

**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2000**



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

---

**STATE OF OHIO**



**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

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

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

To the Board of Education:

We have audited the general purpose financial statements of Nordonia Hills City School District, Summit County, (the District) as of and for the year ended June 30, 2000, and have issued our report thereon dated December 12, 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 the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated December 12, 2000.

**Internal Control Over Financial Reporting**

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

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 12, 2000.

Nordonia Hills City School District  
Summit County  
Report of Independent Accountants on Compliance and on Internal Control  
Required By *Government Auditing Standards*  
Page 2

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

**Jim Petro**  
Auditor of State

December 12, 2000



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

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

To the Board of Education:

**Compliance**

We have audited the compliance of Nordonia Hills City School District, Summit County, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2000. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with 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 occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2000.

**Internal Control Over Compliance**

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

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

#### **Schedule of Receipts and Expenditures of Federal Awards**

We have audited the general purpose financial statements of the District as of and for the year ended June 30, 2000, and have issued our report thereon dated December 12, 2000. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

**Jim Petro**  
Auditor of State

December 12, 2000



**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education - Grants to States	6BSF00	84.027	\$259,084		\$223,419	
	6BSF99		27,163		62,273	
Total Special Education - Grants to States			286,247		285,692	
Special Education - Preschool Grant	PGS100	84.173	20,452		11,488	
	PGS199				8,752	
Total Special Education - Preschool Grant			20,452		20,240	
Total Special Education Cluster			306,699		305,932	
Title I ESEA	CIS100	84.010	66,662		51,645	
	CIS199		3,099		18,074	
Total Title I ESEA			69,761		69,719	
Title II	C2S100	84.298	20,722		3,308	
	C2S199				4,489	
Total Title II			20,722		7,797	
Safe and Drug - Free Schools and Communities State Grants	DRS100	84.186	15,021		15,021	
	DRS199		1,039		4,573	
Total Safe and Drug - Free Schools and Communities - State Grants			16,060		19,594	
Raising the Bar Grants (Round 1)	TF-31 99	84.318			150,000	
Raising the Bar Grants (Round 2)	TF-31 99		100,000		100,000	
Raising the Bar Grants (Round 3)	TF-31 99		62,500		55,867	
Raising the Bar Grants (Round 4)	TF-31 99		62,500			
Total Raising the Bar Grants			225,000		305,867	
Comprehensive School Reform - 99	RF-S1 99	84.332	116,200		168,379	
Comprehensive School Reform - 00	RF-S1 99		62,500			
Total Comprehensive School Reform			178,700		168,379	
Class Size Reduction	CR-S1 00	84.340	27,560		22,449	
Eisenhower Professional Development State Grants	MSS100	84.281	9,481		9,481	
	MSS199				7,012	
Total Eisenhower Professional Development			9,481		16,493	
Total U.S. Department of Education			853,983		916,230	
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
Food Distribution Program	N/A	10.550		\$31,594		\$20,016
National School Lunch Program	03-PU-00	10.555	114,972		114,972	
National School Breakfast	05-PU-00	10.553	9,860		9,860	
Total U.S. Department of Agriculture - Child Nutrition Cluster			156,426	31,594	124,832	20,016
<b>Totals</b>			<u>\$1,010,409</u>	<u>\$31,594</u>	<u>\$1,041,062</u>	<u>\$20,016</u>

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

**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**NOTES TO SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2000**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - FOOD DISTRIBUTION**

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2000, the District had no significant food commodities in inventory.

**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2000**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	CFDA #84.318 Technology Literacy Challenge Fund Grant
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

None

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

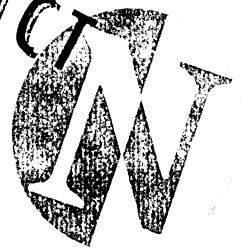
None.

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COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT

NORDONIA HILLS CITY SCHOOL DISTRICT



For the  
fiscal year  
ended  
June 30, 2000



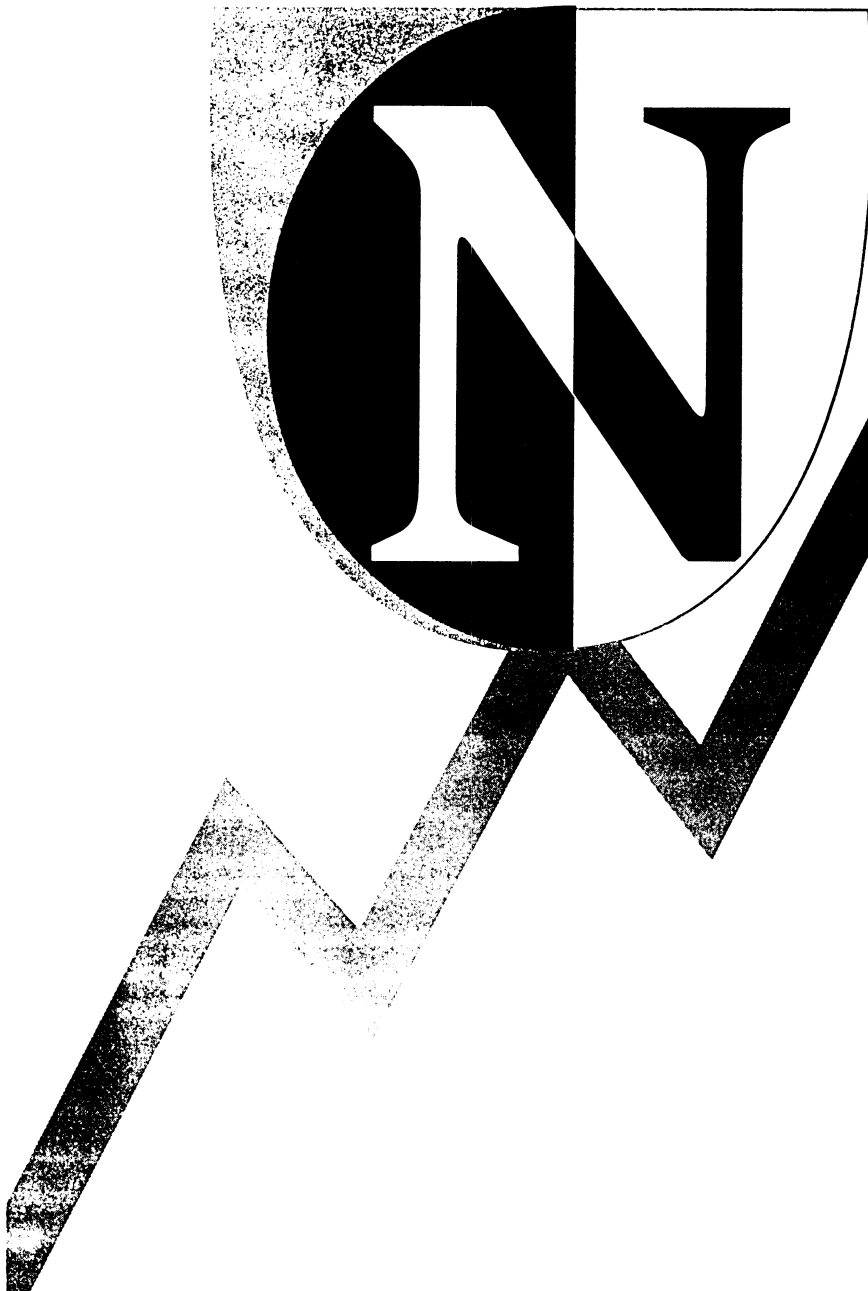
**NORDONIA HILLS**  
**CITY SCHOOL DISTRICT**

COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT

FISCAL  
YEAR  
ENDED

JUNE 30, 2000

PREPARED BY:  
CAROLYN J. BENNETT and  
TREASURER'S OFFICE STAFF







***Nordonia Hills City School District***  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 2000**

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***Nordonia Hills City School District***  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 2000**

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***Nordonia Hills City School District***  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 2000**

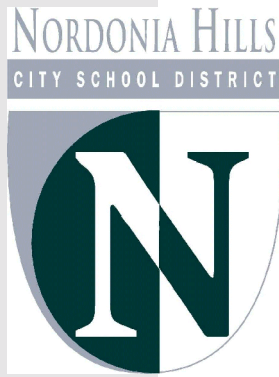
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NORDONIA HILLS  
CITY SCHOOL DISTRICT



## **INTRODUCTION SECTION TAB**





December 12, 2000

**BOARD OF EDUCATION**

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Stephen C. Franko

Superintendent

To the Citizens and Board of Education  
of the Nordonia Hills City School District:

The Comprehensive Annual Financial Report (CAFR) of the Nordonia Hills City School District (the "School District"), for the fiscal year ended June 30, 2000, is hereby submitted. 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 School District for the 1999-2000 fiscal year.

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with School District's 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 School District.

This CAFR, which includes an opinion from the State Auditor, conforms to generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the School District's commitment to provide meaningful information to the citizens of the Nordonia Hills 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 public officials, the School District's organization chart, and the GFOA certificate of achievement.

The Financial Section includes the Report of Independent Accountants, the general purpose financial statements and explanatory notes, and combining, individual fund and account group financial statements and schedules.

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

Copies of this report will be widely distributed throughout the School District. A copy will be sent to all school buildings, the Chamber of Commerce, major taxpayers, Northfield Public Library, Financial Rating Services, banks, the School District's Business Advisory Council, and any other interested parties.

### **The Reporting Entity**

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

The School District has administrative responsibility for state funds distributed to private schools located within School District boundaries. The private school served is the St. Barnabas Elementary School. While this organization shares operational and service similarity with the School District, it is a separate and distinct entity. Because of its independent nature, none of this organization's financial statements are included in this report. The Board is not appointed by the School District, nor is it fiscally dependent on the School District.

## **DESCRIPTION OF THE SCHOOL DISTRICT**

The Nordonia Hills City School District is located in the northern tip of historical Summit County, Ohio. The School District serves the picturesque communities of Northfield Center, Northfield Village, Boston Heights, Macedonia and Sagamore Hills. Easy access to the area is provided by Interstates 80, 271 and 480 and State Routes 8, 82 and 631. Major hospitals, Cleveland Hopkins Airport, and over twenty institutions of higher learning are within a thirty-minute drive. The School District's communities are predominantly suburban-residential with a population exceeding 21,000. The socio-economic make-up ranges from middle to upper income.

Today the municipalities of Macedonia, Northfield Center, Northfield Village and Sagamore Hills occupy the boundaries of what was once known as "Olde Northfield Township" which was established in 1819. It was one of the early communities of the Connecticut Western Reserve known as Town 5, Range 11, and occupied approximately 27 square miles. A complete history of Olde Northfield Township was written by Bessie Goosman and published in 1973. Olde Northfield Township's population grew to 1,076 where it remained through 1905 when several clusters of development began to occur. In 1912, the eastern side of the township became the Village of Macedonia and the Township



reorganized into a village. In 1932, the western portion of the Olde Northfield Village separated and became Sagamore Hills Township. A few years later in 1935, the middle section located between Macedonia and Sagamore Hills became Northfield Center when another group of residents broke away from what is known today as Northfield Village.

The Nordonia Hills City Schools has its roots in a one-room log schoolhouse built in 1827. The first Macedonia school was established in 1833 and located on Valley View Road at the present site of the Pavilion Building. In 1881, identical schools known as the “Old Brick Schools” were built in Macedonia and Northfield. Centralization of schools began in 1908 and students were educated in a variety of locations in the communities until a complete consolidation occurred in 1948. Soon thereafter the area began to grow in population and Lee Eaton Elementary, Ledgeview Elementary, Rushwood Elementary and the new Nordonia High School were constructed. The School District evolved into an all-time high student enrollment of 5,700 pupils in 1971, then declined to a low of 2,800 in 1991. Following this period of declining enrollment, the School District has grown more than twenty-two percent. Growth in enrollment in the School District is projected to increase by ten percent over the next ten years. During the 1999-2000 school year the School District housed a student enrollment of 3,659 in six community schools: Northfield Elementary (1-4), Rushwood Elementary (K-4), Ledgeview Elementary (K-4), Lee Eaton Elementary (5-6), Nordonia Middle School (6-8) and Nordonia High School (9-12).

## **ORGANIZATION OF THE SCHOOL DISTRICT**

The Board of Education (the “Board”) of the School District is comprised of five members elected at large by the citizens of the School District. The Board serves as the taxing authority, contracting body, and policy initiator for the operation of the School District. The Board is responsible for the adoption of the tax budget, the annual operating budget, and approves all expenditures of the School District. The Board is a separate and distinct unit of government, and is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the State Department of Education.

The Board employs a Superintendent and Treasurer to manage the daily affairs of the School District. Each position has responsibilities conferred upon it by state statute and by local board policies. The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations within the School District. Mr. Stephen C. Franko was appointed Superintendent of the School District on August 1, 1998 with a total of twenty-eight years of experience in education. The Treasurer is the chief fiscal officer of the School District and is responsible directly to the Board for all financial operations, investments, custody of all School District funds and assets, and serves as Secretary to the Board. Ms. Carolyn J. Bennett was appointed as

Treasurer of the School District on June 1, 1991 with a total of eleven years of experience.

## **ECONOMIC CONDITION AND FUTURE OUTLOOK**

The School District is located conveniently between the metropolitan cities of Akron and Cleveland, providing a wealth of opportunity for cultural, social and economic resources for its residents. Two major State universities, The University of Akron and Kent State University, are within desirable traveling distance of the community.

The Nordonias communities offer an excellent opportunity for business growth and expansion. It is a healthy, stable environment. The City of Macedonia actively stimulates the economy through a diverse group of employers, from the small family operated business to the major commercial/industrial corporation. The five largest employers in the School District in terms of numbers of employees are:

- GRACO Children's Products Inc.
- Patio Enclosures Inc.
- Cajon Company
- Ier Industries Inc.
- Mach-I Compounding

The continued economic growth and expansion of the School District's businesses is almost certain. The School District has an excellent working relationship with the communities' leaders, which assures that development projects selected by the communities are also desirable for the School District. As an inducement to promote the economic development and welfare of the community, the City of Macedonia enacted a property tax abatement program for local businesses and industry in the early 1990's. The program offers tax abatements to entering businesses and to expansion efforts of current businesses. The City of Macedonia developed a thriving business center known as Macedonia Commons made up of over 30 businesses. Another center is planned over the next three years.

## **MAJOR INITIATIVES AND ACCOMPLISHMENTS**

### **Development of Five Year Strategic Plan**

Five years ago, a School District strategic planning committee made up of members of the business community, staff, student body, and parents was given the task of analyzing the needs and strengths of the Nordonias Hills City School District. The year long effort resulted in a strategic plan "Blueprint for Progress" including belief, vision and mission statements and benchmarks to measure the plan. As a result of the expiring "Blueprint for Progress", a state directive, and the perception by community members that more is needed, continuous improvement teams have been created in Nordonias allowing all stakeholders to create a new strategic plan by the year 2000.

### **Establishment of Board Governance Policies**

The Board began its planning work by meeting over a six month period with a representative of a local education foundation “Summit Education Initiative” and utilizing John Carver’s governance model, identified six governance “Ends Policies” that will guide the School District’s school improvement processes. These ends are formalized in the Board’s Bylaws and Policy Manual and include: a School District culture that recognizes children as a precious resource; a safe, secure environment that supports learning within world-class standards and expectations; world-class standards and expectations; a district culture that values and respects the diversity of individual learners; stewardship of district resources; and the development of lifelong learners.

### **Selection of Models for Improvement**

The School District has embraced the Standard Bearer Model for School Improvement as a framework for developing the system capacities for improvement. All educational staff have been trained in understanding the three capacities of the Standard Bearer Process: future orientation, design and focus, and strategic action. Consultants from the Center for Leadership in School Reform (CLSR) as well as visitations to the Center for Leadership in School Reform have been used to train staff members both in district level meetings and in building based meetings during the past three years. Simultaneously, the School District implemented a continuous improvement planning process as defined by the State Board of Education of Ohio. During the 1999-2000 school year, the building level Continuous Improvement Process teams comprised of parents, staff and business community members attended a series of training sessions facilitated by consultants from the CLSR. These sessions were designed to teach group process skills and to instruct in the state designed Continuous Improvement Process. The teams were prepared for the development of building level goal setting sessions conducted in the fall of 1999 and to monitor the building developed goals through an audit process with the Summit County Educational Service Center acting as an external auditor.

### **Teaching and Learning Goals and Strategies**

Within the Board’s end of developing world-class standards and expectations, it is a goal of the School District to improve academic achievement by changing the way teaching and learning occurs in each classroom. This goal will be assessed as measured by student performance on the Ohio proficiency tests, Ohio Proficiency-based Assessments, and the Terra Nova. Further, the School District will act to improve the relationships and interactions of students with teachers, teachers with teachers, staff with students and teachers, staff with parents and community. The School District plans to measure satisfaction of students, parents, community, and staff members by utilizing qualitative survey assessments.

Strategies to improve classroom instructional practices have included the study and implementation of best instructional practices (Zemelman & Daniels, 1993). While this goal has not been totally met, the process for improving instruction has begun. Consultants from area universities and the Center for Leadership in School Reform presented staff development sessions both at a district level and in individual buildings on best instructional practices. Grant monies will provide an opportunity for the School District to initiate a "retooling" academy that will permit ongoing staff development in best practices for a cohort group of teachers and administrators. During the cycle of the grant, all Nordonia teachers could experience the academy with the expectation that best practices will be implemented in all classrooms.

### **Staff Development and Technical Support**

The Board has made a commitment to ongoing staff development through School District level technical support for the "how to" portion of implementing school improvement. For example, how do building teams begin to operate in a manner that will help improve student achievement and learning? These sessions for team training occur at a district level on a monthly basis with an outside consultant. The second level of technical support occurs at the building level with the use of various consultants who work with entire building staffs and/or building Continuous Improvement Process teams. Examples of this type of support includes use of consultants at the summer building retreats to teach staff members how to analyze recently collected data and develop reform goals that are appropriate to the students' needs. The third type of technical support occurs as a coordinated effort between the buildings and the School District. Release days have been secured through the Ohio Department of Education. The School District curriculum office and the buildings share these days. The focus of the morning portion of the days is on curriculum/instruction topics directly from the current strategic plan, such as authentic assessment, while the afternoon session is used for the building to continue their whole school work on the Continuous Improvement Process. The fourth type of technical support is through the School District staff development calendar of voluntary after school and Saturday meetings where consultants, university personnel, and district teachers present on a variety of innovations including technology in the classroom, math strategies, reading in the content areas, multiage, and other topics. The School District is also the Northern Campus for The University of Akron so graduate courses are available for those wishing to complete an advanced degree. Many outside conferences and workshops are also supported as additional means of technical support for teams or individuals. Technical support for the Standard Bearer process will occur through several building visitation days for assessment and professional development as well as several district days used for central office retooling and District Continuous Improvement Process training. Until each Continuous Improvement Process team is comfortable with data collection and analysis, the School District will provide university consultants to help gather and analyze data used for the Continuous Improvement Process teams.

