities. These include elementary and secondary curriculum at the general, college preparatory and vocational levels, abroad range of co-curricular and extracurricular activities, special education programs and facilities.

Newark Catholic High School, St. Francis, Blessed Sacrament, Par Excellence and Montessori School are located within the School District Service Area. The Newark City School District acts as fiscal agent for state funds provided by the State of Ohio to these institutions. Revenues and expenditures of these schools are reflected in a special revenue fund for financial purposes.

#### **ORGANIZATION OF THE DISTRICT**

The Board of Education (the "Board") of the District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body, and policy initiator for the operation of the District. The Board is responsible for the adoption of the tax budget, the annual operating budget and approves all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations within the District. The Treasurer is the chief financial officer of the District and is responsible directly to the Board for all financial operations, investments, custody of all District funds and assets, and serves as Secretary to the Board.

#### **ECONOMIC CONDITION AND FUTURE OUTLOOK**

The District is located approximately 33 miles from the metropolitan city of Columbus providing a wealth of opportunity for cultural, social and economic resources for its residents. Central Ohio Technical College and The Ohio State University of Newark share facilities at the Newark campus. Denison University is located in the adjoining Village of Granville. These colleges provide excellent educational opportunities for the Newark community.

The City of Newark offers an excellent opportunity for business growth and expansion. The City stimulates the economy through a diverse group of employers, from the small family operated business to the major commercial/industrial and service corporations. The five largest employers in the district in terms of numbers of employees are: Owens Corning Corporation, Newark Board of Education, State Farm Insurance, Licking Memorial Hospital and Licking County.

Newark area businesses continue to manufacture and distribute a wide variety of products. Foremost among these products are plastics, insulation, prefabricated homes, prismatic reflectors, wiping cloths, quartz and specialty products, asphalt, automotive products, bricks, chemicals, electronic equipment, truck axles and transmissions, anodized aluminum products, wood veneer, dairy products, concrete products and many other industrial specialty items. During both strong and slow economic periods the area has not experienced wide variations in its economic indicators. The community has been fortunate to experience a steady economy along with a low unemployment rate.

## MAJOR INITIATIVES AND ACCOMPLISHMENTS

### Ninth Grade Proficiency Tests

The Ohio Proficiency Testing programs consists of a series of five tests (writing, reading, math, citizenship and science) administered at five grade levels (fourth, sixth, eighth, ninth and twelfth). Passing the ninth grade test is a requirement for graduation. High school students are provided several opportunities each year to pass the ninth grade test in all five subject areas. The percentage of students who passed the ninth grade test compared to prior year is shown below.

### **Percent Passing/Ninth Grade Test Results**

<u>School Year</u>	<u>Citizenship</u>	<u>Math</u>	<u>Reading</u>	<u>Writing</u>	<u>Science</u>
1997-98	74.5%	59.3%	84.2%	85.0%	63.5%
1998-99	75.7%	61.0%	86.8%	89.6%	64.7%

Library Automation Project: This K-6 project was made possible through the receipt of a Library Services and Technology Act (LSTA) grant. During the 1998-99 school year all K-6 school libraries as well as the district media center were automated. Training and inservice sessions for the library aides was conducted throughout the year by the Licking Area Computer Association (LACA). Thanks to this project, all schools now have automated library services.

Technology Literacy Challenge Fund Grant: The second year of the TLCF grant (Raising the Bar in the Middle Grades) enabled the district's middle schools to facilitate the following goals: facilitate students working together on projects that have real-world relevance; establish communication and cooperation among middle school students and teachers at three sites; increase proficiency test scores in math; and increase community participation in middle school activities.

Summer Technology Series: A very successful series of technology trainings was completed for K-12 staff members. Hosted at the district's Woodside Technology Center (a SchoolNet regional training site), the participation levels were at an impressive level.

Early Literacy Learning Initiative (ELLI): The district continued its phase-in of the ELLI program for K-2 classrooms. Three schools (Hazelwood, Maholm, and North) selected and trained literacy coordinators who will, in turn, have responsibility for training all kindergarten, first, and second grade teachers in those schools during 1999-2000.

District Effectiveness Audit: M. Donald Thomas, effectiveness auditor from Salt Lake City, Utah, continued his consulting work with the district. Having first conducted the audit in 1995, he returns to Newark annually to evaluate progress, report to the public, and re-establish district and building standards for the following year. He completed his 1998-99 work with the district during the spring and summer months of 1999.

District Leadership Team Plan of Action: Year one of the district leadership team's plan of action was implemented. The plan of action addresses four areas identified in the effectiveness audit conducted by M. Donald Thomas that need additional attention.

Entry Year Program: The entry year program made possible through the Ohio Department of Education's grant was implemented. Collaboration among Newark City Schools, Denison University, and The Ohio State University at Newark helped to support district efforts to provide support for entry-level teachers. The grant enabled teachers to experience the Pathwise training. The training was offered three times throughout the year and enabled approximately 60 staff members to be trained.

Continuous Improvement Planning: A CIP core team was identified for the district. Made up of teacher leaders and administrators, the team participated in workshops hosted by the Central Ohio Regional Professional Development Center throughout the year. The team continues its training into the 1999-2000 school year.

Internal Surveys: As a part of the continuous improvement plan for the district, parents and students were surveyed about their perceptions of school effectiveness. Survey results were tabulated, analyzed, and shared with each school administrator. The results of the surveys will be used in the development of school improvement plans at each building.

Summer School Program: As a result of the fourth grade guarantee outlined in Senate Bill 55, the district implemented a new component of its traditional summer school program. Serving the academic needs of students in third through sixth grades, the district offered intervention classes in the areas outlined on the fourth and sixth grade proficiency tests.

Diversity Training: Year four of the district's diversity and multicultural issues plan was implemented. Training for sixth and ninth grade students was provided as well as training for staff and community members.

Implementation of Cost Reduction Program: During the second semester, the district made plans for the reduction of programs and personnel that mirrored the recommendations in the Auditor of State's audits of large urban districts. This effort is necessary due to the impending loss of property tax dollars that will occur beginning in January of 2000.

High School Academy Organization: Newark High School improved its academy approach to organization by expanding the offerings to include an alternative academy for potential dropouts. Originally, the academy choices included university, technical, and vocational. A fourth component, the alternative academy, was implemented and served approximately 100.

#### Safe and Secure Schools K-12

Following an audit of safe school practices, review of national research and a series of community forums, safety and security standards in the entire district are developed.

The District Administrative Team and a District Safety Committee including community representatives will be developing action plans and implementing the plans to comply with the established safety and security standards.

#### Community Engagement

Newark City Schools are facing significant challenges in their efforts to create a collaborative relationship with their local community. A dispute over the outcome of the vote on a school income tax led to the repeal of two property taxes after heated, public disputes between the schools and community groups. A number of strategies designed to "reconnect" with the community and establish a collaborative dialog have been planned. These initiatives include: Superintendent dialog groups and community forums on various topics, targeted focus groups with community groups, a district-wide telephone survey conducted with registered voters, and a media campaign involving newsletters, newspapers, broadcast media and community speakers bureau.

#### Strategic Planning

A community based district strategic planning effort is planned. The planning project will involve a true cross representation of the school community and will result in a consensus regarding what the mission of the Newark City Schools should be and what the district should be up to in the next five plus years to accomplish that mission. Over the eight to nine month planning process it is expected that over 200 community members will be directly involved in developing the district strategic plan. Once the district strategic plan has been approved by the Board of Education, site-based plans for every school building will be developed.

### Curriculum Alignment

This project will align the written, taught and tested curriculum in areas assessed by the Ohio Proficiency Tests. Deep curriculum alignment will provide students with appropriate opportunities to learn resulting in high achievement measured by the Ohio Proficiency Tests.

### **FINANCIAL INFORMATION**

The District's accounting system is organized on a "fund" basis. Each fund and account group is a distinct, self-balancing accounting entity. Reports for general governmental operations and expendable trust funds are presented on the modified accrual basis whereby revenues are recognized when goods and services are received and expenditures are recognized when the related liability is incurred, except for interest on long-term debt. Reports of the District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

### Internal Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

### Single Audit Act

As a recipient of federal financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District and annual reviews by the District's independent auditors.

### Budgetary Controls

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 required by Ohio Revised code is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established by function and object of expenditure within an individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not reappropriated.

General Governmental Functions

The governmental funds encompass the General, Special Revenue, Debt Service, and Capital Projects Funds of the District.

The following schedule presents a summary of revenues for all Governmental Funds for fiscal year ended June 30, 1999, and the amount and percentage of increases (decreases) in relation to the 1998 fiscal year.

Revenue by Source	1998 Amount	1999 Amount	Percent of Total	Increase (Decrease)	Percent of Increase (Decrease)
Taxes	\$ 18,800,327	\$ 26,035,641	49.33%	\$ 7,235,314	38.49%
Tuition and Fees	125,254	205,311	0.39%	80,057	63.92%
Interest Income	429,381	502,281	0.95%	72,900	16.98%
Extracurricular	229,016	198,025	0.38%	(30,991)	-13.53%
Miscellaneous	170,046	157,662	0.30%	(12,384)	-7.28%
Intergovernmental	<u>22,827,035</u>	<u>25,680,142</u>	<u>48.66%</u>	<u>2,853,107</u>	<u>12.50%</u>
Total	\$ 42,581,059	\$ 52,779,062	100.00%	\$ 10,198,003	23.95%

Tax revenues increased due to the District realizing the first full year of the state based 1% income tax levied on residents of the district.

Intergovernmental revenue from state and federal resources increased due to additional state foundation basic aid, E-Rate first year allocation and SchoolNet Plus first year allocation.

The following schedule presents a summary of Governmental Fund expenditures for the fiscal year ended June 30, 1999, and the amount and percentage of increases (decreases) in relation to the 1998 fiscal year.

Expenditure by Function	1998 Amount	1999 Amount	Percent of Total	Increase (Decrease)	Increase (Decrease)
Instruction	\$ 25,553,882	\$ 27,192,448	58.84%	\$ 1,638,566	6.41%
Pupil Support	1,933,919	2,076,218	4.49%	142,299	7.36%
Instructional Staff	2,199,332	2,611,798	5.65%	412,466	18.75%
Administration	3,027,675	3,164,085	6.85%	136,410	4.51%
Fiscal	726,467	957,622	2.07%	231,155	31.82%
Business	674,968	734,962	1.59%	59,994	8.89%
Plant Operations	3,979,623	3,928,499	8.50%	(51,124)	-1.28%
Pupil Transportation	1,679,680	1,461,624	3.16%	(218,056)	-12.98%
Central	216,163	503,586	1.09%	287,423	132.97%
Non-instructional Services	500,604	571,820	1.24%	71,216	14.23%
Extracurricular	781,012	738,505	1.60%	(42,507)	-5.44%
Capital Outlay	1,414,838	1,262,643	2.73%	(152,195)	-10.76%
Debt Service	463,202	1,009,725	2.18%	546,523	117.99%
Total	<u>\$ 43,151,366</u>	<u>\$ 46,213,535</u>	<u>100.00%</u>	<u>\$ 3,062,170</u>	<u>7.10%</u>

The largest expenditure component in the governmental funds is the instruction/pupil support area. Over \$.68 of every dollar is spent on activities dealing directly with instruction and support of the students. Salaries of teachers, classroom aides, counselors, textbooks and classroom materials are examples of expenditures in this area.

The administrative function includes activities concerned with establishing and administering policy in connection with the District. Expenditures in this category, accounting for \$.07 of every dollar spent, include salaries of the board of education, school building and central office administrators, and the necessary materials and equipment to perform these jobs.

The fiscal and business functions, which account for \$.04 of every dollar spent, include the functions of purchasing, contracts, accounting, budgeting, and payroll.

Plant operations accounted for just under \$.09 of every dollar spent. In addition to the salary and benefit costs of the maintenance and custodial staff, large expenditures for utilities and repair/maintenance projects are incurred on an annual basis.

Transportation and related functions account for over \$.03 of every dollar spent. In addition to salaries and benefits for the supervisor, drivers, and mechanics this area covers fuel costs, maintenance, repair, and materials in connection with transportation of 3,433 students on a daily basis.

Significant activity in the major funds of each Governmental Fund Type is highlighted below.

#### General Fund

The District ended the 1999 fiscal year with a General Fund cash balance of \$7,796,696 and a fund balance of \$5,024,130. The passage of the School Income Tax in 1997 has helped to increase the General Fund Balance. Unfortunately, the repeal of two property tax levies in 1998 will take effect in calendar year 2000. This will decrease the unencumbered cash balance over the next few years.

#### Special Revenue Funds

The Special Revenue Funds account for revenue derived primarily from grants and entitlements restricted by law to expenditures for specific purposes, or other formal actions to expend for a specific purpose. For the fiscal year ended June 30, 1999, Special Revenue Funds had combined revenues of \$4,048,448 and expenditures of \$4,171,458.

#### Capital Project Funds

The Capital Project Funds are used to account for all transactions related to acquiring, constructing or improving of capital assets. During the year \$2,529,067 was expended for these purposes, including: roofing at Ben Franklin Elementary, new replacement windows at Johnny Clem Elementary, boiler replacement at Kettering Intermediate, plumbing replacement at Kettering Intermediate, Wilson and Roosevelt Middle Schools, New playgrounds at Hazelwood and North Elementary Schools, new technology wiring and equipment throughout the District and several buses.

#### Enterprise Funds

The Enterprise Funds are the Food Service Fund, Uniform School Supplies Fund and Special Services Rotary Fund. These operations are similar to activities found in the private sector and it is management's desire to track the profit and loss of these operations. All Enterprise operations had a total net loss in fiscal year 1999 of \$112,395.

#### Internal Service Funds

The two Internal Service Funds accounted for by the District in fiscal year 1999 include Rotary and Self-Insurance. During fiscal year 1999 all Internal Service Funds, on a combined basis, showed a net loss of \$10,470.

### Fiduciary Funds

The Fiduciary Funds account for assets held by the District in a trustee capacity, or an agent for individuals, other District organizations, or other funds. The District maintains expendable trust and agency funds. On June 30, 1999 assets held in Fiduciary Funds amounted to \$211,120.

### General Fixed Assets

The General Fixed Assets of the District are used to carry on the main educational and support functions of the District and as such are not financial resources available for expenditure. Total General Fixed Assets at June 30, 1999 was \$29,184,730. These assets are accounted for at historical cost. Depreciation is not recognized on General Fixed Assets.

## **DEBT ADMINISTRATION**

The District had general obligation bonds outstanding at June 30, 1999 in the amount of \$10,869,928. The first issue is \$380,000 of Energy Conservation Bonds issued under the energy conservation provisions in Ohio law for improvements in the areas of installations, modifications and remodeling of school buildings to conserve energy. Originally issued for \$1,500,000 in 1990, this issue will be retired in December 2000.

The second issue is \$315,000 of Energy Conservation Bonds. Originally issued for \$890,000 in 1992, this issue will be retired in March 2002.

The third issue is \$7,374,928 of Library Facility Bonds for the construction of a new public library approved by the voters November 4, 1997. Originally issued for \$7,570,000 in 1998, this issue will be retired in December 2022.

The fourth issue is \$2,800,000 of Tax Anticipation Notes. These notes were issued for cash flow purposes after the passage of the school income tax. Originally issued for \$2,800,000 in 1998, this issue will be retired in December 2003.

## **CASH MANAGEMENT**

During the fiscal year ended June 30, 1999 the District's cash resources were divided into investments approximately as follows: in State Treasurer's Pool 38.15%, in bank deposits 2.85%, in time deposits 15.96%, in agency notes 7.94%, in agency discount 35.10%. The yield to maturity as of June 30, 1999 was 5.16% and the average days to maturity was 89 days.

## **RISK MANAGEMENT**

The types of insurance carried include: general liability, property loss, boiler and machinery coverage, and vehicle fleet liability are purchased from insurance companies licensed to do business in the State of Ohio.

Employees are provided a traditional health care insurance that covers hospitalization and major medical expenses within specified limits through United HealthCare. Employees are also provided life and dental insurance benefits.

## **OTHER INFORMATION**

### Independent Audit

Provisions of State statute require the District's financial statements to be subjected to an annual examination by an independent auditor. The District has engaged Norman Jones Enlow & Company to audit the District's financial records. The auditor's unqualified opinion is included herein.

### GFOA Certificate of Achievement

The District has submitted this report for consideration of the Governmental Finance Officers' Association of the United States and Canada (GFOA) award for Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

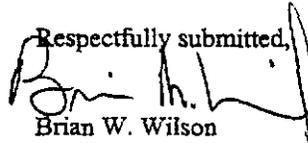
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standard. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report will conform to the high standard required by the Certificate of Achievement program.

### Acknowledgements

Preparation of this report could not have been accomplished without the support and efforts of the staff in the Treasurer's office and many other dedicated employees of the District. Further appreciation is extended to the Licking County Auditor's office and the Newark City Auditor's office for their valuable research of records.

Respectfully submitted,



Brian W. Wilson  
Treasurer

# **NEWARK CITY SCHOOL DISTRICT**

**List of Principal Officials  
Year Ended June 30, 1999**

## **Board of Education**

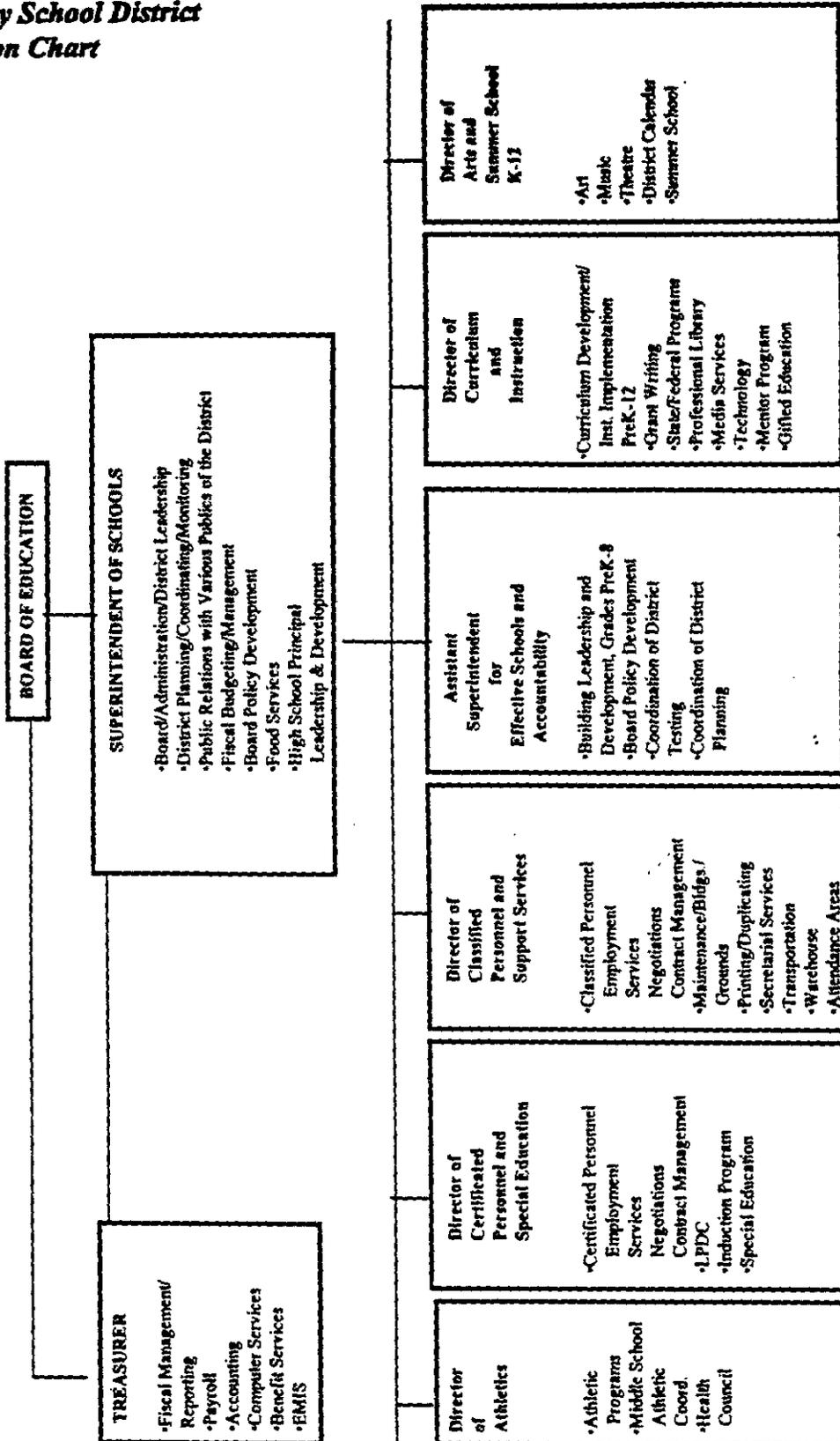
Peggy Batz	Board Member, President (1/1/94 – 12/31/01)
Susan Kamps	Board Member, Vice-President (1/1/92 – 12/31/99)
Donald Ellington	Board Member (1/1/96 – 12/31/99)
Mary Kay Fausey	Board Member (1/1/98 – 12/31/01)
Patrick Kelley	Board Member (1/1/96 – 12/31/99)

## **Administration**

Richard B. Evans	Superintendent – (8/1/86 – 7/31/99)
Brian W. Wilson	Treasurer – (Hired 4/19/99)
Susan K. Hatcher	Assistant Superintendent – (Hired 9/1/72)
Janet L. Barr	Director, Certificated Personnel – (8/16/79 – 8/31/99)
David C. Altepeter	Director, Classified Personnel/Support Services (Hired 7/8/96)
William Wittman	Director, Fine Arts (8/18/86 – 9/30/99)
John Brown	Director, Athletics – (Hired 8/29/74)
Beth Milligan	Information Specialist – (Hired 7/6/98)

# Newark City School District Organization Chart

## ADMINISTRATIVE STRUCTURE NEWARK CITY SCHOOLS



---

**FINANCIAL SECTION**

Norman  
Jones  
Enlow  
& Co.

Certified Public Accountants  
& Management Consultants

## INDEPENDENT AUDITORS' REPORT

Board of Education  
Newark City School District  
Newark, Ohio 43055

We have audited the accompanying general purpose financial statements of the Newark City School District as of June 30, 1999, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Newark City School District as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund types and non-expendable trust funds for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Newark City School District taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in relation to the general purpose financial statements taken as a whole.

The year 2000 supplementary information 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 procedures, which consist primarily 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 the Newark City School District is or will become year 2000 compliant, that the Newark City School District's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Newark City School District does business are or will become year 2000 compliant.

We did not audit the introductory and statistical information as listed in the table of contents and, therefore, express no opinion thereon.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2000, on our consideration of the Newark City School District's internal control structure and a report dated January 7, 2000 on its compliance with laws and regulations.

