



**NORTH OL MSTED CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2002



**Auditor of State
Betty Montgomery**

**NORTH OLMSTED CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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NORTH OLIMSTED CITY SCHOOL DISTRICT

Cuyahoga County

Schedule of Federal Awards Receipts and Expenditures (1)
For the Year Ended June 30, 2002

<u>Federal Grantor / Pass through Grantor Program Title</u>	<u>Pass through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Non-Cash Receipts</u>	<u>Expenditures</u>	<u>Non-Cash Expenditures</u>
<u>U.S. Department of Agriculture</u>						
<i>Passed through Ohio Department of Education:</i>						
Children Nutrition Cluster:						
Food Distribution Program (2)	Not Available	10.550		\$ 61,985		\$ 65,288
National School Lunch Program (3)	044529-LL-P4-2001	10.555	\$ 31,155		\$ 31,155	
National School Lunch Program (3)	044529-LL-P4-2002	10.555	260,285		260,285	
Total			291,440		291,440	
Total U.S. Department of Agriculture			<u>\$ 291,440</u>	<u>\$ 61,985</u>	<u>\$ 291,440</u>	<u>\$ 65,288</u>
<u>U.S. Department of Education</u>						
<i>Passed through Ohio Department of Education:</i>						
Special Education Cluster:						
Education of All Handicapped (Title VI-B)	044529-6B-SF-2001P	84.027	\$ 0		\$ 212,541	
Education of All Handicapped (Title VI-B)	044529-6B-SF-2002P	84.027	327,016		200,851	
Handicapped Preschool	044529-PG-S1-2002P	84.173	21,825		19,452	
Total Special Education Cluster			<u>348,841</u>		<u>432,844</u>	

See Accompanying Notes to Schedule of Federal Awards.

Continued

NORTH OLMPSTED CITY SCHOOL DISTRICT

Cuyahoga County

Schedule of Federal Awards Receipts and Expenditures
For the Year Ended June 30, 2002

Federal Grantor / Pass through Grantor Program Title	Pass through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
Adult Basic Literacy Education	044529-AB-S1-2000	84.002	\$ 0		\$ 1,458	
Adult Basic Literacy Education	044529-AB-S1-2001	84.002	0		4,225	
Adult Basic Literacy Education	044529-AB-S1-2002	84.002	15,166		21,030	
Total			15,166		26,713	
IASA Title I	044529-C1-S1-2001	84.010	0		6,264	
IASA Title I	044529-C1-S1-2002	84.010	198,667		153,346	
Total			198,667		159,610	
Drug Free Schools, IASA Title IV	044529-DR-S1-2001	84.186	0		9,660	
Drug Free Schools, IASA Title IV	044529-DR-S1-2002	84.186	8,447		4,665	
Total			8,447		14,325	
Eisenhower, IASA Title II	044529-MS-S1-2000	84.281	0		3,234	
Eisenhower, IASA Title II	044529-MS-S1-2001	84.281	0		14,745	
Eisenhower, IASA Title II	044529-MS-S1-2002	84.281	18,138		10,431	
Total			18,138		28,410	
Innovative Programs, IASA Title VI	044529-C1-S1-2000	84.298	0		27	
Innovative Programs, IASA Title VI	044529-C1-S1-2001	84.298	0		316	
Innovative Programs, IASA Title VI	044529-C1-S1-2002	84.298	28,610		1,622	
Total			28,610		1,965	

Continued

See Accompanying Notes to Schedule of Federal Awards.

NORTH OLMSTED CITY SCHOOL DISTRICT

Cuyahoga County

Schedule of Federal Awards Receipts and Expenditures
For the Year Ended June 30, 2002

<u>Federal Grantor / Pass through Grantor Program Title</u>	<u>Pass through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Non-Cash Receipts</u>	<u>Expenditures</u>	<u>Non-Cash Expenditures</u>
Class Size Reduction	044529-C1-S1-2002	84.340	\$ 70,935		\$ 70,820	
School Renovation, IDEA and Technology	044529-AT-S1-2002	84.352A	7,342		6,567	
Total U.S. Department of Education			<u>\$ 696,146</u>	<u>\$ 61,985</u>	<u>\$ 741,254</u>	<u>\$ 65,288</u>
<u>Corporation for National and Community Service</u>						
<i>Passed through Ohio Department of Education:</i>						
Learn and Serve Ohio	044529-SV-SP-2000	94.004	\$ 24,000		\$ 0	
Learn and Serve America	044529-G2-SV-2001	94.004	44,000		44,000	
Total			<u>\$ 68,000</u>		<u>\$ 44,000</u>	
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$ 1,055,586</u>	<u>\$ 61,985</u>	<u>\$ 1,076,694</u>	<u>\$ 65,288</u>

See Accompanying Notes to Schedule of Federal Awards.

**NORTH OLMSTED CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
Fiscal Year Ended June 30, 2002**

Notes to Schedule of Federal Awards Receipts and Expenditures

1 -- SIGNIFICANT ACCOUNTING POLICIES

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

2 -- 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, 2002, the District had no significant food commodities in inventory.

3 -- NATIONAL SCHOOL LUNCH PROGRAM

Federal monies received by the District for this program are commingled with State grants and local revenues. It is assumed that federal monies are expended first.

CFDA – Catalog of Federal Domestic Assistance.



Auditor of State Betty Montgomery

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

Board of Education
North Olmsted City School District
Cuyahoga County
24100 Palm Drive
North Olmsted, Ohio 44070

We have audited the financial statements of the North Olmsted City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2002, and have issued our report thereon dated May 23, 2003, wherein we noted the District adopted Government Accounting Standards Board Statement No. 34. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated May 23, 2003.

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 May 23, 2003.

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.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

May 23, 2003



Auditor of State Betty Montgomery

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

Board of Education
North Olmsted City School District
Cuyahoga County
24100 Palm Drive
North Olmsted, Ohio 44070

Compliance

We have audited the compliance of the North Olmsted City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal programs for the year ended June 30, 2002. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to 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 auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, 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, 2002. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2002-001. We noted a certain instance of noncompliance that does not require inclusion in this report that we have reported to the management of the District in a separate letter dated May 23, 2003.

Internal Control Over Compliance

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

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. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated May 23, 2003.

Schedule of Federal Awards Expenditures

We have audited the basic financial statements of the North Olmsted City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2002, and have issued our report thereon dated May 23, 2003, wherein we noted the District adopted Government Accounting Standards Board Statement No. 34. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

May 23, 2003

NORTH OLMSTED CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY
 JUNE 30, 2002

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

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	Yes
(d)(1)(vii)	Major Programs (list):	Special Education Cluster: Title VI-B CFDA #84.027 and Preschool CFDA #84.173
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None.

**NORTH OLMSTED CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
JUNE 30, 2002**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 §.505
(Continued)**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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Title VI-B

Finding Number	2002-001
CFDA Title and Number	Education of All Handicapped (Title VI-B) / 84.027
Federal Award Number / Year	044529-6B-SF / 1999
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

Questioned Cost

Section 421(b) of GEPA (20 USC 1225(b)); 34 CFR sections 76.704 through 76.707 requires LEAs to obligate funds during the 27 months, extending from July 1 of the fiscal year for which the fund was appropriated through September 30 of the second following fiscal year. This maximum period includes a 15 month period of initial availability plus a 12 month period for carryover. In addition, the Ohio Department of Education requires obligations to be liquidated prior to submitting the Final Expenditure Report, which must be filed no later than 60 days after the end of the project period (ODE Federal Fiscal Report Procedures #1).

During fiscal year 2002, the District disbursed \$432,844 in Federal Funds related to the Special Education Cluster received via a pass-through agreement with the Ohio Department of Education. However, certain disbursements were not made within the award's period of availability. The District disbursed \$82,079 from the Title VI-B portion of the Special Education Cluster on September 21, 2001. These expenditures were made to the Lakewood Board of Education for the purpose of providing special education instruction to eligible District students. However, the expenditures were for services which were performed during fiscal year 1999, related to the 1998-99 Special Education Cluster and required liquidation by November 30, 1999. In addition, there was no indication that an extension of the available period had been requested or received.

Failure to liquidate obligations within the time limits established by Federal regulations and/or the grant agreement could subject the District to fines, penalties, and/or loss of federal funding.

We recommend the District contact and rectify this issue with the Ohio Department of Education. Also, we recommend the District review grant project balances and expenditure documentation, prior to the expiration of the availability period to determine if any unpaid obligations exist. If it appears obligations will not be liquidated within the required time frame, the District should submit a written request for an extension. We also recommend that the District closely monitor cash requests and subsequent expenditures to help ensure funds are spent within the grant's period of availability.