### **Financial Commitment**

The School District has committed significant financial resources to the Board's "Ends Policies" including: the Local Professional Development Block Grant (\$16,035) and the Eisenhower Grant (\$9,481) to support the technical assistance needed to support the efforts of the building Continuous Improvement Process as well as the Local Professional Development Committee (LPDC). In addition to these grant monies, the general fund supports the School District level consultant fees (\$15,000). A grant from the East Region Professional Development Center (\$1,000) has also been earned to help support the Continuous Improvement Process efforts. This School District will receive significant grant support from the Ohio Department of Education in the form of the Demonstration Reform Grants (\$525,000) allocated to Rushwood, Lee Eaton and Nordonia Middle School. These buildings were judged to be most prepared to implement school reform initiatives. The grant funds will be utilized for technology equipment and software, staff development and Continuous Improvement Process activities at the building level. During the 1999-2000 school year the School District received \$64,000 for the Ohio Reads Program targeted for the reading comprehension of students in Northfield and Ledgeview elementary schools.

### **INTERNAL ACCOUNTING AND BUDGETARY CONTROL**

The School 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 are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. "Measurable" means the amount of the transaction can be determined. "Available" means collectable within the current fiscal period or soon enough thereafter to be used to pay liabilities of the current fiscal period, which the School District considers to be sixty days after year-end. Reports of the School District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

In developing the School District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing the financial statements and maintaining the accountability of assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits derived from their implementation. Management believes the School District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for the fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an Amended Certificate of Estimated Resources based on final assessed values and tax rates, which is usually received within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's Official Certificate of Estimated Resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. The Treasurer must approve all purchase order requests and necessary funds are then encumbered and purchase orders released to vendors. Management may make budgetary modifications as long as the total fund appropriation is not affected.

The accounting system used by the School District provides interim financial reports that detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations to date. In addition to interim financial statements, each administrator and school principal has immediate access to reports showing the status of the budget accounts for which they are responsible.

As an additional safeguard, a blanket bond covers all employees, and a separate, higher limit bond covers certain individuals in policy-making roles.

### **General Government Functions**

The general government funds (all governmental fund types) encompass the general, special revenue, debt service, and capital projects funds of the School District.

The following schedule presents a summary of revenues for all general government funds for fiscal year ended June 30, 2000, and the amount and percentage of increases (decreases) in relation to the 1999 fiscal year.

<i>Revenue by Source</i>	<i>1999 Amount</i>	<i>2000 Amount</i>	<i>Percent of Total</i>	<i>Increase (Decrease)</i>	<i>Percent of Increase (Decrease)</i>
Taxes	\$ 17,779,112	\$ 18,216,046	66.43 %	\$ 436,934	2.46 %
Intergovernmental	7,994,596	7,822,492	28.53	(172,104)	(2.15)
Interest	426,259	572,709	2.09	146,450	34.36
Tuition and fees	193,086	259,134	0.94	66,048	34.21
Extracurricular activities	466,251	293,557	1.07	(172,694)	(37.04)
Contributions and donations	78,787	131,444	0.48	52,657	66.83
Rentals	20,018	23,698	0.09	3,680	18.38
Miscellaneous	131,900	101,801	0.37	(30,099)	(22.82)
	<u>\$ 27,090,009</u>	<u>\$ 27,420,881</u>	<u>100.00 %</u>	<u>\$ 330,872</u>	<u>1.22 %</u>

Local property tax revenue is the major funding component of the School District, making up about sixty-six percent of total governmental fund revenue. Taxes increased due to increased inside millage collection and other growth from new property valuation included in the tax duplicate. The School District realized a 6.4 percent increase in the total valuation between tax year 1997 and 1998. As a comparison, the average change in the previous three non-reappraisal years was 6.6 percent.

Rising interest rates and an increasing interim cash balance during the year accounted for the increase of \$146,450 in interest income over the previous year. An overnight sweep account in repurchase agreements enabled the School District to maintain daily cash balances earning interest at a locally competitive rate with STAR Ohio (State Treasury Asset Reserve). Additionally, the School District purchases certificates of deposit from approved local banking institutions.

Intergovernmental revenues include Homestead/Rollback reimbursements from the State of Ohio, State Foundation receipts, State and Federal grants, and other reimbursements from the State. The Homestead/Rollback funds are based on local tax collection efforts. Commercial and residential property owners in Ohio are given a ten percent and two and one-half percent reduction in real property taxes and the State reimburses those funds to the School District. State Foundation funds are controlled by the State Legislature and provide about twenty-two percent of the School District's general fund revenue. Intergovernmental revenue from State and Federal sources decreased due to a reduction in State foundation basic aid, Ohio School Net Plus Technology Grants and Summit County Technology Challenge Grant.

Tuition and fees include tuition charged for enrolled students residing outside of the School District and student fines and classroom fees. The School District participates in a four-district agreement for the purpose of special education instruction.

Extracurricular activities are comprised primarily of gate receipts and ticket sales from student events, fund raising activities and funds donated by the local student activity booster organizations and general fund transfer support. Extracurricular activities revenues decreased due to a reduction of fund raising activities in the 1999-2000 fiscal year.

The following schedule presents a summary of general government expenditures for the fiscal year ended June 30, 2000, and the amount and percentage of increases (decreases) in relation to the 1999 fiscal year.

<i>Expenditures by Function</i>	<i>1999 Amount</i>	<i>2000 Amount</i>	<i>Percent of Total</i>	<i>Increase (Decrease)</i>	<i>Percent of Increase (Decrease)</i>
Instruction	\$ 13,484,771	\$ 14,932,109	55.02 %	\$ 1,447,338	10.73 %
Pupil support	1,963,749	2,103,605	7.75	139,856	7.12
Instructional staff	757,796	1,134,844	4.18	377,048	49.76
Board of education	119,605	113,050	0.42	(6,555)	(5.48)
Administration	1,802,060	1,963,874	7.24	161,814	8.98
Fiscal	628,847	661,481	2.44	32,634	5.19
Business	264,855	368,380	1.36	103,525	39.09
Operation of maintenance and plant	2,462,910	2,566,156	9.45	103,246	4.19
Pupil transportation	1,327,326	1,773,231	6.53	445,905	33.59
Central	26,512	27,166	0.10	654	2.47
Non-instructional	301,580	311,930	1.15	10,350	3.43
Extracurricular activities	740,776	844,553	3.11	103,777	14.01
Capital outlay	291,407	337,918	1.25	46,511	15.96
Debt service	25,375	543	0.00	(24,832)	(97.86)
	<u>\$ 24,197,569</u>	<u>\$ 27,138,840</u>	<u>100.00 %</u>	<u>\$ 2,941,271</u>	<u>12.16 %</u>

The largest expenditure component in the governmental funds is the instruction/pupil support and instructional staff area. Over \$.63 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 School District. Expenditures in this category, accounting for about \$.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 those jobs.

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



Plant operations accounted for \$.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 about \$.07 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 3,659 students on a daily basis. Significant activity in the major funds of each Governmental Fund Type is highlighted below.

#### General Fund

The School District ended the 2000 fiscal year with a general fund balance of \$5,299,080. With the passage of a 7.2 mill operating levy in 1993 the Board of Education has demonstrated fiscal responsibility through conservative spending practices and efficiencies in dollar cost savings.

#### 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, 2000, special revenue funds had combined revenues of \$1,599,437 and expenditures of \$1,737,157.

#### Capital Projects Fund

The capital projects fund is used to account for all transactions related to acquiring, constructing or improving of capital assets. During the year, \$278,579 was expended for these purposes, including: scheduled roofing projects, paving throughout the School District, classroom furniture, High School kitchen electrical wiring, and food service technology equipment purchases.

#### Enterprise Funds

The enterprise funds are the Food Service, Adult Education and the High School Bookstore Sales Funds. These operations are similar to activities found in the private sector and it is the management's desire to track the profit and loss of these functions. All enterprise operations had a total net loss in fiscal year 2000 of \$24,875.

### Fiduciary Funds

The fiduciary funds account for assets held by the School District as an agent for individuals, other District organizations, or other funds. The School District maintains one agency fund. On June 30, 2000, assets held in fiduciary funds amounted to \$58,442.

### General Fixed Assets

The general fixed assets of the School District are used to carry on the main educational and support functions of the School District and as such are not financial resources available for expenditure. The total general fixed assets at June 30, 2000 was \$19,299,001. These assets are accounted for at historical cost. Depreciation is not recognized on general fixed assets.

## **DEBT ADMINISTRATION**

The School District retired all bonded debt in fiscal year 1994. Over the next four fiscal years the School District issued and repaid tax anticipation notes for HB264 Energy Conservation projects including heating, lighting and electrical upgrades. The School District had no outstanding debt at June 30, 2000.

## **CASH MANAGEMENT**

The School District has taken a conservative approach to the cash management program in previous years. Due to continued lower interest rates at the beginning of the fiscal period, investments of funds were maintained locally through the School District's major financial depository institution. Competitive interest rates provided comparative yields with STAR Ohio. Total amount of interest earned was \$572,709. This was an increase of \$146,450 over the previous year.

Protection of the School District's cash and investments is provided by the Federal Deposit Insurance Corporation as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. As required under Ohio law, pooled securities have been pledged in an amount equal to 105% of the total deposits, to secure the repayment of all public moneys deposited in a financial institution. A detailed description of the School District's investment function is described in Note 6 to the financial statements.

## **RISK MANAGEMENT**

As a political subdivision, the School District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for 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.

The School District provides employee medical/surgical benefits through Stark County Schools Council of Governments shared risk pool. Rates are set through an annual calculation process. The School District pays a monthly contribution, which is placed in a common fund from which claim payments are made for all participating school districts. In addition to the School District's portion of the monthly premium, employees share the cost of insurance based on the terms of their union contract. Dental and vision insurance are also provided by the School District to all employees through the Stark County Schools Council of Governments. Upon termination, all School District claims would be paid without regard to the School District's account balance.

All employees of the School District are covered by workers compensation. Effective January 1, 1995, the School District joined a group-rating program through the Ohio School Board Association in an effort to control these costs. Over 421 school districts in Ohio are members. The program has generated in-group savings of over ten million dollars during the 1999 calendar year. The School District has realized, on an individual basis, savings of \$26,010 or 34% premium reduction based on School District cost without pooling, during the 2000 fiscal year.

## **PENSION PLANS**

All District employees are covered by the statewide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system, currently fourteen percent.

School District contributions for 2000 were \$1,711,755 as the employer portion to STRS and \$546,400 in employer contributions to SERS. Included in the SERS remittance is an annual employer surcharge. Starting in 1988-89 an additional employer charge (surcharge) was levied on salaries of lower-paid SERS members. Minimum annual compensation is determined annually by the System's actuaries and was \$12,400 for fiscal 2000. The surcharge is calculated at fourteen percent of the difference between the member's annual compensation and the minimum compensation level. For the 1999-2000 fiscal year, a surcharge of \$61,462 was incurred.

## **OTHER INFORMATION**

### **School Funding Case – Status**

Litigation, similar to that in other states, has been pending in Ohio courts since 1991 questioning the constitutionality of Ohio's system of school funding and compliance with the constitutional requirement that the State provide a "thorough and efficient system of common schools". In May 2000, the Ohio Supreme Court in a 4-3 decision concluded (as it had in 1997) that the State did not comply with that requirement, even after crediting significant gubernatorial and legislative steps in recent years. The Court stated as general base threshold requirements that every school district have:

- Enough funds to operate
- An ample number of teachers
- Sound and safe buildings
- Equipment sufficient for all students to be afforded an educational opportunity

The Court maintains continuing jurisdiction, and has scheduled further review by it in June 2001 of State responses to its ruling. With particular respect to funding sources, the Supreme Court repeated its 1997 conclusion that property taxes no longer may be the primary means of school funding in Ohio, noting that recent efforts to reduce that historic reliance have been laudable, but in the Court's view insufficient.

In its prior 1997 opinion, The Supreme Court had held that major aspects of the system (including basic operating assistance and "prior solvency assistance" programs) were not in compliance with the constitution requirement. On remand to consider the sufficiency of then intervening legislative and gubernatorial actions, the trial court judge early in 1999 again concluded, even in light of those actions subsequent to his initial opinion, that the State was not in compliance with the constitutional requirements. The recent Supreme Court action was on an appeal from that decision.

It is not possible at this time to state what further actions by the State to effect compliance will be proposed or taken, or what effect those actions may have on the State's present school funding system or the finances of the School District.

### **Independent Audit**

Provisions of State statute require the School District's financial statements to be subjected to an examination by the Ohio Auditor of State. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act Amendment of 1996 and related OMB Circular A-133.

The State Auditor's unqualified opinion rendered on the School District's general purpose financial statements and combining and individual fund statements and schedules for fiscal year 2000 is included in the financial section of this Comprehensive Annual Financial Report.

### **GFOA Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Nordonia Hills City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1999. The Certificate of Achievement is the highest form of recognition in the area of governmental 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 a report 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 continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### **Acknowledgments**

My sincere appreciation and thanks are extended to the many individuals who made the preparation and publication of this Comprehensive Annual Financial Report a reality. Special recognition goes to Nordonia's Assistant Treasurer, Ms. Donna Snider. This accomplishment would not have been possible without the support and efforts of the staff in the Treasurer's office and many other dedicated employees of the School District.

I would also extend my appreciation to the members of the Nordonia Board of Education for their leadership, commitment to excellence, support, and interest in this major project.

Respectfully submitted,



Carolyn J. Bennett  
Treasurer

***Nordonia Hills City School District***  
**Public Officials Roster**  
**Year Ended June 30, 2000**

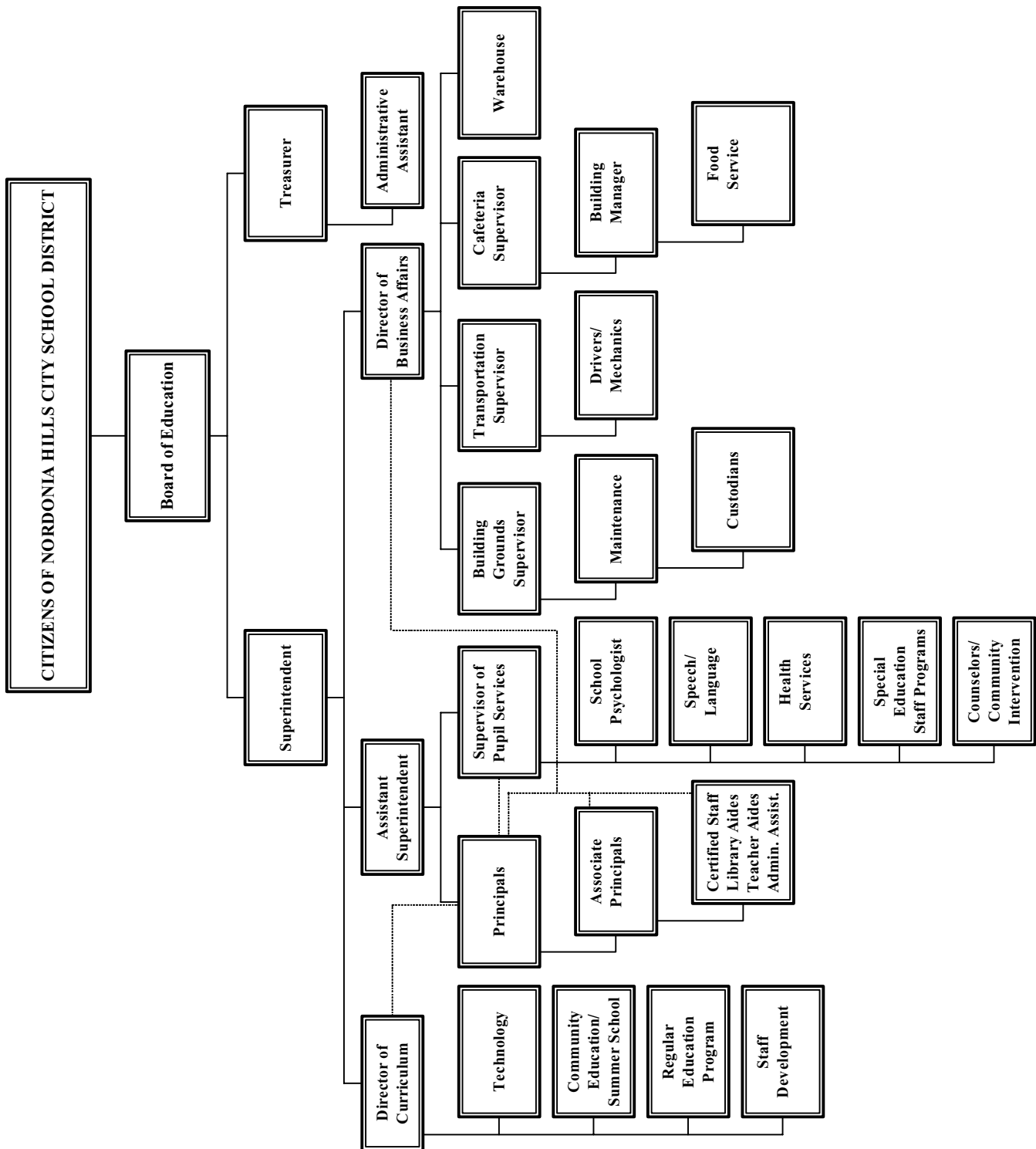
Board of Education

Mr. Gregory Harris	President 1/00 – 12/03
Mrs. Nancy Fike	Vice President 1/98 – 12/01
Mr. Michael King	Member 1/98 – 12/01
Mrs. Mary Sindelar	Member 1/00 – 12/03
Ms. Claudine Steinfurth	Member 1/98 – 12/01

Administration

Mr. Stephen C. Franko	Superintendent 8/99 – 7/02
Ms. Carolyn J. Bennett	Treasurer 1/98 – 12/01

**Nordonia Hills City School District  
Organization Chart**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Nordonia Hills City  
School District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Anne Spray Kinney*  
President

*Jeffrey L. Esler*  
Executive Director



**FINANCIAL SECTION TAB**





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

111 Second Street, NW  
Fourth Floor  
Canton, Ohio 44702  
Telephone 330-438-0617  
800-443-9272  
Facsimile 330-471-0001  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

## REPORT OF INDEPENDENT ACCOUNTANTS

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

To the Board of Education:

We have audited the accompanying general purpose financial statements of the Nordonia Hills City School District, Summit County, (the District) as of and for the year ended June 30, 2000, 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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. 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 all material respects, in relation to the general purpose financial statements taken as a whole.