*Norman, Jones, Enlow & Co.*

Zanesville, Ohio  
January 7, 2000

**Newark City School District**  
**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
**As of June 30, 1999**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets and other debits:</u>				
<u>Assets:</u>				
Equity in pooled:				
Cash and cash equivalents	\$ 7,233,545	\$ 926,360	\$ 431,742	\$ 1,555,206
Receivables:				
Taxes	20,234,130	-	881,026	1,457,706
Accounts	60,620	-	-	-
Intergovernmental	-	-	-	-
Interfund receivable	889,933	-	-	-
Inventory held for resale	-	-	-	-
Equity in pooled cash and cash equivalents (restricted)	563,151	-	-	-
Fixed assets (net, where applicable, of accumulated depreciation)	-	-	-	-
<u>Other debits:</u>				
Amount available in debt service fund for retirement of general obligation bonds	-	-	-	-
Amount to be provided from general government resources	-	-	-	-
Total assets and other debits	<u>\$ 28,981,379</u>	<u>\$ 926,360</u>	<u>\$ 1,312,768</u>	<u>\$ 3,012,912</u>
<u>Liabilities, fund equity and other credits:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 278,511	\$ 133,731	\$ -	\$ 184,031
Accrued wages	3,340,275	259,476	-	-
Compensated absences payable	67,562	62	-	-
Early retirement incentive payable	-	-	-	-
Interfund payable	-	38,368	-	453,481
Due to other funds	-	-	-	-
Intergovernmental payable	863,044	58,692	-	1,336
Deferred revenue	15,999,236	-	842,926	1,355,006
Due to students	-	-	-	-
Notes payable	2,800,000	-	-	-
General obligation bonds payable	-	-	-	-
Total liabilities	<u>23,348,628</u>	<u>490,329</u>	<u>842,926</u>	<u>1,993,854</u>
<u>Fund equity and other credits:</u>				
Investment in general fixed assets	-	-	-	-
Retained earnings:				
Unreserved	-	-	-	-
Fund balance:				
Reserved for encumbrances	542,762	206,876	-	1,287,571
Reserved for budget reserve	563,151	-	-	-
Reserved for endowments	-	-	-	-
Unreserved, undesignated	4,526,838	229,155	469,842	(268,513)
Total fund equity and other credits	<u>5,632,751</u>	<u>436,031</u>	<u>469,842</u>	<u>1,019,058</u>
Total liabilities, fund equity and other credits	<u>\$ 28,981,379</u>	<u>\$ 926,360</u>	<u>\$ 1,312,768</u>	<u>\$ 3,012,912</u>

See accompanying notes to the general purpose financial statements

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$ 882,223	\$ 6,558	\$ 200,530	\$ -	\$ -	\$ 11,236,164
-	-	-	-	-	22,572,862
8,951	30	10,590	-	-	80,191
110,914	-	-	-	-	110,914
-	-	-	-	-	889,933
11,860	-	-	-	-	11,860
-	-	-	-	-	563,151
197,976	-	-	29,184,730	-	29,382,706
-	-	-	-	469,842	469,842
-	-	-	-	10,614,784	10,614,784
<u>\$ 1,211,924</u>	<u>\$ 6,588</u>	<u>\$ 211,120</u>	<u>\$ 29,184,730</u>	<u>\$ 11,084,626</u>	<u>\$ 75,932,407</u>
\$ 12,785	\$ 954	\$ 5,883	\$ -	\$ -	\$ 615,895
76,986	-	-	-	-	3,676,737
-	-	-	-	1,886,309	1,953,933
-	-	-	-	800,000	800,000
222,598	165,486	10,000	-	-	889,933
-	-	-	-	-	-
134,980	-	-	-	328,389	1,386,441
8,700	-	-	-	-	18,205,868
-	-	70,460	-	-	70,460
-	-	-	-	-	2,800,000
-	-	-	-	8,069,928	8,069,928
456,049	166,440	86,343	-	11,084,626	38,469,195
-	-	-	29,184,730	-	29,184,730
755,875	(159,852)	-	-	-	596,023
-	-	29,509	-	-	2,066,718
-	-	-	-	-	563,151
-	-	10,533	-	-	10,533
-	-	84,735	-	-	5,042,057
755,875	(159,852)	124,777	29,184,730	-	37,463,212
<u>\$ 1,211,924</u>	<u>\$ 6,588</u>	<u>\$ 211,120</u>	<u>\$ 29,184,730</u>	<u>\$ 11,084,626</u>	<u>\$ 75,932,407</u>

**Newark City School District**  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Governmental Fund Types and Expendable Trust Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Taxes	\$ 23,659,721	\$ -	\$ 1,006,662	\$ 1,369,258
Intergovernmental	20,747,861	3,778,543	65,658	1,088,080
Interest	502,281	-	-	-
Tuition and fees	205,311	-	-	-
Extracurricular activities	-	198,025	-	-
Miscellaneous	85,782	71,880	-	-
<b>Total revenues</b>	<b>45,200,956</b>	<b>4,048,448</b>	<b>1,072,320</b>	<b>2,457,338</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	20,043,214	842,085	-	994,206
Special	3,116,578	1,363,310	-	-
Vocational	796,506	15,130	-	3,095
Adult/continuing	-	-	-	-
Other	18,324	-	-	-
<b>Support services:</b>				
Pupils	2,034,253	41,965	-	-
Instructional staff	1,603,749	890,424	-	117,625
Board of education	148,382	-	-	-
Administration	2,987,540	28,068	-	95
Fiscal	886,806	25,599	10,202	35,015
Business	734,383	-	-	579
Operation and maintenance of plant	3,877,997	48,203	-	2,299
Pupil transportation	1,422,354	3,665	-	35,605
Central	271,514	146,245	-	85,827
<b>Operation of non-instructional services</b>				
Extracurricular activities	2,709	569,111	-	-
Capital outlay	540,852	197,653	-	-
Debt service:	7,922	-	-	1,254,721
Principal retirement	-	-	460,000	-
Interest and fiscal charges	-	-	549,725	-
<b>Total expenditures</b>	<b>38,493,083</b>	<b>4,171,458</b>	<b>1,019,927</b>	<b>2,529,067</b>
Excess of revenues over (under) expenditures	6,707,873	(123,010)	52,393	(71,729)
<b>Other financing sources (uses):</b>				
Proceeds from sale of fixed assets	5,883	-	-	-
Operating transfers in	35,575	32,073	-	-
Operating transfers out	(98,752)	(32,073)	-	-
<b>Total other financing sources (uses)</b>	<b>(57,294)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	6,650,579	(123,010)	52,393	(71,729)
Fund balances at beginning of year, as restated	(1,017,828)	559,041	417,449	1,090,787
<b>Fund balances at end of year</b>	<b>\$ 5,632,751</b>	<b>\$ 436,031</b>	<b>\$ 469,842</b>	<b>\$ 1,019,058</b>

See accompanying notes to the general purpose financial statements

Fiduciary Funds	Totals (Memorandum Only)
Expendable Trust	
\$ -	\$ 26,035,641
1,632	25,681,774
1,517	503,798
-	205,311
14,200	212,225
71,439	229,101
<u>88,788</u>	<u>52,867,850</u>
9,336	21,888,841
-	4,479,888
-	814,731
-	-
-	18,324
-	2,076,218
19,530	2,631,328
-	148,382
-	3,015,703
-	957,622
-	734,962
-	3,928,499
-	1,461,624
-	503,586
49,411	621,231
-	738,505
-	1,262,643
-	460,000
-	549,725
<u>78,277</u>	<u>46,291,812</u>
10,511	6,576,038
-	5,883
-	67,648
-	(130,825)
-	(57,294)
10,511	6,518,744
102,829	1,152,278
<u>\$ 113,340</u>	<u>\$ 7,671,022</u>

**Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances - Budget and Actual  
All Governmental Fund Types and Expendable Trust Funds  
For the Fiscal Year Ended June 30, 1999**

	Governmental Fund Types		
	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<b>Revenues:</b>			
Taxes	\$ 20,649,290	\$ 20,649,290	\$ -
Intergovernmental	20,733,400	20,760,045	26,645
Interest	423,257	489,293	66,036
Tuition and fees	180,596	183,996	3,400
Extracurricular activities	-	-	-
Miscellaneous	24,431	25,260	829
Total revenues	42,010,974	42,107,884	96,910
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	20,203,436	20,195,422	8,014
Special	3,226,629	3,221,693	4,936
Vocational	799,982	798,406	1,576
Adult/continuing	-	-	-
Other	18,444	18,444	-
<b>Support services:</b>			
Pupils	2,047,692	2,045,612	2,080
Instructional staff	1,633,195	1,631,971	1,224
Board of education	196,474	194,192	2,282
Administration	3,020,567	3,018,885	1,682
Fiscal	863,888	860,235	3,653
Business	758,348	757,143	1,205
Operation and maintenance of plant	4,017,822	4,013,625	4,197
Pupil transportation	1,486,730	1,485,375	1,355
Central	286,886	284,993	1,893
Operation of non-instructional services	-	-	-
Extracurricular activities	539,305	539,230	75
Capital outlay	11,922	11,922	-
<b>Debt service:</b>			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	39,111,320	39,077,148	34,172
Excess of revenues over (under) expenditures	2,899,654	3,030,736	131,082
<b>Other financing sources (uses):</b>			
Proceeds from sale of fixed assets	5,883	5,883	-
Refund of prior year expenditures	28,855	28,855	-
Refund of prior year receipts	-	-	-
Pass through	-	-	-
Advances in	96,006	96,006	-
Advances out	(560,193)	(560,193)	-
Operating transfers in	35,575	35,575	-
Operating transfers out	(98,752)	(98,752)	-
Total other financing sources (uses)	(492,626)	(492,626)	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	2,407,028	2,538,110	131,082
Fund balances at beginning of year	3,763,805	3,763,805	-
Prior year encumbrances appropriated	670,395	670,395	-
Fund balances at end of year	\$ 6,841,228	\$ 6,972,310	\$ 131,082

See accompanying notes to the general purpose financial statements

Governmental Fund Types

Special Revenue Funds			Debt Service Funds		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 991,762	\$ 991,762	\$ -
4,528,682	3,890,329	(638,353)	65,658	65,658	-
-	-	-	-	-	-
-	-	-	-	-	-
196,879	198,025	1,146	-	-	-
70,537	71,880	1,343	-	-	-
<u>4,796,098</u>	<u>4,160,234</u>	<u>(635,864)</u>	<u>1,057,420</u>	<u>1,057,420</u>	<u>-</u>
1,019,594	900,258	119,336	-	-	-
1,696,897	1,365,198	331,699	-	-	-
17,069	16,411	658	-	-	-
-	-	-	-	-	-
64	-	64	-	-	-
57,669	48,556	9,113	-	-	-
1,169,603	868,552	301,051	-	-	-
-	-	-	-	-	-
30,697	27,096	3,601	-	-	-
28,374	25,767	2,607	10,202	10,202	-
-	-	-	-	-	-
45,122	45,122	-	-	-	-
8,177	5,523	2,654	-	-	-
152,262	131,950	20,312	-	-	-
736,510	676,720	59,790	-	-	-
233,979	209,564	24,415	-	-	-
-	-	-	-	-	-
-	-	-	460,000	460,000	-
-	-	-	549,725	549,725	-
<u>5,196,017</u>	<u>4,320,717</u>	<u>875,300</u>	<u>1,019,927</u>	<u>1,019,927</u>	<u>-</u>
<u>(399,919)</u>	<u>(160,483)</u>	<u>239,436</u>	<u>37,493</u>	<u>37,493</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
(17,829)	(17,829)	-	-	-	-
(4,080)	(4,002)	78	-	-	-
38,368	38,368	-	-	-	-
(76,035)	(76,035)	-	-	-	-
32,073	32,073	-	-	-	-
(32,073)	(32,073)	-	-	-	-
<u>(59,576)</u>	<u>(59,498)</u>	<u>78</u>	<u>-</u>	<u>-</u>	<u>-</u>
(459,495)	(219,981)	239,514	37,493	37,493	-
566,077	566,077	-	394,249	394,249	-
240,060	240,060	-	-	-	-
<u>\$ 346,642</u>	<u>\$ 586,156</u>	<u>\$ 239,514</u>	<u>\$ 431,742</u>	<u>\$ 431,742</u>	<u>\$ -</u>

(Continued)

**NEWARK CITY SCHOOL DISTRICT**  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances - Budget and Actual**  
**All Governmental Fund Types and Expendable Trust Funds**  
**For the Fiscal Year Ended June 30, 1999 - (Continued)**

	Governmental Fund Types		
	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes	\$ 1,564,357	\$ 1,364,658	\$ (199,699)
Intergovernmental	1,224,162	1,088,080	(136,082)
Interest	-	-	-
Tuition and fees	-	-	-
Extracurricular activities	-	-	-
Miscellaneous	-	-	-
Total revenues	2,788,519	2,452,738	(335,781)
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	1,129,430	1,056,021	73,409
Special	-	-	-
Vocational	8,796	8,796	-
Adult/continuing	-	-	-
Other	-	-	-
Support services:			
Pupils	-	-	-
Instructional staff	121,186	117,625	3,561
Board of education	-	-	-
Administration	95	95	-
Fiscal	35,015	35,015	-
Business	579	579	-
Operation and maintenance of plant	2,280	2,280	-
Pupil transportation	156,473	156,473	-
Central	122,532	122,503	29
Operation of non-instructional services	-	-	-
Extracurricular activities	-	-	-
Capital outlay	2,361,696	2,361,696	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	3,938,082	3,861,083	76,999
Excess of revenues over (under) expenditures	(1,149,563)	(1,408,345)	(258,782)
<b>Other financing sources (uses):</b>			
Proceeds from sale of fixed assets	-	-	-
Refund of prior year expenditures	-	-	-
Refund of prior year receipts	-	-	-
Pass through	-	-	-
Advances in	453,481	453,481	-
Advances out	(12,684)	(12,684)	-
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	440,797	440,797	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(708,766)	(967,548)	(258,782)
Fund balances at beginning of year	129,250	129,250	-
Prior year encumbrances appropriated	921,902	921,902	-
Fund balances at end of year	\$ 342,386	\$ 83,604	\$ (258,782)

See accompanying notes to the general purpose financial statements

Fiduciary Fund Types			Totals (Memorandum Only)		
Expendable Trust Fund					
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 23,205,409	\$ 23,005,710	\$ (199,699)
1,632	1,632	-	26,553,534	25,805,744	(747,790)
1,397	1,517	120	424,654	490,810	66,156
-	-	-	180,596	183,996	3,400
13,955	14,200	245	210,834	212,225	1,391
70,791	60,874	(9,917)	165,759	158,014	(7,745)
87,775	78,223	(9,552)	50,740,786	49,856,499	(884,287)
10,235	10,467	(232)	22,362,695	22,162,168	200,527
-	-	-	4,923,526	4,586,891	336,635
-	-	-	825,847	823,613	2,234
-	-	-	-	-	-
-	-	-	18,508	18,444	64
-	-	-	2,105,361	2,094,168	11,193
26,504	24,674	1,830	2,950,488	2,642,822	307,666
-	-	-	196,474	194,192	2,282
-	-	-	3,051,359	3,046,076	5,283
-	-	-	937,479	931,219	6,260
-	-	-	758,927	757,722	1,205
-	-	-	4,065,224	4,061,027	4,197
-	-	-	1,651,380	1,647,371	4,009
-	-	-	561,680	539,446	22,234
55,391	57,955	(2,564)	791,901	734,675	57,226
-	-	-	773,284	748,794	24,490
24,000	48,000	(24,000)	2,397,618	2,421,618	(24,000)
-	-	-	460,000	460,000	-
-	-	-	549,725	549,725	-
116,130	141,096	(24,966)	49,381,476	48,419,971	961,505
(28,355)	(62,873)	(34,518)	1,359,310	1,436,528	77,218
-	-	-	5,883	5,883	-
-	-	-	28,855	28,855	-
-	-	-	(17,829)	(17,829)	-
-	-	-	(4,080)	(4,002)	78
10,000	10,000	-	597,855	597,855	-
-	-	-	(648,912)	(648,912)	-
-	-	-	67,648	67,648	-
-	-	-	(130,825)	(130,825)	-
10,000	10,000	-	(101,405)	(101,327)	78
(18,355)	(52,873)	(34,518)	1,257,905	1,335,201	77,296
99,767	99,767	-	4,953,148	4,953,148	-
4,971	4,971	-	1,837,328	1,837,328	-
\$ 86,383	\$ 51,865	\$ (34,518)	\$ 8,048,381	\$ 8,125,677	\$ 77,296

**Newark City School District**  
**Combined Statement of Revenues,**  
**Expenses and Changes in Retained Earnings**  
**All Proprietary Fund Types and Non-Expendable Trust Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Proprietary Fund Types		Fiduciary Fund Types	Totals (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
<u>Operating revenues:</u>				
Tuition	\$ 585	\$ -	\$ -	\$ 585
Sales	994,245	-	-	994,245
Charges for services	-	-	-	-
Other operating revenues	6,108	3,347	-	9,455
Total operating revenue	1,000,938	3,347	-	1,004,285
<u>Operating expenses:</u>				
Salaries	594,492	-	-	594,492
Fringe benefits	277,028	-	-	277,028
Purchased services	34,701	-	-	34,701
Materials and supplies	135,118	-	-	135,118
Cost of sales	974,377	-	-	974,377
Depreciation	14,986	-	-	14,986
Claims	-	-	-	-
Other operating expenses	34,699	109,851	700	145,250
Total operating expenses	2,065,401	109,851	700	2,175,952
Operating income (loss)	(1,064,463)	(106,504)	(700)	(1,171,667)
<u>Non-operating revenues:</u>				
Federal donated commodities	114,464	-	-	114,464
Operating grants	801,770	-	-	801,770
Miscellaneous	-	32,857	-	32,857
Interest	35,834	-	644	36,478
Total non-operating revenues	952,068	32,857	644	985,569
Income before operating transfers	(112,395)	(73,647)	(56)	(186,098)
Operating transfers in	-	63,177	-	63,177
Net income (loss)	(112,395)	(10,470)	(56)	(122,921)
Retained earnings at beginning of year, as restated	868,270	(149,382)	11,493	730,381
Retained earnings at end of year	\$ 755,875	\$ (159,852)	\$ 11,437	\$ 607,460

See accompanying notes to the general purpose financial statements

**Newark City School District**  
**Combined Statement of Cash Flows**  
**All Proprietary Fund Types and Non-Expendable Trust Funds**  
**For the Year Ended June 30, 1999**

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Internal Service	Non-Expendable Trust	
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 985,894	\$ -	\$ -	\$ 985,894
Cash received from other operating sources	6,093	11,793	-	17,886
Cash received from quasi-external transactions with other funds	-	-	-	-
Cash payments to suppliers for goods and services	(1,017,223)	-	-	(1,017,223)
Cash payments to employees for services	(584,881)	-	-	(584,881)
Cash payments for employee benefits	(211,350)	-	-	(211,350)
Cash payments for claims	-	(96,034)	-	(96,034)
Cash payments for other operating expenses	(34,699)	(12,996)	(700)	(48,395)
Net cash provided by (used for) operating activities	(856,166)	(97,237)	(700)	(954,103)
<b>Cash flows from noncapital financing activities:</b>				
Operating grants	800,835	-	-	800,835
Miscellaneous	-	32,857	-	32,857
Advances in	58,344	63,177	-	121,521
Advances out	(6,730)	(556)	-	(7,286)
Net cash provided by noncapital financing activities	852,449	95,478	-	947,927
<b>Cash flows from capital financing activities:</b>				
Acquisition of capital assets	(29,450)	-	-	(29,450)
<b>Cash flows from investing activities:</b>				
Interest on investments	35,834	-	644	36,478
Purchase of investments	-	-	-	-
Net cash provided by (used for) investing activities	35,834	-	644	36,478
Net increase (decrease) in cash and cash equivalents	2,667	(1,759)	(56)	852
Cash and cash equivalents at beginning of year	879,556	8,317	11,493	899,366
Cash and cash equivalents at end of year	\$ 882,223	\$ 6,558	\$ 11,437	\$ 900,218
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	(1,064,463)	(106,504)	(700)	\$ (1,171,667)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>				
Depreciation	14,986	-	-	14,986
Federal donated commodities	114,464	-	-	114,464
<b>Change in assets and liabilities:</b>				
(Increase) decrease in assets:				
Inventory	15,939	-	-	15,939
Accounts receivable	(8,951)	8,446	-	(505)
Increase (decrease) in liabilities:				
Accounts payable	10,467	821	-	11,288
Accrued wages	(20,111)	-	-	(20,111)
Compensated absences payable	(992)	-	-	(992)
Intergovernmental payable	93,238	-	-	93,238
Claims payable	-	-	-	-
Deferred revenue	(10,743)	-	-	(10,743)
Total adjustments	208,297	9,267	-	217,564
Net cash provided by (used for) operating activities	\$ (856,166)	\$ (97,237)	\$ (700)	\$ (954,103)

See accompanying notes to the general purpose financial statements

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

### **NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

The Newark City School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. The Board controls the School District's 28 instructional/support facilities (11 buildings at campus style high school), 1 administrative building, and 1 transportation/maintenance/warehouse building compound staffed by 328 non-certificated employees and 508 certificated full time teaching personnel, and thirty eight administrators, who provide services to 7,674 students and other community members.

### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting entity for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board 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 School District's significant accounting policies are described below.

#### **A. Reporting Entity**

The reporting entity is composed 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 Newark City School District, this includes general operations, food service, preschool 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 organizations' 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 organizations' 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.

Within the boundaries of the Newark City School District, Saint Francis Elementary, Blessed Sacrament Elementary, and Newark Catholic High School are operated through the Columbus Catholic Diocese; Par Excellence and Montessori are operated as private schools. State legislation provides funding to these parochial and private schools. The School District receives the money and then disburses the money as directed by the parochial/private schools. The accounting for the moneys is reflected in a special revenue fund of the School District. The School District does not have any component units.

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

The School District is associated with the Licking Area Computer Association, Licking County Joint Vocational School and the Newark Public Library, which are defined as jointly governed organizations. Jointly governed organizations are governed by representatives from each of the governments that create the organizations, but there is no ongoing financial interest or responsibility by the participating governments. Information regarding these organizations is presented in Note 15 and 22.

### **B. Basis of Presentation - Fund Accounting**

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

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special 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 expendable available financial resources.

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

#### **Governmental Fund Types:**

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

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

**Special Revenue Funds** - The special revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to 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 debt 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).

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### **Proprietary Fund Types:**

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

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

*Internal Service Funds* - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis.

### **Fiduciary 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. These 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.

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

### **C. Measurement Focus and Basis of Accounting**

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

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

All proprietary 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 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. The available period for the School District is sixty days after year end.

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

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 at the end of the current fiscal year, and delinquent property taxes, whose availability is indeterminable and which are intended to finance the subsequent fiscal year 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. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. 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 funds. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred. There were no unbilled service charges receivable at year end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

## *Newark City School District*

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### D. Budgetary Data

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

#### 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 Licking County Budget Commission for rate determination.

#### Estimated Resources:

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

#### Appropriations:

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

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

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

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. Under Ohio law advances are not required to be budgeted.

### 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.

### Lapsing of Appropriations:

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

### E. Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Equity in pooled cash and cash equivalents in all funds and also as Restricted Equity in pooled cash and cash equivalents in the General Fund.

Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments" was implemented during FY 1998. In accordance with this statement, investments held at June 30, 1999 with original maturities greater than one year are stated at fair value. Fair Value is estimated based on quoted market prices at fiscal year end. All investments not required to be reported at fair value are stated at cost or amortized cost.

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

### F. Inventory

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds was not significant at the end of the current fiscal period. Inventories of proprietary funds consist of donated food, purchased food, and supplies held for resale and are expensed when used.