**NORTH OLMSTED CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY
 JUNE 30, 2002**

**CORRECTIVE ACTION PLAN
 OMB CIRCULAR A -133 §.315 (c)**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2002-001	District will contact the Ohio Department of Education. In the future, the District will review grant project balances and expenditure documentation, prior to expiration of the availability period, to determine if any unpaid obligations exist. If obligations will not be liquidated within the required time frame, the District will submit a written request for an extension. The District will closely monitor cash requests and subsequent expenditures to ensure that grant monies are spent within the period of availability.	June 30, 2003	Rob Matson, Treasurer

NORTH OLMSTED CITY SCHOOL DISTRICT

North Olmsted, Ohio

Comprehensive Annual Financial Report *For the Fiscal Year Ended June 30, 2002*

Prepared by

**Treasurer's Office
Robert J. Matson, CPA
Treasurer**

North Olmsted City School District
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2002
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North Olmsted City School District
24100 Palm Drive
North Olmsted, Ohio 44070



May 23, 2003

Members of the North Olmsted Board of Education:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the North Olmsted City School District for the year ended June 30, 2002. This CAFR includes an opinion from the State Auditor and conforms to U.S. generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, 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 School District. This report will provide the taxpayers of the North Olmsted City School district with comprehensive financial data in a format that will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the North Olmsted Public Library, major taxpayers, financial rating services, local bankers and other interested parties.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section, which contains a Table of Contents, Letter of Transmittal, List of Principal Officials, an Organizational Chart of the School District, and a list of awards including the GFOA Certificate of Achievement and the ASBO Certificate of Excellence.
2. The Financial Section which begins with the Independent Accountant's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes to the Basic Financial Statements that provide an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules that provide detailed budgetary information.
3. The Statistical Section presents social and economic data, financial trends and demographic information of the North Olmsted City School District.

SCHOOL DISTRICT

The North Olmsted City School District is located in western Cuyahoga County, approximately 17 miles southwest of downtown Cleveland. The School District encompasses the entire City of North Olmsted, a community with a population of approximately 34,000. The City is primarily residential with a significant commercial tax base of retail businesses.

The School District was chartered in 1831 by the Ohio State legislature two years after the name "Olmstead" was assigned to the area. The region was named after Aaron Olmstead, an investor and Revolutionary War soldier who purchased land in the area in 1794. The exact time and reason for changing to the current spelling is unclear from the historical records. In 1837, under the auspices of the Office of the State Superintendent of Common School Education, Township Trustees were authorized to levy compulsory taxes for the support of public education. In 1853 State laws were enacted to create locally elected boards of education to govern local school districts. Today, the North Olmsted Board of Education is comprised of five members, elected at large, with staggered four year terms.

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in Section 3301.07(D) of the Ohio Revised Code, to provide educational services authorized by charter and further mandated by State and Federal agencies. Under Ohio law, the School District is a separate and distinct unit of government with its own taxing authority.

THE REPORTING ENTITY

North Olmsted City School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement (GASB) 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 North Olmsted City School District (the primary government) and its potential component units.

Excluded from the reporting entity because they are fiscally independent of the School District are the City of North Olmsted, the Cuyahoga County Public Library, the North Olmsted City Schools Education Foundation, and the Parent Teacher Association. A complete discussion of the School District's reporting entity is provided in Note 1 to the general purpose financial statements.

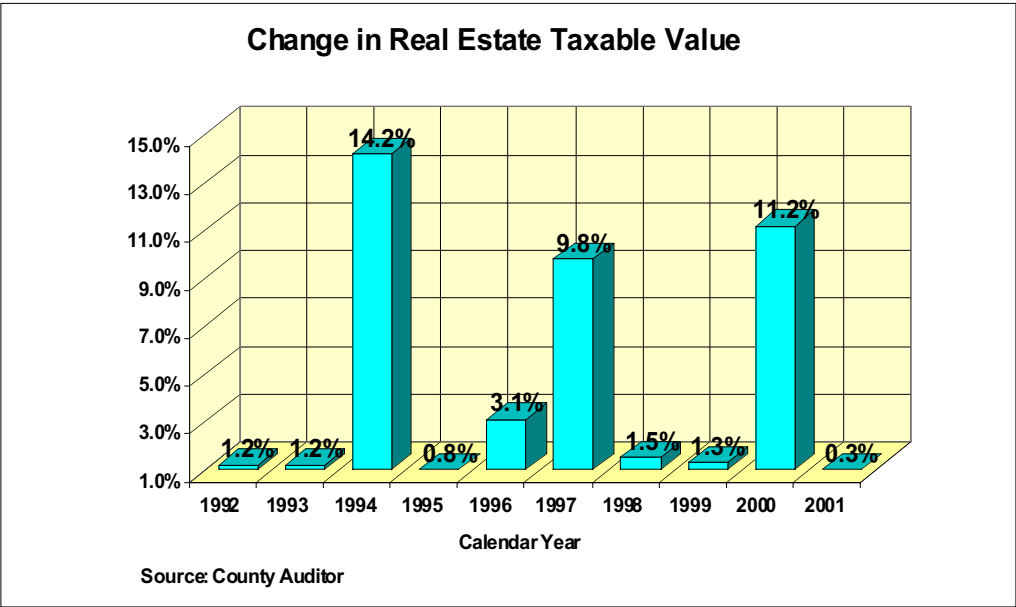
The School District is a member of the Lake Erie Educational Computer Association, the Polaris Career Center, the North Olmsted City Schools Education Foundation and the Ohio Schools Council Association. The relationship of these jointly governed organizations with the School District is described in more detail in Note 18 of the basic financial statements.

ECONOMIC CONDITION AND OUTLOOK

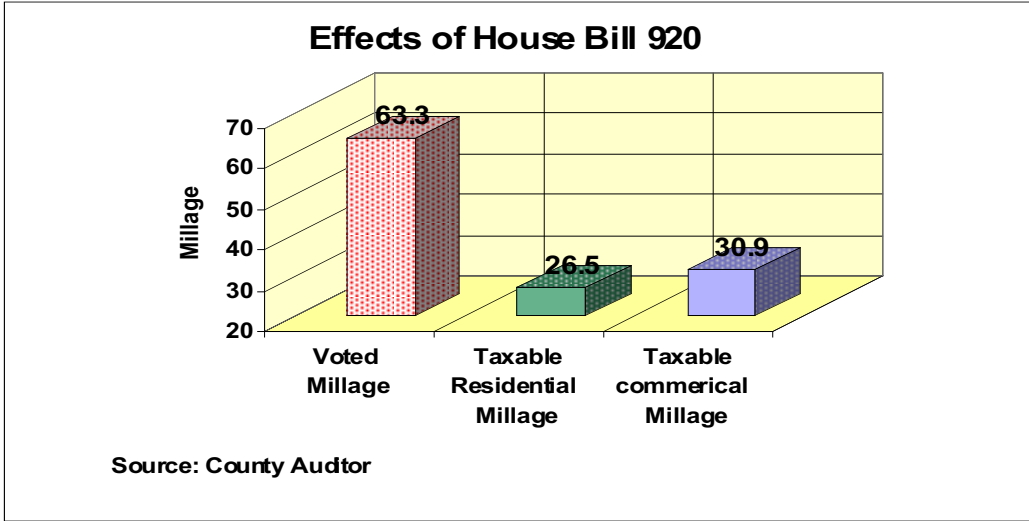
The District's financial position stabilized with the passage in May 2002 of a 7.9 mill operating levy. This levy is estimated to generate \$6.4 million dollars in additional revenue annually. The collection of this revenue will be phased in over a two year period beginning next year. Based upon current financial projections, the School District will have adequate operating revenue for the next three to four years before the School District will be required to raise additional revenue through the passage of a new operating levy.

But why is it necessary for schools to periodically seek additional funds from the taxpayer? The answer to this question is based upon the nature of school funding in Ohio, which severely restricts the growth in operating revenues.

The District's primary source of operating revenues (66.5 percent) comes from the levying of real estate taxes on residential and commercial property located within the community. The City of North Olmsted is a mature community with limited vacant land available for new commercial or residential development. Increases in the School District's tax base come primarily from reevaluation of the taxable value of real estate by the County Auditor every three years and is illustrated in the graph on the following page.



Unfortunately, current state law prevents school districts in Ohio from receiving additional tax revenue when the County Auditor reevaluates property values. In 1976, the Ohio General Assembly passed House Bill 920. This law requires the tax rate to be lowered by the same percentage property values are increased by the County Auditor's reevaluation. Prior to the passage of the May 2002 operating levy, North Olmsted City Schools levied 63.3 mills of taxes to fund its operation. House Bill 920 lowered the effective millage to 26.5 mills for residential properties and 30.9 mills for commercial property and it illustrated in the graph below.



In effect, House Bill 920 removes inflationary revenue growth in revenue and requires school districts throughout Ohio to periodically place tax issues on the ballot for voter approval in order to receive additional revenue to offset rising costs.

The School District also faces a future loss of revenue from the collection of tangible personal property taxes. This tax is assessed on the value of inventory and equipment owned by businesses located within the community and represents approximately 9.3% of General Fund revenues received in fiscal 2002.

In June 1999, the Ohio General Assembly passed House Bill 284, which will phase-out the inventory portion of the tax assessment. The phase-out period will be over 25 years beginning in calendar 2002 at an annual rate of approximately 4%. Once fully implemented, the School District's operating revenue will be reduced \$2,400,000 dollars annually.