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

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

**JIM PETRO**  
Auditor of State

December 12, 2000

***GENERAL PURPOSE FINANCIAL STATEMENTS***

***Nordonia Hills City School District***  
**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
**As of June 30, 2000**

	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	\$ 7,006,338	\$ 541,095	\$ 0	\$ 834,879
Cash and cash equivalents in segregated accounts	0	3,494	0	0
Cash and cash equivalents with fiscal agents	0	0	15,975	0
Receivables:				
Taxes	18,389,485	0	0	579,701
Accounts	3,768	8,176	0	0
Intergovernmental	5,950	0	0	0
Interfund receivable	12,318	0	0	0
Inventory held for resale	0	0	0	0
Materials and supplies inventory	57,260	0	0	0
<u>Restricted assets:</u>				
Equity in pooled cash and cash equivalents	525,221	0	0	0
Fixed assets (net, where applicable, of accumulated depreciation)	0	0	0	0
<u>Other debits:</u>				
Amount to be provided from general government resources	0	0	0	0
<b>Total assets and other debits</b>	<b>\$ 26,000,340</b>	<b>\$ 552,765</b>	<b>\$ 15,975</b>	<b>\$ 1,414,580</b>
<u>Liabilities, fund equity and other credits:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 278,885	\$ 68,549	\$ 0	\$ 23,720
Accrued wages	1,891,991	43,584	0	0
Compensated absences payable	95,505	0	0	0
Interfund payable	0	12,318	0	0
Intergovernmental payable	541,517	6,295	0	0
Deferred revenue	17,893,362	0	0	564,295
Due to students	0	0	0	0
Matured bonds payable	0	0	15,000	0
Matured interest payable	0	0	975	0
Retirement incentive bonus payable	0	0	0	0
<b>Total liabilities</b>	<b>20,701,260</b>	<b>130,746</b>	<b>15,975</b>	<b>588,015</b>
<u>Fund equity and other credits:</u>				
Investment in general fixed assets	0	0	0	0
Contributed capital	0	0	0	0
Retained earnings:				
Unreserved	0	0	0	0
Fund balance:				
Reserved for encumbrances	681,053	70,015	0	25,003
Reserved for inventory	57,260	0	0	0
Reserved for budget stabilization	525,221	0	0	0
Reserved for property taxes	496,123	0	0	15,406
Unreserved:				
Designated for budget stabilization	800,145	0	0	0
Unreserved, undesignated	2,739,278	352,004	0	786,156
<b>Total fund equity and other credits</b>	<b>5,299,080</b>	<b>422,019</b>	<b>0</b>	<b>826,565</b>
<b>Total liabilities, fund equity and other credits</b>	<b>\$ 26,000,340</b>	<b>\$ 552,765</b>	<b>\$ 15,975</b>	<b>\$ 1,414,580</b>

See accompanying notes to the general purpose financial statements

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Agency			
\$ 160,211	\$ 57,915	\$ 0	\$ 0	\$ 8,600,438
0	0	0	0	3,494
0	0	0	0	15,975
0	0	0	0	18,969,186
2,060	527	0	0	14,531
0	0	0	0	5,950
0	0	0	0	12,318
30,929	0	0	0	30,929
4,981	0	0	0	62,241
0	0	0	0	525,221
57,404	0	19,299,001	0	19,356,405
0	0	0	2,420,532	2,420,532
<u>\$ 255,585</u>	<u>\$ 58,442</u>	<u>\$ 19,299,001</u>	<u>\$ 2,420,532</u>	<u>\$ 50,017,220</u>
\$ 16,019	\$ 1,816	\$ 0	\$ 0	\$ 388,989
33,292	0	0	0	1,968,867
22,582	0	0	1,836,711	1,954,798
0	0	0	0	12,318
26,248	0	0	253,821	827,881
4,164	0	0	0	18,461,821
0	56,626	0	0	56,626
0	0	0	0	15,000
0	0	0	0	975
0	0	0	330,000	330,000
<u>102,305</u>	<u>58,442</u>	<u>0</u>	<u>2,420,532</u>	<u>24,017,275</u>
0	0	19,299,001	0	19,299,001
1,195	0	0	0	1,195
152,085	0	0	0	152,085
0	0	0	0	776,071
0	0	0	0	57,260
0	0	0	0	525,221
0	0	0	0	511,529
0	0	0	0	800,145
0	0	0	0	3,877,438
<u>153,280</u>	<u>0</u>	<u>19,299,001</u>	<u>0</u>	<u>25,999,945</u>
<u>\$ 255,585</u>	<u>\$ 58,442</u>	<u>\$ 19,299,001</u>	<u>\$ 2,420,532</u>	<u>\$ 50,017,220</u>

***Nordonia Hills City School District***  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Governmental Fund Types**  
**For the Fiscal Year Ended June 30, 2000**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
<b>Revenues:</b>				
Taxes	\$ 17,662,193	\$ 0	\$ 553,853	\$ 18,216,046
Intergovernmental	6,481,603	1,285,224	55,665	7,822,492
Interest	569,248	3,461	0	572,709
Tuition and fees	259,134	0	0	259,134
Extracurricular activities	16,876	276,681	0	293,557
Contributions and donations	115,710	15,734	0	131,444
Rentals	23,698	0	0	23,698
Miscellaneous	80,693	18,337	2,771	101,801
Total revenues	25,209,155	1,599,437	612,289	27,420,881
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	11,969,655	460,469	0	12,430,124
Special	2,010,176	160,052	0	2,170,228
Vocational	331,757	0	0	331,757
<b>Support services:</b>				
Pupils	1,897,363	206,242	0	2,103,605
Instructional staff	862,619	272,225	0	1,134,844
Board of education	113,050	0	0	113,050
Administration	1,931,540	32,334	0	1,963,874
Fiscal	660,281	1,200	0	661,481
Business	368,380	0	0	368,380
Operation and maintenance of plant	2,566,156	0	0	2,566,156
Pupil transportation	1,773,231	0	0	1,773,231
Central	27,166	0	0	27,166
Operation of non-instructional services	0	311,930	0	311,930
Extracurricular activities	551,848	292,705	0	844,553
Capital outlay	59,339	0	278,579	337,918
<b>Debt service:</b>				
Principal retirement	404	0	0	404
Interest and fiscal charges	139	0	0	139
Total expenditures	25,123,104	1,737,157	278,579	27,138,840
Excess of revenues over (under) expenditures	86,051	(137,720)	333,710	282,041
<b>Other financing sources (uses):</b>				
Operating transfers in	0	22,480	0	22,480
Operating transfers out	(24,980)	0	0	(24,980)
Total other financing sources (uses)	(24,980)	22,480	0	(2,500)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	61,071	(115,240)	333,710	279,541
Fund balances at beginning of year (restated-Note 3)	5,282,280	537,259	492,855	6,312,394
Decrease in reserve for inventory	(44,271)	0	0	(44,271)
Fund balances at end of year	\$ 5,299,080	\$ 422,019	\$ 826,565	\$ 6,547,664

See accompanying notes to the general purpose financial statements



***Nordonia Hills City School District***  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual**  
**All Governmental Fund Types**  
**For the Fiscal Year Ended June 30, 2000**

	Governmental Fund Types		
	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<u>Revenues:</u>			
Taxes	\$ 17,752,672	\$ 17,752,672	\$ 0
Intergovernmental	6,474,653	6,474,653	0
Interest	560,136	560,136	0
Tuition and fees	264,938	264,938	0
Extracurricular activities	16,876	16,876	0
Contributions and donations	115,709	115,709	0
Rentals	22,728	22,728	0
Miscellaneous	101,697	101,697	0
Total revenues	25,309,409	25,309,409	0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	12,156,162	12,156,162	0
Special	2,152,458	2,152,458	0
Vocational	328,076	328,076	0
Support services:			
Pupils	1,928,198	1,928,198	0
Instructional staff	922,028	922,028	0
Board of education	119,515	119,515	0
Administration	1,952,512	1,952,512	0
Fiscal	664,813	664,813	0
Business	366,662	366,662	0
Operation and maintenance of plant	2,720,707	2,720,707	0
Pupil transportation	1,801,648	1,801,648	0
Central	27,166	27,166	0
Operation of non-instructional services	0	0	0
Extracurricular activities	553,236	553,236	0
Capital outlay	59,339	59,339	0
Total expenditures	25,752,520	25,752,520	0
Excess of revenues over (under) expenditures	(443,111)	(443,111)	0
<u>Other financing sources (uses):</u>			
Advances in	13,068	13,068	0
Advances out	(11,111)	(11,111)	0
Operating transfers in	0	0	0
Operating transfers out	(24,980)	(24,980)	0
Total other financing sources (uses)	(23,023)	(23,023)	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(466,134)	(466,134)	0
Fund balances at beginning of year	6,247,448	6,247,448	0
Prior year encumbrances appropriated	832,184	832,184	0
Fund balances at end of year	\$ 6,613,498	\$ 6,613,498	\$ 0

(continued)

***Nordonia Hills City School District***  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual**  
**All Governmental Fund Types (continued)**  
**For the Fiscal Year Ended June 30, 2000**

	Governmental Fund Types		
	Special Revenue Funds		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<u>Revenues:</u>			
Taxes	\$ 0	\$ 0	\$ 0
Intergovernmental	1,313,096	1,313,096	0
Interest	3,461	3,461	0
Tuition and fees	0	0	0
Extracurricular activities	276,396	276,396	0
Contributions and donations	15,733	15,733	0
Rentals	0	0	0
Miscellaneous	11,662	11,662	0
Total revenues	1,620,348	1,620,348	0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	493,595	493,595	0
Special	164,574	164,574	0
Vocational	0	0	0
Support services:			
Pupils	212,757	212,757	0
Instructional staff	248,591	248,591	0
Board of education	0	0	0
Administration	32,394	32,394	0
Fiscal	1,200	1,200	0
Business	0	0	0
Operation and maintenance of plant	0	0	0
Pupil transportation	0	0	0
Central	0	0	0
Operation of non-instructional services	345,889	345,889	0
Extracurricular activities	309,023	309,023	0
Capital outlay	0	0	0
Total expenditures	1,808,023	1,808,023	0
Excess of revenues over (under) expenditures	(187,675)	(187,675)	0
<u>Other financing sources (uses):</u>			
Advances in	11,111	11,111	0
Advances out	(13,068)	(13,068)	0
Operating transfers in	22,480	22,480	0
Operating transfers out	0	0	0
Total other financing sources (uses)	20,523	20,523	0
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(167,152)	(167,152)	0
Fund balances at beginning of year	519,208	519,208	0
Prior year encumbrances appropriated	76,644	76,644	0
Fund balances at end of year	\$ 428,700	\$ 428,700	\$ 0

Governmental Fund Types			Totals (Memorandum Only)		
Capital Projects Funds					
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ 556,965	\$ 556,965	\$ 0	\$ 18,309,637	\$ 18,309,637	\$ 0
55,665	55,665	0	7,843,414	7,843,414	0
0	0	0	563,597	563,597	0
0	0	0	264,938	264,938	0
0	0	0	293,272	293,272	0
0	0	0	131,442	131,442	0
0	0	0	22,728	22,728	0
2,771	2,771	0	116,130	116,130	0
615,401	615,401	0	27,545,158	27,545,158	0
0	0	0	12,649,757	12,649,757	0
0	0	0	2,317,032	2,317,032	0
0	0	0	328,076	328,076	0
0	0	0	2,140,955	2,140,955	0
0	0	0	1,170,619	1,170,619	0
0	0	0	119,515	119,515	0
0	0	0	1,984,906	1,984,906	0
8,982	8,982	0	674,995	674,995	0
0	0	0	366,662	366,662	0
0	0	0	2,720,707	2,720,707	0
0	0	0	1,801,648	1,801,648	0
0	0	0	27,166	27,166	0
0	0	0	345,889	345,889	0
0	0	0	862,259	862,259	0
298,939	298,939	0	358,278	358,278	0
307,921	307,921	0	27,868,464	27,868,464	0
307,480	307,480	0	(323,306)	(323,306)	0
0	0	0	24,179	24,179	0
0	0	0	(24,179)	(24,179)	0
0	0	0	22,480	22,480	0
0	0	0	(24,980)	(24,980)	0
0	0	0	(2,500)	(2,500)	0
307,480	307,480	0	(325,806)	(325,806)	0
325,650	325,650	0	7,092,306	7,092,306	0
176,748	176,748	0	1,085,576	1,085,576	0
\$ 809,878	\$ 809,878	\$ 0	\$ 7,852,076	\$ 7,852,076	\$ 0

***Nordonia Hills City School District***  
**Combined Statement of Revenues,**  
**Expenses and Changes in Fund Equity**  
**Proprietary Fund Type**  
**For the Fiscal Year Ended June 30, 2000**

	<u>Enterprise</u>
<u>Operating revenues:</u>	
Tuition	\$ 5,465
Sales	<u>767,481</u>
Total operating revenue	<u>772,946</u>
<u>Operating expenses:</u>	
Salaries	364,569
Fringe benefits	61,356
Purchased services	18,391
Materials and supplies	53,360
Cost of sales	420,660
Depreciation	7,295
Other operating expenses	<u>6,096</u>
Total operating expenses	<u>931,727</u>
Operating loss	<u>(158,781)</u>
<u>Non-operating revenues (expenses):</u>	
Federal donated commodities	20,016
Operating grants	112,465
Loss on disposal of fixed assets	<u>(1,075)</u>
Total non-operating revenues (expenses)	<u>131,406</u>
Loss before operating transfers	(27,375)
Operating transfers in	<u>2,500</u>
Net loss	(24,875)
Retained earnings at beginning of year	<u>176,960</u>
Retained earnings at end of year	152,085
Contributed capital at beginning and end of year	<u>1,195</u>
Total fund equity at end of year	<u><u>\$ 153,280</u></u>

See accompanying notes to the general purpose financial statements

***Nordonia Hills City School District***  
**Combined Statement of Revenues, Expenses and**  
**Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual**  
**Proprietary Fund Type**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Enterprise Funds Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Tuition	\$ 5,465	\$ 5,465	\$ 0
Sales	765,757	765,757	0
Operating grants	129,574	129,574	0
Total revenues	<u>900,796</u>	<u>900,796</u>	<u>0</u>
<u>Expenses:</u>			
Salaries	329,395	329,395	0
Fringe benefits	95,460	95,460	0
Purchased services	20,995	20,995	0
Materials and supplies	477,747	477,747	0
Capital outlay	8,996	8,996	0
Other	6,096	6,096	0
Total expenses	<u>938,689</u>	<u>938,689</u>	<u>0</u>
Excess of revenues under expenses	(37,893)	(37,893)	0
Operating transfers in	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Excess of revenues under expenses and operating transfers	(35,393)	(35,393)	0
Fund equity at beginning of year	154,525	154,525	0
Prior year encumbrances appropriated	<u>7,840</u>	<u>7,840</u>	<u>0</u>
Fund equity at end of year	<u>\$ 126,972</u>	<u>\$ 126,972</u>	<u>\$ 0</u>

See accompanying notes to the general purpose financial statements

***Nordonia Hills City School District***  
**Combined Statement of Cash Flows**  
**Proprietary Fund Type**  
**For the Fiscal Year Ended June 30, 2000**

	<u>Enterprise</u>
<u>Cash flows from operating activities:</u>	
Cash received from customers	\$ 765,421
Cash received from tuition payments	5,465
Cash payments to suppliers for goods and services	(468,652)
Cash payments to employees for services	(329,395)
Cash payments for employee benefits	(92,313)
Cash payments for other operating expenses	<u>(6,096)</u>
Net cash used for operating activities	<u>(125,570)</u>
<u>Cash flows from noncapital financing activities:</u>	
Operating grants	129,574
Transfers in	<u>2,500</u>
Net cash provided by noncapital financing activities	<u>132,074</u>
<u>Cash flows from capital financing activities:</u>	
Acquisition of capital assets	<u>(8,996)</u>
Net decrease in cash and cash equivalents	(2,492)
Cash and cash equivalents at beginning of year	<u>162,703</u>
Cash and cash equivalents at end of year	<u>\$ 160,211</u>
<u>Reconciliation of operating loss to net cash used for operating activities:</u>	
Operating loss	<u>\$ (158,781)</u>
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	7,295
Federal donated commodities	20,016
Change in assets and liabilities:	
(Increase) decrease in assets:	
Accounts receivable	(2,060)
Materials and supplies inventory	1,230
Inventory held for resale	(10,945)
Increase (decrease) in liabilities:	
Accounts payable	14,128
Accrued wages and benefits	1,934
Compensated absences payable	6,427
Intergovernmental payable	<u>(4,814)</u>
Total adjustments	<u>33,211</u>
Net cash used for operating activities	<u>\$ (125,570)</u>

See accompanying notes to the general purpose financial statements

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

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Nordonia Hills 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. Each member is elected to a four year term. The School District provides educational services as mandated by State and/or Federal agencies. This Board of Education controls the School District's six instructional/support facilities staffed by 171 non-certificated employees, 251 certificated full-time teaching personnel and 16 administrative employees to provide services to 3,659 students and other community members.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements of the School District are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Nordonia Hills 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 organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The School District is associated with two jointly governed organizations and one insurance purchasing pool. These organizations include the Cuyahoga Valley Vocational School, the Northeast Ohio Network for Educational Technology (NEONET), and the Health Benefits Program of the Stark County Schools Council of Governments. These organizations are presented in Notes 18 and 19 to the general purpose financial statements.

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

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

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

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

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

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



***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

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

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

***Capital Projects Fund*** The capital projects fund is 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).

***Proprietary Fund Type*** 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 is the School District's proprietary fund type:

***Enterprise Funds*** The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the Board of Education 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 the Board of Education has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

***Fiduciary Fund Type*** 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 other funds. The School District's fiduciary funds include agency 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 funds.

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

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

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

All enterprise 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. Enterprise funds 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 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 fiscal year end.

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

The School District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2000, and delinquent property taxes, whose availability is indeterminable and which are intended to finance fiscal year 2001 operations, have been recorded as deferred revenue.

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

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

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

***C. Budgetary Data***

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund level. 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 Summit 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 County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year.

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2000.

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

***Encumbrances*** As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. 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.

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

***D. Cash and Investments***

To improve cash management, cash received by the School District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through School District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the combined balance sheet. During fiscal year 2000, investments were limited to certificates of deposit and repurchase agreements which are nonparticipating investment contracts and are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2000 amounted to \$569,248, which includes \$96,936 assigned from other School District funds.

The School District has segregated bank accounts for monies held separate from the School District's pool. These depository accounts are presented as "cash and cash equivalents in segregated accounts" on the balance sheet.