### G. Fixed Assets and Depreciation

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

Assets in the general fixed assets account group are not depreciated. Depreciation of equipment in the proprietary fund types is computed using the straight line method over an estimated useful life of five to twenty years.

### H. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval of the Superintendent of Public Instruction. The balance in the budget stabilization reserve is now \$563,151. A fund balance reserve has also been established. See Note 20 for the calculation of the year-end restricted asset balance and the corresponding fund balance reserve.

### I. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis and entitlements, are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred and all other grant requirements have been met. 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 became measurable.

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

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
- State Equity Program

### Non-Reimbursable Grants

#### Special Revenue Funds

- Auxiliary Services
- Career Development
- Disadvantaged Pupil Impact Aid
- Diversity Grant
- Drug Free Schools
- Educational Management Information System
- Goals 2000
- Instructional Material Subsidy
- Learn and Serve America
- Library Automation
- Parent Mentor
- Professional Development Block Grant
- Public School Preschool
- Raising the Bar
- School Net Technology and Learning Center
- School To Work
- Schools on the Move
- Title I
- Title II
- Title VI
- Title VI-B
- Venture Capital

### Capital Projects

- School Net
- School Net Plus
- Emergency Building Repairs
- Technology Equity

### Reimbursable Grants

#### General Fund

- Driver Education Reimbursement

#### Proprietary Funds

- National School Lunch Program
- National School Breakfast Program
- Government Donated Commodities

Grants and entitlements amounted to approximately fifty-three percent of the School District's operating revenue during the current fiscal year.

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

### **J. Short-term Interfund Assets/Liabilities**

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.

### **K. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee's 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. 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, years of employment in the district 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 90% liability for accumulated unused sick leave for employees after twenty years of current service, 35% liability for accumulated unused sick leave for employees after ten years of current service and 5% liability for accumulated unused sick leave for employees after five years of current service.

Accumulated vacation and sick leave of employees paid from governmental funds has been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources. The balance of the liability is recorded in the general long-term debt account group. Vacation and sick leave for employees paid from proprietary funds are recorded as an expense and liability of the fund.

### **L. 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. Bonds and capital leases are reported as a liability of the general long-term obligations account group until due.

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

### **M. Interfund Transactions**

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

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

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

### **N. Fund Balance Reserves**

The School District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations for expenditures. 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 and debt service.

### **O. 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.

### **P. 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.

## **NOTE 3 - 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 Expendable Trust Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/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 enterprise funds (GAAP basis).

**Newark City School District**

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

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).

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements for All Governmental Fund Types and Expendable trust fund.

	<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>				
	<i>General</i>	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>	<i>Expendable Trust</i>
<i>GAAP Basis</i>	\$ 6,650,579	\$ (123,010)	\$ 52,393	\$ (71,729)	\$ 10,511
<i>Revenue Accruals</i>	(2,968,211)	146,152	(14,900)	448,881	(565)
<i>Expenditure Accruals</i>	832,308	97,081	-	126,902	(62,819)
<i>Encumbrances (Budget Basis)</i>					
<i>Outstanding at year end</i>	(1,976,566)	(340,204)	-	(1,471,602)	
<i>Budget Basis</i>	<u>\$ 2,538,110</u>	<u>\$ (219,981)</u>	<u>\$ 37,493</u>	<u>\$ (967,548)</u>	<u>\$ (52,875)</u>

**NOTE 4 - 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 moneys. Interim moneys are those moneys 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 pass book accounts. Interim moneys may be invested in the following obligations provided they mature or are redeemable within five years from the date of settlement:

1. United States treasury bills, notes, bonds, or any other obligations or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;

## ***Newark City School District***

### **Notes to the General Purpose Financial Statements**

For the fiscal year ended June 30, 1999

2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements for a period not to exceed thirty days in securities listed above that mature within five years from the date of settlement;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in item (1) or (2) above 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); and
7. Certain bankers' acceptances and commercial paper notes in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

Protection of the 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 moneys deposited with the institution.

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.

#### **Deposits:**

At year-end, the carrying amount of the School District's deposits was \$1,253,822, and the bank balance was \$2,295,021. Of the bank balance, \$100,000 was covered by federal depository insurance and \$195,021 was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School District's name and 2,000,000 was insured with a surety bond as allowed by Ohio Revised Code.

#### **Investments:**

GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that the School District's investments be classified in categories of risk. 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 for which the securities 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.

Interest is legally required to be placed in the General fund; the Food Service enterprise fund; the Special Trust fund and the Fletcher Trust Endowment fund. Interest revenue credited to the General fund, the Food Service enterprise fund, the Special Trust fund, and the Fletcher Trust Endowment fund during the fiscal year 1999 amounted to \$502,281, \$35,834, \$1,517 and \$644. The General fund and Food Service

**Newark City School District**  
Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

enterprise fund interest respectively includes \$127,532, and \$1,826 assigned from other School District funds.

The District has invested funds in STAR Ohio during 1999. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 1999.

	Category		Fair
	2	3	Value
<u>Categorized Investments</u>			
Repurchase Agreements	\$ -	357,172	357,172
US Government Securities	5,407,329	-	5,407,329
Total Categorized	<u>\$ 5,407,329</u>	<u>357,172</u>	<u>5,764,501</u>
<u>Noncategorized Investments</u>			
State Treasurer's Pool			<u>4,780,992</u>
Total Investments			<u>\$ 10,545,493</u>

**NOTE 5 - 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 listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at eighty-eight percent of true value (with certain exceptions) and on real property at thirty-five 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 twenty-five percent of true value.

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

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

## Newark City School District

### Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property and public utility taxes, which became measurable as of June 30. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current 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 was \$1,294,200 in the general fund, \$102,700 in the Permanent Improvement Fund and \$38,100 in the Bond Retirement Fund and is recognized as revenue.

There were no new levies passed during the current fiscal year. The assessed values upon which the current fiscal year taxes were collected are:

---

<i>Property Category</i>	<i>1998 Assessed Value</i>	<i>1997 Assessed Value</i>
<i>Real Property</i>		
<i>Residential and Agricultural</i>	\$ 367,296,400	\$ 353,764,710
<i>Commercial and Industrial</i>	119,793,230	114,956,810
<i>Public Utilities</i>	329,880	323,960
<i>Tangible Personal Property</i>		
<i>General</i>	59,310,510	60,571,730
<i>Public Utilities</i>	39,243,900	39,180,720
<i>Total</i>	<u>\$ 585,973,920</u>	<u>\$ 568,797,930</u>

---

#### **NOTE 6 - INCOME TAXES**

The School District levies a voted tax of 1 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 1998, and will continue for five years. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

#### **NOTE 7 - RECEIVABLES**

Receivables at year end consisted of taxes, accounts (tuition and excess costs), interfund and intergovernmental grants and entitlements. 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 year guarantee of federal funds. The enterprise fund's intergovernmental receivable at June 30, consisted of \$110,914.

**Newark City School District**  
Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

**NOTE 8 - FIXED ASSETS**

A summary of the enterprise funds' fixed assets at year end follows:

<i>Classification</i>	<i>Balance</i>
<i>Equipment</i>	285,970
<i>Less: accumulated depreciation</i>	<u>(87,994)</u>
<i>Net Fixed Assets</i>	<u>\$ 197,976</u>

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

<i>Classification</i>	<i>Balance</i>		<i>Additions</i>	<i>Deletions</i>	<i>Balance</i>	
	<i>July 1</i>				<i>June 30</i>	
<i>Land and Land Improvements</i>	\$ 931,174	\$ 45,970	\$ -	\$ -	\$ 977,144	
<i>Buildings</i>	19,701,886	783,843	-	-	20,485,729	
<i>Furniture and Equipment</i>	4,506,366	1,186,871	-	-	5,693,237	
<i>Vehicles</i>	2,046,750	98,859	147,281	-	1,998,328	
<i>Construction in Progress</i>	<u>-</u>	<u>30,292</u>	<u>-</u>	<u>-</u>	<u>30,292</u>	
<i>Total</i>	<u>\$ 27,186,176</u>	<u>\$ 2,145,835</u>	<u>\$ 147,281</u>	<u>\$ -</u>	<u>\$ 29,184,730</u>	

In 1999 the school's fixed asset policy was revised. The capitalization threshold was increased from \$500 to \$1,000. This decreased the beginning balance of general fixed assets from \$28,204,266 to \$27,186,176. This change significantly reduced the number of fixed assets maintained by the district for accounting purposes. For additional information see Note 22.

**NOTE 9 - 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. These risks are covered by commercial insurance purchased from independent third parties. There have been no settlements paid in excess of insurance nor has insurance coverage been significantly reduced in the past three years.

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.

## ***Newark City School District***

Notes to the General Purpose Financial Statements

For the fiscal year ended June 30, 1999

### **NOTE 10 - DEFINED BENEFIT PENSION PLANS**

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

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides 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 North Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute nine percent of their annual covered salary and the School District is required to contribute an actuarially determined rate of fourteen percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to the statutory maximum amounts, by the SERS Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$810,232, \$876,792, and \$847,896, respectively; fifty percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$592,867 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.

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

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer defined benefit pension plan. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3307 of the Ohio Revised Code. STRS 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 State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary and the School District is required to contribute an actuarially determined rate of fourteen percent of annual covered payroll. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of ten percent for members and fourteen percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$3,394,857, \$3,316,260, and \$3,216,324, respectively; eighty-three percent has been contributed for fiscal year 1999 and 100 percent for the fiscal years 1998 and 1997. \$552,897 representing the unpaid contribution for fiscal year 1999 is recorded as a liability within the respective funds.

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### **NOTE 11 - POSTEMPLOYMENT BENEFITS**

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System (STRS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Benefit provisions and the obligations to contribute are established by the STRS based on authority granted by State statute. Most benefit recipients are required to 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 fourteen percent of covered payroll. The retirement board currently allocates employer contributions equal to eight percent of covered payroll to the Health Care Reserve Fund from which payments for health care benefits are paid. For the School District this amount equaled \$1,939,918 during the 1999 fiscal year. The balance in the Health Care Reserve Fund for the STRS was \$2,156 million at June 30, 1998, (latest information available). For the year ended June 30, 1998, the net health care costs paid by the STRS were \$219,224,000 and eligible benefit recipients totaled 91,999.

For the School Employees Retirement System (SERS), coverage is made available to service retirees with ten or more years of qualifying service credit, 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 seventy-five percent of the premium. For this fiscal year, employer contributions to fund health care benefits were 4.98 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to fourteen percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1998, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the fourteen percent contribution rate, provides for maintenance of the asset target level for the health care fund. For the School District, the amount of employer contributions used to fund health care equaled \$288,211, which includes a surcharge of \$64,818 during the 1999 fiscal year.

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 125% of annual health care expenses. Expenses for health care at June 30, 1998, (latest information available) were \$111,900,575 and the target level was \$139.9 million. At June 30, 1998, the SERS's net assets available for payment of health care benefits was \$160.3 million, at cost. The number of participants receiving health care benefits was approximately 50,000.

**Newark City School District**  
Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

**NOTE 12 - INTERFUND TRANSACTIONS**

Interfund balances at year end consist of the following individual fund receivables and payables:

General	Special Trust	10,000
General	Uniform School Supplies	222,597
General	Special Rotary	746
General	Other Grant	6,420
General	Self-Insurance	164,740
General	Vocational Ed. Equipment	4,978
General	Emergency building repair	115,936
General	Title II	3,834
General	Drug free school	1,527
General	Title VI	12,566
General	SchoolNet	210
General	Miscellaneous Federal Grant	13,811
	<b>Total</b>	<b>\$ 889,932</b>

**NOTE 13 - LONG TERM DEBT**

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

	<i>Balance July 1</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance June 30</i>
<b><u>General Long-Term Debt</u></b>				
<b><u>Bonds</u></b>				
Energy Conservation Bonds, 6.743%, maturing on December 1, 2000	550,000	-	170,000	380,000
Energy Conservation Bonds, 5.904%, maturing on March 1, 2002	410,000	-	95,000	315,000
Library Improvement Bonds, 5.137% maturing on December 1, 2022	<u>7,569,928</u>	-	<u>195,000</u>	<u>7,374,928</u>
<i>Total Bonds</i>	<u>8,529,928</u>	-	<u>460,000</u>	<u>8,069,928</u>
<b><u>Other Obligations</u></b>				
Long-term compensated absences	1,838,384	47,925	-	1,886,309
Early retirement incentive obligation	83,333	800,000	83,333	800,000
Employer pension obligations	<u>269,238</u>	<u>328,389</u>	<u>269,238</u>	<u>328,389</u>
<i>Total Other Obligations</i>	<u>2,190,955</u>	<u>1,176,314</u>	<u>352,571</u>	<u>3,014,698</u>
<b>Total General Long-Term Debt</b>	<b>\$ 10,720,883</b>	<b>\$ 1,176,314</b>	<b>\$ 812,571</b>	<b>\$ 11,084,626</b>

**Newark City School District**  
Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

The annual requirements to amortize all bonds and notes outstanding as of year-end including interest payments of \$5,606,060 are as follows:

	<i>Energy Conservation Bonds</i>	<i>Library Improvement Bonds</i>	<i>Total Bonded Debt</i>
2000	\$ 417,185	\$ 445,665	\$ 862,850
2001	318,143	543,670	861,813
2002	115,940	540,063	656,003
2003	-	540,930	540,930
2004	-	541,211	541,211
Thereafter	-	<u>10,213,181</u>	<u>10,213,181</u>
<b>Total</b>	<u>\$ 851,268</u>	<u>\$ 12,824,720</u>	<u>\$ 13,675,988</u>

The Energy Conservation Bonds Payable and the Library Improvement Bonds Payable will be paid from the Bond Retirement Debt Service Fund. Compensated absences and employer pension due to the School Employees Retirement System will be paid from the fund from which the person is paid.

**NOTE 14 – TAX ANTICIPATION NOTE**

Ohio Revised code allows for the issuance of tax anticipation notes with a maximum maturity not exceeding five years. The District issued \$2,800,000 of Income Tax Anticipation Notes at an interest rate of 4.6% on April 8, 1998. These notes are reflected as a liability of the General Fund and will be retired with tax revenues over the next five years with the final payment due in fiscal year 2004.

**NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS**

Licking Area Computer Association (LACA) is the computer service organization or Data Acquisition Site (DAS) used by the School District. LACA is an association of public school districts in a geographic area determined by the Ohio Department of Education. The Licking County Educational Service Center acts as the fiscal agent for the consortium. The purpose of the consortium is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All Districts in the consortium are required to pay fees, charges, and assessments as charged. LACA is governed by a board made up of superintendents from all of the participating districts. An elected Executive Board consisting of five members of the governing board is the managerial body of the consortium and meets on a monthly basis. The School District does not maintain an ongoing financial interest or an ongoing financial responsibility. Payments to LACA are made from the general fund. During the current fiscal year the School District contributed \$103,763 to LACA.

The Licking County Joint Vocational School (JVS) is a distinct political subdivision of the State of Ohio, which provides vocational education for students. The JVS is operated under the direction of a Board consisting of three representatives from the Licking County Educational Service Center, two representatives from Newark City Schools, one representative from the Heath City Schools, and one representative from the Granville Exempted Village Schools elected boards. The JVS possesses its own budgeting and taxing authority.

## ***Newark City School District***

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### **NOTE 16 - CONTINGENCIES**

#### **A. Grants:**

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

#### **B. Litigation:**

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

#### **C. Other Contingencies:**

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 the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 1999, the School District received \$18,348,690 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature 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 Ohio Supreme Court has stayed the decision of the Court of Common Pleas in Perry County, 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 School District is unable to determine what effect, if any, this decision will have on its future State funding under this Program and on its financial operations.

#### **D. Other Contingencies:**

On November 3, 1998 voters repealed two property tax levies originally approved by voters in 1988 and 1993. The District estimates that it will lose approximately \$5,000,000 in property tax revenue as a result of this repeal. The full effect of the repeal will take place in fiscal year 2001.

**Newark City School District**  
Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

**NOTE 17 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The School District maintains three enterprise funds to account for the operations of food service, uniform school supplies programs and rotary special services. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30.

<i>Description</i>	<i>Food Service</i>	<i>Uniform School Supply</i>	<i>Rotary Special Services</i>	<i>Total</i>
<i>Operating revenues</i>	\$ 977,570	\$ 14,773	\$ 8,595	\$ 1,000,938
<i>Depreciation expense</i>	14,986	-	-	14,986
<i>Operating loss</i>	(1,049,975)	(9,371)	(5,117)	(1,064,463)
<i>Operating grants</i>	801,770	-	-	801,770
<i>Donated commodities</i>	114,464	-	-	114,464
<i>Operating transfers in</i>	-	-	-	-
<i>Net income (loss)</i>	(97,907)	(9,371)	(5,117)	(112,395)
<i>Fixed asset additions</i>	29,450	-	-	29,450
<i>Net working capital</i>	658,221	(124,628)	24,306	557,899
<i>Total assets</i>	1,081,513	106,105	24,306	1,211,924
<i>Compensated absences payable</i>	-	-	-	-
<i>Total equity</i>	856,197	(124,628)	24,306	755,875
<i>Encumbrances outstanding (budget basis) at June 30, 1999</i>	\$ 43,604	\$ 46,322	\$ 601	\$ 90,527

**NOTE 18 - FUND DEFICITS**

As of June 30, 1999, several funds had deficit fund balances/retained earnings. These deficits were caused by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The following funds had deficits at year end:

<i>Special Revenue</i>	
<i>Management Information Systems</i>	\$ 21,421
<i>Disadvantaged Pupil Impact Aid</i>	66,803
<i>Job Training Partnership</i>	2,481
<i>Title I</i>	17,352
<i>Title VI</i>	7,802
<i>Title VI-B</i>	29,373
<i>EHA Preschool Grant</i>	2,283
<i>Capital Projects</i>	
<i>Emergency Repair</i>	19,957

## Newark City School District

Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

### NOTE 19 - CONSTRUCTION COMMITMENTS

The School District is in the process of constructing a new 8-room school building to increase space at Kettering Intermediate. Estimated cost of the project is \$513,000. The construction is a commitment of the Permanent Improvement fund. The district has several other small projects under way that are not material to these financial statements. As of June 30, 1999, the School District has recorded construction in progress of \$30,292.

### NOTE 20 - STATUTORY RESERVES

The School District is required by State statute to annually set aside monies for the purchase of textbooks and other instructional materials, and for capital improvements. The amounts set-aside may be reduced by offset credits, which are monies received and restricted for the same specific purpose. Qualifying expenditures and offset-credits may only be used to reduce the current year set-aside requirement and may not be carried forward to reduce subsequent year requirements. Amounts not spent by year end or reduced by offset credits must be held in cash at year end and carried forward to be used for the same purposes in future years.

Amounts are also to be set aside for budget stabilization if the School District's revenues increase three percent or more from the prior year.

During the fiscal year ended June 30, 1999, the reserve activity was as follows:

---

	<i>Textbook Reserve</i>	<i>Capital Maintenance Reserve</i>	<i>Budget Stabilization Reserve</i>
<i>Balance, July 1, 1998</i>	\$ -	\$ -	\$ 264,425
<i>Required Set-Aside</i>	597,453	597,453	298,726
<i>Offset Credits</i>	-	-	-
<i>Qualifying Expenditures</i>	(597,453)	(597,453)	-
<i>Balance, June 30, 1999</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 563,151</u>

---

### NOTE 21 - RELATED ORGANIZATION

#### **Newark Public Library**

The Newark Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. A Board of Trustees appointed by the Newark City School District Board of Education governs the Library. 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 serves as the taxing authority and may issue tax-related debt on behalf of the Library, its role is limited to an administrative function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. The Library is not considered part of the School District, and its operations are not included within the accompanying financial statements.

**Newark City School District**  
Notes to the General Purpose Financial Statements  
For the fiscal year ended June 30, 1999

**NOTE 22 – PRIOR PERIOD ADJUSTMENTS**

In 1999 the school's fixed asset policy was revised. The capitalization threshold was increased from \$500 to \$1,000. This decreased the beginning balance of general fixed assets from \$28,204,266 to \$27,186,176. This change significantly reduced the number of fixed assets maintained by the district for accounting purposes.

An error in proper classification of the \$2.8 million tax anticipation note resulted in a restatement of beginning fund balance for the general fund and the general long-term debt account group. The tax anticipation note was listed as a liability for the long-term debt account group when in fact it should have been listed as a liability of the general fund.

The general long-term debt account group also required a restatement due to the not including \$7,569,928 of G.O. bonds issued by the District for the Newark Public Library in 1998. The District issued bonds for the construction of a new library that was approved by the voters in 1997.

Several other errors in accounting in the general fund, special revenue funds, capital project funds and enterprise funds in the prior year affecting the current year required the fund balance/retained earnings to be restated. The majority of the errors were related to advances between funds. These advances have been restated as interfund payables and are accounted for correctly in this report. The restatements are as follows:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>General Fixed Asset Account Group</u>	<u>General Long-Term De Account Gro</u>
Fund balance as previously stated, 6/30/98	\$ 940,612	\$ 635,077	\$ 1,103,471	\$ 882,325		
Account balance as previously stated, 6/30/98					28,204,266	5,950,000
Restatement	<u>(1,958,440)</u>	<u>(76,036)</u>	<u>(12,684)</u>	<u>(14,055)</u>	<u>(1,018,090)</u>	<u>4,769,000</u>
Restated July 1, 1998	\$ (1,017,828)	\$ 559,041	\$ 1,090,787	\$ 868,270	\$ 27,186,176	\$ 10,720,000

**NOTE 23 – EMPLOYEE BENEFITS**

**A. Compensated Absences**

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 240 days for certified employees, 260 days for certified and classified administrators and unlimited for classified employees. Upon retirement, payment is made for 25 percent of accrued, but unused sick leave credit to a maximum of up to 50 days for all employees.

**B. Life Insurance**

The School District provides life insurance and accidental death and dismemberment insurance to employees through CoreSource.

**C. Retirement Incentive**

The School District Board of Education offered a Retirement Incentive program until June 30, 1999. Participation was open to all certified teachers and all administrators qualified for retirement per the retirement systems. Individuals must notify the board by June 30 of the year of retirement. The Board will pay the employee \$20,000 the January following the retirement. Retirement incentive payments have been classified and are reflected as debt service expenditures in the general purpose financial statements for governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

**Newark City School District**  
Required Supplementary Information  
For the fiscal year ended June 30, 1999

**YEAR 2000 ISSUES**

The year 2000 is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the School District's operations.

The School District has completed an inventory of computer systems and other equipment necessary to conducting District operations and has identified such systems as being financial reporting, payroll and employee benefits, equipment inventory and education management information reporting. The District's High School Campus has a heating system that utilizes a computerized energy management system.

The District has received assurances from the manufacturer of the computerized energy management system attached to the High School heating system that the system is Y2K compliant, but if problems arose the system can be taken offline and the heating system run manually.

The School District uses the State of Ohio Uniform School Accounting System (USAS) for financial reporting, the Uniform Staff Payroll System (USPS) for payroll and employee benefits, the Equipment Inventory System (EIS) for equipment and vehicle inventory and the Education Management and Information System (EMIS) for educational statistics reporting. The State of Ohio distributes a substantial sum of money to the School 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 School District through EMIS. The State is responsible for remediating these systems and all costs associated with it.