Another significant source of revenue for the School District is money received from the State of Ohio through the State Foundation Program. During fiscal year 2002, the School District received \$7,549,000 under this program. However, the Foundation Program has been declining as a major source of operating revenue for the North Olmsted City School District. In fiscal year 1991, the Foundation Program provided over 26 percent of the School District's General Fund operating revenue. Today, the Foundation Program accounts for only 19.9% of the School District's General Fund operating revenue. The formula used to allocate Foundation Program funds among school districts in Ohio redistributes these funds from school districts with a large real estate and personal property tax base, such as North Olmsted, to school districts with a smaller tax base. It is anticipated that money received from the State of Ohio will continue to decline as a major source of revenue as the financial burden of funding public education shifts to the local taxpayer.

MAJOR INITIATIVES - FISCAL YEAR 2002

The single most important initiative accomplished during the year was the passage of a 7.9 mill operating levy in May 2002 after 3 previous failures. The passage of this levy will stabilize the District's financial position and provide adequate operating funds for the next three to four years.

During the year, the School District continued its work on development and implementation of its Strategic Continuous Improvement Plan to significantly improve student academic achievements, enhance curriculum development, integrate new technology and increase fiscal responsibility.

The Board of Education completed a comprehensive facility study to identify the long term needs of the School District. The preliminary findings of the study have identified the need to possibly construct a new middle school or renovate the existing building. The Board of Education is currently reviewing the recommendations of the study and will consider the appropriate course of action within the year. Implementation of the study's findings would require the passage of a bond levy.

In an effort to ease overcrowded conditions in the elementary and middle schools and enhance instructional programming, the Board of Education reactivated Chestnut Elementary School and realigned grade levels within the elementary and middle school buildings. The grade realignment removed the sixth grade from the Middle School and established four primary buildings to serve pupils in kindergarten through third grade, and three intermediate buildings to serve pupils in grades four through six.

The North Olmsted City Schools continue to receive local, state and national recognition for academic excellence. Cleveland Magazine ranked North Olmsted City Schools in the top ten for quality of education in the magazine's evaluation of 64 area school districts. The District received the prestigious Gold Medal Award for Excellence from the Greater Cleveland Growth Association in conjunction with Expansion Management. Finally, the District was one of only 70 schools across the country to receive the national "Leader School" Award in Washington, D.C.

The School District completed a review of the math curriculum that focused on a realignment of instruction and assessment. The review was based on the Mathematics Academic Content Standards released by the Ohio Department of Education.

The Administration continues the development of numerous cost containment and revenue enhancement programs to manage District funds in an efficient and economic manner. These programs include zero based budgeting techniques and cost benefit analysis methods similar to those employed by the business community. To date, these programs have yielded over \$5.0 million in savings. These programs have allowed the District to maintain one of the lowest instructional costs per pupil in Cuyahoga County.

Based upon the Ohio Department of Education "District Report Cards" for the year ended June 30, 2002, the North Olmsted City Schools cost per pupil expenditure was the 23 lowest among the 31 school districts in Cuyahoga County.

During the year, the School District personnel implemented a compliance audit on the filing of personal property tax returns reported by businesses located in the community. The audit identified a number of major taxpayers filing tax returns in the wrong tax district and allowed the School District to recover over \$350,000 in additional tax revenue.

The Administration began a complete review of its printing department. Preliminary findings from the study indicate a potential saving of approximately \$500,00 could be realized over the next five years if implemented.

FINANCIAL INFORMATION

Internal Accounting and Budgetary Control

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, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The 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 that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure. A permanent appropriation measure is subsequently 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 within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of 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. The legal level of appropriations is at the fund and object level for the General Fund and Debt Service Fund and at the fund level of all other funds. All budgets are maintained at the object account level within a function and fund. All purchase order requests must be approved by either

the Superintendent or Assistant Superintendent and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests that exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Administrators and school principals are furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on-line inquiry system is available at each cost center site.

The basis of accounting and the various funds utilized by the North Olmsted City Schools are fully described in Note 2 of the Notes to the Basic Financial Statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

Financial Condition

This is the first year the School District has prepared financial statements following GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". GASB 34 creates new basic financial statements for reporting on the School District's financial activities as follows:

Government-wide financial statements - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the school district that are governmental and those that are considered business-type activities.

Fund financial statements - These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statement of budgetary comparisons - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion follows the Independent Accountant's Report and provides an assessment of the School District's finances for 2002 and a discussion of current issues affecting the School District in the future. Because that discussion focuses on major funds, other non-major funds are discussed briefly in this letter.

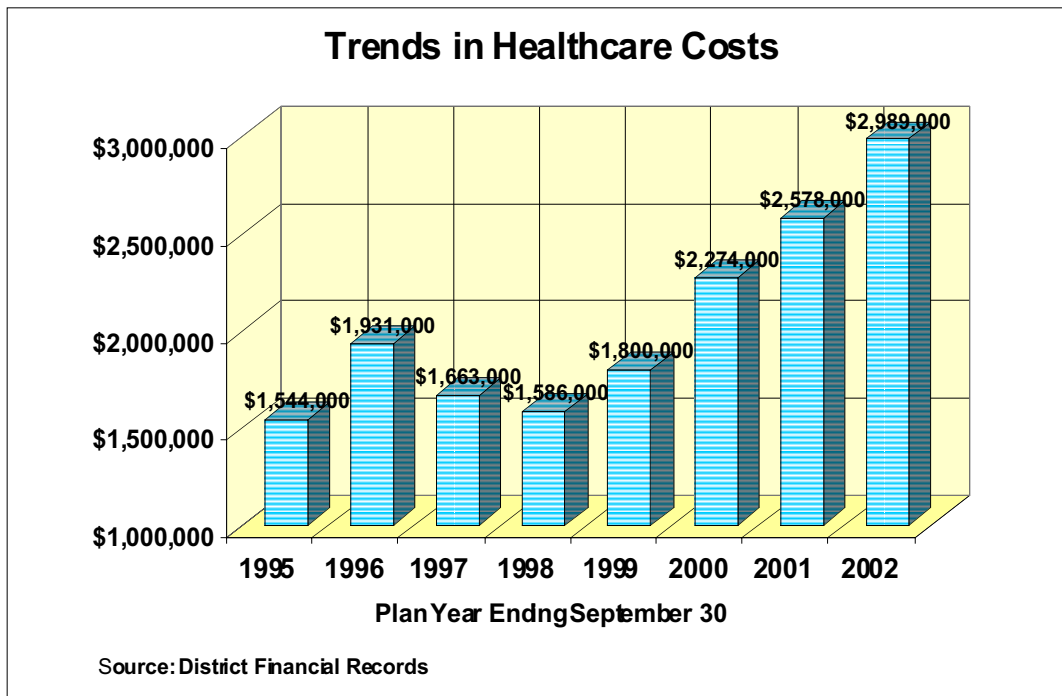
Financial Highlight - Internal Service Fund

The Internal Service Fund accounts for all activities in which the School District provides goods and/or services to other governmental agencies or to students on a cost plus reimbursement basis. During fiscal year 2002, only one activity, the Self-Insurance Fund, is reported under this category. The Self-Insurance Fund accounts for the revenue and expenses associated with the School District's medical, prescription drug and dental plan provided to its employees.

As of June 30, 2002, the Self-Insurance Fund's liabilities exceed its assets by \$972,825; an increase of \$233,520 from June 30, 2001. Approximately \$573,000 of this deficit represents the

General Fund's obligation to provide benefits to its employees during July and August 2003. This amount will be collected from the General Fund upon submission of medical, prescription drug and dental claims from providers during fiscal year 2003.

The District is concerned with spiraling healthcare costs. As illustrated in the graph below, healthcare costs have increased 66.1% in the past three years. The dramatic reduction in costs obtained in fiscal years 1997 and 1998 from the redesign of the District's medical plans have been off-set by rising healthcare costs. The District will continue in its efforts to contain rising healthcare costs.



Financial Highlight - Fiduciary Fund

Included in this category are Agency Funds used to account for assets held by the School District in a trustee capacity. Agency Funds typically consist of student managed activities. Total assets in these funds at June 30, 2002 were \$79,362.

Cash Management

The Board has developed and implemented a cash management program to maximize investment earnings while maintaining the security of principal and meeting the daily cash flow demands of the School District. The program utilizes a remote disbursement bank arrangement combined with an on-line control disbursement system that enables the Board to maintain minimum account balances. For the year ended June 30, 2002, the District's investment earnings totaled \$660,917 of which \$566,962 was credited to the General Fund.

Cash not needed for immediate use during the year was invested in the State Treasurer's Asset Reserve of Ohio (STAR) Program administered by the Office of the Treasurer of the State of Ohio and Fifth Third Bank's Liquid Asset Management (LAM) Account.