The School District utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the combined balance sheet as "cash and cash equivalents with fiscal agents" and represents deposits.

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

***E. Inventory***

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

***F. Restricted Assets***

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include amounts required by statute to be set-aside by the School District for the creation of a reserve for budget stabilization. See Note 22 for additional information regarding set-asides.

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

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

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

***H. Intergovernmental Revenues***

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

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

**Entitlements**

*General Fund*

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

**Non-Reimbursable Grants**

*Special Revenue Funds*

Title VI-B  
Title VI  
Drug Free Schools  
Management Information Systems  
Auxiliary Services  
SchoolNet Development  
E-Rate Grant

**Reimbursable Grants**

*General Fund*

Driver Education

*Proprietary Funds*

National School Lunch Program  
Government Donated Commodities

Grants and entitlements amounted to 29 percent of the School District's governmental fund operating revenue during the 2000 fiscal year.

***I. 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/payables".

***J. Compensated Absences***

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

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

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

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

***K. 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. Payments made more than sixty days after year-end are generally considered not to have been paid with current available financial resources.

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

***L. Interfund Transactions***

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

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

***M. Fund Balance Reserves and Designations***

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

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

Fund balance in the general fund includes a designation that represents the amount set-aside by the Board of Education for budget stabilization in excess of the statutory requirement.

***N. Estimates***

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



***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

***O. Memorandum Only -  
Total Columns***

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

**Note 3 – Restatement of Prior Year Fund Balance**

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At June 30, 1999, a fund reclassification increased general fund balance from \$5,276,453 to \$5,282,280 and decreased agency fund assets and liabilities from \$66,238 to \$60,411.

**Note 4 – Fund Deficits**

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At June 30, 2000, the Other Local Grants, Management Information Systems and Drug Free School Special Revenue Funds had deficit fund balances of \$395, \$117, and \$3,449, respectively. These fund deficits are due to adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and will provide operating transfers when cash is required, not when accruals occur.

**Note 5 – Budgetary Basis of Accounting**

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balances for governmental fund types and as a note disclosure in the proprietary fund type (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 by fund type.

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*Net Loss/Excess of Revenues Under Expenses and Operating Transfers  
Proprietary Fund Type*

	<i>Enterprise</i>
<i>GAAP Basis</i>	\$ (24,875)
<i>Net adjustment for revenue accruals</i>	(4,631)
<i>Net adjustment for expense accruals</i>	29,052
<i>Depreciation expense</i>	7,295
<i>Capital outlay</i>	(8,996)
<i>Encumbrances</i>	(33,238)
<i>Budget Basis</i>	\$ (35,393)

**Nordonia Hills City School District**  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

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*Excess of Revenue and Other Financing Sources Over (Under)  
Expenditures and Other Financing Uses  
Governmental Fund Types*

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
<i>GAAP Basis</i>	\$ 61,071	\$ (115,240)	\$ 333,710
<i>Net adjustment for revenue accruals</i>	86,535	19,543	3,112
<i>Net adjustment for expenditure accruals</i>	274,926	40,161	(4,341)
<i>Advances in</i>	13,068	11,111	0
<i>Unrecorded cash</i>	13,719	1,368	0
<i>Advances out</i>	(11,111)	(13,068)	0
<i>Encumbrances</i>	<u>(904,342)</u>	<u>(111,027)</u>	<u>(25,001)</u>
<i>Budget Basis</i>	<u>\$ (466,134)</u>	<u>\$ (167,152)</u>	<u>\$ 307,480</u>

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**Note 6 - Deposits and Investments**

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

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

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

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

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

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

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

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

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

**Nordonia Hills City School District**  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

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.

Cash on hand - At fiscal year end, the School District had \$15,203 in undeposited cash on hand which is included on the balance sheet of the School District as part of equity in pooled cash and cash equivalents.

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

**Deposits** At fiscal year end, the carrying amount of the School District's deposits was \$6,704,925 and the bank balance was \$9,324,869. \$299,869 of the bank balance was covered by federal depository insurance. \$9,025,000 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department in the School District's name and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

**Investments** GASB Statement 3 requires the School District's investments to be categorized to give an indication of the level of custodial credit risk assumed by the School District at year end. Category 1 includes investments that are insured or registered or for which securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the counter-party'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 counter-party, or by its trust department or agent but not in the School District's name.

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	<i>Category</i> <u>3</u>	<i>Carrying</i> <i>Value</i>	<i>Fair</i> <i>Value</i>
<i>Repurchase Agreement</i>	<u>\$ 2,425,000</u>	<u>\$ 2,425,000</u>	<u>\$ 2,425,000</u>

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**Nordonia Hills City School District**  
 Notes to the General Purpose Financial Statements  
 For the Fiscal Year Ended June 30, 2000

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

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	<i>Cash and cash equivalents</i>	<i>Investments</i>
<i>GASB Statement 9</i>	\$ 9,145,128	\$ 0
<i>Cash on hand</i>	(15,203)	0
<i>Investments which are part of a cash management pool:</i>		
<i>Repurchase Agreement</i>	(2,425,000)	2,425,000
	\$ 6,704,925	\$ 2,425,000

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**Note 7 – Property Taxes**

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2000 for real and public utility property taxes represents collections of calendar 1999 taxes. Property tax payments received during calendar 2000 for tangible personal property (other than public utility property) is for calendar 2000 taxes.

2000 real property taxes are levied after April 1, 2000, on the assessed value listed as of January 1, 2000, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value: public utility real property is assessed at thirty-five percent of true value. 2000 public utility property taxes became a lien December 31, 1999, are levied after April 1, 2000, and are collected in 2001 with real property taxes.

**Nordonia Hills City School District**  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

2000 tangible personal property taxes are levied after April 1, 2000, on the value as of December 31, 1999. Collections are made in 2000. Tangible personal property assessments are twenty-five percent of true value.

The assessed values upon which the fiscal year 2000 taxes were collected are:

	<i>1999 Second Half Collections</i>		<i>2000 First Half Collections</i>	
	<i>Amount</i>	<i>Percent</i>	<i>Amount</i>	<i>Percent</i>
<i>Agriculture/Residential and Other Real Estate</i>	\$ 529,700,520	83.98 %	\$ 602,368,310	85.62 %
<i>Public Utility</i>	38,414,560	6.09	38,581,210	5.48
<i>Tangible Personal Property</i>	62,654,058	9.93	62,654,058	8.90
<i>Total Assessed Value</i>	<u>\$ 630,769,138</u>	<u>100.00 %</u>	<u>\$ 703,603,578</u>	<u>100.00 %</u>
<i>Tax rate per \$1,000 of assessed valuation</i>	\$ 56.29		\$ 59.09	
<i>Effective rate per \$1,000 of assessed valuation</i>	\$ 28.24		\$ 28.24	

The School District passed a 3.65 mills bond issue in March 2000. The collection on this levy will begin in January 2001.

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

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

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

The School District receives property taxes from Summit 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, 2000, are available to finance fiscal year 2001 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which are measurable as of June 30, 2000 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 were levied 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, 2000, was \$511,529; \$496,123 was available to the general fund and \$15,406 was available to the permanent improvements capital projects fund.

**Note 8 - Receivables**

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Receivables at June 30, 2000, consisted of taxes, accounts (rent and student fees), and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

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	<u><i>Amount</i></u>
<b><i>General Fund</i></b>	
<i>Drivers Education</i>	<u><u>\$ 5,950</u></u>

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**Nordonia Hills City School District**  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

**Note 9 - Fixed Assets**

A summary of the enterprise funds' fixed assets at June 30, 2000, follows:

<i>Equipment</i>	\$ 209,641
<i>Less accumulated depreciation</i>	<u>(152,237)</u>
<i>Net fixed assets</i>	<u><u>\$ 57,404</u></u>

A summary of the changes in general fixed assets during fiscal year 2000 follows:

<u>Asset Category</u>	<u>Balance at 7/1/99</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 6/30/00</u>
<i>Land and land improvements</i>	\$ 1,683,883	\$ 0	\$ 0	\$ 1,683,883
<i>Buildings</i>	9,976,120	0	0	9,976,120
<i>Furniture, fixtures and equipment</i>	3,874,172	1,869,610	(413,729)	5,330,053
<i>Vehicles</i>	1,853,358	571,888	(116,301)	2,308,945
<i>Totals</i>	<u>\$ 17,387,533</u>	<u>\$ 2,441,498</u>	<u>\$ (530,030)</u>	<u>\$ 19,299,001</u>

**Note 10 – Risk Management**

**A. Property and Liability**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2000, the School District contracted with The Denmark Group for property and general liability insurance. There is a \$1,000 deductible with a one hundred percent blanket, all risk policy. The Denmark Group covers the boiler and machinery with a \$1,000 deductible and a \$53,294,026 limit.

Professional liability is protected by Nationwide Wausau Insurance Company with a \$2,000,000 single occurrence limit and \$5,000,000 aggregate with no deductible. Vehicles are also covered by Nationwide Wausau Insurance Company and hold a \$100 deductible for comprehensive and \$500 collision. Automobile liability has a \$2,000,000 combined single limit of liability.

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

**B. Workers' Compensation** 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 11 - Other Employee Benefits**

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**A. Compensated Absences** The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

Teachers and administrators, who are not on a twelve month contract, do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to the number of annual work days per contract plus ninety. Upon retirement, payment is made for one-third of the total sick leave accumulation, up to a maximum of 141 days.

**B. Retirement Incentive Bonus** Effective October 19, 1998, the School District Board of Education approved a Retirement Incentive Bonus Program. Participation is open to certified employees who have completed a minimum of 10 years of service, qualified for retirement under STRS and submitted a letter of resignation by February 15<sup>th</sup> of the school year of retirement. Retirement incentive bonus payments will be paid in equal installments of \$15,000 per retiree on January 1, 2001. The liability for the Retirement Incentive Bonus at June 30, 2000 was \$330,000.

**C. Insurance Benefits** The School District provides life insurance and accidental death and dismemberment insurance to most employees through Medical Life Insurance Company in the amount of \$30,000 for all noncertified employees and \$35,000 for certified employees, and to the nearest \$1,000 based on each administrator's salary not to exceed \$50,000.

The School District provides employee medical/surgical benefits through Stark County Schools Council of Governments shared risk pool. Rates are set through an annual calculation process. The School District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating school districts. The employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. Dental and vision insurance are also provided by the School District to all employees through the Stark County Schools Council of Governments. Upon termination, all District claims would be paid without regard to the School District's account balance.

**Note 12 - Defined Benefit Pension Plans**

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

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2000, 5.5 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 1999, 7.7 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$546,400, \$494,838 and \$473,558 respectively; 47 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$319,811 representing the unpaid contribution for fiscal year 2000, 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 public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

For the fiscal year ended June 30, 2000, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

1998 were \$1,711,755, \$1,664,744 and \$1,565,406 respectively; 84.85 percent has been contributed for fiscal year 2000 and 100 percent for fiscal years 1999 and 1998. \$259,347 represents the unpaid contribution for fiscal year 2000 and is recorded as a liability within the respective funds.

***C. Social Security System***

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2000, four members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

**Note 13 - Postemployment Benefits**

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

All STRS benefit recipients and sponsored dependants are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of health care costs in the form of a monthly premium. By law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2000, the STRS Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$427,939 for fiscal year 2000.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 1999, (the latest information available) the balance in the Fund was \$2,783 million. For the year ended June 30, 1999, net health care costs paid by STRS were \$249,929,000 and STRS had 95,796 eligible benefit recipients.

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

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2000, employer contributions to fund health care benefits were 8.5 percent of covered payroll, an increase of 2.2 percent for fiscal year 2000. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2000 fiscal year equaled \$393,205.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 1999 (the latest information available), were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999, SERS has net assets available for payment of health care benefits of \$188.0 million. SERS had approximately 51,000 participants currently receiving health care benefits.

**Note 14 – Capitalized Leases - Lease Disclosure**

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In prior years, the School District entered into capitalized leases for the acquisition of copiers. Capital lease payments are reflected as debt service expenditures in the general purpose financial statements. These expenditures are reflected as function expenditures on a budgetary basis.

Fixed assets acquired by lease have been capitalized in the general fixed assets account group in the amount of \$185,654. This amount represents the present value of the minimum lease payments at the time of acquisition.

During fiscal year 2000, the School District returned the central office copier that was leased and paid \$404 of the outstanding lease amount as of June 30, 2000. The remaining lease payments of \$10,126 were cancelled.

***Nordonia Hills City School District***  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

**Note 15 - Long-term Obligations**

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The changes in the School District's long-term obligations during fiscal year 2000 were as follows:

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	<i>Principal Outstanding 7/1/99</i>	<i>Additions</i>	<i>Deductions</i>	<i>Principal Outstanding 6/30/00</i>
<i>Capital leases</i>	\$ 10,530	\$ 0	\$ (404)	\$ 0
<i>Pension obligations</i>	223,308	253,821	(223,308)	253,821
<i>Retirement incentive bonus</i>	540,000	60,000	(270,000)	330,000
<i>Compensated absences</i>	1,805,712	30,999	0	1,836,711
<i>Total general long-term obligations</i>	<u>\$ 2,579,550</u>	<u>\$ 344,820</u>	<u>\$ (493,712)</u>	<u>\$ 2,420,532</u>

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Capital lease payments were made from the general fund. Compensated absences, the pension obligation, and the retirement incentive bonus will be paid from the fund from which the person is paid.

During fiscal year 2000, the School District returned the central office copier that was leased. The School District paid \$404 of the outstanding lease amount as of June 30, 2000. The remaining lease payments of \$10,126 were cancelled.

**Nordonia Hills City School District**  
Notes to the General Purpose Financial Statements  
For the Fiscal Year Ended June 30, 2000

**Note 16 - Segment Information for Enterprise Funds**

The School District maintains three enterprise funds to account for the operations of food service, adult education and bookstore sales. The table below reflects the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30, 2000.

	<i>Food Service</i>	<i>Adult Education</i>	<i>Bookstore Sales</i>	<i>Totals</i>
<i>Operating revenues</i>	\$ 743,800	\$ 5,465	\$ 23,681	\$ 772,946
<i>Depreciation expense</i>	7,295	0	0	7,295
<i>Operating loss</i>	(145,286)	(11,924)	(1,571)	(158,781)
<i>Donated commodities</i>	20,016	0	0	20,016
<i>Operating grants</i>	112,465	0	0	112,465
<i>Net loss</i>	(13,880)	(9,424)	(1,571)	(24,875)
<i>Operating Transfers</i>	0	2,500	0	2,500
<i>Fixed asset additions</i>	8,996	0	0	8,996
<i>Fixed asset deletions</i>	(1,075)	0	0	(1,075)
<i>Net working capital</i>	107,762	7,155	3,541	118,458
<i>Total assets</i>	242,619	9,042	3,924	255,585
<i>Total equity</i>	142,584	7,155	3,541	153,280
<i>Encumbrances outstanding at June 30, 2000</i>	31,114	72	2,052	33,238

**Note 17 – Interfund Transactions**

Interfund balances at June 30, 2000, consist of the following interfund receivables and payables:

	<i>Interfund Receivable</i>	<i>Interfund Payable</i>
<b>General Fund</b>	\$ 12,318	\$ 0
<b>Special Revenue Funds:</b>		
<i>Other Local Grants</i>	0	10,419
<i>Title VI</i>	0	1,717
<i>Drug Free School</i>	0	182
<b>Total</b>	<u>\$ 12,318</u>	<u>\$ 12,318</u>

**Note 18 – Jointly Governed Organizations**

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***A. Cuyahoga Valley  
Vocational School***

The Vocational School District is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The Board of Education is comprised of representatives from the board of each participating school district. The Board is responsible for approving its own budgets, appointing personnel and accounting and finance related activities. Nordonia Hills City School District students may attend the vocational school. Each school district's control is limited to its representation on the board. During fiscal year 2000, no monies were paid by Nordonia Hills City School District to the Cuyahoga Valley Vocational School.

***B. Northeast Ohio  
Network for Educational  
Technology (NEONET)***

The Northeast Ohio Network for Educational Technology (NEONET) is a jointly governed organization among seventeen school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The Board of Directors consists of member district superintendents and treasurers. The manager/director is a permanent, non-voting member of the board of directors. Each school district's control is limited to its representation on the board. The Board of Directors exercise total control over the operations of the association including budgeting, appropriating, contracting and designating management. All association revenues are generated from charges for services and State funding.

The School District does not retain an ongoing financial interest or an ongoing financial responsibility in either of these organizations.

**Note 19 – Insurance Purchasing Pool**

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



**Note 20 – Shared Risk Pool**

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***Health Benefits Program  
of the Stark County  
Schools Council of  
Governments***

The School District is a member of the Health Benefits Program of the Stark County Schools Council of Governments (COG). The COG is governed by a regional council known as the Stark County School Council comprised of superintendent representatives of member districts. The purpose of the COG is to promote cooperative employees and eligible dependents of participating members. The Board of Directors of the Council oversees and manages the operations of the health benefits program.

**Note 21 – State School Funding Decision**

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On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program," which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 2000, the School District received \$4,759,153 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. On May 11, 2000, the Ohio Supreme Court rendered an opinion on this issue. The Court concluded, "...the mandate of the [Ohio] Constitution has not been fulfilled." The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997, decision, however, it found seven "...major areas warrant further attention, study, and development by the General Assembly...", including the State's reliance on local property tax funding, the state's basic aid formula, the school foundation program, as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

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

**Note 22 – Set-Aside Requirements**

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

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

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	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Reserve</u>
<i>Set-aside reserve balance as of June 30, 1999</i>	\$ 0	\$ 0	\$ 322,143
<i>Current year set-aside requirement</i>	609,234	609,234	203,078
<i>Qualifying disbursements</i>	(1,346,813)	(609,234)	0
<i>Set-aside balance carried forward to future fiscal years</i>	<u>\$ (737,579)</u>	<u>\$ 0</u>	<u>\$ 525,221</u>
<i>Set-aside reserve balance as of June 30, 2000</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 525,221</u></u>

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The School District had qualifying disbursements and offsets during the fiscal year that reduced the textbooks set-aside amount below zero. This extra amount may be used to reduce the set-aside requirement in future fiscal years. The total reserve balance for the three set-asides at the end of the fiscal year was \$525,221.

**Note 23 - Contingencies**

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***A. Grants***

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2000.

***B. Litigation***

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

NORDONIA HILLS  
CITY SCHOOL DISTRICT



*Combining, Individual Fund and  
Account Group  
Financial Statements and 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.