Licking County collects property taxes for distribution to the School District. Licking County is responsible for remediating the tax collection system and all costs associated with it.

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 School District is or will be Year 2000 ready, that the School District's remediation efforts will be successful in whole or in part, or that parties with whom the School District does business will be year 2000 ready.

***Combining, Individual Fund &  
Account Group  
Financial Statements & Schedules***

## ***General Fund***

The General Fund is used to account for resources traditionally associated with a school district which are not required legally or by sound financial management to be accounted for in another fund. These activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration.

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - General Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes	\$ 20,649,290	\$ 20,649,290	\$ -
Intergovernmental	20,733,400	20,760,045	26,645
Interest	423,257	489,293	66,036
Tuition and fees	180,596	183,996	3,400
Extracurricular activities	-	-	-
Miscellaneous	24,431	25,260	829
<b>Total revenues</b>	<b>42,010,974</b>	<b>42,107,884</b>	<b>96,910</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and wages	15,653,483	15,653,483	-
Fringe benefits	3,268,896	3,264,591	4,305
Purchased services	286,834	285,713	1,121
Materials and supplies	899,125	896,668	2,457
Capital outlay - new	83,516	83,461	55
Capital outlay - replacement	9,556	9,555	1
Other	2,026	1,951	75
<b>Total regular</b>	<b>20,203,436</b>	<b>20,195,422</b>	<b>8,014</b>
<b>Special:</b>			
Salaries and wages	2,513,932	2,513,933	(1)
Fringe benefits	507,089	506,260	829
Purchased services	175,829	171,788	4,041
Materials and supplies	26,392	26,326	66
Capital outlay - new	2,787	2,786	1
Other	600	600	-
<b>Total special</b>	<b>3,226,629</b>	<b>3,221,693</b>	<b>4,936</b>
<b>Vocational:</b>			
Salaries and wages	623,941	623,941	-
Fringe benefits	125,140	124,987	153
Purchased services	9,089	9,089	-
Materials and supplies	31,327	29,904	1,423
Capital outlay - new	5,025	5,025	-
Capital outlay - replacement	5,460	5,460	-
Other	-	-	-
<b>Total vocational</b>	<b>799,982</b>	<b>798,406</b>	<b>1,576</b>
<b>Other:</b>			
Salaries and wages	15,847	15,847	-
Fringe benefits	2,597	2,597	-
Purchased services	-	-	-
Other	-	-	-
<b>Total other</b>	<b>18,444</b>	<b>18,444</b>	<b>-</b>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - General Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Support services:			
Pupils:			
Salaries and wages	1,547,499	1,547,499	-
Fringe benefits	329,245	328,445	800
Purchased services	97,859	97,359	500
Materials and supplies	39,097	38,325	772
Capital outlay - new	21,438	21,430	8
Capital outlay - replacement	12,554	12,554	-
Total pupils	<u>2,047,692</u>	<u>2,045,612</u>	<u>2,080</u>
Instructional staff:			
Salaries and wages	1,132,675	1,132,675	-
Fringe benefits	381,867	380,797	1,070
Purchased services	36,227	36,182	45
Materials and supplies	75,342	75,233	109
Capital outlay - new	1,849	1,849	-
Capital outlay - replacement	5,235	5,235	-
Other	-	-	-
Total instructional staff	<u>1,633,195</u>	<u>1,631,971</u>	<u>1,224</u>
Board of education:			
Salaries and wages	5,520	5,520	-
Fringe benefits	2,702	2,702	-
Purchased services	173,960	171,678	2,282
Materials and supplies	2,025	2,025	-
Other	12,267	12,267	-
Total board of education	<u>196,474</u>	<u>194,192</u>	<u>2,282</u>
Administration:			
Salaries and wages	2,231,194	2,231,194	-
Fringe benefits	625,589	624,284	1,305
Purchased services	45,778	45,594	184
Materials and supplies	9,512	9,320	192
Capital outlay - new	9,865	9,864	1
Capital outlay - replacement	97,046	97,046	-
Other	1,583	1,583	-
Total administration	<u>3,020,567</u>	<u>3,018,885</u>	<u>1,682</u>
Fiscal:			
Salaries and wages	320,748	319,287	1,461
Fringe benefits	85,313	85,004	309
Purchased services	19,897	18,963	934
Materials and supplies	14,256	13,999	257
Capital outlay - new	13,494	13,492	2
Capital outlay - replacement	920	920	-
Other	409,260	408,570	690
Total fiscal	<u>863,888</u>	<u>860,235</u>	<u>3,653</u>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - General Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Business:</b>			
Salaries and wages	238,447	238,447	-
Fringe benefits	71,955	71,749	206
Purchased services	366,255	365,755	500
Materials and supplies	76,928	76,929	(1)
Capital outlay - new	1,495	995	500
Capital outlay - replacement	3,238	3,238	-
Other	30	30	-
<b>Total business</b>	<b>758,348</b>	<b>757,143</b>	<b>1,205</b>
<b>Operation and maintenance of plant:</b>			
Salaries and wages	1,747,235	1,747,235	-
Fringe benefits	487,701	486,706	995
Purchased services	1,383,746	1,380,878	2,868
Materials and supplies	348,476	348,142	334
Capital outlay - new	31,805	31,805	-
Capital outlay - replacement	17,711	17,711	-
Other	1,148	1,148	-
<b>Total operation and maintenance of pla</b>	<b>4,017,822</b>	<b>4,013,625</b>	<b>4,197</b>
<b>Pupil transportation:</b>			
Salaries and wages	858,560	858,560	-
Fringe benefits	207,611	207,612	(1)
Purchased services	97,901	97,493	408
Materials and supplies	221,429	220,573	856
Capital outlay - new	23,938	23,938	-
Capital outlay - replacement	75,308	75,308	-
Other	1,983	1,891	92
<b>Total pupil transportation</b>	<b>1,486,730</b>	<b>1,485,375</b>	<b>1,355</b>
<b>Central:</b>			
Salaries and wages	63,148	63,148	-
Fringe benefits	20,682	20,617	65
Purchased services	179,891	178,062	1,829
Materials and supplies	17,267	17,268	(1)
Capital outlay - new	5,898	5,898	-
<b>Total central</b>	<b>286,886</b>	<b>284,993</b>	<b>1,893</b>
<b>Extracurricular activities:</b>			
<b>Academic and subject oriented activities:</b>			
Salaries and wages	77,070	77,070	-
Fringe benefits	13,601	13,588	13
Purchased services	50	40	10
Materials and supplies	204	204	-
<b>Total academic and subject oriented act</b>	<b>90,925</b>	<b>90,902</b>	<b>23</b>

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Sports oriented activities:</b>			
Salaries and wages	377,141	377,141	-
Fringe benefits	70,493	70,441	52
Materials and supplies	149	149	-
<b>Total sports oriented activities</b>	<b>447,783</b>	<b>447,731</b>	<b>52</b>
<b>School and public service co-curricular activities:</b>			
Salaries and wages	518	518	-
Fringe benefits	79	79	-
<b>Total school and public service co-curricular activities</b>	<b>597</b>	<b>597</b>	<b>-</b>
<b>Total extracurricular activities</b>	<b>539,305</b>	<b>539,230</b>	<b>75</b>
<b>Capital outlay:</b>			
<b>Site improvement services:</b>			
Capital outlay - new	4,337	4,337	-
<b>Other facilities acquisition and     construction services:</b>			
Purchased services	125	125	-
Capital outlay - new	7,460	7,460	-
<b>Total other facilities acquisition and     construction services</b>	<b>7,585</b>	<b>7,585</b>	<b>-</b>
<b>Total capital outlay</b>	<b>11,922</b>	<b>11,922</b>	<b>-</b>
<b>Total expenditures</b>	<b>39,111,320</b>	<b>39,077,148</b>	<b>34,172</b>
<b>Excess of revenues under expenditures</b>	<b>2,899,654</b>	<b>3,030,736</b>	<b>131,082</b>
<b>Other financing sources (uses):</b>			
Proceeds from sale of fixed assets	5,883	5,883	-
Refund of prior year expenditures	28,855	28,855	-
Refund of prior year receipts	-	-	-
Other financing uses	-	-	-
Contingency	-	-	-
Advances in	96,006	96,006	-
Advances out	(560,193)	(560,193)	-
Operating transfers in	35,575	35,575	-
Operating transfers out	(98,752)	(98,752)	-
<b>Total other financing sources (uses)</b>	<b>(492,626)</b>	<b>(492,626)</b>	<b>-</b>
<b>Excess of revenues and other financing sources under expenditures and other financing uses</b>	<b>2,407,028</b>	<b>2,538,110</b>	<b>131,082</b>
<b>Fund balance at beginning of year</b>	<b>3,763,805</b>	<b>3,763,805</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>670,395</b>	<b>670,395</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 6,841,228</b>	<b>\$ 6,972,310</b>	<b>\$ 131,082</b>

## ***SPECIAL REVENUE FUNDS***

To account for the proceeds of specific revenue sources (other than expendable trust or for major capital projects) that are legally restricted to expenditures for specified purposes.

### **Public School Support**

To account for school site sales and expenditures for field trips, assemblies, and other activity costs approved by Board resolution.

### **Miscellaneous Grants**

To account for a number of small local grants that are restricted for specific expenditures.

### **Venture Capital Grant**

To account for monies received per Section 3307.02 of the Ohio Revised Code. The revenue is used to implement educational programs.

### **District Managed Student Activity**

To account for student activity programs which have student participation in the activity, but do not have student management of the programs.

### **Auxiliary Services**

To account for funds which provide services and materials to pupils attending non-public schools within the School District.

### **Local Professional Development**

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

### **Career Development**

To account for monies received and expended in conjunction with Vocational Education Career Development projects funded by the State of Ohio, Ohio Department of Education, Division of Vocational Education.

### **Management Information Systems**

To account for hardware and software development, or other costs associated with the requirements of the management information system.

### **Adolescent Pregnancy Program**

To account for monies received to provide financial support to programs that encourage the postponement of sexual activity among adolescents and help to prevent teenage pregnancy.

### **Disadvantaged Pupil Impact Aid**

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

### **SchoolNet Professional Development**

To account for revenues received to provide professional development programs related to technology.

## ***SPECIAL REVENUE FUNDS***

(Continued)

### Textbooks/Instructional Materials Subsidy

To account for grant monies received to be spent on purchasing new textbooks and instructional materials.

### Miscellaneous State Grants

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

### Data Communications

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

### Title II / Eisenhower Grant

To account for monies used to strengthen instruction in science, mathematics, modern foreign languages, English, the arts and computer learning.

### Title VI-B

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

### Telecommunications Act Grant Fund ("FCC E-rate")

This fund will be used to account for a federal grant, which is paid directly to the telecommunication service provider. These funds will be used to pay for telecommunication activities

### Title I

To account for federal monies used to assist the District in meeting the special needs of educationally deprived children.

### Title VI

To account for federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, in service and staff development.

### Drug Free Schools Program

To account for federal revenues which support the implementation of programs for drug abuse education and prevention.

### Preschool Grant

To account for federal monies to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool levels.

### Miscellaneous Federal Grants

To account for federal revenues received through state agencies from the federal government or directly from the federal governments which are not classified elsewhere.

**Newark City School District**  
**Combining Balance Sheet**  
**All Special Revenue Funds**  
**June 30, 1999**

	<u>Public School Support</u>	<u>Miscellaneous Grants</u>	<u>Venture Capital Grant</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>
<b>Assets:</b>					
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 62,669	\$ 31,783	\$ 29,945	\$ 115,026	\$ 206,226
Receivables:					
Intergovernmental	-	-	-	-	-
<b>Total assets</b>	<b>\$ 62,669</b>	<b>\$ 31,783</b>	<b>\$ 29,945</b>	<b>\$ 115,026</b>	<b>\$ 206,226</b>
<b>Liabilities and fund equity:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 3,000	\$ 4,656	\$ 435	\$ 15,698	\$ 68,084
Accrued wages	-	-	-	-	9,026
Compensated absences payable	-	-	-	-	-
Interfund payable	-	6,420	-	-	-
Intergovernmental payable	-	32	49	49	4,950
<b>Total liabilities</b>	<b>3,000</b>	<b>11,108</b>	<b>484</b>	<b>15,747</b>	<b>82,060</b>
<b>Fund equity:</b>					
Fund balance:					
Reserved for encumbrances	4,231	1,785	1,733	11,435	98,920
Unreserved:					
Undesignated	55,438	18,890	27,728	87,844	25,246
<b>Total fund equity</b>	<b>59,669</b>	<b>20,675</b>	<b>29,461</b>	<b>99,279</b>	<b>124,166</b>
<b>Total liabilities and fund equity</b>	<b>\$ 62,669</b>	<b>\$ 31,783</b>	<b>\$ 29,945</b>	<b>\$ 115,026</b>	<b>\$ 206,226</b>

<u>Local Professional Development</u>	<u>Career Development</u>	<u>Management Information System</u>	<u>Adolescent Pregnancy Program</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>SchoolNet Professional Development</u>	<u>Textbook/ Instructional Materials Subsidy</u>
\$ 50,214	\$ 5,506	\$ -	\$ -	\$ 1	\$ 52,020	\$ 22,061
-	-	-	-	-	-	-
<u>\$ 50,214</u>	<u>\$ 5,506</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 52,020</u>	<u>\$ 22,061</u>
\$ 1,839	\$ 195	\$ -	\$ -	\$ -	\$ 3,545	\$ 1,026
-	-	-	-	56,087	-	-
-	-	-	-	-	-	-
-	-	-	-	-	210	-
264	-	132	-	10,717	1,034	-
<u>2,103</u>	<u>195</u>	<u>132</u>	<u>-</u>	<u>66,804</u>	<u>4,789</u>	<u>1,026</u>
2,849	3,767	-	-	-	4,560	20,520
<u>45,262</u>	<u>1,544</u>	<u>(132)</u>	<u>-</u>	<u>(66,803)</u>	<u>42,671</u>	<u>515</u>
<u>48,111</u>	<u>5,311</u>	<u>(132)</u>	<u>-</u>	<u>(66,803)</u>	<u>47,231</u>	<u>21,035</u>
<u>\$ 50,214</u>	<u>\$ 5,506</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 52,020</u>	<u>\$ 22,061</u>

(Continued)

**Newark City School District**  
**Combining Balance Sheet**  
**All Special Revenue Funds**  
**June 30, 1999**

	<u>Miscellaneous State Grants</u>	<u>Data Communications</u>	<u>Title II Eisenhower</u>	<u>Title VI-B</u>	<u>Telecommunications Act Grant "E-Rate"</u>
<b>Assets:</b>					
<b>Assets:</b>					
Equity in pooled cash and cash equivalents	\$ 40,525	\$ 97	\$ 21,162	\$ 5,453	\$ 83,855
Receivables:					
Intergovernmental	-	-	-	-	-
<b>Total assets</b>	<b>\$ 40,525</b>	<b>\$ 97</b>	<b>\$ 21,162</b>	<b>\$ 5,453</b>	<b>\$ 83,855</b>
<b>Liabilities and fund equity:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 4,731	\$ -	\$ -
Accrued wages	2,520	-	-	35,096	-
Compensated absences payable	-	-	-	-	-
Interfund payable	-	-	3,834	-	-
Intergovernmental payable	144	-	1,925	7,161	-
<b>Total liabilities</b>	<b>2,664</b>	<b>-</b>	<b>10,490</b>	<b>42,257</b>	<b>-</b>
<b>Fund equity:</b>					
Fund balance:					
Reserved for encumbrances	4,680	-	7,530	161	-
Unreserved:					
Undesignated	33,181	97	3,142	(36,965)	83,855
<b>Total fund equity</b>	<b>37,861</b>	<b>97</b>	<b>10,672</b>	<b>(36,804)</b>	<b>83,855</b>
<b>Total liabilities and fund equity</b>	<b>\$ 40,525</b>	<b>\$ 97</b>	<b>\$ 21,162</b>	<b>\$ 5,453</b>	<b>\$ 83,855</b>

<u>Title I</u>	<u>Title VI</u>	<u>Drug Free Schools Program</u>	<u>Preschool Grant</u>	<u>Miscellaneous Federal Grants</u>	<u>Total All Funds</u>
\$ 128,266	\$ 12,884	\$ 13,944	\$ 1,278	\$ 43,445	\$ 926,360
-	-	-	-	-	-
<u>\$ 128,266</u>	<u>\$ 12,884</u>	<u>\$ 13,944</u>	<u>\$ 1,278</u>	<u>\$ 43,445</u>	<u>\$ 926,360</u>
\$ 7,634	\$ 12,242	\$ 957	\$ -	\$ 9,689	\$ 133,731
153,373	-	387	2,987	-	259,476
62	-	-	-	-	62
-	12,566	1,527	-	13,811	38,368
30,122	25	60	574	1,454	58,692
<u>191,191</u>	<u>24,833</u>	<u>2,931</u>	<u>3,561</u>	<u>24,954</u>	<u>490,329</u>
21,219	630	12,512	507	9,837	206,876
<u>(84,144)</u>	<u>(12,579)</u>	<u>(1,499)</u>	<u>(2,790)</u>	<u>8,654</u>	<u>229,155</u>
<u>(62,925)</u>	<u>(11,949)</u>	<u>11,013</u>	<u>(2,283)</u>	<u>18,491</u>	<u>436,031</u>
<u>\$ 128,266</u>	<u>\$ 12,884</u>	<u>\$ 13,944</u>	<u>\$ 1,278</u>	<u>\$ 43,445</u>	<u>\$ 926,360</u>

**Newark City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Public School Support	Miscellaneous Grants	Venture Capital Grant	District Managed Student Activity	Auxiliary Service
<b>Revenues:</b>					
Intergovernmental	\$ 500	\$ 78,477	\$ 75,000	\$ -	\$ 472,621
Interest	-	-	-	-	-
Extracurricular activities	16,289	-	-	181,736	-
Miscellaneous	36,343	4,950	-	30,587	-
Total revenues	<u>53,132</u>	<u>83,427</u>	<u>75,000</u>	<u>212,323</u>	<u>472,621</u>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	-	33,147	174,078	-	-
Special	-	10,991	-	-	-
Vocational	-	15,130	-	-	-
Adult/continuing	-	-	-	-	-
<b>Support services:</b>					
Pupils	-	-	8,112	-	-
Instructional staff	-	-	214	-	-
Administration	-	-	-	-	-
Fiscal	-	-	-	-	-
Operation and maintenance of plant	-	872	-	-	-
Pupil transportation	-	90	171	-	-
Central	-	-	-	-	-
Operation of non-instructional services	48,325	20,962	5,646	11,612	429,831
Extracurricular activities	-	-	-	197,653	-
Total expenditures	<u>48,325</u>	<u>81,192</u>	<u>188,221</u>	<u>209,265</u>	<u>429,831</u>
Excess of revenues over (under) expenditures	<u>4,807</u>	<u>2,235</u>	<u>(113,221)</u>	<u>3,058</u>	<u>42,790</u>
<b>Other financing sources:</b>					
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Excess of revenues and other financing sources over (under) expenditures	4,807	2,235	(113,221)	3,058	42,790
Fund balances (deficits) at beginning of year	54,862	18,440	142,682	96,221	81,300
Fund balances (deficits) at end of year	<u>\$ 59,669</u>	<u>\$ 20,675</u>	<u>\$ 29,461</u>	<u>\$ 99,279</u>	<u>\$ 124,090</u>

<u>Local Professional Development</u>	<u>Career Development</u>	<u>Management Information System</u>	<u>Adolescent Pregnancy Program</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>SchoolNet Professional Development</u>	<u>Textbook / Instructional Materials Subsidy</u>
\$ 39,155	\$ 7,000	\$ 21,289	\$ -	\$ 454,323	\$ 14,787	\$ 106,161
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>39,155</u>	<u>7,000</u>	<u>21,289</u>	<u>-</u>	<u>454,323</u>	<u>14,787</u>	<u>106,161</u>
11,873	2,434	-	485	179,850	9,554	85,126
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,412	-	-	1,162	-	-
10,423	300	-	-	153,858	13,231	-
729	-	-	-	-	-	-
-	-	21,149	-	-	-	-
-	-	-	-	47,331	-	-
-	57	-	-	-	-	-
-	-	-	-	134,307	11,938	-
-	-	-	-	-	-	-
4,002	195	-	-	-	-	-
-	-	-	-	-	-	-
<u>27,027</u>	<u>4,398</u>	<u>21,149</u>	<u>485</u>	<u>516,508</u>	<u>34,723</u>	<u>85,126</u>
<u>12,128</u>	<u>2,602</u>	<u>140</u>	<u>(485)</u>	<u>(62,185)</u>	<u>(19,936)</u>	<u>21,035</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,128	2,602	140	(485)	(62,185)	(19,936)	21,035
35,983	2,709	(272)	485	(4,618)	67,167	-
<u>\$ 48,111</u>	<u>\$ 5,311</u>	<u>\$ (132)</u>	<u>\$ -</u>	<u>\$ (66,803)</u>	<u>\$ 47,231</u>	<u>\$ - 21,035</u>

(Continued)

**Newark City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Miscellaneous State Grants	Data Communications	Title II Eisenhower	Title VI-B	Telecommunication Act Grant "E-Rate"
<b>Revenues:</b>					
Intergovernmental	\$ 40,500	\$ 25,318	\$ 31,477	\$ 278,139	\$ 83,855
Interest	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>40,500</b>	<b>25,318</b>	<b>31,477</b>	<b>278,139</b>	<b>83,855</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	10,268	50,864	38,688	-	-
Special	-	-	-	24,063	-
Vocational	-	-	-	-	-
Adult/continuing	-	-	-	-	-
<b>Support services:</b>					
Pupils	-	-	-	19,664	-
Instructional staff	29,869	-	6,234	291,101	-
Administration	-	-	-	26,335	-
Fiscal	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Operation of non-instructional services	1,310	-	2,349	-	-
Extracurricular activities	-	-	-	-	-
<b>Total expenditures</b>	<b>41,447</b>	<b>50,864</b>	<b>47,271</b>	<b>361,163</b>	<b>-</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(947)</b>	<b>(25,546)</b>	<b>(15,794)</b>	<b>(83,024)</b>	<b>83,855</b>
<b>Other financing sources:</b>					
Operating transfers in	-	-	10,994	-	-
Operating transfers out	-	-	(10,994)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of revenues and other financing sources over (under) expenditures</b>	<b>(947)</b>	<b>(25,546)</b>	<b>(15,794)</b>	<b>(83,024)</b>	<b>83,855</b>
<b>Fund balances (deficits) at beginning of year</b>	<b>38,808</b>	<b>25,643</b>	<b>26,466</b>	<b>46,220</b>	<b>-</b>
<b>Fund balances (deficits) at end of year</b>	<b>\$ 37,861</b>	<b>\$ 97</b>	<b>\$ 10,672</b>	<b>\$ (36,804)</b>	<b>\$ 83,855</b>