STAR Ohio is an investment pool offered to political subdivisions of the State of Ohio for the investment of funds. STAR Ohio's investment portfolio consists of securities authorized by the Ohio Revised Code including instruments of the Federal government and its agencies, collateralized certificates of deposit and repurchase agreements. This investment pool offers daily liquidity of all funds and no minimum balance requirements. The Fifth Third Bank LAM Account is an investment portfolio managed by Fifth Third Bank. The account is used to invest interim monies in securities with a maturity of one to two years.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation as well as by qualified securities pledged by the financial institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal at least 105 percent of the public funds on deposit.

Risk Management

The School District provides employees and their dependents a comprehensive medical, prescription drug, dental and eye care program. The program is self-insured and an internal service fund is maintained to account for and finance this program. Medical Mutual of Ohio administers the plan and reviews all claims. The District limits its liability for medical claims by maintaining a specific stop-loss insurance threshold of \$75,000 per individual.

All employees of North Olmsted City School district are covered by a blanket bond, while certain individuals in policy-making roles are covered by separate, higher limit bond coverage.

The School District contracts with Nationwide Insurance Company for property and liability insurance coverage. The limits on professional liability coverage are \$2 million per occurrence and a \$5 million aggregate limit with a \$1 million supplemental umbrella policy. Automobile liability has a \$3 million combined single limit with a \$1 million supplemental umbrella policy. Settled claims have not exceeded this commercial coverage in the past three years.

The School District participates in the Ohio Bureau of Workers' Compensation plan and pays an annual premium based on a rate per \$100 of salaries. The School District is a member of the Ohio Association of School Business Officials Workers' Compensation Group Rating Program and qualifies for a 75 percent reduction in the workers' compensation premium.

INDEPENDENT AUDIT

State statutes and federal regulations require the School District to be subjected to periodical examinations by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent Auditor Betty Montgomery, Auditor of State, was selected to render an opinion on the School District's financial statements for the year ended June 30, 2002. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school governments in Ohio. North Olmsted City School District adopted and has been in conformance with this system beginning with its financial report for the 1979 year.

AWARDS

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 the North Olmsted City School District for its Comprehensive Annual Financial Report for the year ended June 30, 2001. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting. In 1985, North Olmsted City School District was the first school district in Ohio to receive this award and has received the award for seventeen consecutive years.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. 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. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

ASBO International Certificate of Excellence

The School District received the Association of School Business Officials (ASBO) International Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the year ended June 30, 2001. The Certificate of Excellence in Financial Reporting Program was designed by ASBO International to enable school business officials to achieve a high standard of financial reporting.

Since its inception in 1972, the program has gained the distinction of being a prestigious national award recognized by: accounting professionals; underwriters; securities analysts; bond rating agencies; state and federal agencies. A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to ASBO.

ACKNOWLEDGMENTS

The publication of this report significantly increases the accountability of the School District to the taxpayers of North Olmsted City School District. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office, administrators and employees of the School District. Assistance from the County Auditor's office staff and outside agencies made possible the fair presentation of statistical data. In addition, special appreciation is expressed to Robbie DeCoske from the firm of Costin & Company, CPA, Inc. and Vera Brewer, Communications Manager, for the advice and guidance rendered to the production of this report.

Respectfully submitted,



Robert J. Matson, CPA
Chief Financial Officer



Dr. Norma L. Conner,
Superintendent of Schools

North Olmsted City School District
Principal Officials
June 30, 2002

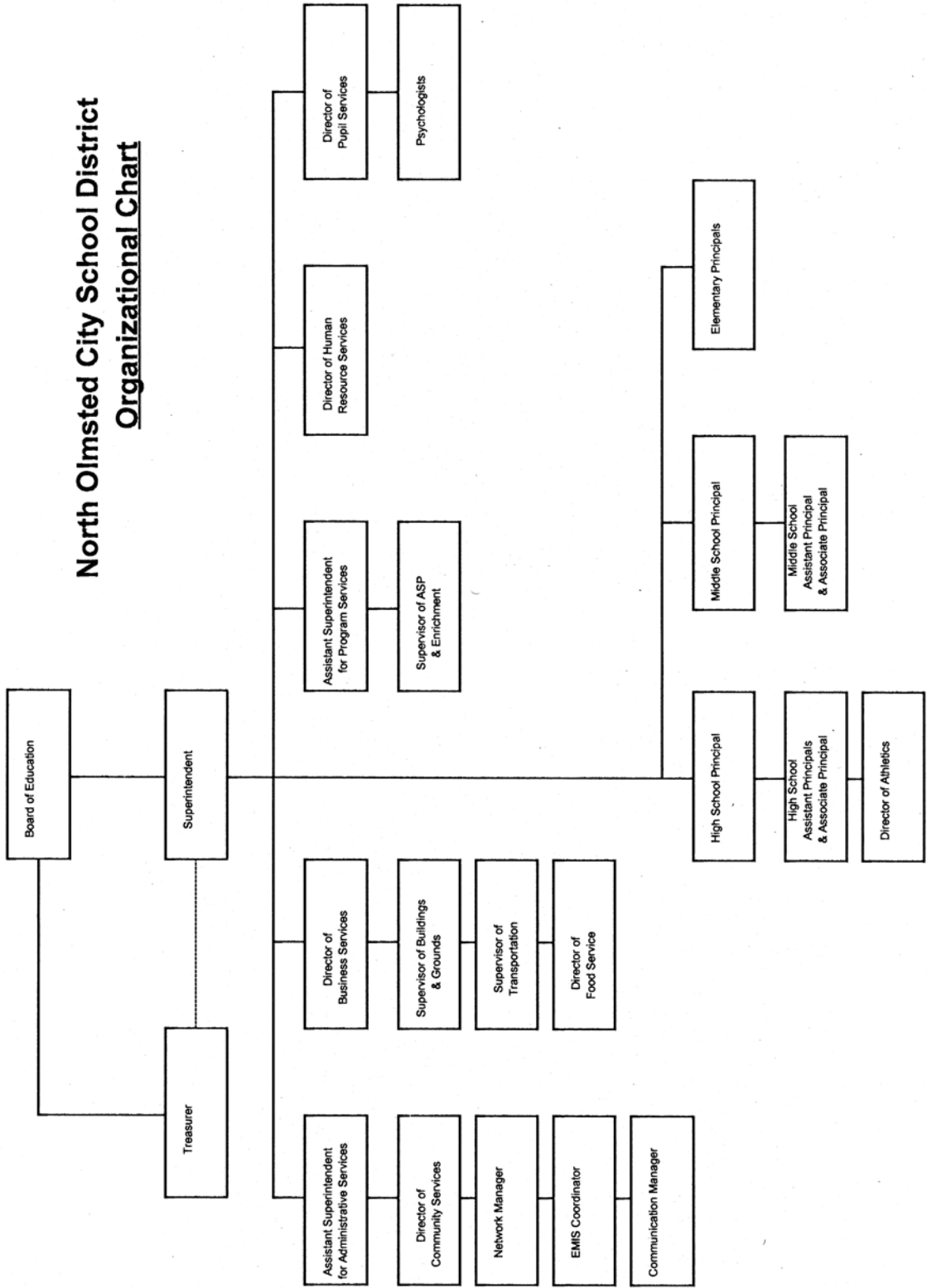
Board of Education

Mr. Donald Frazier	President
Mrs. Claire Hayes	Vice-President
Mrs. Joanne DiCarlo	Member
Mr. Thomas Herbster	Member
Mr. Michael Raig	Member

Administration

Dr. Norma L. Conner	Superintendent
Dr. Douglas A. Sebring	Assistant Superintendent
Mr. Joseph Hruby	Assistant Superintendent
Mr. Robert J. Matson, CPA	Treasurer
Mr. Leonard Frick	Director of Business Services
Mr. Gary Novak	Director of Personnel
Mrs. Sharon Humphrey	Director of Pupil Services
Mrs. Vera Brewer	Communications Manager

North Olmsted City School District Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

North Olmsted City School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2001

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.



William Patrick Harte
President

Jeffrey L. Essler
Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

NORTH OLMSTED CITY SCHOOLS

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2001

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Clark J. Goldshell
President

Denise W. Keller
Executive Director

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Board of Education
North Olmsted City School District
Cuyahoga County
24100 Palm Drive
North Olmsted, Ohio 44070

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Olmsted City School District, Cuyahoga County, Ohio (the District) as of and for the year ended June 30, 2002, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the North Olmsted City School District, Cuyahoga County, Ohio, as of June 30, 2002, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2002, the District implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2003, 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.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

May 23, 2003

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

The management discussion and analysis of North Olmsted City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2002. The intent of this management discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key Financial Highlights for 2002 are as follows:

In total, net assets increased by \$1,650,058.

Revenues for governmental activities totaled \$45,488,547 in 2002. Of this total, 92.1 percent consisted of General revenues while Program revenues accounted for the remaining balance of 7.9 percent.

Program expenses totaled \$43,838,489. Instructional expenses made up 58.5 percent of this total while support services accounted for 34.6 percent. Other expenses rounded out the remaining 6.9 percent.