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 17,752,672	\$ 17,752,672	\$ 0
Intergovernmental	6,474,653	6,474,653	0
Interest	560,136	560,136	0
Tuition and fees	264,938	264,938	0
Extracurricular activities	16,876	16,876	0
Contributions and donations	115,709	115,709	0
Rentals	22,728	22,728	0
Miscellaneous	101,697	101,697	0
Total revenues	<u>25,309,409</u>	<u>25,309,409</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	8,481,636	8,481,636	0
Fringe benefits	2,111,225	2,111,225	0
Purchased services	176,589	176,589	0
Materials and supplies	441,915	441,915	0
Capital outlay - new	903,182	903,182	0
Capital outlay - replacement	41,615	41,615	0
Total regular	<u>12,156,162</u>	<u>12,156,162</u>	<u>0</u>
Special:			
Salaries and wages	1,428,322	1,428,322	0
Fringe benefits	354,380	354,380	0
Purchased services	351,835	351,835	0
Materials and supplies	16,470	16,470	0
Capital outlay - new	1,451	1,451	0
Capital outlay - replacement	0	0	0
Total special	<u>2,152,458</u>	<u>2,152,458</u>	<u>0</u>
Vocational:			
Salaries and wages	264,465	264,465	0
Fringe benefits	62,721	62,721	0
Purchased services	339	339	0
Materials and supplies	551	551	0
Total vocational	<u>328,076</u>	<u>328,076</u>	<u>0</u>
Support services:			
Pupils:			
Salaries and wages	1,426,817	1,426,817	0
Fringe benefits	352,156	352,156	0
Purchased services	123,505	123,505	0
Materials and supplies	20,202	20,202	0
Capital outlay - replacement	4,507	4,507	0
Other	1,011	1,011	0
Total pupils	<u>1,928,198</u>	<u>1,928,198</u>	<u>0</u>

(Continued)

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Instructional staff:			
Salaries and wages	\$ 465,257	\$ 465,257	\$ 0
Fringe benefits	123,854	123,854	0
Purchased services	197,826	197,826	0
Materials and supplies	126,503	126,503	0
Capital outlay - new	4,235	4,235	0
Capital outlay - replacement	4,353	4,353	0
<b>Total instructional staff</b>	<b>922,028</b>	<b>922,028</b>	<b>0</b>
Board of education:			
Salaries and wages	9,680	9,680	0
Fringe benefits	687	687	0
Purchased services	10,034	10,034	0
Materials and supplies	17,889	17,889	0
Other	81,225	81,225	0
<b>Total board of education</b>	<b>119,515</b>	<b>119,515</b>	<b>0</b>
Administration:			
Salaries and wages	1,210,117	1,210,117	0
Fringe benefits	307,523	307,523	0
Purchased services	345,143	345,143	0
Materials and supplies	50,980	50,980	0
Capital outlay - new	13,889	13,889	0
Capital outlay - replacement	18,199	18,199	0
Other	6,661	6,661	0
<b>Total administration</b>	<b>1,952,512</b>	<b>1,952,512</b>	<b>0</b>
Fiscal:			
Salaries and wages	217,862	217,862	0
Fringe benefits	65,171	65,171	0
Purchased services	38,865	38,865	0
Materials and supplies	9,251	9,251	0
Capital outlay - new	2,437	2,437	0
Capital outlay - replacement	3,972	3,972	0
Other	327,255	327,255	0
<b>Total fiscal</b>	<b>664,813</b>	<b>664,813</b>	<b>0</b>
Business:			
Salaries and wages	165,972	165,972	0
Fringe benefits	46,149	46,149	0
Purchased services	126,054	126,054	0
Materials and supplies	13,291	13,291	0
Capital outlay - new	5,507	5,507	0
Capital outlay - replacement	5,905	5,905	0
Other	3,784	3,784	0
<b>Total business</b>	<b>366,662</b>	<b>366,662</b>	<b>0</b>

(Continued)



***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Operation and maintenance of plant:			
Salaries and wages	\$ 1,077,528	\$ 1,077,528	\$ 0
Fringe benefits	298,105	298,105	0
Purchased services	1,072,624	1,072,624	0
Materials and supplies	237,260	237,260	0
Capital outlay - replacement	32,475	32,475	0
Other	2,715	2,715	0
Total operation and maintenance of plant	<u>2,720,707</u>	<u>2,720,707</u>	<u>0</u>
Pupil transportation:			
Salaries and wages	834,024	834,024	0
Fringe benefits	229,052	229,052	0
Purchased services	113,239	113,239	0
Materials and supplies	197,216	197,216	0
Capital outlay - new	2,346	2,346	0
Capital outlay - replacement	425,771	425,771	0
Total pupil transportation	<u>1,801,648</u>	<u>1,801,648</u>	<u>0</u>
Central:			
Purchased services	<u>27,166</u>	<u>27,166</u>	<u>0</u>
Total central	<u>27,166</u>	<u>27,166</u>	<u>0</u>
Extracurricular activities:			
Academic and subject oriented activities:			
Salaries and wages	102,813	102,813	0
Fringe benefits	17,514	17,514	0
Purchased services	37,500	37,500	0
Total academic and subject oriented activities	<u>157,827</u>	<u>157,827</u>	<u>0</u>
Sports oriented activities:			
Salaries and wages	322,899	322,899	0
Fringe benefits	48,764	48,764	0
Purchased services	11,258	11,258	0
Materials and supplies	2,397	2,397	0
Capital outlay - replacement	10,091	10,091	0
Total sports oriented activities	<u>395,409</u>	<u>395,409</u>	<u>0</u>
Total extracurricular activities	<u>553,236</u>	<u>553,236</u>	<u>0</u>
Capital outlay:			
Facilities acquisition and construction services:			
Site acquisition services:			
Capital outlay - new	<u>59,339</u>	<u>59,339</u>	<u>0</u>
Total capital outlay	<u>59,339</u>	<u>59,339</u>	<u>0</u>
Total expenditures	<u>25,752,520</u>	<u>25,752,520</u>	<u>0</u>
Excess of revenues under expenditures	<u>(443,111)</u>	<u>(443,111)</u>	<u>0</u>

(Continued)

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Other financing sources(uses):</u>			
Advances in	\$ 13,068	\$ 13,068	\$ 0
Advances out	(11,111)	(11,111)	0
Operating transfers out	(24,980)	(24,980)	0
Total other financing sources (uses)	<u>(23,023)</u>	<u>(23,023)</u>	<u>0</u>
Excess of revenues and other financing sources under expenditures and other financing uses	(466,134)	(466,134)	0
Fund balance at beginning of year	6,247,448	6,247,448	0
Prior year encumbrances appropriated	832,184	832,184	0
Fund balance at end of year	<u>\$ 6,613,498</u>	<u>\$ 6,613,498</u>	<u>\$ 0</u>

## *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. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

Scholarship: To account for specific local revenue sources generated by individuals and organizations to provide scholarships to selected School District graduates.

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

Other Local Grants: To account for the proceeds of specific revenue sources except for State and Federal grants that are legally restricted.

Athletics and Music: To account for the student activity programs which have student participation in the activity, but do not have student management of the programs. This fund includes athletic programs as well as band, cheerleaders, drama clubs, and other similar types of activities.

Auxiliary Services: To account for State funds which provide services and materials to students attending non-public schools within the boundaries of the School District as provided by State law.

Teacher Development: To account for State revenues used to assist teachers in gaining new skills and becoming familiar with new teaching methodologies.

Management Information Systems: To account for State funds provided to assist the School District in implementing a staff, student, and financial reporting system as mandated by the Omnibus Education Reform Act of 1989.

SchoolNet Development: To account for a limited number of professional development subsidy grants.

(Continued)

## *SPECIAL REVENUE FUNDS (Continued)*

Ohio Reads Grant: To account for monies received from the State for the operation of the Ohio Reads Program.

Miscellaneous State Grants: To account for various monies received from State agencies which are not classified elsewhere.

Title II/Eisenhower: To account for Federal funds issued for use in the training of teachers in new techniques and methodologies in the areas of mathematics and science.

Title VI-B: To account for Federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

Title I: To account for Federal funds for services provided to meet special educational needs of educationally deprived children.

Title VI: To account for Federal funds to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; programs to enhance personal excellence of students and student achievement.

Drug Free School: To account for Federal funds for the establishment, operation and improvement programs of drug abuse prevention, early intervention, rehabilitation referral and education in schools.

Preschool Handicapped: To address the improvement and expansion of services for handicapped children aged three through five years of age.

Education Rate: To account for discounts and/or rebates received from local telecommunication companies. The Universal Service Fund, under the direction of the FCC, provided financial assistance to the local telecommunication companies to defray the cost of providing discounted rates to qualifying schools. The assistance was then passed through to the School District.

Miscellaneous Federal Grants: To account for various monies received through State agencies from the Federal government or directly from the Federal government that are not classified elsewhere.

***Nordonia Hills City School District***  
**Combining Balance Sheet**  
**All Special Revenue Funds**  
**June 30, 2000**

	<u>Scholarship</u>	<u>Public School Support</u>	<u>Other Local Grants</u>	<u>Athletics and Music</u>	<u>Auxiliary Services</u>	<u>Teacher Development</u>
<u>Assets:</u>						
Equity in pooled cash and cash equivalents	\$ 20,473	\$ 57,061	\$ 11,242	\$ 46,245	\$ 55,092	\$ 11,116
Cash and cash equivalents in segregated accounts	0	0	0	3,494	0	0
Accounts receivable	1,500	1,276	0	5,400	0	0
Total assets	<u>\$ 21,973</u>	<u>\$ 58,337</u>	<u>\$ 11,242</u>	<u>\$ 55,139</u>	<u>\$ 55,092</u>	<u>\$ 11,116</u>
<u>Liabilities and fund equity:</u>						
<u>Liabilities:</u>						
Accounts payable	\$ 0	\$ 11,009	\$ 1,199	\$ 5,699	\$ 8,295	\$ 0
Accrued wages	0	0	0	425	0	0
Interfund payable	0	0	10,419	0	0	0
Intergovernmental payable	0	0	19	130	14	0
Total liabilities	<u>0</u>	<u>11,009</u>	<u>11,637</u>	<u>6,254</u>	<u>8,309</u>	<u>0</u>
<u>Fund equity:</u>						
Fund balance:						
Reserved for encumbrances	0	4,078	2,357	3,904	11,291	0
Unreserved:						
Undesignated (deficit)	21,973	43,250	(2,752)	44,981	35,492	11,116
Total fund equity (deficit)	<u>21,973</u>	<u>47,328</u>	<u>(395)</u>	<u>48,885</u>	<u>46,783</u>	<u>11,116</u>
Total liabilities and fund equity	<u>\$ 21,973</u>	<u>\$ 58,337</u>	<u>\$ 11,242</u>	<u>\$ 55,139</u>	<u>\$ 55,092</u>	<u>\$ 11,116</u>

(Continued)

**Nordonia Hills City School District**  
**Combining Balance Sheet**  
**All Special Revenue Funds**  
**June 30, 2000**

	Management Information Systems	SchoolNet Development	Ohio Reads Grant	Miscellaneous State Grants	Title VI-B	Title I
<u>Assets:</u>						
Equity in pooled cash and cash equivalents	\$ 0	\$ 1,953	\$ 5,852	\$ 2,633	\$ 35,665	\$ 15,017
Cash and cash equivalents in segregated accounts	0	0	0	0	0	0
Accounts receivable	0	0	0	0	0	0
Total assets	<u>\$ 0</u>	<u>\$ 1,953</u>	<u>\$ 5,852</u>	<u>\$ 2,633</u>	<u>\$ 35,665</u>	<u>\$ 15,017</u>
<u>Liabilities and fund equity:</u>						
<u>Liabilities:</u>						
Accounts payable	\$ 0	\$ 974	\$ 0	\$ 1,702	\$ 2,500	\$ 15
Accrued wages	0	0	0	0	21,298	8,576
Interfund payable	0	0	0	0	0	0
Intergovernmental payable	117	39	0	0	3,808	1,468
Total liabilities	<u>117</u>	<u>1,013</u>	<u>0</u>	<u>1,702</u>	<u>27,606</u>	<u>10,059</u>
<u>Fund equity:</u>						
Fund balance:						
Reserved for encumbrances	0	950	0	1,388	5,491	600
Unreserved:						
Undesignated (deficit)	(117)	(10)	5,852	(457)	2,568	4,358
Total fund equity (deficit)	<u>(117)</u>	<u>940</u>	<u>5,852</u>	<u>931</u>	<u>8,059</u>	<u>4,958</u>
Total liabilities and fund equity	<u>\$ 0</u>	<u>\$ 1,953</u>	<u>\$ 5,852</u>	<u>\$ 2,633</u>	<u>\$ 35,665</u>	<u>\$ 15,017</u>

<u>Title VI</u>	<u>Drug Free School</u>	<u>Preschool Handicapped</u>	<u>Miscellaneous Federal Grants</u>	<u>Total All Funds</u>
\$ 15,207	\$ 0	\$ 8,964	\$ 254,575	\$ 541,095
0	0	0	0	3,494
0	0	0	0	8,176
<u>\$ 15,207</u>	<u>\$ 0</u>	<u>\$ 8,964</u>	<u>\$ 254,575</u>	<u>552,765</u>

\$ 0	\$ 0	\$ 0	\$ 37,156	\$ 68,549
0	3,120	1,467	8,698	43,584
1,717	182	0	0	12,318
0	147	0	553	6,295
<u>1,717</u>	<u>3,449</u>	<u>1,467</u>	<u>46,407</u>	<u>130,746</u>

11,712	0	6,037	22,207	70,015
<u>1,778</u>	<u>(3,449)</u>	<u>1,460</u>	<u>185,961</u>	<u>352,004</u>
<u>13,490</u>	<u>(3,449)</u>	<u>7,497</u>	<u>208,168</u>	<u>422,019</u>
<u>\$ 15,207</u>	<u>\$ 0</u>	<u>\$ 8,964</u>	<u>\$ 254,575</u>	<u>\$ 552,765</u>

***Nordonia Hills City School District***  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2000**

	<u>Scholarship</u>	<u>Public School Support</u>	<u>Other Local Grants</u>	<u>Athletics and Music</u>	<u>Auxiliary Services</u>	<u>Teacher Development</u>
<b>Revenues:</b>						
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 297,640	\$ 16,035
Interest	0	0	0	0	3,461	0
Extracurricular activities	0	105,865	0	170,816	0	0
Contributions and donations	11,805	3,386	543	0	0	0
Miscellaneous	0	9,651	3,286	5,400	0	0
Total revenues	<u>11,805</u>	<u>118,902</u>	<u>3,829</u>	<u>176,216</u>	<u>301,101</u>	<u>16,035</u>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular	0	1,802	15,857	0	0	0
Special	0	0	0	0	0	0
<b>Support services:</b>						
Pupils	0	0	0	0	0	0
Instructional staff	0	956	675	0	0	14,103
Administration	0	0	0	0	0	0
Fiscal	0	0	0	0	1,200	0
Operation of non-instructional services	14,325	0	5,404	0	282,998	0
Extracurricular activities	0	110,605	0	182,100	0	0
Total expenditures	<u>14,325</u>	<u>113,363</u>	<u>21,936</u>	<u>182,100</u>	<u>284,198</u>	<u>14,103</u>
Excess of revenues over (under) expenditures	(2,520)	5,539	(18,107)	(5,884)	16,903	1,932
<b>Other financing sources:</b>						
Operating transfers in	0	0	0	22,480	0	0
Excess of revenues and other financing sources over (under) expenditures	(2,520)	5,539	(18,107)	16,596	16,903	1,932
Fund balances (deficit) at beginning of year	<u>24,493</u>	<u>41,789</u>	<u>17,712</u>	<u>32,289</u>	<u>29,880</u>	<u>9,184</u>
Fund balances (deficit) at end of year	<u>\$ 21,973</u>	<u>\$ 47,328</u>	<u>\$ (395)</u>	<u>\$ 48,885</u>	<u>\$ 46,783</u>	<u>\$ 11,116</u>



<u>Management Information Systems</u>	<u>SchoolNet Development</u>	<u>Ohio Reads Grant</u>	<u>Miscellaneous State Grants</u>	<u>Title II/ Eisenhower</u>	<u>Title VI-B</u>	<u>Title I</u>
\$ 10,142	\$ 1,897	\$ 64,000	\$ 28,723	\$ 9,481	\$ 286,247	\$ 69,761
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>10,142</u>	<u>1,897</u>	<u>64,000</u>	<u>28,723</u>	<u>9,481</u>	<u>286,247</u>	<u>69,761</u>
0	8,914	58,148	0	0	0	0
0	0	0	0	0	101,864	58,188
0	0	0	24,309	0	142,065	0
0	5,481	0	0	16,493	44,410	5,399
10,082	0	0	3,483	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	6,090
0	0	0	0	0	0	0
<u>10,082</u>	<u>14,395</u>	<u>58,148</u>	<u>27,792</u>	<u>16,493</u>	<u>288,339</u>	<u>69,677</u>
60	(12,498)	5,852	931	(7,012)	(2,092)	84
0	0	0	0	0	0	0
60	(12,498)	5,852	931	(7,012)	(2,092)	84
(177)	13,438	0	0	7,012	10,151	4,874
<u>\$ (117)</u>	<u>\$ 940</u>	<u>\$ 5,852</u>	<u>\$ 931</u>	<u>\$ 0</u>	<u>\$ 8,059</u>	<u>\$ 4,958</u>

***Nordonia Hills City School District***  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2000**

	Title VI	Drug Free School	Preschool Handicapped	Education Rate	Miscellaneous Federal Grants	Total All Funds
<b>Revenues:</b>						
Intergovernmental	\$ 20,722	\$ 16,060	\$ 20,452	\$ 0	\$ 444,064	\$ 1,285,224
Interest	0	0	0	0	0	3,461
Extracurricular activities	0	0	0	0	0	276,681
Contributions and donations	0	0	0	0	0	15,734
Miscellaneous	0	0	0	0	0	18,337
<b>Total revenues</b>	<b>20,722</b>	<b>16,060</b>	<b>20,452</b>	<b>0</b>	<b>444,064</b>	<b>1,599,437</b>
<b>Expenditures:</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular	0	0	0	0	375,748	460,469
Special	0	0	0	0	0	160,052
<b>Support services:</b>						
Pupils	0	19,848	20,020	0	0	206,242
Instructional staff	4,684	0	0	0	180,024	272,225
Administration	0	0	0	18,769	0	32,334
Fiscal	0	0	0	0	0	1,200
Operation of non-instructional services	3,113	0	0	0	0	311,930
Extracurricular activities	0	0	0	0	0	292,705
<b>Total expenditures</b>	<b>7,797</b>	<b>19,848</b>	<b>20,020</b>	<b>18,769</b>	<b>555,772</b>	<b>1,737,157</b>
Excess of revenues over (under) expenditures	12,925	(3,788)	432	(18,769)	(111,708)	(137,720)
<b>Other financing sources:</b>						
Operating transfers in	0	0	0	0	0	22,480
Excess of revenues and other financing sources over (under) expenditures	12,925	(3,788)	432	(18,769)	(111,708)	(115,240)
Fund balances (deficit) at beginning of year	565	339	7,065	18,769	319,876	537,259
Fund balances (deficit) at end of year	<u>\$ 13,490</u>	<u>\$ (3,449)</u>	<u>\$ 7,497</u>	<u>\$ 0</u>	<u>\$ 208,168</u>	<u>\$ 422,019</u>