<u>Title I</u>	<u>Title VI</u>	<u>Drug Free Schools Program</u>	<u>Preschool Grant</u>	<u>Miscellaneous Federal Grants</u>	<u>Total All Funds</u>
\$ 1,632,455	\$ 11,637	\$ 27,223	\$ 22,396	\$ 356,224	\$ 3,778,543
-	-	-	-	-	-
-	-	-	-	-	198,025
-	-	-	-	-	71,880
<u>1,632,455</u>	<u>11,637</u>	<u>27,223</u>	<u>22,396</u>	<u>356,224</u>	<u>4,048,448</u>
-	8,944	28,718	-	208,056	842,085
1,317,310	13,256	-	2,259	(4,569)	1,363,310
-	-	-	-	-	15,130
-	-	-	-	-	-
-	-	12,051	(436)	-	41,965
218,134	15,090	10,161	22,684	119,125	890,424
-	-	-	-	1,004	28,068
4,450	-	-	-	-	25,599
-	-	-	-	-	48,203
-	-	3,308	-	39	3,665
-	-	-	-	-	146,245
18,779	6,648	8,147	-	11,306	569,111
-	-	-	-	-	197,653
<u>1,558,673</u>	<u>43,938</u>	<u>62,385</u>	<u>24,507</u>	<u>334,961</u>	<u>4,171,458</u>
<u>73,782</u>	<u>(32,301)</u>	<u>(35,162)</u>	<u>(2,111)</u>	<u>21,263</u>	<u>(123,010)</u>
-	10,075	11,004	-	-	32,073
-	(10,075)	(11,004)	-	-	(32,073)
-	-	-	-	-	-
73,782	(32,301)	(35,162)	(2,111)	21,263	(123,010)
(136,707)	20,352	46,175	(172)	(2,772)	559,041
<u>\$ (62,925)</u>	<u>\$ (11,949)</u>	<u>\$ 11,013</u>	<u>\$ (2,283)</u>	<u>\$ 18,491</u>	<u>\$ 436,031</u>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Public School Support Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 500	\$ 500	\$ -
Interest	\$ -	\$ -	\$ -
Extracurricular activities	16,143	16,289	146
Miscellaneous	37,000	36,343	(657)
<b>Total revenues</b>	<b>53,643</b>	<b>53,132</b>	<b>(511)</b>
<u>Expenditures:</u>			
Current:			
Operation of non-instructional services:			
Other operation of non-instructional services:			
Other	65,412	57,341	8,071
<b>Total other operation of non-instructional services</b>	<b>65,412</b>	<b>57,341</b>	<b>8,071</b>
<b>Total operation of non-instructional services</b>	<b>65,412</b>	<b>57,341</b>	<b>8,071</b>
<b>Total expenditures</b>	<b>65,412</b>	<b>57,341</b>	<b>8,071</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(11,769)</b>	<b>(4,209)</b>	<b>7,560</b>
<u>Other financing sources:</u>			
Operating transfers in	-	-	-
<b>Excess of revenues and other financing sources over (under) expenditures</b>	<b>(11,769)</b>	<b>(4,209)</b>	<b>7,560</b>
Fund balance at beginning of year	52,537	52,537	-
Prior year encumbrances appropriated	7,307	7,307	-
<b>Fund balance at end of year</b>	<b>\$ 48,075</b>	<b>\$ 55,635</b>	<b>\$ 7,560</b>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Miscellaneous Grants Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 87,789	\$ 81,369	\$ (6,420)
Extracurricular activities	-	-	-
Miscellaneous	4,950	4,950	-
<b>Total revenues</b>	<b>92,739</b>	<b>86,319</b>	<b>(6,420)</b>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	13,487	7,729	5,758
Materials and supplies	15,643	12,888	2,755
Capital outlay - new	24,161	12,890	11,271
Other	1,596	1,127	469
<b>Total regular</b>	<b>54,887</b>	<b>34,634</b>	<b>20,253</b>
Special:			
Materials and supplies	1,424	1,259	165
Capital outlay - new	9,924	9,732	192
<b>Total special</b>	<b>11,348</b>	<b>10,991</b>	<b>357</b>
Vocational:			
Salaries and wages	433	433	-
Fringe benefits	67	61	6
Purchased services	2,217	2,207	10
Materials and supplies	3,193	2,600	593
Other	11,159	11,110	49
<b>Total vocational</b>	<b>17,069</b>	<b>16,411</b>	<b>658</b>
Support services:			
Pupils:			
Materials and supplies	200	-	200
<b>Total pupils</b>	<b>200</b>	<b>-</b>	<b>200</b>

(continued)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Miscellaneous Grants Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation and maintenance of plant:			
Materials and supplies	872	872	-
Total operation and maintenance of plant	872	872	-
Pupil transportation:			
Purchased services	195	90	105
Total pupil transportation	195	90	105
Central:			
Capital outlay - new	32	-	32
Total central	32	-	32
Total Support services	1,299	962	337
Operation of non-instructional services:			
Community services:			
Salaries and wages	6,216	5,436	780
Fringe benefits	841	841	-
Purchased services	3,702	3,326	376
Materials and supplies	1,855	1,698	157
Other	3,491	2,896	595
Total community services	16,105	14,197	1,908
Other operation of non- instructional services:			
Fringe benefits	(74)	(74)	-
Purchased services	1,000	-	1,000
Materials and supplies	2,718	1,230	1,488
Total other operation of non- instructional services	3,644	1,156	2,488
Total operation of non-instructional services	19,749	15,353	4,396
Total expenditures	104,352	78,351	26,001

(continued)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Miscellaneous Grants Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Excess of revenues over (under) expenditures	(11,613)	7,968	19,581
<u>Other financing uses:</u>			
Refund of prior year receipts	(5,963)	(5,963)	-
Advances in	6,420	6,420	-
Advances out	(2,874)	(2,874)	-
Operating transfers out	-	-	-
Excess of revenues under expenditures and other financing uses	(14,030)	5,551	19,581
Fund balance at beginning of year	16,273	16,273	-
Prior year encumbrances appropriated	3,517	3,517	-
Fund balance at end of year	<u>\$ 5,760</u>	<u>\$ 25,341</u>	<u>\$ 19,581</u>

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Venture Capital Grant Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 75,000	\$ 75,000	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	12,761	10,180	2,581
Fringe benefits	5,127	3,820	1,307
Purchased services	79,338	75,741	3,597
Materials and supplies	69,601	54,062	15,539
Capital outlay - new	36,741	32,455	4,286
Other	4,189	3,724	465
Total regular	<u>207,757</u>	<u>179,982</u>	<u>27,775</u>
Support services:			
Pupils:			
Purchased services	253	253	-
Capital outlay - new	7,860	7,859	1
Total pupils	<u>8,113</u>	<u>8,112</u>	<u>1</u>
Instructional staff:			
Fringe benefits	214	214	-
Total instructional staff	<u>214</u>	<u>214</u>	<u>-</u>
Pupil transportation:			
Purchased services	171	171	-
Total pupil transportation	<u>171</u>	<u>171</u>	<u>-</u>
Total Support services	<u>8,498</u>	<u>8,497</u>	<u>1</u>

(continued)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Venture Capital Grant Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation of non-instructional services:			
Other operation of non-instructional services:			
Other	-	-	-
Total other operation of non-instructional services	-	-	-
Total operation of non-instructional services	-	-	-
Total expenditures	216,255	188,479	27,776
Excess of revenues under expenditures	(141,255)	(113,479)	27,776
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(5,646)	(5,646)	-
Total other financing sources (uses)	(5,646)	(5,646)	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(146,901)	(119,125)	27,776
Fund balance at beginning of year	124,059	124,059	-
Prior year encumbrances appropriated	22,843	22,843	-
Fund balance at end of year	\$ 1	\$ 27,777	\$ 27,776

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - District Managed Student Activity Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Extracurricular activities	180,736	181,736	1,000
Miscellaneous	28,587	30,587	2,000
<b>Total revenues</b>	<b>209,323</b>	<b>212,323</b>	<b>3,000</b>
<u>Expenditures:</u>			
Current:			
Operation of non-instructional services:			
Other operation of non-instructional services:			
Other	12,124	11,700	424
<b>Total other operation of non-instructional services</b>	<b>12,124</b>	<b>11,700</b>	<b>424</b>
<b>Total operation of non-instructional services</b>	<b>12,124</b>	<b>11,700</b>	<b>424</b>
Extracurricular activities:			
Academic and subject oriented activities:			
Purchased services	7,994	7,994	-
Materials and supplies	3,521	3,158	363
Other	41,600	40,024	1,576
<b>Total academic and subject oriented activities</b>	<b>53,115</b>	<b>51,176</b>	<b>1,939</b>
Occupational oriented activities:			
Other	41	41	-
<b>Total occupational oriented activities</b>	<b>41</b>	<b>41</b>	<b>-</b>
Sports oriented activities:			
Salaries and wages	7,580	7,580	-
Fringe benefits	1,148	1,148	-
Purchased services	43,266	40,889	2,377
Materials and supplies	77,248	62,276	14,972
Capital outlay - new	6,969	6,969	-
Other	20,782	19,392	1,390
<b>Total sports oriented activities</b>	<b>156,993</b>	<b>138,254</b>	<b>18,739</b>

(continued)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - District Managed Student Activity Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
School and public service co-curricular activities:			
Fringe benefits	2,540	2,540	-
Purchased services	1,836	1,346	490
Materials and supplies	4,440	3,841	599
Capital outlay - new	-	-	-
Capital outlay - replacement	-	-	-
Other	16,036	12,366	3,670
Total school and public service co-curricular activities	24,852	20,093	4,759
Total extracurricular activities	235,001	209,564	25,437
Total expenditures	247,125	221,264	25,861
Excess of revenues over (under) expenditures	(37,802)	(8,941)	28,861
<u>Other financing sources (uses):</u>			
Proceeds from sale of fixed assets	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Excess of revenues and other financing sources over (under) expenditures and other financing	(37,802)	(8,941)	28,861
Fund balance at beginning of year	73,093	73,093	-
Prior year encumbrances appropriated	23,741	23,741	-
Fund balance at end of year	\$ 59,032	\$ 87,893	\$ 28,861

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Auxiliary Services Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 472,627	\$ 472,627	\$ -
Interest	-	-	-
<b>Total revenues</b>	<b>472,627</b>	<b>472,627</b>	<b>-</b>
<u>Expenditures:</u>			
Current:			
Operation of non-instructional services:			
Community services:			
Salaries and wages	225,593	197,140	28,453
Fringe benefits	46,084	40,508	5,576
Purchased services	36,324	35,244	1,080
Materials and supplies	239,046	235,518	3,528
Capital outlay - new	32,312	32,042	270
Capital outlay - replacement	4,197	4,072	125
Other	-	-	-
<b>Total community services</b>	<b>583,556</b>	<b>544,524</b>	<b>39,032</b>
<b>Total expenditures</b>	<b>583,556</b>	<b>544,524</b>	<b>39,032</b>
Excess of revenues under expenditures	(110,929)	(71,897)	39,032
Fund balance at beginning of year	65,114	65,114	-
Prior year encumbrances appropriated	46,005	46,005	-
<b>Fund balance at end of year</b>	<b>\$ 190</b>	<b>\$ 39,222</b>	<b>\$ 39,032</b>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Local Professional Development Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 39,155	\$ 39,155	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	10,000	5,505	4,495
Fringe benefits	1,762	776	986
Purchased services	10,000	6,375	3,625
Materials and supplies	5,757	140	5,617
Other	1,000	242	758
Total regular	28,519	13,038	15,481
Support services:			
Instructional staff:			
Salaries and wages	8,000	8,000	-
Fringe benefits	2,120	2,120	-
Purchased services	2,200	1,134	1,066
Materials and supplies	1,000	369	631
Capital outlay - new	-	-	-
Capital outlay - replacement	-	-	-
Other	-	-	-
Total instructional staff	13,320	11,623	1,697
Administration:			
Purchased services	2,000	950	1,050
Total administration	2,000	950	1,050
Total expenditures	43,839	25,611	18,228
Excess of revenues under expenditures	(4,684)	13,544	18,228

(continued)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Local Professional Development Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Other financing sources (uses):</u>			
Pass through	(4,080)	(4,002)	78
Total other financing sources (uses)	(4,080)	(4,002)	78
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(8,764)	9,542	18,306
Fund balance at beginning of year	35,983	35,983	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ 27,219	\$ 45,525	\$ 18,306

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Career Development Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 7,000	\$ 7,000	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	315	315	-
Materials and supplies	6,128	5,869	259
Total regular	6,443	6,184	259
Total Instruction	6,443	6,184	259
Support services:			
Pupils:			
Purchased services	410	400	10
Materials and supplies	1,726	1,232	494
Capital outlay - new	581	100	481
Total pupils	2,717	1,732	985
Instructional staff:			
Materials and supplies	300	300	-
Total instructional staff	300	300	-
Pupil transportation:			
Purchased services	100	57	43
Total pupil transportation	100	57	43
Total Support services	3,117	2,089	1,028
Total expenditures	9,560	8,273	1,287
Excess of revenues over expenditures	(2,560)	(1,273)	1,287
<u>Other financing uses:</u>			
Advances out	-	-	-
Excess of revenues over expenditures and other financing uses	(2,560)	(1,273)	1,287
Fund balance at beginning of year	2,469	2,469	-
Prior year encumbrances appropriated	348	348	-
Fund balance at end of year	\$ 257	\$ 1,544	\$ 1,287

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Management Information Systems Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Intergovernmental	\$ 21,289	\$ 21,289	\$ -
<b>Expenditures:</b>			
Current:			
Support services:			
Fiscal:			
Salaries and wages	21,279	21,289	(10)
Total fiscal	<u>21,279</u>	<u>21,289</u>	<u>(10)</u>
Total expenditures	<u>21,279</u>	<u>21,289</u>	<u>(10)</u>
Excess of revenues over expenditures	10	-	(10)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ (10)</u>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Adolescent Pregnancy Program Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Capital outlay - new	485	485	-
Total regular	485	485	-
Total expenditures	485	485	-
Excess of revenues under expenditures	(485)	(485)	-
<u>Other financing sources:</u>			
Advances in	-	-	-
Excess of revenues and other financing sources over (under)	(485)	(485)	-
Fund balance at beginning of year	485	485	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Disadvantaged Pupil Impact Aid Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 454,323	\$ 454,323	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	123,256	123,256	-
Fringe benefits	24,165	24,165	-
Purchased services	9,875	9,875	-
Total regular	157,296	157,296	-
Support services:			
Pupils:			
Salaries and wages	98	98	-
Fringe benefits	357	357	-
Total pupils	455	455	-
Instructional staff:			
Salaries and wages	114,261	114,261	-
Fringe benefits	22,559	22,559	-
Total instructional staff	136,820	136,820	-
Operation and maintenance of plant:			
Salaries and wages	34,311	34,311	-
Fringe benefits	9,939	9,939	-
Total operation and maintenance of plant	44,250	44,250	-

(continued)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Disadvantaged Pupil Impact Aid Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Central:			
Salaries and wages	95,746	95,746	-
Fringe benefits	19,755	19,755	-
Total central	115,501	115,501	-
Total Support services	297,026	297,026	-
Total expenditures	454,322	454,322	-
Excess of revenues over expenditures	1	1	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ 1	\$ 1	\$ -

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - SchoolNet Professional Development Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 22,669	\$ 14,787	\$ (7,882)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	5,708	5,408	300
Fringe benefits	804	758	46
Materials and supplies	1,654	483	1,171
Capital outlay - new	4,041	1,993	2,048
Total regular	12,207	8,642	3,565
Total Instruction	12,207	8,642	3,565
Support services:			
Instructional staff:			
Salaries and wages	25,500	11,500	14,000
Fringe benefits	3,858	1,658	2,200
Purchased services	278	-	278
Total instructional staff	29,636	13,158	16,478

(continued)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - SchoolNet Professional Development Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Central:			
Salaries and wages	6,947	947	6,000
Fringe benefits	752	52	700
Purchased services	6,450	550	5,900
Materials and supplies	5,036	2,418	2,618
Capital outlay - new	17,544	12,482	5,062
Capital outlay - replacement	-	-	-
Other	-	-	-
<b>Total central</b>	<b>36,729</b>	<b>16,449</b>	<b>20,280</b>
<b>Total Support services</b>	<b>66,365</b>	<b>29,607</b>	<b>36,758</b>
<b>Total expenditures</b>	<b>78,572</b>	<b>38,249</b>	<b>40,323</b>
<b>Excess of revenues over expenditures</b>	<b>(55,903)</b>	<b>(23,462)</b>	<b>32,441</b>
<u>Other financing sources:</u>			
Advances in	210	210	-
<b>Total other financing sources (uses)</b>	<b>210</b>	<b>210</b>	<b>-</b>
<b>Excess of revenues and other financing sources under expenditures</b>	<b>(55,693)</b>	<b>(23,252)</b>	<b>32,441</b>
Fund balance at beginning of year	66,840	66,840	-
Prior year encumbrances appropriated	327	327	-
<b>Fund balance at end of year</b>	<b>\$ 11,474</b>	<b>\$ 43,915</b>	<b>\$ 32,441</b>

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Instructional Materials Subsidy Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 106,161	\$ 106,161	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Materials and supplies	106,161	105,646	515
Excess of revenues under expenditures	-	515	515
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 515</u>	<u>\$ 515</u>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Miscellaneous State Grants Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Intergovernmental	\$ 40,500	\$ 40,500	\$ -
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and wages	2,485	2,423	62
Fringe benefits	406	339	67
Purchased services	3,755	376	3,379
Materials and supplies	12,648	11,763	885
Other	832	-	832
<b>Total regular</b>	<b>20,126</b>	<b>14,901</b>	<b>5,225</b>
<b>Other:</b>			
Fringe benefits	64	-	64
<b>Total other</b>	<b>64</b>	<b>-</b>	<b>64</b>
<b>Total Instruction</b>	<b>20,190</b>	<b>14,901</b>	<b>5,289</b>
<b>Support services:</b>			
<b>Pupils:</b>			
Materials and supplies	45	-	45
<b>Total pupils</b>	<b>45</b>	<b>-</b>	<b>45</b>
<b>Instructional staff:</b>			
Salaries and wages	18,297	17,354	943
Fringe benefits	3,834	3,690	144
Purchased services	4,505	1,676	2,829
Materials and supplies	5,700	3,801	1,899
Capital outlay - new	4,414	3,760	654
<b>Total instructional staff</b>	<b>36,750</b>	<b>30,281</b>	<b>6,469</b>

(continued)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Miscellaneous State Grants Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation of non-instructional services:			
Community services:			
Salaries and wages	930	823	107
Fringe benefits	350	268	82
Other	220	219	1
Total community services	1,500	1,310	190
 Total operation of non-instructional services	1,500	1,310	190
 Total expenditures	58,485	46,492	11,993
Excess of revenues over expenditures	(17,985)	(5,992)	11,993
Fund balance at beginning of year	41,286	41,286	-
Fund balance at end of year	\$ 23,851	\$ 35,844	\$ 11,993

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Data Communications Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 25,318	\$ 25,318	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Capital outlay - new	50,961	50,864	97
Total regular	50,961	50,864	97
Total expenditures	50,961	50,864	97
Excess of revenues over (under) expenditures	(25,643)	(25,546)	97
<u>Other financing uses:</u>			
Advances out		-	-
Excess of revenues over expenditures and other financing uses	(25,643)	(25,546)	97
Fund balance at beginning of year	25,643	25,643	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ -	\$ 97	\$ 97

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Title II - Eisenhower Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 106,351	\$ 56,092	\$ (50,259)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	195	195	-
Fringe benefits	33	27	6
Purchased services	11,079	9,436	1,643
Materials and supplies	30,137	19,175	10,962
Capital outlay - new	23,541	21,658	1,883
Capital outlay - replacement	-	-	-
Other	-	-	-
Total regular	64,985	50,491	14,494
Total Instruction	64,985	50,491	14,494
Support services:			
Instructional staff:			
Salaries and wages	22,784	3,539	19,245
Fringe benefits	3,557	495	3,062
Purchased services	9,000	275	8,725
Total instructional staff	35,341	4,309	31,032
Total Support services	35,341	4,309	31,032

(continued)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Title II - Eisenhower Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation of non-instructional services:			
Community services:			
Materials and supplies	713	713	-
Total community services	713	713	-
Total operation of non-instructional services	713	713	-
Total expenditures	101,039	55,513	45,526
Excess of revenues over expenditures	5,312	579	(4,733)
<u>Other financing uses:</u>			
Refund of prior year receipts	(2,124)	(2,124)	-
Advances in	3,834	3,834	-
Advances out	(10,722)	(10,722)	-
Operating transfers in	10,994	10,994	-
Operating transfers out	(10,994)	(10,994)	-
Total other financing sources (uses)	(9,012)	(9,012)	-
Excess of revenues over expenditures and other uses	(3,700)	(8,433)	(4,733)
Fund balance at beginning of year	11,707	11,707	-
Prior year encumbrances appropriated	5,627	5,627	-
Fund balance at end of year	\$ 13,634	\$ 8,901	\$ (4,733)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Title VI-B Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 392,331	\$ 346,058	\$ (46,273)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Materials and supplies	7,029	6,869	160
Capital outlay - new	17,355	17,355	-
Total special	24,384	24,224	160
Total Instruction	24,384	24,224	160
Support services:			
Pupils:			
Capital outlay - new	19,664	19,664	-
Total pupils	19,664	19,664	-
Instructional staff:			
Salaries and wages	272,675	228,275	44,400
Fringe benefits	59,504	55,051	4,453
Capital outlay - new	3,175	3,175	-
Total instructional staff	335,354	286,501	48,853

(continued)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Title VI-B Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Administration:			
Salaries and wages	18,792	16,608	2,184
Fringe benefits	3,423	3,056	367
Capital outlay - new	6,482	6,482	-
<b>Total administration</b>	<b>28,697</b>	<b>26,146</b>	<b>2,551</b>
<b>Total Support services</b>	<b>383,715</b>	<b>332,311</b>	<b>51,404</b>
<b>Total expenditures</b>	<b>408,099</b>	<b>356,535</b>	<b>51,564</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(15,768)</b>	<b>(10,477)</b>	<b>5,291</b>
<u>Other financing sources (uses):</u>			
Advances in	-	-	-
Advances out	(7,431)	(7,431)	-
<b>Total other financing sources (uses)</b>	<b>(7,431)</b>	<b>(7,431)</b>	<b>-</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(23,199)</b>	<b>(17,908)</b>	<b>5,291</b>
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	23,200	23,200	-
<b>Fund balance at end of year</b>	<b>\$ 1</b>	<b>\$ 5,292</b>	<b>\$ 5,291</b>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Telecommunications Act Grant Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 83,855	\$ 83,855	\$ -
Miscellaneous	-	-	-
<b>Total revenues</b>	<b>83,855</b>	<b>83,855</b>	<b>-</b>
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries and wages	-	-	-
Fringe benefits	-	-	-
Purchased services	-	-	-
<b>Total special</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess of revenues over expenditures	83,855	83,855	-
Fund balance (deficit) at beginning of year	-	-	-
Prior year encumbrances appropriated	-	-	-
<b>Fund balance (deficit) at end of year</b>	<b>\$ 83,855</b>	<b>\$ 83,855</b>	<b>\$ -</b>

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Title I Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 2,048,091	\$ 1,632,455	\$ (415,636)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries and wages	1,094,412	847,993	246,419
Fringe benefits	239,997	178,275	61,722
Purchased services	40,584	27,629	12,955
Materials and supplies	233,121	224,423	8,698
Capital outlay - new	19,000	18,926	74
Total special	1,627,114	1,297,246	329,868
Total Instruction	1,627,114	1,297,246	329,868
Support services:			
Instructional staff:			
Salaries and wages	252,733	154,785	97,948
Fringe benefits	79,520	44,663	34,857
Purchased services	13,913	8,543	5,370
Materials and supplies	32,407	1,321	31,086
Capital outlay - new	6,000	5,030	970
Total instructional staff	384,573	214,342	170,231
Fiscal:			
Salaries and wages	4,779	3,259	1,520
Fringe benefits	1,616	519	1,097
Purchased services	-	-	-
Materials and supplies	-	-	-
Capital outlay - new	-	-	-
Capital outlay - replacement	-	-	-
Other	700	700	-
Total fiscal	7,095	4,478	2,617