Using this Comprehensive Annual Financial Report (CAFR)

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

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate and longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements explain how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of North Olmsted City School District, the general fund is the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains all the funds used by the School district to provide programs and activities, the view of the School District as a whole considers all financial transactions and asks the question, "How did we do financially during 2002?" The Statement of Net Assets and Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting, similar to the accounting used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

These two statements report the School District's net assets and changes in those net assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's performance, demographic and socioeconomic factors and willingness of the community to support the School District. On the other hand, financial factors may include the School District's financial position, liquidity and solvency, fiscal capacity and risk and exposure.

In the Statement of Net Assets and the Statement of Activities, the School District is classified into governmental activities. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance, pupil transportation, food service operation and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major fund begins on page 11. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental fund is the General fund.

Governmental Funds

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

The School District as a Whole

The Statement of Net Assets provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net assets for 2002 compared in 2001:

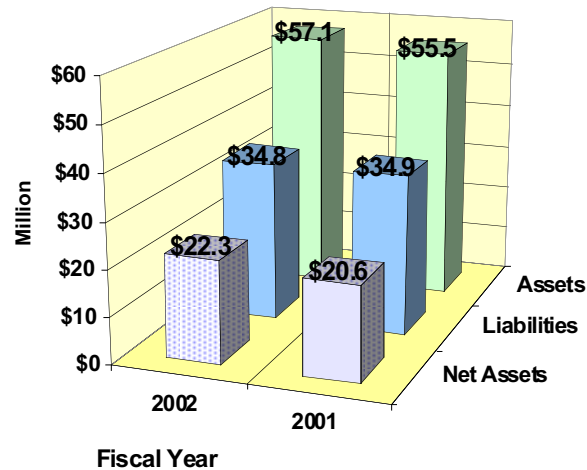
North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Table 1
Net Assets
Governmental Activities

	<u>2002</u>	<u>2001</u>
Assets		
Current and Other Assets	\$44,615,258	\$42,826,676
Capital Assets, Net	<u>12,533,580</u>	<u>12,698,587</u>
Total Assets	<u>57,148,838</u>	<u>55,525,263</u>
 Liabilities		
Current Liabilities	31,138,452	31,231,050
Long Term Liabilities		
Due Within One Year	574,930	450,928
Due in More Than One Year	<u>3,135,994</u>	<u>3,193,881</u>
Total Liabilities	<u>34,849,376</u>	<u>34,875,859</u>
 Net Assets		
Invested in Capital Assets, net of Related Debt	12,533,580	12,698,587
Restricted for:		
Capital Projects	1,016,209	508,063
Other Purposes	551,020	425,876
Unrestricted	<u>8,198,653</u>	<u>7,016,878</u>
 Total Net Assets	<u>\$22,299,462</u>	<u>\$20,649,404</u>

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Net Assets Governmental Activities



Source: District Financial Records

Governmental Activities

Total assets increased by \$1,623,575. The majority of this increase can be attributed primarily to an increase in taxes receivable of \$2.8 million offset by a reduction in cash and funds due from other governments of \$900,000. The increase in taxes receivable is due to the passage of a new 7.9 mill operating levy in May 2002. Reduction in cash and funds due from other governments represents normal year to year fluctuations caused by the timing of payments.

By comparing assets and liabilities, one can see the overall position of the School District has improved as evidenced by the increase in net assets of \$1,650,058.

The vast majority of revenue supporting all Governmental Activities is General revenues. General revenue totaled \$41,911,415 or 92.1 percent of the total revenue. The most significant portion of the General revenues is local property tax. The remaining amount of revenue received was in the form of program revenues, which equated to \$3,577,132 or only 7.9 percent of total revenue.

Table 2 summarizes the revenue, expenses and the changes in net assets for fiscal year 2002. Since this is the first year the School District has prepared financial statements following GASB Statement 34, revenue and expense comparisons to fiscal year 2001 are not available. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

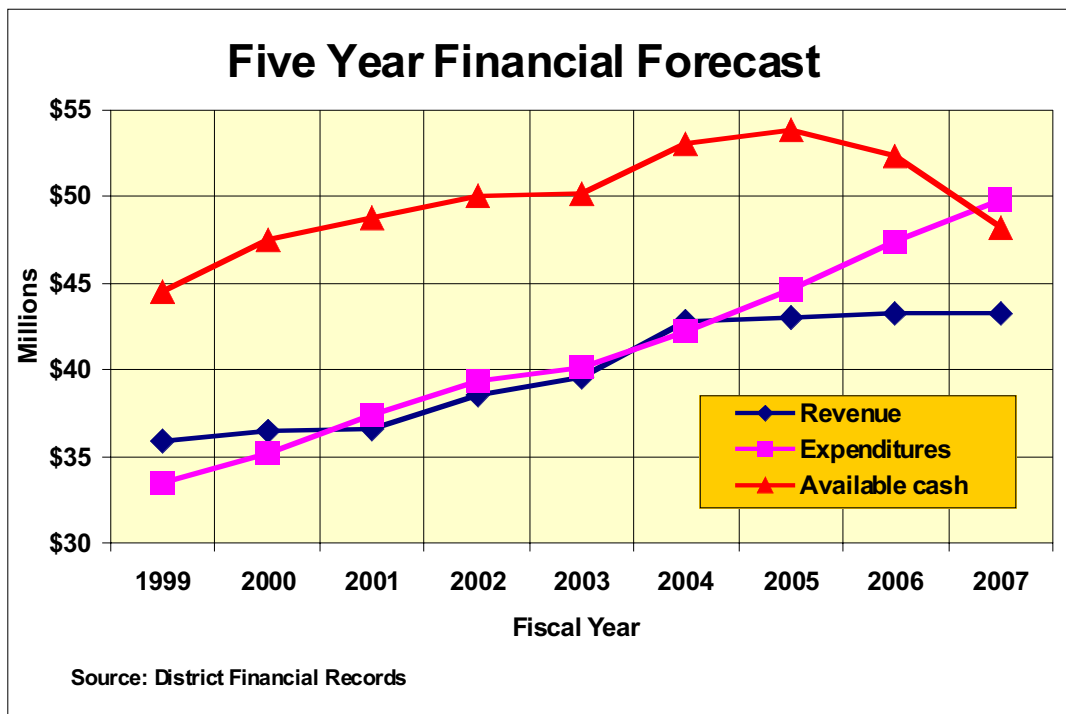
North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Table 2
Governmental Activities

	<u>2002</u>
Revenues	
Program Revenues	
Charges for Services and Sales	\$1,810,182
Operating Grants, Interest and Contributions	1,725,183
Capital Grants and Contributions	<u>41,767</u>
Total Program Revenues	<u>3,577,132</u>
General Revenue	
Property Taxes	30,257,653
Grants and Entitlements	10,659,176
Investment Earnings	660,300
Miscellaneous	<u>334,286</u>
Total General Revenues	<u>41,911,415</u>
Total Revenues	<u>45,488,547</u>
Program Expenses	
Instruction:	
Regular	19,996,444
Special	4,279,749
Vocational	682,107
Adult/Continuing	148,210
Other Instruction	537,666
Support Services:	
Pupil	3,012,740
Instructional Staff	1,539,103
Board of Education	121,763
Administration	3,089,415
Fiscal Services	855,813
Business	306,056
Operation and Maintenance	3,878,826
Pupil Transportation	1,696,739
Central Services	683,277
Operation of Non-Instructional Services:	
Food Service Operation	1,446,434
Community Services	508,363
Extracurricular Activities	956,213
Interest	<u>99,571</u>
Total Program Expenses	<u>43,838,489</u>
Increase in Net Assets	<u>\$1,650,058</u>

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

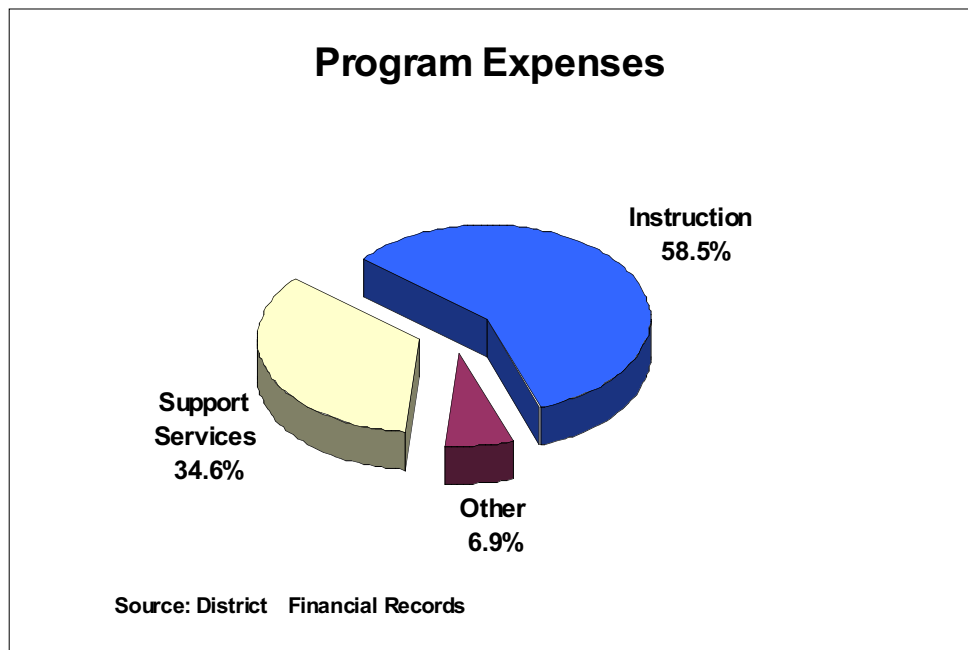
The School District has carefully planned its financial future by forecasting its revenues and expenditures over the next five years. In May of 2002, the School District successfully passed a 7.9 mill operating levy that is estimated to generate \$6.4 million dollars in additional revenue per year. Collection will begin the second half of fiscal year 2003. The full effect of this levy will be realized in fiscal year 2004. Based upon the current five year financial forecast this additional income will provide adequate operating funds for the School District over the next three to four years.