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - Scholarship Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
	<hr/>	<hr/>	<hr/>
<u>Revenues:</u>			
Contributions and donations	\$ 11,805	\$ 11,805	\$ 0
<u>Expenditures:</u>			
Operation of non-instructional services:			
Community services:			
Other	14,325	14,325	0
	<hr/>	<hr/>	<hr/>
Excess of revenues under expenditures	(2,520)	(2,520)	0
Fund balance at beginning of year	22,993	22,993	0
	<hr/>	<hr/>	<hr/>
Fund balance at end of year	\$ 20,473	\$ 20,473	\$ 0
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Public School Support Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Extracurricular activities	\$ 105,830	\$ 105,830	\$ 0
Contributions and donations	3,386	3,386	0
Miscellaneous	8,375	8,375	0
Total revenues	<u>117,591</u>	<u>117,591</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Capital outlay - new	<u>1,802</u>	<u>1,802</u>	<u>0</u>
Support services:			
Instructional staff:			
Other	<u>1,106</u>	<u>1,106</u>	<u>0</u>
Extracurricular activities:			
Academic and subject oriented activities:			
Other	102,095	102,095	0
School and public service co-curricular activities:			
Other	<u>14,936</u>	<u>14,936</u>	<u>0</u>
Total extracurricular activities	<u>117,031</u>	<u>117,031</u>	<u>0</u>
Total expenditures	<u>119,939</u>	<u>119,939</u>	<u>0</u>
Excess of revenues under expenditures	(2,348)	(2,348)	0
Fund balance at beginning of year	38,569	38,569	0
Prior year encumbrances appropriated	<u>6,851</u>	<u>6,851</u>	<u>0</u>
Fund balance at end of year	<u>\$ 43,072</u>	<u>\$ 43,072</u>	<u>\$ 0</u>

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Other Local Grants Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Contributions and donations	\$ 543	\$ 543	\$ 0
Miscellaneous	3,286	3,286	0
Total revenues	<u>3,829</u>	<u>3,829</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	1,831	1,831	0
Materials and supplies	1,598	1,598	0
Other	15,471	15,471	0
Total instruction	<u>18,900</u>	<u>18,900</u>	<u>0</u>
Support services:			
Instructional staff:			
Salaries and wages	525	525	0
Materials and supplies	149	149	0
Total support services	<u>674</u>	<u>674</u>	<u>0</u>
Operation of non-instructional services:			
Community services:			
Other	5,404	5,404	0
Total expenditures	<u>24,978</u>	<u>24,978</u>	<u>0</u>
Excess of revenues under expenditures	(21,149)	(21,149)	0
Fund balance at beginning of year	24,782	24,782	0
Prior year encumbrances appropriated	4,052	4,052	0
Fund balance at end of year	<u>\$ 7,685</u>	<u>\$ 7,685</u>	<u>\$ 0</u>

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - Athletics and Music Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
	<hr/>	<hr/>	<hr/>
<u>Revenues:</u>			
Extracurricular activities	\$ 170,566	\$ 170,566	\$ 0
	<hr/>	<hr/>	<hr/>
<u>Expenditures:</u>			
Current:			
Extracurricular activities:			
Academic and subject oriented activities:			
Other	4,142	4,142	0
	<hr/>	<hr/>	<hr/>
Sports oriented activities:			
Salaries and wages	6,390	6,390	0
Purchased services	76,655	76,655	0
Other	104,662	104,662	0
Capital outlay - replacement	144	144	0
Total sports oriented activities	<hr/> 187,851	<hr/> 187,851	<hr/> 0
Total expenditures	<hr/> 191,993	<hr/> 191,993	<hr/> 0
Excess of revenues under expenditures	(21,427)	(21,427)	0
<u>Other financing sources:</u>			
Operating transfers in	<hr/> 22,480	<hr/> 22,480	<hr/> 0
Excess of revenues and other financing sources over expenditures	1,053	1,053	0
Fund balance at beginning of year	25,731	25,731	0
Prior year encumbrances appropriated	<hr/> 8,799	<hr/> 8,799	<hr/> 0
Fund balance at end of year	<hr/> <u>\$ 35,583</u>	<hr/> <u>\$ 35,583</u>	<hr/> <u>\$ 0</u>

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - Auxiliary Services Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 297,640	\$ 297,640	\$ 0
Interest	3,461	3,461	0
Total revenues	<u>301,101</u>	<u>301,101</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Fiscal:			
Salaries and wages	<u>1,200</u>	<u>1,200</u>	<u>0</u>
Operation of non-instructional services:			
Community services:			
Purchased services	195,355	195,355	0
Materials and supplies	<u>121,527</u>	<u>121,527</u>	<u>0</u>
Total operation of non-instructional services	<u>316,882</u>	<u>316,882</u>	<u>0</u>
Total expenditures	<u>318,082</u>	<u>318,082</u>	<u>0</u>
Excess of revenues under expenditures	(16,981)	(16,981)	0
Fund balance at beginning of year	0	0	0
Prior year encumbrances appropriated	<u>52,787</u>	<u>52,787</u>	<u>0</u>
Fund balance at end of year	<u>\$ 35,806</u>	<u>\$ 35,806</u>	<u>\$ 0</u>

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Teacher Development Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 16,035	\$ 16,035	\$ 0
<u>Expenditures:</u>			
Current:			
Instructional staff:			
Salaries and wages	14,044	14,044	0
Fringe benefits	21	21	0
Materials and supplies	1,080	1,080	0
Other	31	31	0
Total expenditures	15,176	15,176	0
Excess of revenues over expenditures	859	859	0
Fund balance at beginning of year	10,257	10,257	0
Fund balance at end of year	\$ 11,116	\$ 11,116	\$ 0



***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Management Information Systems Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 10,142	\$ 10,142	\$ 0
<u>Expenditures:</u>			
Current:			
Support services:			
Administration:			
Salaries and wages	10,142	10,142	0
Excess of revenues over expenditures	0	0	0
Fund balance at beginning of year	0	0	0
Fund balance at end of year	\$ 0	\$ 0	\$ 0

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - SchoolNet Development Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 3,795	\$ 3,795	\$ 0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	6,368	6,368	0
Capital outlay - new	4,439	4,439	0
Other	2,152	2,152	0
Total instruction	12,959	12,959	0
Support services:			
Instructional staff:			
Purchased services	4,523	4,523	0
Materials and supplies	958	958	0
Total support services	5,481	5,481	0
Total expenditures	18,440	18,440	0
Excess of revenues under expenditures	(14,645)	(14,645)	0
Fund balance at beginning of year	14,119	14,119	0
Prior year encumbrances appropriated	555	555	0
Fund balance at end of year	\$ 29	\$ 29	\$ 0

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Ohio Reads Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 64,000	\$ 64,000	\$ 0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased services	4,000	4,000	0
Materials and supplies	54,148	54,148	0
Total expenditures	58,148	58,148	0
Excess of revenues over expenditures	5,852	5,852	0
Fund balance at beginning of year	0	0	0
Fund balance at end of year	\$ 5,852	\$ 5,852	\$ 0

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Miscellaneous State Grants Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 28,723	\$ 28,723	\$ 0
<u>Expenditures:</u>			
Current:			
Support services:			
Pupils			
Purchased services	22,938	22,938	0
Materials and supplies	1,928	1,928	0
Total pupils	24,866	24,866	0
Administration:			
Purchased services	3,483	3,483	0
Total expenditures	28,349	28,349	0
Excess of revenues over expenditures	374	374	0
Fund balance at beginning of year	0	0	0
Fund balance at end of year	\$ 374	\$ 374	\$ 0

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Title II/Eisenhower Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 9,481	\$ 9,481	\$ 0
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff:			
Purchased services	12,256	12,256	0
Materials and supplies	4,237	4,237	0
Total expenditures	16,493	16,493	0
Excess of revenues under expenditures	(7,012)	(7,012)	0
Fund balance at beginning of year	7,012	7,012	0
Fund balance at end of year	\$ 0	\$ 0	\$ 0

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - Title VI-B Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 306,729	\$ 306,729	\$ 0
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Purchased services	105,864	105,864	0
Support services:			
Pupils:			
Salaries and wages	107,859	107,859	0
Fringe benefits	34,161	34,161	0
Total pupils	142,020	142,020	0
Instructional staff:			
Salaries and wages	38,332	38,332	0
Fringe benefits	7,466	7,466	0
Total instructional staff	45,798	45,798	0
Total expenditures	293,682	293,682	0
Excess of revenues over expenditures	13,047	13,047	0
Fund balance at beginning of year	14,628	14,628	0
Fund balance at end of year	\$ 27,675	\$ 27,675	\$ 0

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-**  
**Budget (Non-GAAP Basis) and Actual - Title I Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 69,761	\$ 69,761	\$ 0
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries and wages	50,004	50,004	0
Fringe benefits	8,340	8,340	0
Materials and supplies	366	366	0
Total special	58,710	58,710	0
Support services:			
Instructional staff:			
Salaries and wages	4,431	4,431	0
Fringe benefits	679	679	0
Purchased services	350	350	0
Total instructional staff	5,460	5,460	0
Operation of non-instructional services:			
Community services:			
Salaries and wages	5,222	5,222	0
Fringe benefits	943	943	0
Total community services	6,165	6,165	0
Total expenditures	70,335	70,335	0
Excess of revenues under expenditures	(574)	(574)	0
Fund balance at beginning of year	14,545	14,545	0
Prior year encumbrances appropriated	430	430	0
Fund balance at end of year	\$ 14,401	\$ 14,401	\$ 0

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Title VI Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 20,722	\$ 20,722	\$ 0
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff:			
Purchased services	14,147	14,147	0
Materials and supplies	2,249	2,249	0
Total support services	16,396	16,396	0
Operation of non-instructional services:			
Community services:			
Capital outlay - new	3,113	3,113	0
Total expenditures	19,509	19,509	0
Excess of revenues over expenditures	1,213	1,213	0
Fund balance at beginning of year	2,282	2,282	0
Fund balance at end of year	\$ 3,495	\$ 3,495	\$ 0



***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Drug Free School Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 21,551	\$ 21,551	\$ 0
<u>Expenditures:</u>			
Current:			
Support services:			
Pupils:			
Salaries and wages	19,593	19,593	0
Excess of revenues over expenditures	1,958	1,958	0
<u>Other financing sources (uses):</u>			
Advances in	5,428	5,428	0
Advances out	(7,386)	(7,386)	0
Total other financing sources (uses)	(1,958)	(1,958)	0
Excess of revenues and other financing sources over expenditures	0	0	0
Fund balance at beginning of year	0	0	0
Fund balance at end of year	\$ 0	\$ 0	0

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Preschool Handicapped Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 20,452	\$ 20,452	\$ 0
<u>Expenditures:</u>			
Current:			
Support services:			
Pupils:			
Salaries and wages	9,608	9,608	0
Fringe benefits	2,378	2,378	0
Purchased services	14,290	14,290	0
Total expenditures	26,276	26,276	0
Excess of revenues under expenditures	(5,824)	(5,824)	0
Fund balance at beginning of year	8,751	8,751	0
Fund balance at end of year	\$ 2,927	\$ 2,927	\$ 0

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Education Rate Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 0	\$ 0	\$ 0
<u>Expenditures:</u>			
Support services:			
Administration:			
Purchased services	18,769	18,769	0
Excess of revenues under expenditures	(18,769)	(18,769)	0
Fund balance at beginning of year	18,769	18,769	0
Fund balance at end of year	\$ 0	\$ 0	\$ 0

***Nordonia Hills City School District***

**Schedule of Revenues, Expenditures and Changes in Fund Balance-  
Budget (Non-GAAP Basis) and Actual - Miscellaneous Federal Grants Fund  
For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental	\$ 444,064	\$ 444,064	\$ 0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and wages	43,290	43,290	0
Purchased services	27,566	27,566	0
Materials and supplies	3,634	3,634	0
Capital outlay - new	327,296	327,296	0
Total regular	401,786	401,786	0
Support services:			
Instructional staff:			
Salaries and wages	19,100	19,100	0
Fringe benefits	512	512	0
Purchased services	109,338	109,338	0
Materials and supplies	13,056	13,056	0
Total instructional staff	142,006	142,006	0
Total expenditures	543,792	543,792	0
Excess of revenues under expenditures	(99,728)	(99,728)	0
Fund balance at beginning of year	316,770	316,770	0
Prior year encumbrances appropriated	3,170	3,170	0
Fund balance at end of year	\$ 220,212	\$ 220,212	\$ 0

## *DEBT SERVICE FUND*

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment. It is also used to account for the accumulation of resources and payment of general obligation notes payable, as required by Ohio Law.

Since there is only one Debt Service Fund and the level of budgetary control is not greater than that presented in the Combined Financial Statements, no additional financial statements are presented here.

## *CAPITAL PROJECTS FUND*

The capital projects fund is established to account for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

Since there is only one capital projects fund and the level of budgetary control is not greater than that presented in the Combined Financial Statements, no additional financial statements are presented here.

## *ENTERPRISE FUNDS*

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private sector business where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public be financed or recovered primarily through user charges. The following are descriptions of each of the School District's enterprise funds:

*Food Service:* To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the School District students and staff.

*Adult Education:* To account for all revenues and expenses related to the provision of credit and non-credit classes to the general public.

*High School Bookstore Sales:* To account for the purchase and sale of books and school supplies as adopted by the Board of Education for resale to students of the High School.

**Nordonia Hills City School District**  
**Combining Balance Sheet**  
**All Enterprise Funds**  
**June 30, 2000**

	<u>Food Service</u>	<u>Adult Education</u>	<u>High School Bookstore Sales</u>	<u>Total All Funds</u>
<u>Assets:</u>				
<u>Current assets:</u>				
Equity in pooled cash and cash equivalents	\$ 147,245	\$ 9,042	\$ 3,924	\$ 160,211
Accounts receivable	2,060	0	0	2,060
Inventory held for resale	30,929	0	0	30,929
Materials and supplies inventory	4,981	0	0	4,981
Total current assets	<u>185,215</u>	<u>9,042</u>	<u>3,924</u>	<u>198,181</u>
<u>Non-current assets:</u>				
Fixed assets (net of accumulated depreciation)	<u>57,404</u>	<u>0</u>	<u>0</u>	<u>57,404</u>
Total assets	<u>\$ 242,619</u>	<u>\$ 9,042</u>	<u>\$ 3,924</u>	<u>\$ 255,585</u>
<u>Liabilities and fund equity:</u>				
<u>Current liabilities:</u>				
Accounts payable	\$ 15,564	\$ 72	\$ 383	\$ 16,019
Accrued wages	31,545	1,747	0	33,292
Intergovernmental payable	26,180	68	0	26,248
Deferred revenue	4,164	0	0	4,164
Total current liabilities	<u>77,453</u>	<u>1,887</u>	<u>383</u>	<u>79,723</u>
<u>Long-term liabilities:</u>				
Compensated absences payable	<u>22,582</u>	<u>0</u>	<u>0</u>	<u>22,582</u>
Total liabilities	<u>100,035</u>	<u>1,887</u>	<u>383</u>	<u>102,305</u>
<u>Fund equity:</u>				
Contributed capital:				
Capital contributed from:				
Governmental funds	1,195	0	0	1,195
Retained earnings:				
Unreserved	<u>141,389</u>	<u>7,155</u>	<u>3,541</u>	<u>152,085</u>
Total fund equity	<u>142,584</u>	<u>7,155</u>	<u>3,541</u>	<u>153,280</u>
Total liabilities and fund equity	<u>\$ 242,619</u>	<u>\$ 9,042</u>	<u>\$ 3,924</u>	<u>\$ 255,585</u>

***Nordonia Hills City School District***  
**Combining Statement of Revenues,**  
**Expenses and Changes in Fund Equity**  
**All Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2000**

	<u>Food Service</u>	<u>Adult Education</u>	<u>High School Bookstore Sales</u>	<u>Total All Funds</u>
<u>Operating revenues:</u>				
Tuition	\$ 0	\$ 5,465	\$ 0	\$ 5,465
Sales	743,800	0	23,681	767,481
Total operating revenue	<u>743,800</u>	<u>5,465</u>	<u>23,681</u>	<u>772,946</u>
<u>Operating expenses:</u>				
Salaries	357,090	7,479	0	364,569
Fringe benefits	61,211	145	0	61,356
Purchased services	14,428	3,963	0	18,391
Materials and supplies	22,306	5,802	25,252	53,360
Cost of sales	420,660	0	0	420,660
Depreciation	7,295	0	0	7,295
Other operating expenses	6,096	0	0	6,096
Total operating expenses	<u>889,086</u>	<u>17,389</u>	<u>25,252</u>	<u>931,727</u>
Operating loss	<u>(145,286)</u>	<u>(11,924)</u>	<u>(1,571)</u>	<u>(158,781)</u>
<u>Non-operating revenues (expenses):</u>				
Federal donated commodities	20,016	0	0	20,016
Operating grants	112,465	0	0	112,465
Loss on disposal of fixed assets	(1,075)	0	0	(1,075)
Total non-operating revenues (expenses)	<u>131,406</u>	<u>0</u>	<u>0</u>	<u>131,406</u>
Loss before operating transfers	(13,880)	(11,924)	(1,571)	(27,375)
Operating transfers in	<u>0</u>	<u>2,500</u>	<u>0</u>	<u>2,500</u>
Net loss	(13,880)	(9,424)	(1,571)	(24,875)
Retained earnings at beginning of year	<u>155,269</u>	<u>16,579</u>	<u>5,112</u>	<u>176,960</u>
Retained earnings at end of year	141,389	7,155	3,541	152,085
Contributed capital at beginning and end of year	<u>1,195</u>	<u>0</u>	<u>0</u>	<u>1,195</u>
Total fund equity at end of year	<u>\$ 142,584</u>	<u>\$ 7,155</u>	<u>\$ 3,541</u>	<u>\$ 153,280</u>