(continued)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Title I Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation of non-instructional services:			
Community services:			
Salaries and wages	19,550	10,119	9,431
Fringe benefits	5,002	2,315	2,687
Purchased services	2,117	1,900	217
Materials and supplies	1,837	1,637	200
Total community services	28,506	15,971	12,535
Total operation of non-instructional services	28,506	15,971	12,535
Total expenditures	2,047,288	1,532,037	515,251
Excess of revenues under expenditures	803	100,418	99,615
<u>Other financing sources:</u>			
Advances in	-	-	-
Advances out	(45,573)	(45,573)	-
Total other financing sources (uses)	(45,573)	(45,573)	-
Excess of revenues and other financing sources under expenditures	(44,770)	54,845	99,615
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	44,770	44,770	-
Fund balance (deficit) at end of year	\$ -	\$ 99,615	\$ 99,615

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Title VI Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 77,793	\$ 27,997	\$ (49,796)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	2,280	1,119	1,161
Materials and supplies	14,936	7,825	7,111
Total regular	17,216	8,944	8,272
Special:			
Materials and supplies	15,698	15,698	-
Total special	15,698	15,698	-
Total Instruction	32,914	24,642	8,272
Support services:			
Instructional staff:			
Salaries and wages	8,000	-	8,000
Fringe benefits	1,300	-	1,300
Purchased services	4,900	1,900	3,000
Materials and supplies	15,586	13,226	2,360
Total instructional staff	29,786	15,126	14,660
Total Support services	29,786	15,126	14,660

(continued)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Title VI Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation of non-instructional services:			
Community services:			
Materials and supplies	9,235	7,218	2,017
Total community services	9,235	7,218	2,017
Total operation of non-instructional services	9,235	7,218	2,017
Total expenditures	71,935	46,986	24,949
Excess of revenues under expenditures	5,858	(18,989)	(24,847)
<u>Other financing uses:</u>			
Refund of prior year receipts	(15)	(15)	-
Advances in	12,566	12,566	-
Advances out	(4,147)	(4,147)	-
Operating transfers in	10,075	10,075	-
Operating transfers out	(10,075)	(10,075)	-
Total other financing sources (uses)	8,404	8,404	-
Excess of revenues under expenditures and other financing uses	14,262	(10,585)	(24,847)
Fund balance at beginning of year	248	248	-
Prior year encumbrances appropriated	10,349	10,349	-
Fund balance at end of year	\$ 24,859	\$ 12	\$ (24,847)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Drug Free Schools Program Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 57,152	\$ 27,223	\$ (29,929)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	22,795	17,932	4,863
Materials and supplies	15,324	12,736	2,588
Total regular	38,119	30,668	7,451
Total Instruction	38,119	30,668	7,451
Support services:			
Pupils:			
Salaries and wages	6,175	400	5,775
Fringe benefits	952	2	950
Purchased services	18,279	17,472	807
Materials and supplies	319	119	200
Total pupils	25,725	17,993	7,732
Instructional staff:			
Salaries and wages	7,525	7,450	75
Fringe benefits	2,268	2,264	4
Total instructional staff	9,793	9,714	79
Pupil transportation:			
Purchased services	7,672	5,166	2,506
Total pupil transportation	7,672	5,166	2,506
Total Support services	43,190	32,873	10,317

(continued)

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Drug Free Schools Program Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<i>Operation of non-instructional services:</i>			
<i>Community services:</i>			
Purchased services	3,760	3,760	-
Materials and supplies	5,008	4,529	479
<b>Total community services</b>	<b>8,768</b>	<b>8,289</b>	<b>479</b>
<b>Total operation of non-instructional services</b>	<b>8,768</b>	<b>8,289</b>	<b>479</b>
<b>Total expenditures</b>	<b>90,077</b>	<b>71,830</b>	<b>18,247</b>
<b>Excess of revenues under expenditures</b>	<b>(32,925)</b>	<b>(44,607)</b>	<b>(11,682)</b>
<i>Other financing sources:</i>			
Refund of prior year receipts	(3,077)	(3,077)	-
Advances in	1,527	1,527	-
Operating transfers in	11,004	11,004	-
Operating transfers out	(11,004)	(11,004)	-
<b>Total other financing uses</b>	<b>(1,550)</b>	<b>(1,550)</b>	<b>-</b>
<b>Excess of revenues and other financing sources under expenditures</b>	<b>(34,475)</b>	<b>(46,157)</b>	<b>(11,682)</b>
<b>Fund balance at beginning of year</b>	<b>44,733</b>	<b>44,733</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>1,900</b>	<b>1,900</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ 12,158</b>	<b>\$ 476</b>	<b>\$ (11,682)</b>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Preschool Grant Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 26,364	\$ 22,396	\$ (3,968)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Materials and supplies	2,818	2,760	58
Total special	2,818	2,760	58
Total Instruction	2,818	2,760	58
Support services:			
Pupils:			
Salaries and wages	130	-	130
Fringe benefits	20	-	20
Materials and supplies	600	600	-
Total pupils	750	600	150
Instructional staff:			
Salaries and wages	22,656	18,255	4,401
Fringe benefits	4,029	3,893	136
Total instructional staff	26,685	22,148	4,537
Total Support services	27,435	22,748	4,687
Total expenditures	30,253	25,508	4,745
Excess of revenues over expenditures	(3,889)	(3,112)	777
<u>Other financing uses:</u>			
Advances out	-	-	-
Excess of revenues and other financing sources over expenditures	(3,889)	(3,112)	777
Fund balance at beginning of year	3,889	3,889	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ -	\$ 777	\$ 777

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance -**  
**Budget and Actual - Miscellaneous Federal Grants Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 384,414	\$ 356,224	\$ (28,190)
Miscellaneous	-	-	-
<b>Total revenues</b>	<b>384,414</b>	<b>356,224</b>	<b>(28,190)</b>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	32,050	22,000	10,050
Fringe benefits	4,737	3,080	1,657
Purchased services	28,249	26,329	1,920
Materials and supplies	34,503	33,190	1,313
Capital outlay - new	152,704	152,695	9
Other	2,189	1,189	1,000
<b>Total regular</b>	<b>254,432</b>	<b>238,483</b>	<b>15,949</b>
Special:			
Salaries and wages	8,400	8,400	-
Fringe benefits	1,181	-	1,181
Purchased services	3,561	3,561	-
Materials and supplies	2,393	2,318	75
Capital outlay - new	-	-	-
<b>Total special</b>	<b>15,535</b>	<b>14,279</b>	<b>1,256</b>
<b>Total Instruction</b>	<b>269,967</b>	<b>252,762</b>	<b>17,205</b>
Support services:			
Instructional staff:			
Purchased services	36,606	33,605	3,001
Materials and supplies	7,868	5,778	2,090
Capital outlay - new	86,557	84,633	1,924
<b>Total instructional staff</b>	<b>131,031</b>	<b>124,016</b>	<b>7,015</b>

(continued)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Miscellaneous Federal Grants Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Pupil transportation:			
Purchased services	39	39	-
Total pupil transportation	39	39	-
Total Support services	131,070	124,055	7,015
Operation of non-instructional services:			
Community services:			
Purchased services	12,295	11,095	1,200
Materials and supplies	3,205	2,706	499
Capital outlay - new	500	500	-
Other	-	-	-
Total community services	16,000	14,301	1,699
Total operation of non-instructional services	16,000	14,301	1,699
Total expenditures	417,037	391,118	25,919
Excess of revenues under expenditures	(32,623)	(34,894)	(2,271)
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(1,004)	(1,004)	-
Advances in	13,811	13,811	-
Advances out	(5,288)	(5,288)	-
Total other financing sources (uses)	7,519	7,519	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(25,104)	(27,375)	(2,271)
Fund balance at beginning of year	1,718	1,718	-
Prior year encumbrances appropriated	49,576	49,576	-
Fund balance at end of year	\$ 26,190	\$ 23,919	\$ (2,271)

## ***Debt Service Fund***

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

### **Bond Retirement**

To account for property taxes collected for the payment of general obligation debt. Since this is the only debt service fund and the legal level of budgetary control is not greater than that presented in the General Purpose Financial Statements, no individual fund information is presented.

## ***Capital Projects Funds***

### **Permanent Improvement**

To account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary and trust funds.

### **Vocational Education Equipment**

To account for receipts and expenditures involved in upgrading equipment used for the purpose of improving the skills and knowledge of students in their planned occupations.

### **SchoolNet**

To account for monies received that are used to help the school district obtain computers and related educational technology equipment and or the necessary infrastructure for educational technology.

### **Technology Equity**

To account for monies received for technology equity funding to low-wealth School Districts for the purpose of purchasing computers and related equipment.

### **Emergency Building Repair**

To account for monies received from the state to make emergency repairs to school facilities.

**Newark City School District**  
**Combining Balance Sheet**  
**All Capital Projects Funds**  
**June 30, 1999**

	<u>Permanent Improvement</u>	<u>Vocational Education Equipment</u>	<u>SchoolNet</u>	<u>Technology Grant</u>	<u>Emergency Building Repair</u>	<u>Total All Funds</u>
<b>Assets:</b>						
Equity in pooled cash and cash equivalents	\$ 1,302,661	\$ 5,701	\$ 151,272	\$ 3,297	\$ 92,275	\$ 1,555,2
Cash and cash equivalents:						
In segregated accounts	-	-	-	-	-	
Investments:						
In segregated accounts	-	-	-	-	-	
Taxes receivables	<u>1,457,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,457,7</u>
<b>Total assets</b>	<b><u>\$ 2,760,367</u></b>	<b><u>\$ 5,701</u></b>	<b><u>\$ 151,272</u></b>	<b><u>\$ 3,297</u></b>	<b><u>\$ 92,275</u></b>	<b><u>\$ 3,012,9</u></b>
 <b>Liabilities and fund equity:</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 159,280	\$ -	\$ 24,751	\$ -	\$ -	\$ 184,0
Interfund payable	332,567	4,978	-	-	115,936	453,-
Deferred revenue	<u>1,355,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,355,0</u>
<b>Total liabilities</b>	<b><u>1,846,853</u></b>	<b><u>4,978</u></b>	<b><u>26,087</u></b>	<b><u>-</u></b>	<b><u>115,936</u></b>	<b><u>1,993,-</u></b>
<b>Fund equity:</b>						
Fund balance:						
Reserved for encumbrances	1,143,332	5,701	46,263	-	92,275	1,287,-
Unreserved:						
Undesignated	<u>(229,818)</u>	<u>(4,978)</u>	<u>78,922</u>	<u>3,297</u>	<u>(115,936)</u>	<u>(268,-</u>
<b>Total fund equity</b>	<b><u>913,514</u></b>	<b><u>723</u></b>	<b><u>125,185</u></b>	<b><u>3,297</u></b>	<b><u>(23,661)</u></b>	<b><u>1,019,-</u></b>
<b>Total liabilities and fund equity</b>	<b><u>\$ 2,760,367</u></b>	<b><u>\$ 5,701</u></b>	<b><u>\$ 151,272</u></b>	<b><u>\$ 3,297</u></b>	<b><u>\$ 92,275</u></b>	<b><u>\$ 3,012,-</u></b>

**Newark City School District**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Capital Projects Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Permanent Improvement	Vocational Education Equipment	SchoolNet	Technology Grant	Emergency Building Repair	Total All Funds
<b>Revenues:</b>						
Taxes	\$ 1,369,258	\$ -	\$ -	\$ -	\$ -	\$1,369,258
Intergovernmental	172,555	4,941	753,657	36,461	120,466	1,088,080
Interest	-	-	-	-	-	-
<b>Total revenues</b>	<b>1,541,813</b>	<b>4,941</b>	<b>753,657</b>	<b>36,461</b>	<b>120,466</b>	<b>2,457,338</b>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular	280,657	-	679,315	34,234	-	994,206
Vocational	-	3,095	-	-	-	3,095
<b>Support services:</b>						
Instructional staff	61,788	-	20,446	35,391	-	117,625
Administration	-	-	95	-	-	95
Fiscal	35,015	-	-	-	-	35,015
Business	579	-	-	-	-	579
Operation and maintenance of plant	2,299	-	-	-	-	2,299
Capital outlay	915,470	-	8,818	-	330,433	1,254,721
<b>Total expenditures</b>	<b>1,399,255</b>	<b>3,095</b>	<b>726,659</b>	<b>69,625</b>	<b>330,433</b>	<b>2,529,067</b>
Excess of revenues over (under) expenditures	142,558	1,846	26,998	(33,164)	(209,967)	(71,729)
<b>Other financing sources:</b>						
Proceeds of notes	-	-	-	-	-	-
Excess of revenues and other financing sources over (under) expenditures	142,558	1,846	26,998	(33,164)	(209,967)	(71,729)
Fund balances (deficit) at at beginning of year	770,956	(1,123)	98,187	36,461	186,306	1,090,787
Fund balances (deficit) at at beginning of year	<u>\$ 913,514</u>	<u>\$ 723</u>	<u>\$ 125,185</u>	<u>\$ 3,297</u>	<u>\$ (23,661)</u>	<u>\$1,019,058</u>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance-  
Budget and Actual - Permanent Improvement Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes	\$ 1,564,357	\$ 1,364,658	\$ (199,699)
Intergovernmental	187,723	172,555	(15,168)
<b>Total revenues</b>	<b>1,752,080</b>	<b>1,537,213</b>	<b>(214,867)</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Purchased services	129,999	129,999	-
Capital outlay - new	202,010	202,010	-
<b>Total regular</b>	<b>332,009</b>	<b>332,009</b>	<b>-</b>
<b>Support services:</b>			
<b>Instructional staff:</b>			
Capital outlay - new	61,788	61,788	-
Capital outlay - replacement	-	-	-
Other	-	-	-
<b>Total instructional staff</b>	<b>61,788</b>	<b>61,788</b>	<b>-</b>
<b>Fiscal:</b>			
Capital outlay - new	2,711	2,711	-
Capital outlay - replacement	4,638	4,638	-
Other	27,666	27,666	-
<b>Total fiscal</b>	<b>35,015</b>	<b>35,015</b>	<b>-</b>
<b>Business:</b>			
Capital outlay - new	579	579	-
Capital outlay - replacement	-	-	-
Other	-	-	-
<b>Total business</b>	<b>579</b>	<b>579</b>	<b>-</b>
<b>Operation and maintenance of plant:</b>			
Capital outlay - new	2,280	2,280	-
<b>Total operation and maintenance of plant</b>	<b>2,280</b>	<b>2,280</b>	<b>-</b>

(continued)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance-  
Budget and Actual - Permanent Improvement Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Pupil transportation:			
Capital outlay - new	11,430	11,430	-
Capital outlay - replacement	145,043	145,043	-
Total pupil transportation	<u>156,473</u>	<u>156,473</u>	<u>-</u>
Central:			
Capital outlay - new	67,871	67,842	29
Total central	<u>67,871</u>	<u>67,842</u>	<u>29</u>
Total Support services	<u>324,006</u>	<u>323,977</u>	<u>29</u>
Capital outlay:			
Facilities acquisition and construction services:			
Site improvement services:			
Capital outlay - new	27,540	27,540	-
Capital outlay - replacement	1,389,117	1,389,117	-
Other	-	-	-
Total site improvement services	<u>1,416,657</u>	<u>1,416,657</u>	<u>-</u>
Building acquisition and construction services:			
Capital outlay - new	513,513	513,513	-
Total capital outlay	<u>1,930,170</u>	<u>1,930,170</u>	<u>-</u>
Total expenditures	<u>2,586,185</u>	<u>2,586,156</u>	<u>29</u>
Excess of revenues under expenditures	(834,105)	(1,048,943)	(214,838)
<u>Other financing uses:</u>			
Advances in	332,567	332,567	-
Total other financing sources (uses)	<u>332,567</u>	<u>332,567</u>	<u>-</u>
Excess of revenues over (under) expenditures and other financing uses	(501,538)	(716,376)	(214,838)
Fund balance at beginning of year	43,136	43,136	-
Prior year encumbrances appropriated	673,289	673,289	-
Fund balance at end of year	<u>\$ 214,887</u>	<u>\$ 49</u>	<u>\$ (214,838)</u>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance-  
Budget and Actual - Vocational Education Equipment Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Intergovernmental	\$ 9,919	\$ 4,941	\$ (4,978)
<b>Expenditures:</b>			
Current:			
Instruction:			
Vocational:			
Capital outlay - new	5,701	5,701	-
Capital outlay - replacement	3,095	3,095	-
Total vocational	8,796	8,796	-
Total expenditures	8,796	8,796	-
Excess of revenues over expenditures	1,123	(3,855)	(4,978)
<b>Other financing sources (uses):</b>			
Advances in	4,978	4,978	-
Advances out	(8,980)	(8,980)	-
Operating transfers in	-	-	-
Total other financing sources (uses)	(4,002)	(4,002)	-
Excess of revenues and other financing sources under expenditures and other financing uses	(2,879)	(7,857)	(4,978)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	7,857	7,857	-
Fund balance at end of year	\$ 4,978	\$ -	\$ (4,978)

# Newark City School District

## Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual - SchoolNet Fund For the Fiscal Year Ended June 30, 1999

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Intergovernmental	\$ 753,657	\$ 753,657	\$ -
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and wages	29,388	8,000	21,388
Fringe benefits	1,170	1,120	50
Purchased services	5,426	5,426	-
Materials and supplies	90,710	89,352	1,358
Capital outlay - new	633,996	585,880	48,116
Total regular	760,690	689,778	70,912
Support services:			
Instructional staff:			
Purchased services	20,835	18,074	2,761
Materials and supplies	2,372	2,372	-
Total instructional staff	23,207	20,446	2,761
Administration:			
Purchased services	95	95	-
Total administration	95	95	-
Central:			
Purchased services	54,661	54,661	-
Total central	54,661	54,661	-
Total Support services	77,963	75,202	2,761
Capital outlay:			
Site improvement services:			
Capital outlay - new	8,818	8,818	-
Total site improvement services	8,818	8,818	-
Total capital outlay	8,818	8,818	-
Total expenditures	847,471	773,798	73,673
Excess of revenues over (under) expenditures	(93,814)	(20,141)	73,673
Fund balance at beginning of year	49,653	49,653	-
Prior year encumbrances appropriated	50,746	50,746	-
Fund balance at end of year	\$ 6,585	\$ 80,258	\$ 73,673

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance-  
Budget and Actual - Technology Grant Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Intergovernmental	\$ 36,461	\$ 36,461	\$ -
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Materials and supplies	4,876	4,036	840
Capital outlay - new	31,855	30,198	1,657
<b>Total regular</b>	<b>36,731</b>	<b>34,234</b>	<b>2,497</b>
<b>Total Instruction</b>	<b>36,731</b>	<b>34,234</b>	<b>2,497</b>
<b>Support services:</b>			
<b>Instructional staff:</b>			
Purchased services	2,500	2,500	-
Materials and supplies	3,845	3,845	-
Capital outlay - new	29,846	29,046	800
<b>Total instructional staff</b>	<b>36,191</b>	<b>35,391</b>	<b>800</b>
<b>Total Support services</b>	<b>36,191</b>	<b>35,391</b>	<b>800</b>
<b>Total expenditures</b>	<b>72,922</b>	<b>69,625</b>	<b>3,297</b>
<b>Excess of revenues under expenditures</b>	<b>(36,461)</b>	<b>(33,164)</b>	<b>3,297</b>
Fund balance at beginning of year	36,461	36,461	-
Prior year encumbrances appropriated	-	-	-
<b>Fund balance at end of year</b>	<b>\$ -</b>	<b>\$ 3,297</b>	<b>\$ 3,297</b>

**Newark City School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance-**  
**Budget and Actual - Emergency Building Repair Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Intergovernmental	\$ 236,402	\$ 120,466	\$ (115,936)
<b>Expenditures:</b>			
Capital outlay:			
Facilities acquisition and construction services:			
Building acquisition and construction services:			
Capital outlay - replacement	422,708	422,708	-
Total building acquisition and construction services	<u>422,708</u>	<u>422,708</u>	<u>-</u>
Excess of revenues under expenditures	<u>(186,306)</u>	<u>(302,242)</u>	<u>(115,936)</u>
<b>Other financing sources (uses):</b>			
Advances in	115,936	115,936	-
Advances out	(3,704)	(3,704)	-
Total other financing sources (uses)	<u>112,232</u>	<u>112,232</u>	<u>-</u>
Excess of revenues and other financing sources under expenditures and other financing uses	<u>(74,074)</u>	<u>(190,010)</u>	<u>(115,936)</u>
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	<u>190,010</u>	<u>190,010</u>	<u>-</u>
Fund balance at end of year	<u>\$ 115,936</u>	<u>\$ -</u>	<u>\$ (115,936)</u>

## ***Enterprise Funds***

### **Food Service**

To account for all revenues and expenses related to the food service operations of the School District.

### **Uniform School Supplies**

To account for the purchase and sale of school supplies as adopted by the Board of Education for resale to students of the District.

### **Rotary**

To account for income and expenses made in connection with goods and services provided by the School District. The Activities tend to be curricular in nature.