Although the School District relies heavily upon local property taxes to support its operations, the School District does actively solicit and receive additional grant and entitlement funds to help offset some operating costs.

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Approximately 58.5 percent of the School District's budget is used to fund instructional expenses. Additional supporting services for pupils, staff and business operations encompass an additional 34.6 percent. The remaining program expenses of 6.9 percent, are budgeted to facilitate other obligations of the School District, such as the food service program, numerous extracurricular activities and debt service.



Expenses for the year were approximately \$725,000 or 1.8% under budget projections. The savings results from numerous reductions in programs and cost containment measures implemented by the Board of Education to conserve operating funds after the third defeat of an operating levy in February, 2002. With the passage of a 7.9 mill operating levy in May 2002, the Board of Education has directed the Administration to draft a plan to reduce operating expenses approximately \$1.5 million annually.

During the past five years, the Administration has implemented numerous cost containment and revenue enhancement programs to manage District funds in an efficient and economic manner. These programs include zero based budgeting techniques and cost benefit analysis methods similar to those employed by the business community. To date, these programs have yielded over \$5.0 million in savings. The significance of this accomplishment can best be illustrated in Table 3, comparing our cost per pupil expenditures with those of neighboring school districts.

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Based upon the Ohio Department of Education "2003 District Report Cards", the North Olmsted City School's cost per pupil expenditure was the 23rd lowest among the 31 school districts in Cuyahoga County.

Table 3
 Cost per Pupil as of June 30, 2002

<u>School District</u>	<u>Cost Per Pupil</u>	<u>Ranking in Cuyahoga County (31 Districts)</u>
Bay Village	\$9,622	17
Berea	9,514	18
Fairview Park	9,957	14
Lakewood	9,670	16
North Olmsted	9,076	23
Olmsted Falls	8,610	27
Rocky River	9,236	21
Strongsville	8,815	26
Westlake	10,125	13

Source: Ohio Department of Education

The Statement of Activities shows the total net cost of program services. Table 4 shows the total cost of services for governmental activities and the net cost of those services. It identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 4
 Governmental Activities

	<u>Total Cost Of Services 2002</u>	<u>Net Cost Of Services 2002</u>
Governmental Activities		
Instruction:		
Regular	\$19,996,444	(\$19,404,473)
Special	4,279,749	(3,593,291)
Vocational	682,107	(630,765)
Adult/Continuing	148,210	(75,504)
Other Instruction	537,666	(537,666)
Support Services:		
Pupil	3,012,740	(2,899,255)
Instructional Staff	1,539,103	(1,535,049)
Board of Education	121,763	(121,763)
Administration	3,089,415	(3,089,073)

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Table 4
 Governmental Activities
 (Continued)

Fiscal Services	855,813	(855,813)
Business	306,056	(298,464)
Operation & Maintenance	3,878,826	(3,876,962)
Pupil Transportation	1,696,739	(1,602,091)
Central Services	683,277	(634,367)
Operation of Non-Instructional:		
Food Service Operation	1,446,434	(141,617)
Community Services	508,363	(5,566)
Extra curricular Activities	956,213	(860,067)
Debt Service - Interest	<u>99,571</u>	<u>(99,571)</u>
Total Program Expenses	<u>\$43,838,489</u>	<u>(\$40,261,357)</u>

As one can see, the reliance upon local tax revenues for governmental activities is crucial. Over 69 percent of expenses are directly supported by local property taxes. Grants and entitlements not restricted to specific programs support 24.3 percent, while investments and other miscellaneous type revenues support the remaining activity costs. Program revenues fund only 8.2 percent of all governmental expenses.

Clearly, the North Olmsted community is by far the greatest source of financial support for the students of the North Olmsted City Schools.

School District Funds

Information regarding the School District's major funds can be found on page 17. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$45,790,807 and expenditures of \$43,287,815. The net change in fund balance for the year was most significant in the General Fund, an increase of \$1,903,166.

General Fund Budgeting Highlights

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

During the course of fiscal year 2002, the School District amended its general fund budget numerous times, none significantly. Fluctuations among the budget base expenditures categories are due to the School District's site-based style of budgeting that is designed to tightly control expenses but provide flexibility for managers to redirect funds as conditions develop during the year.

North Olmsted City School District
Management's Discussion and Analysis
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Overall revenue received by the General Fund exceeded budgetary projections by \$1,128,568 or 3.1%. The increase was due primarily to additional tax revenue received from a personal property tax compliance review implemented by the School District during the year and the receipt of two years of tax abatement revenue sharing from the City of North Olmsted. Actual expenditures for the year were \$725,455 or 1.8% under General Fund budget projections. The decrease was due to reduced utility cost because of a mild winter, lower than anticipated grade realignment costs, and reductions in programs implemented to conserve operating funds after the third defeat at the ballot of a tax levy.

The above circumstances allowed the School district to end the school year with a General Fund unencumbered cash balance of \$11,085,445 which was \$1,877,979 higher than original projections.

Capital Assets and Debt Administration

Capital Assets

All capital assets, except land, are reported net of depreciation. At the end of fiscal 2002, the School District had \$12,533,580 invested in land, buildings, equipment and vehicles. Table 5 shows fiscal 2002 values compared to 2001.

Table 5
Capital Assets at June 30
Governmental Activities

	<u>2002</u>	<u>2001</u>
Land and Improvements	\$1,504,393	\$1,494,215
Building and Improvements	8,093,595	8,365,730
Furniture and Equipment	1,532,076	1,559,057
Vehicles	<u>1,403,516</u>	<u>1,279,585</u>
Total Capital Assets	<u>\$12,533,580</u>	<u>\$12,698,587</u>

During fiscal 2002, the School District purchased \$558,681 of capital assets. Approximately 48.2 percent or \$269,559 of the purchases were for school buses, 33.4 percent or \$186,576 for furniture and equipment with the remaining 18.4 percent or \$102,546 for land and building improvements.

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Debt

At June 30, 2002 the School district had no outstanding bonds. The School District's long-term debt is limited to a \$116,000 note payable. Proceeds from the note were used for the acquisition of school buses in 1997. The note is to be repaid in annual equal payments of interest and principal through fiscal year 2006.

The School District's overall legal debt margin was \$73,235,900 with an unvoted debt margin of \$813,700. Because the School District has no outstanding bonds for over ten years, the School District has no official bond rating.

School District Outlook

The School District has a strong financial position. The Board of Education and the administration closely monitor the District's revenues and expenditures in accordance with its financial forecast and the School District's Continuous Improvement Plan.

The School District's financial future is not without challenges, though. The nature of school funding in Ohio severely restricts the growth in the School District's operating revenues and requires the School District to periodically seek additional funds from the taxpayers to offset rising operating costs. The North Olmsted voters continue to show their support for the schools as illustrated with the passage of a 7.9 mill operating levy in May 2002.

In addition, the problem of limited growth in revenue, school districts are faced with the challenge of loosing traditional sources of tax revenue through the Ohio General Assembly legislative actions. In June 1999, the Ohio General Assembly passed House Bill 284 that will phase-out, over a period of 25 years, the taxation on business inventories. Once fully implemented, the School District's operating revenue will be reduced \$2,400,000 annually. In June 1999, the Ohio General Assembly passed Senate Bill 3 to deregulate the electric utility industry in Ohio. Under this legislation, the assessment rate on electric utility property was dramatically reduced and will result in the annual loss of over \$900,000 in tax revenue for the School District.

Financial aid from the State of Ohio through the State Foundation Program has been declining as a major source of operating revenue for the North Olmsted City School District. Because North Olmsted City Schools is considered a wealthy district in terms of property values, it receives a relatively small amount of revenue from the State to fund operating expenses.

As a result of the challenges mentioned above, the School District's administration continues to carefully and prudently plan its expenditures to provide adequate resources to meet student needs over the next several years. The administration is currently reviewing all programs and services provided to students with the goal of reducing operating costs \$1.5 million annually in a more economic manner without a reduction in programs or services.