***Nordonia Hills City School District***  
**Schedule of Revenues, Expenses and Changes in Fund Equity**  
**Budget (Non-GAAP Basis) and Actual - Food Service Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Sales	\$ 742,076	\$ 742,076	\$ 0
Operating grants	129,574	129,574	0
Total revenues	<u>871,650</u>	<u>871,650</u>	<u>0</u>
<u>Expenses:</u>			
Salaries:			
Food service operations	323,625	323,625	0
Fringe benefits:			
Food service operations	95,259	95,259	0
Purchased services:			
Food service operations	16,960	16,960	0
Materials and supplies:			
Food service operations	437,024	437,024	0
Capital outlay:			
Capital outlay - new:			
Food service operations	16,186	16,186	0
Other:			
Food service operations	6,096	6,096	0
Total expenses	<u>895,150</u>	<u>895,150</u>	<u>0</u>
Excess of revenues under expenses	(23,500)	(23,500)	0
Fund equity at beginning of year	132,542	132,542	0
Prior year encumbrances appropriated	7,089	7,089	0
Fund equity at end of year	<u>\$ 116,131</u>	<u>\$ 116,131</u>	<u>\$ 0</u>

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenses and Changes in Fund Equity**  
**Budget (Non-GAAP Basis) and Actual - Adult Education Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Tuition	\$ 5,465	\$ 5,465	\$ 0
<u>Expenses:</u>			
Salaries:			
Regular instruction	5,770	5,770	0
Fringe benefits:			
Regular instruction	202	202	0
Purchased services:			
Regular instruction	4,035	4,035	0
Materials and supplies:			
Regular instruction	6,399	6,399	0
Total expenses	16,406	16,406	0
Excess of revenues under expenses	(10,941)	(10,941)	0
Operating transfers in	2,500	2,500	0
Excess of revenues and operating transfers under expenses	(8,441)	(8,441)	0
Fund equity at beginning of year	17,410	17,410	0
Fund equity at end of year	\$ 8,969	\$ 8,969	\$ 0

***Nordonia Hills City School District***  
**Schedule of Revenues, Expenses and Changes in Fund Equity -**  
**Budget (Non-GAAP Basis) and Actual - High School Bookstore Sales Fund**  
**For the Fiscal Year Ended June 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Sales	\$ 23,681	\$ 23,681	\$ 0
<u>Expenses:</u>			
Materials and supplies:			
Regular instruction	27,133	27,133	0
Excess of revenues under expenses	(3,452)	(3,452)	0
Fund equity at beginning of year	4,573	4,573	0
Prior year encumbrances appropriated	751	751	0
Fund equity at end of year	<u>\$ 1,872</u>	<u>\$ 1,872</u>	<u>\$ 0</u>

***Nordonia Hills City School District***  
**Combining Statement of Cash Flows**  
**All Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2000**

	Food Service	Adult Education	High School Bookstore Sales	Total All Funds
<u>Cash flows from operating activities:</u>				
Cash received from customers	\$ 741,740	\$ 0	\$ 23,681	\$ 765,421
Cash received from tuition payments	0	5,465	0	5,465
Cash payments to suppliers for goods and services	(433,208)	(10,363)	(25,081)	(468,652)
Cash payments to employees for services	(323,625)	(5,770)	0	(329,395)
Cash payments for employee benefits	(92,111)	(202)	0	(92,313)
Cash payments for other operating expenses	(6,096)	0	0	(6,096)
Net cash used for operating activities	<u>(113,300)</u>	<u>(10,870)</u>	<u>(1,400)</u>	<u>(125,570)</u>
<u>Cash flows from noncapital financing activities:</u>				
Operating grants	129,574	0	0	129,574
Transfers in	0	2,500	0	2,500
Net cash provided by noncapital financing activities	<u>129,574</u>	<u>2,500</u>	<u>0</u>	<u>132,074</u>
<u>Cash flows from capital financing activities:</u>				
Acquisition of capital assets	(8,996)	0	0	(8,996)
Net increase (decrease) in cash and cash equivalents	7,278	(8,370)	(1,400)	(2,492)
Cash and cash equivalents at beginning of year	139,967	17,412	5,324	162,703
Cash and cash equivalents at end of year	<u>\$ 147,245</u>	<u>\$ 9,042</u>	<u>\$ 3,924</u>	<u>\$ 160,211</u>
<u>Reconciliation of operating loss to net cash used for operating activities:</u>				
Operating loss	\$ (145,286)	\$ (11,924)	\$ (1,571)	\$ (158,781)
Adjustments to reconcile operating loss to net cash used for operating activities:				
Depreciation	7,295	0	0	7,295
Federal donated commodities	20,016	0	0	20,016
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(2,060)	0	0	(2,060)
Materials and supplies inventory	1,230	0	0	1,230
Inventory held for resale	(10,945)	0	0	(10,945)
Increase (decrease) in liabilities:				
Accounts payable	13,885	72	171	14,128
Accrued wages and benefits	857	1,077	0	1,934
Compensated absences payable	6,427	0	0	6,427
Intergovernmental payable	(4,719)	(95)	0	(4,814)
Total adjustments	<u>31,986</u>	<u>1,054</u>	<u>171</u>	<u>33,211</u>
Net cash used for operating activities	<u>\$ (113,300)</u>	<u>\$ (10,870)</u>	<u>\$ (1,400)</u>	<u>\$ (125,570)</u>

## *AGENCY FUND*

Agency funds are used to account for assets held by the School District as an agent for individuals, private organizations, and other governments and/or other funds.

*Student Managed Activity:* To account for those student activity programs which have student participation in the activity and have students involved in the management of the program.

***Nordonia Hills City School District***  
**Statement of Changes in Assets and Liabilities**  
**Agency Fund**  
**For the Fiscal Year Ended June 30, 2000**

	<u>Beginning Balance July 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance June 30, 2000</u>
<u>Student Managed Activity</u>				
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 60,411	\$ 159,016	\$ 161,512	\$ 57,915
Receivables:				
Accounts	<u>0</u>	<u>527</u>	<u>0</u>	<u>527</u>
Total assets	<u>\$ 60,411</u>	<u>\$ 159,543</u>	<u>\$ 161,512</u>	<u>\$ 58,442</u>
 <u>Liabilities:</u>				
Accounts payable	\$ 3,345	\$ 1,816	\$ 3,345	\$ 1,816
Due to students	<u>57,066</u>	<u>157,727</u>	<u>158,167</u>	<u>56,626</u>
Total liabilities	<u>\$ 60,411</u>	<u>\$ 159,543</u>	<u>\$ 161,512</u>	<u>\$ 58,442</u>

## *GENERAL FIXED ASSETS 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 Board. The investment in General Fixed Assets is carried until the disposition of the property and ownership is relinquished. Depreciation on general fixed assets is not recorded.

***Nordonia Hills City School District***  
**Schedule of General Fixed Assets by Source**  
**For the Fiscal Year Ended June 30, 2000**

General Fixed Assets:

Land and Land Improvements	\$ 1,683,883
Buildings	9,976,120
Furniture, Fixtures and Equipment	5,330,053
Vehicles	<u>2,308,945</u>
Total General Fixed Assets	<u>\$ 19,299,001</u>

Investment in General Fixed Assets

by Source:

General Fund	\$ 7,476,764
Capital Projects Fund	<u>11,822,237</u>
Total General Fixed Assets	<u>\$ 19,299,001</u>



***Nordonia Hills City School District***  
**Schedule of General Fixed Assets by Function and Activity**  
**For the Fiscal Year Ended June 30, 2000**

Function	Land and Land Improvements	Buildings	Furniture, Fixtures, and Equipment	Vehicles	Total
Instruction:					
Regular	\$ 0	\$ 0	\$ 4,540,141	\$ 0	\$ 4,540,141
Special	0	0	510	0	510
Support services:					
Pupils	0	0	11,280	0	11,280
Instructional staff	0	0	26,195	0	26,195
Administration	0	0	71,384	0	71,384
Fiscal	0	0	15,123	0	15,123
Business	0	0	260,223	0	260,223
Operation of maintenance of plant	0	0	112,816	0	112,816
Pupil transportation	0	0	11,611	0	11,611
Operation of non-instructional services	0	0	80,264	0	80,264
Extracurricular activities	0	0	47,798	0	47,798
Capital outlay	<u>1,683,883</u>	<u>9,976,120</u>	<u>152,708</u>	<u>2,308,945</u>	<u>14,121,656</u>
Total General Fixed Assets	<u>\$ 1,683,883</u>	<u>\$ 9,976,120</u>	<u>\$ 5,330,053</u>	<u>\$ 2,308,945</u>	<u>\$ 19,299,001</u>

***Nordonia Hills City School District***  
**Schedule of Changes in General Fixed Assets by Function**  
**For the Fiscal Year Ended June 30, 2000**

Function	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
Instruction:				
Regular	\$ 3,299,768	\$ 1,650,707	\$ 410,334	\$ 4,540,141
Special	0	510	0	510
Support services:				
Pupils	13,920	0	2,640	11,280
Instructional staff	26,450	500	755	26,195
Administration	52,972	18,412	0	71,384
Fiscal	13,608	1,515	0	15,123
Business	253,052	7,171	0	260,223
Operation of maintenance of plant	89,358	23,458	0	112,816
Pupil transportation	9,680	1,931	0	11,611
Operation of non-instructional services	80,264	0	0	80,264
Extracurricular activities	35,100	12,698	0	47,798
Capital outlay	13,513,361	724,596	116,301	14,121,656
Total General Fixed Assets	<u>\$ 17,387,533</u>	<u>\$ 2,441,498</u>	<u>\$ 530,030</u>	<u>\$ 19,299,001</u>

**STATISTICAL SECTION TAB**



NORDONIA HILLS  
CITY SCHOOL DISTRICT



**Nordonia Hills City School District**

**General Governmental Revenues by Source and Expenditures by Function  
Last Ten Fiscal Years**

	2000 (1)	1999 (1)	1998 (1)	1997 (1)
<u>Revenues:</u>				
Taxes	\$ 18,216,046	\$ 17,779,112	\$ 17,005,369	\$ 15,354,959
Intergovernmental	7,822,492	7,994,596	7,281,193	6,752,893
Interest	572,709	426,259	400,241	212,951
Tuition and fees	259,134	193,086	406,117	229,625
Extracurricular activities	293,557	466,251	239,257	219,883
Contributions and donations	131,444	78,787	101,831	93,472
Rentals	23,698	20,018	20,441	5,821
Miscellaneous	101,801	131,900	189,595	164,486
Total revenues	<u>\$ 27,420,881</u>	<u>\$ 27,090,009</u>	<u>\$ 25,644,044</u>	<u>\$ 23,034,090</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	\$ 12,430,124	\$ 11,228,438	\$ 10,688,701	\$ 10,234,691
Special	2,170,228	1,942,350	1,822,878	1,777,526
Vocational	331,757	313,983	301,529	265,105
Adult/continuing	0	0	0	0
Other	0	0	0	0
Support services:				
Pupils	2,103,605	1,963,749	1,780,347	1,623,064
Instructional staff	1,134,844	757,796	714,039	616,575
Board of education	113,050	119,605	107,750	127,662
Administration	1,963,874	1,802,060	1,944,860	1,696,578
Fiscal	661,481	628,847	586,684	583,489
Business	368,380	264,855	307,346	253,093
Operation and maintenance of plant	2,566,156	2,462,910	2,521,715	2,568,601
Pupil transportation	1,773,231	1,327,326	1,148,630	1,404,430
Central	27,166	26,512	26,180	25,882
Operation of non-instructional services	311,930	301,580	235,312	245,858
Extracurricular activities	844,553	740,776	707,776	676,186
Capital outlay	337,918	291,407	558,021	896,806
Debt service				
Principal retirement	404	23,928	57,238	138,565
Interest and fiscal charges	139	1,447	15,105	37,542
Total expenditures	<u>\$ 27,138,840</u>	<u>\$ 24,197,569</u>	<u>\$ 23,524,111</u>	<u>\$ 23,171,653</u>

Source: School District financial records.

(1) 1993 through 2000 reported on a GAAP basis; all other years on cash basis.

Note: General Governmental includes all governmental fund types.

	1996 (1)	1995 (1)	1994 (1)	1993 (1)	1992	1991
\$	13,565,269	\$ 13,100,439	\$ 11,668,215	\$ 10,259,523	\$ 10,102,719	\$ 9,239,139
	6,711,098	6,088,429	5,924,686	5,568,512	5,550,879	5,856,128
	292,390	273,127	121,317	139,208	215,740	327,344
	172,861	91,052	48,960	74,613	51,832	50,235
	225,542	196,200	176,836	91,978	84,674	98,269
	32,710	50,005	55,872	0	0	0
	6,342	17,105	29,156	30,107	0	0
	44,324	28,240	12,132	133,409	196,097	197,078
\$	<u>21,050,536</u>	<u>\$ 19,844,597</u>	<u>\$ 18,037,174</u>	<u>\$ 16,297,350</u>	<u>\$ 16,201,941</u>	<u>\$ 15,768,193</u>
\$	9,985,104	\$ 9,118,484	\$ 8,281,961	\$ 8,157,481	\$ 7,492,572	\$ 6,392,228
	1,690,787	1,312,112	1,262,708	1,158,257	992,721	839,227
	250,654	251,244	242,340	246,695	245,710	230,241
	0	38,579	0	0	0	0
	0	0	0	0	51,830	78,309
	1,577,412	1,378,649	1,325,128	1,152,092	1,094,367	1,043,713
	566,258	432,121	538,020	542,593	520,209	549,819
	126,434	111,512	94,124	103,582	89,856	58,406
	1,629,227	1,562,143	1,403,695	1,287,799	1,166,404	1,104,700
	515,337	478,142	485,842	435,682	440,061	348,724
	286,024	255,290	236,112	231,159	205,325	201,373
	2,421,665	2,134,289	2,272,162	2,210,728	2,032,546	1,821,605
	1,069,103	1,065,008	1,005,190	992,316	1,046,760	1,138,407
	26,465	30,834	8,409	1,066	10,649	32,667
	224,532	15,817	15,650	11,248	174,228	179,141
	589,976	545,859	496,641	445,323	460,239	424,513
	267,098	690,991	403,936	260,217	487,178	249,017
	28,550	28,152	262,710	158,604	101,575	95,075
	21,829	28,495	28,329	24,089	0	0
\$	<u>21,276,455</u>	<u>\$ 19,477,721</u>	<u>\$ 18,362,957</u>	<u>\$ 17,418,931</u>	<u>\$ 16,612,230</u>	<u>\$ 14,787,165</u>

***Nordonia Hills 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		Delinquent Collection	Total Collection	Total Collection as a Percent of Total Levy	Delinquent Taxes Receivable
					Current Levy Collected	Current Levy				
1999	\$ 19,617,346	\$ 997,090	\$ 20,614,436	\$ 19,002,322	96.86 %	\$ 766,738	\$ 19,769,060	95.90 %	\$ 845,376	
1998	18,908,812	886,807	19,795,619	18,359,417	97.09	593,978	18,953,395	95.75	842,224	
1997	18,084,246	867,137	18,951,383	17,688,834	97.81	483,720	18,172,554	95.89	778,829	
1996	15,987,265	1,132,391	17,119,656	15,633,462	97.79	564,904	16,198,366	94.62	921,290	
1995	14,618,315	1,230,780	15,849,095	14,216,897	97.25	482,551	14,699,448	92.75	1,149,647	
1994	14,013,906	1,389,051	15,402,957	13,609,993	97.12	500,028	14,110,021	91.61	1,292,936	
1993	11,165,809	1,957,593	13,123,402	10,721,402	96.02	432,039	11,153,441	84.99	1,969,961	
1992	11,092,475	2,089,253	13,181,728	10,616,423	95.71	500,181	11,116,604	84.33	2,065,124	
1991	10,726,273	1,943,026	12,669,299	10,298,311	96.01	555,205	10,853,516	85.67	1,815,783	
1990	10,075,859	1,635,723	11,711,582	9,772,049	96.98	388,677	10,160,726	86.76	1,550,856	

Source: Summit 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. 2000 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.



**Nordonia Hills 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
2000	\$ 602,368,310	\$ 1,721,052,314	\$ 38,581,210	\$ 43,842,284	\$ 62,654,058	\$ 250,616,232	\$ 703,603,578	\$ 2,015,510,830
1999	529,700,520	1,513,430,057	38,414,560	43,652,909	62,654,058	250,616,232	630,769,138	1,807,699,198
1998	494,613,330	1,413,180,943	38,384,610	43,618,875	63,572,331	254,289,324	596,570,271	1,711,089,142
1997	465,900,050	1,331,143,000	38,584,360	43,845,864	60,547,761	242,191,044	565,032,171	1,617,179,908
1996	364,387,130	1,041,106,086	39,484,300	44,868,523	44,013,800	176,055,200	447,885,230	1,262,029,808
1995	345,079,510	985,941,457	33,058,480	37,566,455	34,830,816	139,323,264	412,968,806	1,162,831,176
1994	329,003,600	940,010,286	31,944,390	36,300,443	30,655,828	122,623,312	391,603,818	1,098,934,041
1993	291,685,460	833,387,029	31,794,980	36,130,659	29,762,779	119,051,116	353,243,219	988,568,804
1992	284,624,040	813,211,543	28,938,110	32,884,216	34,079,236	136,316,944	347,641,386	982,412,703
1991	275,012,780	785,750,800	28,572,310	32,468,534	34,281,909	137,127,636	337,866,999	955,346,970

Source: Summit 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.

(3) Tangible personal property is assessed at 25% of actual value.