**Newark City School District**  
**Combining Balance Sheet**  
**All Enterprise Funds**  
**June 30, 1999**

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Rotary Fund</u>	<u>Total All Funds</u>
<u>Assets:</u>				
<u>Current assets:</u>				
Equity in pooled cash and cash equivalents	\$ 752,578	\$ 105,339	\$ 24,306	\$ 882,223
Receivables:				
Accounts	8,185	766	-	8,951
Intergovernmental	110,914	-	-	110,914
Interfund receivable	-	-	-	-
Inventory held for resale	-	-	-	-
Materials and supplies inventory	11,860	-	-	11,860
Total current assets	<u>883,537</u>	<u>106,105</u>	<u>24,306</u>	<u>1,013,948</u>
<u>Non-current assets:</u>				
Fixed assets	197,976	-	-	197,976
Total assets	<u>\$ 1,081,513</u>	<u>\$ 106,105</u>	<u>\$ 24,306</u>	<u>\$ 1,211,924</u>
<u>Liabilities and fund equity:</u>				
<u>Current liabilities:</u>				
Accounts payable	\$ 4,650	\$ 8,135	\$ -	\$ 12,785
Accrued wages	76,986	-	-	76,986
Interfund payable	-	222,598	-	222,598
Intergovernmental payable	134,980	-	-	134,980
Deferred revenue	8,700	-	-	8,700
Total current liabilities	<u>225,316</u>	<u>230,733</u>	<u>-</u>	<u>456,049</u>
<u>Long-term liabilities:</u>				
Compensated absences payable	-	-	-	-
Total liabilities	<u>225,316</u>	<u>230,733</u>	<u>-</u>	<u>456,049</u>
<u>Fund equity:</u>				
Retained earnings:				
Unreserved	856,197	(124,628)	24,306	755,875
Total liabilities and fund equity	<u>\$ 1,081,513</u>	<u>\$ 106,105</u>	<u>\$ 24,306</u>	<u>\$ 1,211,924</u>

**Newark City School District**  
**Combining Statement of Revenues,**  
**Expenses and Changes in Retained Earnings**  
**All Enterprise Funds**  
**For the Fiscal Year Ended June 30, 1999**

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Rotary Fund</u>	<u>Total All Funds</u>
<b><u>Operating revenues:</u></b>				
Tuition	\$ -	\$ -	\$ 585	\$ 585
Sales	977,540	14,449	2,256	994,245
Other operating revenues	30	324	5,754	6,108
<b>Total operating revenue</b>	<b>977,570</b>	<b>14,773</b>	<b>8,595</b>	<b>1,000,938</b>
<b><u>Operating expenses:</u></b>				
Salaries	591,338	-	3,154	594,492
Fringe benefits	277,028	-	-	277,028
Purchased services	34,701	-	-	34,701
Materials and supplies	103,420	24,144	7,554	135,118
Cost of sales	974,377	-	-	974,377
Depreciation	14,986	-	-	14,986
Capital outlay	-	-	-	-
Other operating expenses	31,695	-	3,004	34,699
<b>Total operating expenses</b>	<b>2,027,545</b>	<b>24,144</b>	<b>13,712</b>	<b>2,065,401</b>
<b>Operating loss</b>	<b>(1,049,975)</b>	<b>(9,371)</b>	<b>(5,117)</b>	<b>(1,064,463)</b>
<b><u>Non-operating revenues:</u></b>				
Federal donated commodities	114,464	-	-	114,464
Operating grants	801,770	-	-	801,770
Interest	35,834	-	-	35,834
<b>Total non-operating revenues</b>	<b>952,068</b>	<b>-</b>	<b>-</b>	<b>952,068</b>
<b>Net income (loss)</b>	<b>(97,907)</b>	<b>(9,371)</b>	<b>(5,117)</b>	<b>(112,395)</b>
<b>Retained earnings at beginning of year</b>	<b>954,104</b>	<b>(115,257)</b>	<b>29,423</b>	<b>868,270</b>
<b>Retained earnings at end of year</b>	<b>\$ 856,197</b>	<b>\$ (124,628)</b>	<b>\$ 24,306</b>	<b>\$ 755,875</b>

**Newark City School District**  
**Combining Statement of Cash Flows**  
**All Enterprise Funds**  
**For the Fiscal Year Ended June 30, 1999**

	Food Service	Uniform School Supplies	Rotary	Total All Funds
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 969,355	\$ 13,698	\$ 2,841	\$ 985,894
Cash received from other operating sources	30	309	5,754	6,093
Cash received from quasi-external transactions with other funds	-	-	-	-
Cash payments to suppliers for goods and services	(990,506)	(16,009)	(10,708)	(1,017,223)
Cash payments to employees for services	(584,881)	-	-	(584,881)
Cash payments for employee benefits	(211,350)	-	-	(211,350)
Cash payments for claims	-	-	-	-
Cash payments for other operating expenses	(31,695)	-	(3,004)	(34,699)
Net cash provided by (used for) operating activities	<u>(849,047)</u>	<u>(2,002)</u>	<u>(5,117)</u>	<u>(856,166)</u>
<b>Cash flows from noncapital financing activities:</b>				
Operating grants	800,835	-	-	800,835
Transfer in	-	-	-	-
Advances in	-	58,344	-	58,344
Advances out	-	(6,730)	-	(6,730)
Net cash provided by (used for) noncapital financing activities	<u>800,835</u>	<u>51,614</u>	<u>-</u>	<u>852,449</u>
<b>Cash flows from capital financing activities:</b>				
Acquisition of capital assets	(29,450)	-	-	(29,450)
Net cash provided by capital financing activities	<u>(29,450)</u>	<u>-</u>	<u>-</u>	<u>(29,450)</u>
<b>Cash flows from investing activities:</b>				
Interest on investments	35,834	-	-	35,834
Purchase of investment	-	-	-	-
Net cash provided by investing financing	<u>35,834</u>	<u>-</u>	<u>-</u>	<u>35,834</u>
Net increase (decrease) in cash and cash equivalents	(41,828)	49,612	(5,117)	2,667
Cash and cash equivalents at beginning of year	794,406	55,727	29,423	879,556
Cash and cash equivalents at end of year	<u>\$ 752,578</u>	<u>\$ 105,339</u>	<u>\$ 24,306</u>	<u>\$ 882,223</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	<u>\$ (1,049,975)</u>	<u>\$ (9,371)</u>	<u>\$ (5,117)</u>	<u>\$ (1,064,463)</u>
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b>				
Depreciation	14,986	-	-	14,986
Federal donated commodities	114,464	-	-	114,464
<b>Change in assets and liabilities:</b>				
<b>(Increase) decrease in assets:</b>				
Inventory	15,939	-	-	15,939
Accounts receivable	(8,185)	(766)	-	(8,951)
<b>Increase (decrease) in liabilities:</b>				
Accounts payable	2,332	8,135	-	10,467
Accrued wages	(20,111)	-	-	(20,111)
Compensated absences payable	(992)	-	-	(992)
Intergovernmental payable	93,238	-	-	93,238
Claims payable	-	-	-	-
Deferred revenue	(10,743)	-	-	(10,743)
Total adjustments	<u>200,928</u>	<u>7,369</u>	<u>-</u>	<u>208,297</u>
Net cash provided by (used for) operating activities	<u>\$ (849,047)</u>	<u>\$ (2,002)</u>	<u>\$ (5,117)</u>	<u>\$ (856,166)</u>

**Newark City School District**

**Schedule of Revenues, Expenses, and Changes in Fund Equity -  
Budget and Actual - Food Service Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Sales	\$ 969,355	\$ 969,355	\$ -
Interest	30,911	35,834	4,923
Other revenues	30	30	-
Operating grants	800,835	800,835	-
<b>Total revenues</b>	<b>1,801,131</b>	<b>1,806,054</b>	<b>4,923</b>
<b>Expenses:</b>			
<b>Salaries:</b>			
Food service operations	584,881	584,881	-
<b>Fringe benefits:</b>			
Food service operations	215,963	211,350	4,613
<b>Purchased services:</b>			
Food service operations	39,324	37,239	2,085
<b>Materials and supplies:</b>			
Food service operations	1,010,735	990,503	20,232
<b>Capital outlay:</b>			
Capital outlay - new:			
Food service operations	9,790	9,578	212
Capital outlay - replacement:			
Food service operations	26,360	26,240	120
<b>Other:</b>			
Food service operations	31,695	31,695	-
<b>Total expenses</b>	<b>1,918,748</b>	<b>1,891,486</b>	<b>27,262</b>
<b>Excess of revenues over expenses</b>	<b>(117,617)</b>	<b>(85,432)</b>	<b>32,185</b>
Advances out	-	-	-
Operating transfers out	-	-	-
<b>Excess of revenues over (under) expenses,     advances and operating transfers</b>	<b>(117,617)</b>	<b>(85,432)</b>	<b>32,185</b>
Fund equity at beginning of year	768,687	768,687	-
Prior year encumbrances appropriated	25,719	25,719	-
<b>Fund equity at end of year</b>	<b>\$ 676,789</b>	<b>\$ 708,974</b>	<b>\$ 32,185</b>

**Newark City School District****Schedule of Revenues, Expenses, and Changes in Fund Equity -  
Budget and Actual - Uniform School Supplies Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Sales	\$ 70,659	\$ 13,698	\$ (56,961)
Other revenues	225	309	84
Total revenues	70,884	14,007	(56,877)
<b>Expenses:</b>			
Materials and supplies:			
Regular instruction	88,286	62,034	26,252
Vocational instruction	297	297	-
Total expenses	88,583	62,331	26,252
Excess of revenues under expenses	(17,699)	(48,324)	(30,625)
Advances in	58,344	58,344	-
Advances out	(6,730)	(6,730)	-
Operating transfers in	-	-	-
Operating transfers out	(41,080)	-	41,080
Excess of revenues and operating transfers under expenses and advances	(7,165)	3,290	10,455
Fund equity at beginning of year	53,899	53,899	-
Prior year encumbrances appropriated	1,828	1,828	-
Fund equity (deficit) at end of year	\$ 48,562	\$ 59,017	\$ 10,455

**Newark City School District****Schedule of Revenues, Expenses, and Changes in Fund Equity -  
Budget and Actual - Rotary Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Tuition	585	585	-
Sales	2,256	2,256	-
Other revenues	\$ 5,684	\$ 5,754	\$ 70
<b>Total revenues</b>	<b>8,525</b>	<b>8,595</b>	<b>70</b>
<b>Expenses:</b>			
<b>Purchased Services:</b>			
Regular Instruction	3,755	3,755	-
<b>Materials and supplies:</b>			
Special Instruction	154	154	-
<b>Capital outlay:</b>			
Capital outlay - new:			
Regular Instruction	7,400	7,400	-
Instructional staff support services	-	-	-
<b>Other:</b>			
Special instruction	2,411	2,411	-
Vocational instruction	100	-	100
Other Operation of Non-Instructional Ser	593	593	-
<b>Total expenses</b>	<b>14,413</b>	<b>14,313</b>	<b>100</b>
<b>Excess of revenues over (under) expenses</b>	<b>(5,888)</b>	<b>(5,718)</b>	<b>170</b>
<b>Operating transfers in</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of revenues and operating transfers over expenses</b>	<b>(5,888)</b>	<b>(5,718)</b>	<b>170</b>
<b>Fund equity at beginning of year</b>	<b>29,423</b>	<b>29,423</b>	<b>-</b>
<b>Prior year encumbrances appropriated</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund equity at end of year</b>	<b>\$ 23,535</b>	<b>\$ 23,705</b>	<b>\$ 170</b>

## ***Internal Service Funds***

Internal service funds are used to account for the financing of goods or services provided by one fund of the School District to other funds of the School District on a cost-reimbursement basis. The title of the fund indicates the type of service provided.

### **Rotary**

To account for operations that provides goods or services to other governmental units on a cost-reimbursement basis.

### **Self-Insurance**

To account for the cost of medical benefits provided to the School District's employees. The District switched to a fully insured health plan at the beginning of this fiscal year. This fund will account for any claims incurred under the self-insured plan until all prior claims are settled.

**Newark City School District**  
**Combining Balance Sheet**  
**All Internal Service Funds**  
**June 30, 1999**

	<u>Rotary</u>	<u>Self Insurance</u>	<u>Total All Funds</u>
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 6,558	\$ -	\$ 6,558
Investments:			
In segregated accounts	-	-	-
Total assets	<u>\$ 6,588</u>	<u>\$ -</u>	<u>\$ 6,588</u>
 <u>Liabilities and fund equity:</u>			
<u>Current liabilities:</u>			
Accounts payable	\$ 954	\$ -	\$ 954
Interfund payable	746	164,740	165,486
Total current liabilities	<u>1,700</u>	<u>164,740</u>	<u>166,440</u>
<u>Long-term liabilities:</u>			
Claims payable	-	-	-
Total liabilities	<u>1,700</u>	<u>164,740</u>	<u>166,440</u>
<u>Fund equity:</u>			
Retained earnings:			
Unreserved	4,888	(164,740)	(159,852)
Total liabilities and fund equity	<u>\$ 6,588</u>	<u>\$ -</u>	<u>\$ 6,588</u>

**Newark City School District**  
**Combining Statement of Revenues,**  
**Expenses and Changes in Retained Earnings**  
**All Internal Service Funds**  
**For the Fiscal Year Ended June 30, 1999**

	<u>Rotary</u>	<u>Self Insurance</u>	<u>Total All Funds</u>
<u>Operating revenues:</u>			
Sales	-	-	-
Charges for services	-	-	-
Other operating revenues	11,823	(8,476)	3,347
Total operating revenue	<u>11,823</u>	<u>(8,476)</u>	<u>3,347</u>
<u>Operating expenses:</u>			
Purchased services	-	-	-
Materials and supplies	-	-	-
Claims	-	-	-
Other operating expenses	13,817	96,034	109,851
Total operating expenses	<u>13,817</u>	<u>96,034</u>	<u>109,851</u>
Operating (loss)	<u>(1,994)</u>	<u>(104,510)</u>	<u>(106,504)</u>
<u>Non-operating revenues:</u>			
Miscellaneous	-	32,857	32,857
Total non-operating revenues	<u>-</u>	<u>32,857</u>	<u>32,857</u>
Income before operating transfers	<u>(1,994)</u>	<u>(71,653)</u>	<u>(73,647)</u>
Operating transfers in	<u>-</u>	<u>63,177</u>	<u>63,177</u>
Net income (loss)	(1,994)	(8,476)	(10,470)
Retained earnings at beginning of year	6,882	(156,264)	(149,382)
Retained earnings at end of year	<u>\$ 4,888</u>	<u>\$ (164,740)</u>	<u>\$ (159,852)</u>

**Newark City School District**  
**Combining Statement of Cash Flows**  
**All Internal Service Funds**  
**For the Fiscal Year Ended June 30, 1999**

	<u>Rotary Fund</u>	<u>Self Insurance</u>	<u>Total All Funds</u>
<u>Cash flows from operating activities:</u>			
Cash received from other operating sources	\$ 11,793	\$ -	\$ 11,793
Cash received from quasi-external transactions with other funds		-	-
Cash payments to suppliers for goods and services		-	-
Cash payments for claims		(96,034)	(96,034)
Cash payments for other operating expenses	(12,996)	-	(12,996)
Net cash used for operating activities	<u>(1,203)</u>	<u>(96,034)</u>	<u>(97,237)</u>
<u>Cash flows from noncapital financing activities:</u>			
Miscellaneous		32,857	32,857
Advances in		63,177	63,177
Advances out	(556)	-	(556)
Net cash provided by noncapital financing activities	<u>(556)</u>	<u>96,034</u>	<u>95,478</u>
<u>Cash flows from investing activities:</u>			
Interest on investments		-	-
Purchase of investment		-	-
Net cash provided by investing financing		-	-
Net increase (decrease) in cash and cash equivalents	(1,759)	-	(1,759)
Cash and cash equivalents at beginning of year	8,317	-	8,317
Cash and cash equivalents at end of year	<u>\$ 6,558</u>	<u>\$ -</u>	<u>\$ 6,558</u>
<u>Reconciliation of operating loss to net cash used for operating activities:</u>			
Operating loss	\$ (1,994)	\$ (104,510)	\$ (106,504)
Adjustments to reconcile operating loss to net cash used for operating activities:			
Change in assets and liabilities:			
(Increase) decrease in assets:			
Inventory		-	-
Accounts receivable	(30)	8,476	8,446
Increase (decrease) in liabilities:			
Accounts payable	821	-	821
Claims payable		-	-
Total adjustments	<u>791</u>	<u>8,476</u>	<u>9,267</u>
Net cash provided by operating activities	<u>\$ (1,203)</u>	<u>\$ (96,034)</u>	<u>\$ (97,237)</u>

**Newark City School District**

**Schedule of Revenues, Expenses, and Changes in Fund Equity -**

**Budget and Actual - Rotary Fund**

**For the Fiscal Year Ended June 30, 1998**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Other revenues	11,760	11,793	33
Total revenues	11,760	11,793	33
<u>Expenses:</u>			
Other:			
Other	15,200	12,996	2,204
Total other	15,200	12,996	2,204
Total expenses	15,200	12,996	2,204
Excess of revenues under expenses	(3,440)	(1,203)	2,237
Advances in	-	-	-
Advances out	(556)	(556)	-
Excess of revenues and advances under expenses	(3,996)	(1,759)	2,237
Fund equity at beginning of year	7,735	7,735	-
Prior year encumbrances appropriated	582	582	-
Fund equity at end of year	\$ 4,321	\$ 6,558	\$ 2,237

**Newark City School District**

**Schedule of Revenues, Expenses, and Changes in Fund Equity -  
Budget and Actual - Self Insurance Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Refund of prior year expense	32,857	32,857	-
Total revenues	32,857	32,857	-
<u>Expenses:</u>			
Other:			
Central support services	96,034	96,034	-
Total other	96,034	96,034	-
Total expenses	96,034	96,034	-
Excess of revenues over (under) expenses	(63,177)	(63,177)	-
Operating transfers in	63,177	63,177	-
Excess of revenues under expenses, advances and operating transfers	-	-	-
Fund equity at beginning of year	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund equity at end of year	\$ -	\$ -	\$ -

## ***Fiduciary Funds***

### **Expendable Trust Fund**

#### **Special Trust**

To account for assets held by the School District in a trustee capacity for individuals.

### **Non-Expendable Trust Fund**

#### **Endowment**

To account for assets that have been given to the District to be set aside to earn interest that is distributed in the form of scholarships.

### **Agency Fund**

#### **Student Managed Activities**

To account for those student activity programs, which have student participation in the activity and have students involved in the management of the program.

**Newark City School District**  
**Combining Balance Sheet**  
**All Trust and Agency Funds**  
**June 30, 1999**

	<u>Expendable Trust Fund</u>	<u>Nonexpendable Trust Fund</u>	<u>Agency Funds Student Managed Activity Fund</u>	<u>Totals</u>
	<u>Special Trust</u>	<u>Endowment</u>		
<b><u>Assets and other debits:</u></b>				
<b><u>Assets:</u></b>				
Equity in pooled cash and cash equivalents	\$ 114,665	\$ 11,437	\$ 74,428	\$ 200,530
Receivables:				
Accounts	10,565	-	25	10,590
Intergovernmental	-	-	-	
Accrued interest	-	-	-	
<b>Total assets</b>	<b>\$ 125,230</b>	<b>\$ 11,437</b>	<b>\$ 74,453</b>	<b>\$ 211,120</b>
<b><u>Liabilities and fund equity:</u></b>				
<b><u>Liabilities:</u></b>				
Accounts payable	\$ 1,890		\$ 3,993	\$ 5,883
Interfund payable	10,000		-	10,000
Due to students			70,460	70,460
<b>Total liabilities</b>	<b>11,890</b>	<b>-</b>	<b>74,453</b>	<b>86,343</b>
<b><u>Fund equity:</u></b>				
<b>Fund balance:</b>				
Reserved for encumbrances	29,509			29,509
Unreserved:				
Designated:				
Undesignated	83,831	11,437	-	95,268
<b>Total fund equity and other credit</b>	<b>113,340</b>	<b>11,437</b>	<b>-</b>	<b>124,777</b>
<b>Total liabilities and fund equity</b>	<b>\$ 125,230</b>	<b>\$ 11,437</b>	<b>\$ 74,453</b>	<b>\$ 211,120</b>

# Newark City School District

## Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Special Trust Fund For the Fiscal Year Ended June 30, 1999

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 1,632	\$ 1,632	\$ -
Interest	\$ 1,397	\$ 1,517	\$ 120
Extracurricular activities	13,955	14,200	245
Miscellaneous	70,791	60,874	(9,917)
<b>Total revenues</b>	<b>87,775</b>	<b>78,223</b>	<b>(9,552)</b>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	0	0	0
Fringe benefits	0	0	0
Purchased services	370	370	0
Materials and supplies	5,265	4,862	403
Capital outlay - new	4,500	4,500	0
Other	100	100	0
<b>Total regular</b>	<b>10,235</b>	<b>9,832</b>	<b>403</b>
<b>Total Instruction</b>	<b>10,235</b>	<b>9,832</b>	<b>403</b>
Support services:			
Instructional staff:			
Salaries and wages	0	0	0
Fringe benefits	0	0	0
Purchased services	4,825	2,672	2,153
Materials and supplies	5,168	3,538	1,630
Capital outlay - new	16,436	16,436	0
Capital outlay - replacement	0	0	0
Other	75	75	0
<b>Total instructional staff</b>	<b>26,504</b>	<b>22,721</b>	<b>3,783</b>
Operation of non-instructional services:			
Community services:			
Materials and supplies	47	47	0
Capital outlay - new	27,545	27,135	410
Other	2,694	2,694	0
<b>Total community Services</b>	<b>30,286</b>	<b>29,876</b>	<b>410</b>

(continued)

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Special Trust Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Other operation of non- instructional services:			
Purchased services	883	883	0
Other	24,222	22,384	1,838
Total other operation of non- instructional services	<u>25,105</u>	<u>23,267</u>	<u>1,838</u>
Total operation of non-instructional services	<u>55,391</u>	<u>53,143</u>	<u>2,248</u>
Site improvement services:			
Capital outlay - new	24,000	24,000	0
Total site improvement services	<u>24,000</u>	<u>24,000</u>	<u>0</u>
Total capital outlay	<u>24,000</u>	<u>24,000</u>	<u>0</u>
Total expenditures	<u>116,130</u>	<u>109,696</u>	<u>6,434</u>
Excess of revenues over (under) expenditures	(28,355)	(31,473)	(3,118)
<u>Other financing sources:</u>			
Advances in	10,000	10,000	0
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Excess of revenues and other financing sources over (under) expenditures	(18,355)	(21,473)	(3,118)
Fund balance at beginning of year	99,767	99,767	-
Prior year encumbrances appropriated	4,971	4,971	0
Fund balance at end of year	<u>\$ 86,383</u>	<u>\$ 83,265</u>	<u>\$ (3,118)</u>

**Newark City School District**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Endowment Fund  
For the Fiscal Year Ended June 30, 1999**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Interest	593	644	51
Miscellaneous	0	0	0
Total revenues	<u>593</u>	<u>644</u>	<u>51</u>
<u>Expenditures:</u>			
Current:			
Community services:			
Other	700	700	0
Total community Services	<u>700</u>	<u>700</u>	<u>0</u>
Total operation of non-instructional services	<u>700</u>	<u>700</u>	<u>0</u>
Total expenditures	<u>700</u>	<u>700</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(107)</u>	<u>(56)</u>	<u>51</u>
Fund balance at beginning of year	11,493	11,493	0
Prior year encumbrances appropriated	0	0	0
Fund balance at end of year	<u>\$ 11,386</u>	<u>\$ 11,437</u>	<u>\$ 51</u>

**Newark City School District**  
**Statement of Changes in Assets and Liabilities**  
**Student Managed Activity Agency Fund**  
**For the Fiscal Year Ended June 30, 1999**

	Beginning Balance July 1, 1998	Additions	Deductions	Ending Balance June 30, 1999
<b><u>Student Managed Activity</u></b>				
<b><u>Assets:</u></b>				
Equity in pooled cash and cash equivalents	\$ 70,979	\$ 3,449	\$ -	\$ 74,428
Accounts receivable	-	25	-	25
Total assets	<u>\$ 70,979</u>	<u>\$ 3,474</u>	<u>\$ -</u>	<u>\$ 74,453</u>
<b><u>Liabilities:</u></b>				
Accounts payable	\$ -	\$ 3,993	\$ -	\$ 3,993
Due to students	70,979	3,474	3,993	70,460
Total liabilities	<u>\$ 70,979</u>	<u>\$ 7,467</u>	<u>\$ 3,993</u>	<u>\$ 74,453</u>

## ***General Fixed Asset Account Group***

The General Fixed Asset Account Group is a balanced group of accounts used to establish control and accountability for the costs of all real property and movable equipment owned by the School District other than those accounted for in the proprietary funds or trust funds.