North Olmsted City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

The North Olmsted City School District has committed itself to financial excellence for many years. The School District was the first school district in Ohio to receive the Government Financial Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 1985 and has received the award for seventeen consecutive years. The District has also received the Association of School Business Officials (ASBO) Certificate of Achievement for Excellence in Financial Reporting and the State of Ohio Auditor's Award for the past six years. In addition to its commitment to financial reporting, the School District has elected early implementation of GASB Statement 34 "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments".

Contacting the School District's Financial Management

This report is designed to provide our citizens, taxpayers and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Robert J. Matson, CPA, and Treasurer at North Olmsted City School District, 24100 Palm Drive, North Olmsted, Ohio 44070. Or by telephone at 440-779-3551.

NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS

JUNE 30, 2002

	Governmental Activities
Assets	
Equity in pooled cash	\$ 13,050,773
Accounts receivable	81,408
Due from other governments	653,498
Inventories and supplies	184,969
Taxes receivable	30,644,610
Capital assets	
Nondepreciable capital assets	955,597
Depreciable capital assets, net	11,577,983
Total assets	<u>57,148,838</u>
Liabilities	
Accounts and contracts payable	247,621
Accrued salaries, wages and benefits	4,254,185
Claims payable	1,072,825
Due to other governments	1,144,877
Deferred revenue	24,418,944
Long term liabilities	
Due within one year	574,930
Due in more than one year	3,135,994
Total liabilities	<u>34,849,376</u>
Net assets	
Invested in capital assets, net of related debt	12,533,580
Restricted for:	
Capital projects	1,016,209
Other purposes	551,020
Unrestricted (deficit)	8,198,653
Total net assets	<u>\$ 22,299,462</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2002

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants Interest and Contributions	Capital Grants and Contributions	
Governmental activities					
Instruction					
Regular	19,996,444	134,053	457,918	-	(19,404,473)
Special	4,279,749	189,062	497,396	-	(3,593,291)
Vocational	682,107	-	51,342	-	(630,765)
Adult/continuing	148,210	33,223	39,483	-	(75,504)
Other instruction	537,666	-	-	-	(537,666)
Supporting services					
Pupil	3,012,740	-	113,485	-	(2,899,255)
Instructional staff	1,539,103	-	4,054	-	(1,535,049)
Board of education	121,763	-	-	-	(121,763)
Administration	3,089,415	-	342	-	(3,089,073)
Fiscal services	855,813	-	-	-	(855,813)
Business	306,056	-	7,592	-	(298,464)
Operation and maintenance	3,878,826	-	1,864	-	(3,876,962)
Pupil transportation	1,696,739	52,881	-	41,767	(1,602,091)
Central services	683,277	-	48,910	-	(634,367)
Operation of non-instructional					
Food service operation	1,446,434	1,304,817	-	-	(141,617)
Community services	508,363	-	502,797	-	(5,566)
Extracurricular activities					
Academic and subject oriented	150,952	-	-	-	(150,952)
Sports oriented	805,261	96,146	-	-	(709,115)
Debt service					
Interest	99,571	-	-	-	(99,571)
Totals	<u>\$ 43,838,489</u>	<u>\$ 1,810,182</u>	<u>\$ 1,725,183</u>	<u>\$ 41,767</u>	<u>(40,261,357)</u>

General revenues	
Property taxes levied for:	
General purpose	29,109,564
Capital improvements	1,148,089
Grants and entitlements not restricted to specific purposes	10,659,176
Investment earnings	660,300
Miscellaneous	334,286
Total general revenues	<u>41,911,415</u>

Change in net assets	1,650,058
Net assets at beginning of year, restated	20,649,404
Net assets at end of year	<u>\$ 22,299,462</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

BALANCE SHEET -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2002

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in pooled cash	\$ 10,645,018	\$ 1,582,682	\$ 12,227,700
Restricted cash	223,073	-	223,073
Receivables, net of allowance			
Taxes, current	28,657,030	1,058,276	29,715,306
Taxes, delinquent	896,208	33,096	929,304
Accounts and other	58,717	22,691	81,408
Due from other governments	632,957	20,541	653,498
Interfund receivable	544,337	-	544,337
Inventories and supplies	147,331	37,638	184,969
Total assets and other debits	<u>\$ 41,804,671</u>	<u>\$ 2,754,924</u>	<u>\$ 44,559,595</u>
Liabilities and fund balances			
Liabilities			
Accounts and contracts payable	\$ 232,180	\$ 15,441	\$ 247,621
Accrued wages and benefits	4,160,725	93,460	4,254,185
Due to other governments	714,754	28,827	743,581
Interfund payable	-	44,337	44,337
Deferred revenue	25,099,923	923,289	26,023,212
Total liabilities	<u>30,207,582</u>	<u>1,105,354</u>	<u>31,312,936</u>
Fund balances			
Reserved for budget stabilization	223,073	-	223,073
Reserved for inventories	147,331	37,638	184,969
Reserved for property taxes	5,107,738	188,624	5,296,362
Reserved for encumbrances	150,466	388,225	538,691
Unreserved, reported in			
General Fund	5,968,481	-	5,968,481
Special Revenue Funds	-	518,866	518,866
Debt Service Fund	-	-	-
Capital Projects Funds	-	516,217	516,217
Total fund balances	<u>11,597,089</u>	<u>1,649,570</u>	<u>13,246,659</u>
Total liabilities and fund balances	<u>\$ 41,804,671</u>	<u>\$ 2,754,924</u>	<u>\$ 44,559,595</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2002

Total governmental funds balances	\$ 13,246,659
Amount reported for governmental activities in the statement of net assets are different because	
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.	12,533,580
Other long term assets are not available to pay for current period expenditures and therefore are deferred in the funds. These deferrals are attributed to property taxes.	1,604,268
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	(972,825)
Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(401,296)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences	(3,594,924)
Notes payable	(116,000)
	22,299,462
Net assets of governmental activities	\$ 22,299,462

NORTH OLMSTED CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 29,278,504	\$ 1,158,664	\$ 30,437,168
Tuition and fees	382,047	33,223	415,270
Interest	566,962	93,955	660,917
Property rentals	6,156	-	6,156
Intergovernmental	10,550,937	2,205,168	12,756,105
Charges for services	-	1,005,577	1,005,577
Extracurricular	-	147,471	147,471
Other	278,106	84,037	362,143
Total revenues	41,062,712	4,728,095	45,790,807
Expenditures			
Current			
Instruction			
Regular	19,034,643	573,295	19,607,938
Special	3,859,107	317,617	4,176,724
Vocational	627,241	44,000	671,241
Adult/continuing	49,220	92,213	141,433
Other instruction	537,666	-	537,666
Supporting services			
Pupil	2,830,694	71,762	2,902,456
Instructional staff	1,479,975	3,973	1,483,948
Board of education	163,810	-	163,810
Administration	2,769,423	1,182	2,770,605
Fiscal services	847,096	-	847,096
Business	227,457	19,502	246,959
Operation and maintenance	3,365,077	2,584	3,367,661
Pupil transportation	1,506,495	65,200	1,571,695
Central services	744,944	11,242	756,186
Operation of non-instructional			
Food service operation	27,885	1,396,325	1,424,210
Community services	20,905	478,676	499,581
Extracurricular activities			
Academic and subject oriented	157,780	-	157,780
Sports oriented	613,800	140,581	754,381
Capital outlay	39,426	867,175	906,601
Debt service			
Principal	48,269	151,301	199,570
Interest	703	99,571	100,274
Total expenditures	38,951,616	4,336,199	43,287,815
Excess (deficiency) of revenues over expenditures	2,111,096	391,896	2,502,992
Other financing sources (uses)			
Operating transfers-in	23,648	231,578	255,226
Operating transfers-out	(231,578)	(23,648)	(255,226)
Total other financing sources (uses)	(207,930)	207,930	-
Net change in fund balances	1,903,166	599,826	2,502,992
Fund balances, beginning of year, as restated	9,738,383	1,052,472	10,790,855
Decrease in reserve for inventory	(44,460)	(2,728)	(47,188)
Fund balances, end of year	\$ 11,597,089	\$ 1,649,570	\$ 13,246,659

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2002

Net change in fund balances - total governmental funds \$ 2,502,992

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlay	558,681	
Depreciation expense	(722,964)	
Total	(164,283)	(164,283)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(179,515)	
Intergovernmental revenue	(105,488)	
Tuition and fees	(17,257)	
	(302,260)	(302,260)

Repayment of note and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets

199,570

Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represents contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	(266,380)	
Pension obligations	(38,873)	
Change in inventory	(47,188)	
	(352,441)	(352,441)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

(233,520)