**Nordonia Hills City School District**

**Property Tax Rates - Direct and Overlapping Governments (1)**

**Last Ten Calendar Years**

Collection Year		School Levy	County Levy	City/Village Township	Cuyahoga Valley Career Center	North Hills Water District	Akron/Summit Library	Total
2000	Boston Heights Village	\$ 54.29	\$ 12.27	\$ 7.35	\$ 2.00	\$ 0.00	\$ 1.39	\$ 77.30
	Macedonia City	54.29	12.27	8.70	2.00	0.00	1.39	78.65
	Northfield Center Township	54.29	12.27	13.64	2.00	0.40	1.39	83.99
	Northfield Village	54.29	12.27	5.98	2.00	0.00	1.39	75.93
	Sagamore Hills Township	54.29	12.27	13.93	2.00	0.00	1.39	83.88
	Boston Heights Village	54.29	12.27	7.35	2.00	0.40	1.39	77.70
	Sagamore Hills Township	54.29	12.27	13.93	2.00	0.40	1.39	84.28
	Twinsburg Township	54.29	11.42	13.61	2.00	0.00	1.39	82.71
	Northfield Center Township	54.29	12.27	13.64	2.00	0.00	1.39	83.59
	Northfield Village	54.29	12.27	5.98	2.00	0.40	1.39	76.33
Macedonia City	54.29	12.27	8.70	2.00	0.40	1.39	79.05	
1999	Boston Heights Village	54.29	12.27	8.10	2.00	0.00	1.79	78.45
	Macedonia City	54.29	12.27	8.70	2.00	0.00	1.79	79.05
	Northfield Center Township	54.29	12.27	13.64	2.00	0.40	1.79	84.39
	Northfield Village	54.29	12.27	5.98	2.00	0.00	1.79	76.33
	Sagamore Hills Township	54.29	12.27	16.18	2.00	0.00	1.79	86.53
	Boston Heights Village	54.29	12.27	8.10	2.00	0.40	1.79	78.85
	Sagamore Hills Township	54.29	12.27	16.18	2.00	0.40	1.79	86.93
	Twinsburg Township	54.29	11.42	13.61	2.00	0.00	1.79	83.11
	Northfield Center Township	54.29	12.27	13.64	2.00	0.00	1.79	83.99
	Northfield Village	54.29	12.27	5.98	2.00	0.40	1.79	76.73
Macedonia City	54.29	12.27	8.70	2.00	0.40	1.79	79.45	
1998	Boston Heights Village	54.29	11.65	8.10	2.00	0.00	1.87	77.91
	Macedonia City	54.29	11.65	8.70	2.00	0.00	1.87	78.51
	Northfield Center Township	54.29	11.65	13.64	2.00	1.40	1.87	84.85
	Northfield Village	54.29	11.65	5.98	2.00	0.00	1.87	75.79
	Sagamore Hills Township	54.29	11.65	15.18	2.00	0.00	1.87	84.99
	Boston Heights Village	54.29	11.65	8.10	2.00	1.40	1.87	79.31
	Sagamore Hills Township	54.29	11.65	15.18	2.00	1.40	1.87	86.39
	Twinsburg Township	54.29	10.80	13.61	2.00	0.00	1.87	82.57
	Northfield Center Township	54.29	11.65	13.64	2.00	0.00	1.87	83.45
	Northfield Village	54.29	11.65	5.98	2.00	1.40	1.87	77.19
1997	Boston Heights Village	54.29	11.39	8.10	2.00	0.00	0.89	76.67
	Macedonia City	54.29	11.39	8.70	2.00	0.00	0.89	77.27
	Northfield Center Township	54.29	11.39	13.64	2.00	3.75	0.89	85.96
	Northfield Village	54.29	11.39	4.98	2.00	0.00	0.89	73.55
	Sagamore Hills Township	54.29	11.39	15.18	2.00	0.00	0.89	83.75
	Boston Heights Village	54.29	11.39	8.10	2.00	3.75	0.89	80.42
	Sagamore Hills Township	54.29	11.39	15.18	2.00	3.75	0.89	87.50
	Twinsburg Township	54.29	10.54	13.61	2.00	0.00	0.89	81.33
	Northfield Center Township	54.29	11.39	13.64	2.00	0.00	0.89	82.21
	Northfield Village	54.29	11.39	4.98	2.00	3.75	0.89	77.30
1996	Boston Heights Village	54.29	13.99	8.10	2.00	0.00	0.89	79.27
	Macedonia City	54.29	13.99	9.10	2.00	0.00	0.89	80.27
	Northfield Center Township	54.29	13.99	13.64	2.00	3.75	0.89	88.56
	Northfield Village	54.29	13.99	4.98	2.00	0.00	0.89	76.15
	Sagamore Hills Township	54.29	13.99	15.18	2.00	0.00	0.89	86.35
	Boston Heights Village	54.29	13.99	8.10	2.00	3.75	0.89	83.02
	Sagamore Hills Township	54.29	13.99	15.18	2.00	3.75	0.89	90.10
	Twinsburg Township	54.29	13.14	13.61	2.00	0.00	0.89	83.93
	Northfield Center Township	54.29	13.99	13.64	2.00	0.00	0.89	84.81
	Northfield Village	54.29	13.99	4.98	2.00	3.75	0.89	79.90

(Continued)

**Nordonia Hills City School District**

**Property Tax Rates - Direct and Overlapping Governments (1)**

**Last Ten Calendar Years**

Collection Year		School Levy	County Levy	City/Village Township	Cuyahoga Valley Career Center	North Hills Water District	Akron/Summit Library	Total
1995	Boston Heights Village	\$ 54.29	\$ 14.16	\$ 8.10	\$ 2.00	\$ 0.00	\$ 0.89	\$ 79.44
	Macedonia City	54.29	14.16	9.10	2.00	0.00	0.89	80.44
	Northfield Center Township	54.29	14.16	13.64	2.00	3.75	0.89	88.73
	Northfield Village	54.29	14.16	4.98	2.00	0.00	0.89	76.32
	Sagamore Hills Township	54.29	14.16	15.18	2.00	0.00	0.89	86.52
	Boston Heights Village	54.29	14.16	8.10	2.00	3.75	0.89	83.19
	Sagamore Hills Township	54.29	14.16	15.18	2.00	3.75	0.89	90.27
	Twinsburg Township	54.29	13.31	13.61	2.00	0.00	0.89	84.10
	Northfield Center Township	54.29	14.16	13.64	2.00	0.00	0.89	84.98
Northfield Village	54.29	14.16	4.98	2.00	3.75	0.89	80.07	
1994	Boston Heights Village	54.29	12.31	5.60	2.00	0.00	0.89	75.09
	Macedonia City	54.29	12.31	9.30	2.00	0.00	0.89	78.79
	Northfield Center Township	54.29	12.31	12.14	2.00	3.75	0.89	85.38
	Northfield Village	54.29	12.31	4.98	2.00	0.00	0.89	74.47
	Sagamore Hills Township	54.29	12.31	15.18	2.00	0.00	0.89	84.67
	Sagamore Hills Township	54.29	12.31	15.18	2.00	3.75	0.89	88.42
	Twinsburg Township	54.29	11.56	13.61	2.00	0.00	0.89	82.35
	Northfield Center Township	54.29	12.31	12.14	2.00	0.00	0.89	81.63
	Northfield Village	54.29	12.31	4.98	2.00	3.75	0.89	78.22
1993	Boston Heights Village	47.29	12.59	5.60	2.00	0.00	0.89	68.37
	Macedonia City	47.29	12.59	9.42	2.00	0.00	0.89	72.19
	Northfield Center Township	47.29	12.59	12.14	2.00	4.15	0.89	79.06
	Northfield Village	47.29	12.59	4.98	2.00	0.00	0.89	67.75
	Sagamore Hills Township	47.29	12.59	15.18	2.00	0.00	0.89	77.95
	Sagamore Hills Township	47.29	12.59	15.18	2.00	4.15	0.89	82.10
	Twinsburg Township	47.29	11.84	12.47	2.00	0.00	0.89	74.49
	Northfield Center Township	47.29	12.59	12.14	2.00	0.00	0.89	74.91
	Northfield Village	47.29	12.59	4.98	2.00	4.15	0.89	71.90
1992	Boston Heights Village	47.39	12.59	5.60	2.00	0.00	0.89	68.47
	Macedonia City	47.39	12.59	9.42	2.00	0.00	0.89	72.29
	Northfield Center Township	47.39	12.59	12.14	2.00	3.40	0.89	78.41
	Northfield Village	47.39	12.59	4.98	2.00	0.00	0.89	67.85
	Sagamore Hills Township	47.39	12.59	13.18	2.00	0.00	0.89	76.05
	Sagamore Hills Township	47.39	12.59	13.18	2.00	3.40	0.89	79.45
	Twinsburg Township	47.39	11.84	9.58	2.00	0.00	0.89	71.70
	Northfield Center Township	47.39	12.59	12.14	2.00	0.00	0.89	75.01
	Northfield Village	47.39	12.59	4.98	2.00	3.40	0.89	71.25
1991	Boston Heights Village	47.40	12.59	5.60	2.00	0.00	0.89	68.48
	Macedonia City	47.40	12.59	9.62	2.00	0.00	0.89	72.50
	Northfield Center Township	47.40	12.59	12.14	2.00	4.74	0.89	79.76
	Northfield Village	47.40	12.59	4.98	2.00	0.00	0.89	67.86
	Sagamore Hills Township	47.40	12.59	13.18	2.00	0.00	0.89	76.06
	Sagamore Hills Township	47.40	12.59	13.18	2.00	4.74	0.89	80.80
	Twinsburg Township	47.40	11.84	9.21	2.00	0.00	0.89	71.34
	Northfield Center Township	47.40	12.59	12.14	2.00	0.00	0.89	75.02
	Northfield Village	47.40	12.59	4.98	2.00	4.74	0.89	72.60

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

Note: (1) Property tax rates are based on \$1,000 of assessed valuation.

***Nordonia Hills City School District***  
**Computation of Legal Debt Margin**  
**June 30, 2000**

Assessed Valuation	<u>\$ 703,603,578</u>
Bonded Debt Limit - 9% of Assessed Value (1)	<u>63,324,322</u>
Total outstanding debt	<u>0</u>
Overall Debt Margin	<u><u>\$ 63,324,322</u></u>
Bonded Debt Limit - .10% of Assessed Value (1)	<u>\$ 703,604</u>
Total outstanding debt	<u>0</u>
Unvoted Debt Margin	<u><u>\$ 703,604</u></u>

Source: Summit County Auditor

(1) Ohio Bond Law sets a limit of 9% of assessed value for voted debt and 1/10 of 1% for unvoted debt. All School District debt subject to the limitation is voted.

***Nordonia Hills City School District***

**Ratio of Net General Obligation Bonded Debt to**

**Assessed Value and Net General Obligation Bonded Debt Per Capita**

**Last Ten Fiscal Years**

<u>Collection Year</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Assessed Value</u>	<u>Population (2)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
1993	\$ 85,000	\$ 353,243,219	23,623	0.02 %	\$ 3.60
1992	170,000	347,641,386	23,623	0.05	7.20
1991	255,000	337,866,999	23,623	0.08	10.79

Source: Summit County Auditor and School District records.

(1) Subsequent to 1994 the School District had no net bonded debt.

(2) Population data for 1991 through 1993 was assumed to be the same as the 1990 census as interim data was not available.

***Nordonia Hills City School District***  
**Ratio of Annual Debt Service Expenditures for**  
**General Obligation Bonded Debt to Total Governmental Expenditures**  
**Last Ten Fiscal Years (1)**

<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>
1994	\$ 85,000	\$ 2,762	\$ 87,762	\$ 18,362,957	0.48 %
1993	85,000	8,287	93,287	17,418,931	0.54
1992	85,000	13,812	98,812	16,612,230	0.59
1991	85,000	19,337	104,337	14,787,165	0.71

Source: School District records and Audit Reports

(1) Subsequent to 1994 the School District had no bonded debt.

***Nordonia Hills City School District***  
**Demographic Statistics (1)**

Selected Population Characteristic	1990	1980
<b><u>Gender</u></b>		
Males	11,764	11,654
Females	11,859	11,570
<b><u>Age Distribution</u></b>		
Under 5 years	1,489	1,305
5 to 9 years	1,622	1,703
10 to 15 years	2,012	2,773
16 to 20 years	1,577	2,446
21 to 29 years	2,827	2,830
30 to 44 years	6,237	5,234
45 to 59 years	4,287	4,255
60 to 64 years	1,218	1,012
65 to 84 years	2,214	1,533
85 years and older	140	133
Percent of population under 21	28%	35%
Percent of population 21 and older	72%	65%
<b><u>Income</u></b>		
Median family income	\$ 46,708	\$ 27,023
Per capital income	14,770	8,159

Source: U.S. Bureau of the Census

(1) 2000 Census information was not available.

***Nordonia Hills City School District***  
**Property Values, Bank Deposits and Construction**  
**Last Ten Calendar Years**

<u>Year</u>	<u>Total Assessed Values</u>	<u>Financial Institution Bank Deposits</u>	<u>Value of New Construction</u>
1999	\$ 631,687,411	\$ 7,836,388,000	\$ 27,868,720
1998	596,570,271	5,749,282,000	24,733,900
1997	565,032,171	5,153,519,000	28,695,860
1996	447,885,230	4,342,660,000	32,057,250
1995	412,968,806	4,267,009,000	16,493,870
1994	391,603,818	4,199,905,000	11,822,270
1993	353,243,219	3,792,255,000	8,179,270
1992	347,641,386	3,737,694,000	8,376,330
1991	337,866,999	3,610,033,000	7,008,360
1990	286,308,305	3,468,298,000	5,203,150

Sources:

Total Assessed Value - Summit County Auditor  
Financial Institution Deposits - Cleveland Federal Reserve Bank  
Value of New Construction - Summit County Auditor



**Nordonia Hills City School District**  
Principal Taxpayers

Top Taxpayers	Assessed Valuations			Percent of Total	Estimated Actual Valuations			
	Real Property	Tangible Personal	Public Utility		Total	Real Property	Tangible Personal	Public Utility
Ohio Edison Co.	\$ 0	\$ 0	\$ 22,033,980	3.13 %	\$ 0	\$ 0	\$ 88,135,920	\$ 88,135,920
Western Reserve Telephone	0	0	5,527,820	0.79	0	0	22,111,280	22,111,280
Dorts LLC	5,205,580	0	5,205,580	0.74	14,873,086	0	0	14,873,086
AERC Williamsburg, Inc.	4,416,650	0	4,416,650	0.63	12,619,000	0	0	12,619,000
East Ohio Gas	0	0	4,390,480	0.62	0	0	17,561,920	17,561,920
Specialty Chemical Resources	0	4,231,970	4,231,970	0.60	0	4,809,057	0	4,809,057
Cleveland Elec. Illuminating	0	0	3,806,760	0.54	0	0	15,227,040	15,227,040
LTV Steel Co.	0	3,670,420	3,670,420	0.52	0	4,170,932	0	4,170,932
Ben Venue Laboratories	0	3,508,450	3,508,450	0.50	0	3,986,875	0	3,986,875
Developers Diversified Realty	3,396,820	0	3,396,820	0.48	9,705,200	0	0	9,705,200
<b>Total Top Ten Taxpayers</b>	<b>\$ 13,019,050</b>	<b>\$ 11,410,840</b>	<b>\$ 60,188,930</b>	<b>8.55 %</b>	<b>\$ 37,197,286</b>	<b>\$ 12,966,864</b>	<b>\$ 143,036,160</b>	<b>\$ 193,200,310</b>

Total All Assessed Valuations \$ 602,368,310 \$ 62,654,058 \$ 38,581,210 \$ 703,603,578 100.00%

Sources: Summit County Auditor

***Nordonia Hills City School District***  
**Computation of Direct and Overlapping Bonded Debt**  
**December 31, 1999**

	<u>Assessed Valuation</u>	<u>Net General Tax Supported Debt (1)</u>	<u>Percent Overlapping (2)</u>	<u>Amount Applicable Nordonia Hills City School District</u>
City of Macedonia	\$ 321,393,344	\$ 14,209,177	97.90 %	\$ 13,910,696
Sagamore Hills Township	214,227,430	39,050	99.72	38,939
Metro Transit Authority	10,246,462,854	2,225,000	6.87	152,786
Summit County	10,246,462,854	<u>131,706,183</u>	6.87	<u>9,043,993</u>
		<u>\$ 148,179,410</u>		<u>\$ 23,146,414</u>

Sources: Summit County Auditor

(1) Includes all general obligation bonds and notes at December 31, 1999.

(2) Overlapping percentages are calculated based on overlapping valuation and total entity valuation.

***Nordonia Hills City School District***

**Transportation Statistics**

**June 30, 2000**

Number of Assigned School Buses in Fleet:	35
Average Age of School Buses in Fleet: (Oldest: 13 years Most Recent: 6 months)	6.0 years
Number of Bus Drivers: (25 residents of Nordonia Hills City School District) (9% male; 91% female)	34
Average Number of Years Experience: (Most Service: 25 years Least Service: 3 months)	14
Number of Miles Driven Annually:	350,000 (approx.)
Annual Gallons of Fuel Consumed: Diesel	60,000 (approx.)
Gasoline	1,000 (approx.)
Number of Students Eligible for Transportation:	
Public School Students	3,704
Non-Public School Students (7 private schools)	792
Special Needs Students (6 out of district schools)	14
Preschool (1 out of district school)	10
Total:	<hr/> 4,520

Source: School District records

***Nordonia Hills City School District***

**Miscellaneous Statistics**

**Last Ten Fiscal Years (1)**

	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Fall Enrollment	3,546	3,443	3,400	3,264
Average Teacher Salary	\$ 42,462	\$ 42,868	\$ 41,829	\$ 40,923
Percent of Teachers With No Degree	0.00%	0.00%	0.00%	1.05%
Percent of Teachers With Bachelor Degree	17.65%	17.69%	18.12%	18.98%
Percent of Teachers With Masters Degree	38.24%	38.74%	39.04%	39.87%
Average Teacher Experience (yrs.)	14.30	15.50	15.50	15.70
Pupil Attendance Rate	N/A	95.69%	95.94%	95.71%
Graduation Rate	N/A	88.89%	87.89%	80.66%
Percent of College Preparatory Graduates	N/A	71.37%	65.78%	64.71%

Source: Ohio Department of Education and School District records

(1) Information not available for 2000

N/A - not available

	1995		1994		1993		1992		1991		1990
	3,163		3,102		3,013		3,005		2,852		2,917
\$	37,880	\$	37,172	\$	36,969	\$	35,059	\$	34,229	\$	33,407
	1.09%		1.10%		0.69%		0.45%		0.00%		0.00%
	22.81%		18.60%		41.39%		18.28%		19.22%		21.74%
	38.66%		39.79%		27.46%		41.04%		43.14%		41.72%
	14.90		15.60		15.30		14.70		15.70		15.80
	95.80%		95.82%		95.64%		95.99%		95.70%		95.52%
	97.50%		90.52%		93.44%		90.76%		85.19%		85.03%
	55.56%		75.71%		55.37%		59.29%		61.84%		63.20%

***Nordonia Hills City School District***

**Directory of School Facilities**

**June 30, 2000**

<u>FACILITY</u>	<u>ADDRESS</u>	<u>PRINCIPAL</u>	<u>GRADES</u>
Northfield Elementary	9374 Olde Eight Road Northfield, Ohio	Mrs. Mary Kelly	1-4
Rushwood Elementary	8200 Rushwood Lane Sagamore Hills, Ohio	Mr. Ronald Ashley	K-4
Ledgeview Elementary	9130 Shepard Road Macedonia, Ohio	Mrs. Karen Muffley	K-4
Lee Eaton Elementary	115 Ledge Road Northfield, Ohio	Mr. Neil Roseberry	5-6
Nordonia Middle School	73 Leonard Avenue Northfield, Ohio	Mr. John Schwartzhoff	7-8
Nordonia High School	8006 South Bedford Road Macedonia, Ohio	Mr. Charles Vrabel	9-12

Source: Nordonia Hills City School District records



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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800-282-0370  
Facsimile 614-466-4490

**NORDONIA HILLS CITY SCHOOL DISTRICT**

**SUMMIT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 09, 2001**