**Newark City School District**  
**Schedule of General Fixed Assets by Source**  
**As of June 30, 1999**

General Fixed Assets:

Land and land improvements	\$ 977,144
Buildings	20,485,728
Furniture, Fixtures and equipment	5,693,238
Vehicles	1,998,328
Construction in progress	<u>30,292</u>
 Total General Fixed Assets	 <u>\$ 29,184,730</u>

Investment in General Fixed

Assets by Source:

General Fund	\$ 20,357,693
Special Revenue Funds	1,832,270
Capital Project Funds	<u>6,994,767</u>
 Total General Fixed Assets	 <u>\$ 29,184,730</u>

**Newark City School District**  
**Schedule of General Fixed Assets by Function and Activity**  
**As of June 30, 1999**

Function	Land and Land Improvements	Buildings	Furniture, Fixtures, and Equipment	Vehicles	Construction in Progress	Total
Instruction:						
Regular		\$ 212,096	\$ 3,833,924			\$ 4,046,021
Special			100,531			100,531
Vocational			61,464			61,464
Support Services:						
Pupils			63,869			63,869
Instructional Staff			563,750			563,750
Administrative			255,423			255,423
Fiscal			32,960			32,960
Business			42,761			42,761
Operation of maintenance of plant		10,307	284,768	179,513		474,588
Pupil Transportation		13,600	84,461	1,802,315		1,900,376
Central			95,054			95,054
Operation of non-instructional serv.		108,985	54,280	31,646		194,911
Extracurricular activities			28,635	16,500		45,135
Capital outlay	977,144	20,086,460	213,992		30,292	21,307,888
<b>Total General Fixed Assets</b>	<b>\$ 977,144</b>	<b>\$20,431,448</b>	<b>\$ 5,715,872</b>	<b>\$ 2,029,975</b>	<b>\$ 30,292</b>	<b>\$ 29,184,731</b>

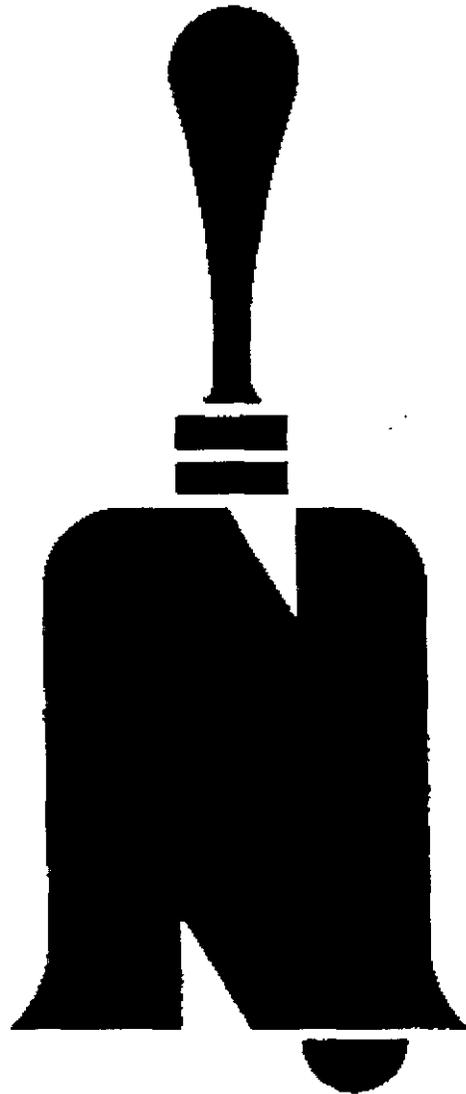
**Newark City School District**  
**Schedule of Changes in General Fixed Assets by Function**  
**For the Fiscal Year Ended June 30, 1999**

Function	Balance July 1, 1998	Additions	Deletions	Balance July 1, 1999
Instruction:				
Regular	\$ 3,370,048	\$ 675,972		\$ 4,046,021
Special	68,616	31,915		100,531
Vocational	57,308	4,156		61,464
Support Services:				
Pupils	14,702	49,167		63,869
Instructional Staff	347,870	215,880		563,750
Administrative	180,031	75,392		255,423
Fiscal	14,534	18,427		32,960
Business	40,479	2,282		42,761
Operation of maintenance of plant	442,226	32,362		474,588
Pupil Transportation	1,933,008	114,649	147,281	1,900,376
Central	66,693	28,361		95,054
Operation of non-instructional services	182,544	12,367		194,911
Extracurricular activities	39,723	5,413		45,135
Capital outlay	20,428,393	849,203		21,277,596
Construction in Progress	-	30,292	-	30,292
<b>Total General Fixed Assets</b>	<b>\$ 27,186,176</b>	<b>\$ 2,145,835</b>	<b>\$ 147,281</b>	<b>\$ 29,184,730</b>

---

STATISTICAL SECTION

NEWARK  
CITY  
SCHOOL  
DISTRICT



**Newark City School District**  
**General Fund Revenues by Source and Expenditures by Function**  
**Last Ten Fiscal Years (1)**

<b>Revenues:</b>	<b>Fiscal Year Ended June 30, 1999</b>	<b>Fiscal Year Ended June 30, 1998</b>	<b>Fiscal Year Ended June 30, 1997</b>	<b>Fiscal Year Ended June 30, 1996</b>
Taxes	\$ 23,659,721	\$ 16,829,625	\$ 15,889,980	\$ 16,633,935
Intergovernmental	20,747,861	19,231,779	18,498,470	18,412,265
Interest	502,281	429,381	456,513	420,763
Tuition and fees	205,311	125,254	124,713	115,152
Extracurricular activities	-	-	-	-
Miscellaneous	85,782	93,547	58,212	131,582
<b>Total revenues</b>	<b>\$ 45,200,956</b>	<b>\$ 36,709,586</b>	<b>\$ 35,027,888</b>	<b>\$ 35,713,697</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	\$ 20,043,214	\$ 18,673,230	\$ 18,597,170	\$ 17,606,365
Special	3,116,578	3,111,679	3,077,986	2,857,567
Vocational	796,506	750,705	801,449	889,194
Other	18,324	17,969	18,111	17,833
Support services:				
Pupils	2,034,253	1,906,907	1,639,834	1,329,445
Instructional staff	1,603,749	1,523,761	1,543,351	1,447,886
Board of education	148,382	190,098	206,643	147,947
Administration	2,987,540	2,816,199	2,875,430	2,861,570
Fiscal	886,806	672,110	653,168	633,725
Business	734,383	667,373	647,828	543,341
Operation and maint. of plant	3,877,997	3,919,391	3,893,920	3,735,255
Pupil transportation	1,422,354	1,487,210	1,323,555	1,218,975
Central	271,514	164,496	161,009	179,434
Operation of non-instructional services	2,709	-	-	-
Extracurricular activities	540,852	525,897	539,430	508,250
Capital Outlay	7,922	1,340	8,208	14,060
<b>Total Expenditures</b>	<b>\$ 38,493,083</b>	<b>\$ 36,428,365</b>	<b>\$ 35,987,092</b>	<b>\$ 33,990,847</b>

Source: School District Financial Records

(1) 1999, 1998 and 1996 reported on a GAAP basis, remaining years on a cash basis.

**Newark City School District**

**General Fund Revenues by Source and Expenditures by Function**

**Last Ten Fiscal Years (1)**

Fiscal Year Ended June 30, 1995	Fiscal Year Ended June 30, 1994	Fiscal Year Ended June 30, 1993	Fiscal Year Ended June 30, 1992	Fiscal Year Ended June 30, 1991	Fiscal Year Ended June 30, 1990
\$ 14,931,851	\$ 11,579,211	\$ 10,972,218	\$ 11,234,826	\$ 10,901,765	\$ 10,774,829
17,380,793	17,044,730	16,865,780	15,646,113	15,798,313	14,543,362
350,405	175,250	197,687	409,442	634,114	673,415
94,496	97,671	141,883	175,993	154,650	138,531
-	-	-	-	-	-
67,033	71,359	42,106	78,893	58,275	80,535
<u>\$ 32,824,577</u>	<u>\$ 28,968,221</u>	<u>\$ 28,219,674</u>	<u>\$ 27,545,267</u>	<u>\$ 27,547,117</u>	<u>\$ 26,210,671</u>
\$ 16,432,620	\$ 16,192,779	\$ 15,997,604	\$ 14,770,760	\$ 14,040,814	\$ 13,058,818
2,641,227	2,442,691	2,303,806	2,324,254	2,279,893	2,122,356
935,800	914,286	925,429	811,191	757,266	705,060
17,695	17,258	16,202	15,009	12,938	12,589
1,241,867	1,314,045	1,288,819	1,140,493	1,290,106	1,117,673
1,260,639	1,191,340	1,161,378	1,106,770	956,686	926,449
143,449	174,974	137,708	138,302	302,376	54,699
2,743,460	2,585,318	2,624,415	2,511,510	2,452,686	2,134,276
624,271	587,552	588,599	492,767	465,926	439,533
504,891	458,979	452,029	385,890	352,368	367,238
3,579,104	3,426,715	3,298,645	3,172,451	2,984,845	3,010,898
1,091,110	928,480	815,285	798,319	833,716	704,745
118,403	109,191	103,366	88,999	109,866	124,185
490,717	474,521	465,462	423,303	373,537	321,402
6,490	730	2,718	290	42,342	187,750
<u>\$ 31,831,746</u>	<u>\$ 30,818,858</u>	<u>\$ 30,181,464</u>	<u>\$ 28,180,307</u>	<u>\$ 27,255,364</u>	<u>\$ 25,287,671</u>

**Newark City School District**  
**Property Tax Levies and Collections Real, Public Utility Tax and Tangible Personal Property (1)**  
**Last Ten Calendar Years**

Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collections	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collection as a Percent of Total Levy	Delinquent Taxes Receivable
1998	\$ 20,680,453	\$ 1,787,841	\$ 22,468,294	\$ 20,363,419	98.47%	\$ 1,387,111	\$ 21,750,529	96.81%	\$ 717,765
1997	19,868,881	1,363,399	21,232,280	18,553,069	93.38%	766,138	19,321,207	91.00%	1,911,073
1996	19,348,475	1,046,280	20,394,755	18,700,500	96.65%	449,812	19,150,312	93.90%	1,244,443
1995	19,022,802	1,185,836	20,208,638	18,541,348	97.47%	630,993	19,172,341	94.87%	1,036,297
1994	18,581,194	878,991	19,560,185	17,841,342	96.02%	412,260	18,253,603	93.32%	1,306,582
1993	13,926,856	888,678	14,815,534	13,564,918	97.40%	348,153	13,913,071	93.91%	902,463
1992	13,947,969	911,729	14,859,698	13,615,787	97.82%	399,563	14,015,351	94.32%	844,347
1991	12,321,741	847,814	13,169,555	11,971,769	97.16%	410,298	12,382,067	94.02%	787,488
1990	13,850,451	827,478	14,677,929	13,477,294	97.31%	330,645	13,807,939	94.07%	869,990
1989	13,892,925	714,084	14,607,009	13,551,683	97.54%	265,052	13,816,735	94.59%	790,274

Source: Licking County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

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

(2) Represents collection year. 1999 information cannot be presented because all collections have not been made by June 30.

(3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

**Newark City School District**  
**Assessed Valuation and Estimated Actual Value of Taxable Property**  
**Last Ten Collection Years**

Collection Year	Real Property (1)		Public Utility (2)		Tangible Personal Property (3)		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1999	\$ 487,419,510	\$ 1,392,627,171	\$ 39,243,900	\$ 44,595,341	\$ 59,310,510	\$ 237,242,040	\$ 585,973,920	\$ 1,674,464,552
1998	469,045,480	1,340,129,943	39,180,720	44,523,545	60,571,730	242,286,920	568,797,930	1,626,940,408
1997	458,498,250	1,309,995,000	39,489,670	44,874,625	60,862,260	243,449,040	558,850,180	1,588,318,665
1996	407,054,230	1,163,012,086	40,906,460	46,484,614	59,988,990	239,955,960	507,949,680	1,449,452,659
1995	398,176,870	1,137,648,200	41,190,640	46,807,545	48,898,780	195,595,120	488,266,290	1,380,050,865
1994	388,652,490	1,110,435,686	40,608,850	46,146,420	52,400,810	209,603,240	481,662,150	1,366,185,346
1993	344,917,420	985,478,343	39,897,330	45,337,875	56,090,320	224,361,280	440,905,070	1,255,177,498
1992	340,014,790	971,470,829	38,874,010	44,175,011	52,321,420	209,285,680	431,210,220	1,224,931,520
1991	335,597,280	958,849,371	36,723,800	41,731,591	53,352,830	213,411,320	425,673,910	1,213,992,282
1990	308,928,720	882,653,486	31,519,160	35,817,227	53,188,680	212,754,720	393,636,560	1,131,225,433

Source: Licking County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

- (1) Real estate value is assessed at 35% of actual value.
- (2) Public utility personal is assessed at 88% of actual value, prior to 1991 it was assessed at 100% of actual value.
- (3) Tangible personal property is assessed at 25% of actual value.

**Newark City School District**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Calendar Years**

<u>Collection Year</u>	<u>School Levy</u>	<u>County Levy</u>	<u>City Levy</u>	<u>Joint Vocational School</u>	<u>Total</u>
1999	31.40	7.20	3.70	2.00	44.30
1998	49.00	7.20	3.70	2.00	61.90
1997	49.00	7.20	3.70	2.00	61.90
1996	48.00	7.20	3.70	2.00	60.90
1995	48.00	6.70	3.70	2.00	60.40
1994	48.00	7.20	3.70	2.00	60.90
1993	47.80	7.20	3.70	2.00	60.70
1992	35.90	7.20	3.20	2.80	49.10
1991	36.10	7.00	3.70	2.80	49.60
1990	41.50	7.00	3.70	2.80	55.00

Source: Licking County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

**Newark City School District**  
**Computation of Legal Debt Margin**  
**June 30, 1999**

Assessed Valuation (1999)	<u>\$ 585,973,920</u>
Bonded Debt Limit - 9% of Assessed Value (1)	52,737,653
Outstanding debt:	
Energy Conservation Bonds	695,000
Tax Anticipation Notes	2,800,000
Library Facility Notes	5,000,000
Less: Amount available in debt service fund	<u>(431,742)</u>
Total outstanding debt	<u>\$ 8,063,258</u>
Amount of debt applicable to debt limit	8,063,258
Voted Debt Margin	<u>\$ 44,674,395</u>
Bonded Debt Limit - .90% of Assessed Value (1)	\$ 5,273,765
Outstanding applicable debt:	
Energy Conservation Bonds	695,000
Total outstanding applicable debt	<u>\$ 695,000</u>
Amount of debt applicable to debt limit	695,000
Unvoted Debt Margin	<u>\$ 4,578,765</u>
Bonded Debt Limit - .10% of Assessed Value (1)	\$ 585,974
Total outstanding applicable debt	<u>\$ -</u>
Amount of debt applicable to debt limit	-
Unvoted Debt Margin	<u>\$ 585,974</u>

Source: Licking County Auditor and School District financial records

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

***Newark City School District***

**Ratio of Net General Obligation Bonded Debt to  
Assessed Value and Net General Obligation Bonded Debt Per Capita  
Last Ten Years**

<u>Collection Year</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Assessed Value</u>	<u>Population</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
1999	\$ 8,495,000.00	585,973,920	47,450 (3)	1.45%	\$ 179.03
1998	\$ 11,329,928.00	568,797,930	47,450 (3)	1.99%	\$ 238.78
1997	\$ 1,210,000.00	558,850,180	47,450 (3)	0.22%	\$ 25.50
1996	\$ 1,445,000.00	507,949,680	47,450 (3)	0.28%	\$ 30.45
1995	\$ 1,670,000.00	498,266,290	45,200 (3)	0.34%	\$ 36.95
1994	\$ 1,885,000.00	481,662,150	45,000 (3)	0.39%	\$ 41.89
1993	\$ 1,965,000.00	440,905,070	44,489 (3)	0.45%	\$ 44.17
1992	\$ 2,155,000.00	431,210,220	44,389 (3)	0.50%	\$ 48.55
1991	\$ 1,385,000.00	425,673,910	44,274 (2)	0.33%	\$ 31.28
1990	\$ 1,500,000.00	393,636,560	44,274 (2)	0.38%	\$ 33.88

**Newark City School District**

**Ratio of Annual Debt Service Expenditures for  
General Obligation Bonded Debt to Governmental Expenditures  
Last Ten Years**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Governmental Expenditures</u>	<u>Ratio of Debt Service to Governmental Expenditures (Percentages)</u>
1999	\$ 460,000	\$ 549,725	\$ 1,019,926	\$ 46,213,535	2.21%
1998	\$ 250,000	\$ 213,202	\$ 463,202	\$ 43,151,366	1.07%
1997	\$ 235,000	\$ 83,083	\$ 318,083	\$ 41,534,021	0.77%
1996	\$ 225,000	\$ 96,733	\$ 321,686	\$ 39,551,802	0.81%
1995	\$ 215,000	\$ 109,839	\$ 324,839	\$ 36,285,878	0.90%
1994	\$ 200,000	\$ 121,983	\$ 1,838,233	\$ 36,576,569	5.03%
1993	\$ 190,000	\$ 133,298	\$ 323,298	\$ 34,414,333	0.94%
1992	\$ 115,000	\$ 92,348	\$ 207,348	\$ 32,030,794	0.65%
1991	\$ 280,000	\$ 130,235	\$ 410,234	\$ 31,350,781	1.31%
1990	\$ 380,000	\$ 32,825	\$ 413,537	\$ 29,193,349	1.42%

**Newark City School District**  
**Demographic Statistics**

<u>Selected Population Characteristic</u>	<u>1990</u>	<u>1980</u>
<u>Gender</u>		
Male	20,828	19,411
Female	23,561	21,789
<u>Age Distribution</u>		
Under 5 years	3,554	3,042
5 to 20 years	9,855	9,394
21 to 24 years	2,508	4,007
25 to 44 years	13,809	10,674
45 to 54 years	4,132	4,027
55 to 64 years	3,819	4,233
65 to 74 years	3,539	3,234
75 years and older	3,173	2,569
Percent of population under 20	30.21%	30.20%
Percent of population 65 and older	15.12%	14.09%
<u>Income</u>		
Median family income	\$ 28,490	\$ 17,912
Per capita income	\$ 11,680	\$ 6,915

Source: U.S. Bureau of the Census

**Newark City School District**  
**Property Values, Bank Deposits and Construction**  
**Last Ten Years**

<u>Year</u>	<u>Total Assessed Values</u>	<u>Certified Bank Deposits(1)</u>	<u>Value of Building Permits Issued</u>
1998	\$ 585,973,920	861,662,000	\$ 32,478,869
1997	568,797,930	789,385,000	51,554,923
1996	558,850,180	711,043,000	175,928,781 (2)
1995	507,949,680	697,375,000	111,520,794 (2)
1994	498,266,290	614,663,000	132,572,296 (2)
1993	481,662,150	576,683,000	61,596,368 (2)
1992	440,905,070	569,115,000	20,824,629
1991	431,210,220	540,688,000	24,911,924
1990	425,673,910	941,136,000	9,812,866
1989	393,636,560	957,400,000	7,585,032

Source: Licking County Auditor, Federal Reserve Bank of Cleveland, City of Newark,  
 Comprehensive Annual Financial Report

Data is presented on a calendar year basis because that is the manner in which the data is maintained.

(1) In 1991 bank deposits decreased significantly due to the buyout of The Central Trust Company.

(2) Includes all of Licking County

**Newark City School District  
Principal Taxpayers**

Taxpayer	Type of Business	Assessed Valuations			Percent of Total	
		Real Property	Tangible Personal	Public Utility		
1. Owens Corning, Inc.	Manufacturing	\$ 4,229,120	\$ 16,226,640		\$ 20,455,760	3.49%
2. Ohio Power Company	Public Utility			19,039,380	19,039,380	3.25%
3. Altel Ohio, Inc.	Public Utility		9,410	10,719,210	10,728,620	1.83%
4. Holophane Lighting, Inc.	Manufacturing	1,547,480	4,202,330		5,749,790	0.98%
5. National Gas and Oil Corp.	Public Utility			5,593,450	5,593,450	0.95%
6. State Farm Mutual Auto Insurance	Insurance	5,259,420			5,259,420	0.90%
7. Columbia Gas	Public Utility			3,520,530	3,520,530	0.60%
8. Health Care Property Investors, Inc.	Real Estate	1,923,880			1,923,880	0.33%
9. Two Holdings, Inc.	Real Estate	1,686,720			1,686,720	0.29%
10. Southgate Company Limited Partnership	Real Estate	1,642,190			1,642,190	0.28%
<b>Total Top Ten Taxpayers</b>		<b>\$ 16,288,790</b>	<b>\$ 20,438,380</b>	<b>\$ 38,872,570</b>	<b>\$ 75,599,740</b>	<b>12.90%</b>
<b>Total All Assessed Valuations</b>		<b>487,419,510</b>	<b>59,310,510</b>	<b>39,243,900</b>	<b>585,973,920</b>	<b>100.00%</b>

Sources: Licking County Auditor

***Newark City School District***

**Computation of Direct and Overlapping Bonded Debt**

**June 30, 1999**

<u>Jurisdiction</u>	<u>Assessed Valuation</u>	<u>Net General Tax Supported Debt</u>	<u>Percent Overlapping</u>	<u>Amount Applicable Newark City School District</u>
Newark City School District	\$ 585,973,920	\$ 8,495,000	100.00%	\$ 8,495,000
City of Newark	562,805,780	21,568,809	96.05%	20,716,841
Licking County	2,219,324,870	16,528,833	26.40%	4,363,612

Sources: Licking County Auditor

**Newark City School District**  
**Miscellaneous Statistics**  
**Last Ten Fiscal Years**

	<u>Fiscal Year Ended June 30, 1999</u>	<u>Fiscal Year Ended June 30, 1998</u>	<u>Fiscal Year Ended June 30, 1997</u>	<u>Fiscal Year Ended June 30, 1996</u>
Fall Enrollment	7,406	7,539	7,548	7,781
Average Teacher Salary	39,528	38,215	35,118	34,191
Percent of Teachers with Bachelor Degree	61.67%	63.04%	65.28%	66.52%
Percent of Teachers with Masters Degree	38.33%	36.96%	34.72%	33.48%
Average Teacher Experience (years)	14.80	14.30	15.00	14.20
Pupil Attendance Rate	n/a	92.60	92.84	92.31
Staff Attendance Rate	n/a	95.91	95.80	95.81
Graduation Rate	n/a	75.60	63.79	61.81

Source: Ohio Department of Education and School District Records

**Newark City School District**  
**Miscellaneous Statistics**  
**Last Ten Fiscal Years**

<u>Fiscal Year Ended June 30, 1995</u>	<u>Fiscal Year Ended June 30, 1994</u>	<u>Fiscal Year Ended June 30, 1993</u>	<u>Fiscal Year Ended June 30, 1992</u>	<u>Fiscal Year Ended June 30, 1991</u>	<u>Fiscal Year Ended June 30, 1990</u>
7,826	7,967	8,109	7,976	7,866	7,741
32,931	32,020	31,933	30,332	28,892	27,657
66.09%	66.22%	77.21%	72.25%	72.63%	73.91%
33.91%	33.78%	22.79%	27.75%	26.50%	25.87%
14.10	13.90	15.20	13.90	13.70	13.90
92.89	92.99	93.86	94.97	93.18	93.78
96.03	96.46	97.55	96.82	97.19	96.18
78.21	72.01	84.10	77.04	85.50	84.34