Change in net assets of governmental activities

\$ 1,650,058

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET BASIS (NON-GAAP) AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$ 25,390,000	\$ 25,390,000	\$ 26,023,195	\$ 633,195
Tuition and fees	303,000	303,000	382,047	79,047
Interest	600,000	600,000	551,861	(48,139)
Property rentals	1,000	1,000	6,156	5,156
Intergovernmental	10,320,000	10,320,000	10,741,879	421,879
Other	261,000	257,500	294,930	37,430
Total revenues	36,875,000	36,871,500	38,000,068	1,128,568
Expenditures				
Current				
Instruction				
Regular	19,076,511	19,087,764	18,987,157	100,607
Special	3,865,940	3,897,312	3,868,641	28,671
Vocational	619,923	628,378	625,993	2,385
Adult/continuing	52,100	52,300	48,536	3,764
Other instruction	497,050	754,449	556,842	197,607
Supporting services				
Pupil	2,771,782	2,875,733	2,816,017	59,716
Instructional staff	1,638,904	1,539,345	1,492,190	47,155
Board of education	218,000	203,730	188,474	15,256
Administration	2,831,656	2,772,660	2,746,025	26,635
Fiscal services	744,703	873,841	857,047	16,794
Business	211,167	230,407	229,065	1,342
Operation and maintenance	3,671,490	3,497,904	3,375,181	122,723
Pupil transportation	1,553,515	1,567,627	1,534,412	33,215
Central services	925,817	806,681	790,510	16,171
Operation of non-instructional				
Food service operation	32,700	28,200	28,103	97
Community services	27,242	27,242	20,905	6,337
Extracurricular activities				
Academic and subject oriented	217,100	161,300	157,780	3,520
Sports oriented	716,800	631,615	612,418	19,197
Capital outlay	41,102	65,741	41,478	24,263
Total expenditures	39,713,502	39,702,229	38,976,774	725,455
Excess (deficiency) of revenues over expenditures	(2,838,502)	(2,830,729)	(976,706)	1,854,023
Other financing sources (uses)				
Operating transfers-in	-	-	23,648	23,648
Advances-in	50,000	503,442	503,442	-
Refund of prior year expenditure	-	-	308	308
Advances-out	-	(506,890)	(506,890)	-
Operating transfers-out	(237,726)	(231,578)	(231,578)	-
Total other financing sources (uses)	(187,726)	(235,026)	(211,070)	23,956
Excess (deficiency) of revenues over expenditures and other sources (uses)	(3,026,228)	(3,065,755)	(1,187,776)	1,877,979
Fund balances, beginning of year	11,851,960	11,851,960	11,851,960	-
Prior year encumbrances	421,261	421,261	421,261	-
Fund balances, end of year	\$ 9,246,993	\$ 9,207,466	\$ 11,085,445	\$ 1,877,979

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT
 STATEMENT OF FUND NET ASSETS -
 INTERNAL SERVICE FUND
 JUNE 30, 2002

	Self Insurance
Assets	
Equity in pooled cash	\$ 600,000
Liabilities	
Claims payable	1,072,825
Interfund payable	500,000
Total liabilities	1,572,825
Net assets	
Unrestricted	\$ (972,825)

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
 INTERNAL SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2002

	Self Insurance
Operating revenues	
Charges for services	\$ 3,259,461
Operating expenses	
Purchased services	340,772
Claims	3,152,209
Total operating expenses	3,492,981
Change in net assets	(233,520)
Net assets, beginning of year	(739,305)
Net assets, end of year	\$ (972,825)

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Self Insurance
Cash Flows From Operating Activities	
Cash received from interfund services	\$ 3,259,461
Cash payments for goods and services	(340,772)
Cash payments for claims	(2,918,689)
Net increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents, beginning of year	600,000
Cash and cash equivalents, end of year	\$ 600,000
Reconciliation of operating loss to net cash used for operating activities	
Operating loss	\$ (233,520)
Adjustments	
Increase in claims payable	233,520
	-
Net cash used for operating activities	\$ -

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT
 STATEMENT OF FIDUCIARY NET ASSETS -
 AGENCY FUND
 JUNE 30, 2002

	Student Activities
Assets	
Equity in pooled cash	\$ 79,362
Total assets	79,362
Liabilities	
Due to students	79,362
Total liabilities	\$ 79,362

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The North Olmsted City School District (the District) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city school district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the District. Average daily membership on, or as of, October 1, 2001 was 4,741. The District employs 401 certificated and 287 non-certificated employees.

REPORTING ENTITY

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

Within the District boundaries, there are various nonpublic schools. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed by the District on behalf of the nonpublic schools by the Treasurer of the School District, as directed by the nonpublic schools. These transactions are reported as a governmental activity of the District.

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

The District is associated with the Lake Erie Educational Computer Association, the Polaris Career Center, the North Olmsted City Schools Education Foundation, and the Ohio School Council Association which are considered to be jointly governed organizations. The District also participates in a public risk pool managed by the Association of School Business Officials Workers' Compensation Group Rating Program. These organizations and their relationships with the District are described in more detail in Notes 11 and 18 to these financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NORTH OLSMTEED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION

The District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

The statement of net assets presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

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

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. FUND ACCOUNTING

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories governmental, proprietary, and fiduciary.

Governmental Funds

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

General Fund - the general fund is the operating fund of the school district and is used to account for all financial resources, except those required to be accounted for in another fund.

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

Proprietary Fund

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

Internal Service Fund – The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis. The District's only internal service fund accounts for revenue received from other funds and the settlement expenses for medical, surgical, prescription drug, and dental claims of District employees.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency fund accounts for student activities.

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Assets. The Statement of Activities presents increases (revenues) and decreases (expenses) in the total net assets.

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

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

D. BASIS OF ACCOUNTING

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means 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. For the District, available means expected to be received within sixty days of fiscal year end.

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. BASIS OF ACCOUNTING (continued)

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

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

Deferred Revenue

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

Property taxes for which there is an enforceable legal claim as of June 30, 2002, but which were levied to finance fiscal year 2003 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenditures/Expenses

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

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETARY PROCESS

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

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

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

F. CASH AND INVESTMENTS

Cash received by the District is deposited in one central bank account with individual fund balance integrity maintained through District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAROhio) or other short term investments. Under existing Ohio statutes, interest earnings are allocated to funds based on average monthly cash balances. Interest income earned for the year ended June 30, 2002 totaled \$660,917.

Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value, which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

The District has invested in the State Treasury Asset Reserve of Ohio (STAROhio) during the year. STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2002.

Investments with an original maturity of three months or less at the time of purchase are considered to be cash equivalents.

NORTH OLMSTED CITY SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. INVENTORY

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost. 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.

H. RESTRICTED ASSETS

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other government or imposed by enabling legislation. Restricted assets include the amount required by State statute to be set aside to create a reserve for budget stabilization.

I. CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of two thousand five hundred dollars. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets, other than land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Land improvements	25 - 30 years
Buildings	60 - 80 years
Buildings improvements	25 years
Furniture and equipment	8 - 35 years
Vehicles	15 years

J. INTERFUND BALANCES

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental column of the statement of net assets.

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability is based on an estimate of the amount of accumulated sick leave that will be paid as a termination benefit. The liability includes employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

L. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes and capital leases are recognized as a liability on the governmental fund financial statements when due.

M. NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

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

N. FUND BALANCE RESERVES AND DESIGNATIONS

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

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. FUND BALANCE RESERVES AND DESIGNATIONS (continued)

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 monies required to be set aside by State statute to protect against cyclical changes in revenues and expenditures. The designation for budget stabilization represents revenues set aside that exceed statutorily required amounts.

O. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are charges for services for the self-insurance program. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of this fund. Revenues and expenses not meeting those definitions are reported as non-operating.

P. INTERFUND TRANSACTIONS

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

Q. ESTIMATES

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

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE

A. CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2002, the District has implemented GASB Statement No. 34, “Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments”; GASB Statement No. 37, “Basic Financial Statements for State and Local Governments: Omnibus”, GASB Statement No. 38, “Certain Financial Statement Note Disclosures”, and GASB Interpretation No. 6, “Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements”. At June 30, 2002, there was no effect on fund balance as a result of implementing GASB Statements 37 and 38 and GASB Interpretation No. 6.

GASB Statement No. 34 creates new basic financial statements for reporting on the District’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FIANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE (continued)

A. CHANGES IN ACCOUNTING PRINCIPLES (continued)

The government-wide financial statements split the District’s programs between governmental and business-type activities. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at June 30, 2001, caused by the elimination of the internal service fund, reclassification of funds based on guidance provided in GASB Statement No. 34 and the conversion to the accrual basis of accounting.

It was determined that enterprise funds and certain internal service funds should be reclassified to special revenue funds and that the self-insurance program should be accounted for as an internal service fund.

B. RESTATEMENT OF FUND BALANCE

The restatements for GASB Statement No. 34 had the following effects on fund balance of the major and nonmajor funds of the District as they were previously reported. The transition from governmental fund balance to net assets of the governmental activities is also presented.

	General	Non-Major Governmental Funds	Total
Fund balances, June 30, 2001	\$ 8,922,765	\$ 966,035	\$ 9,888,800
Fund reclassification	739,305	72,105	811,410
Fixed assets, net	-	(87,827)	(87,827)
Deferred revenue	-	16,487	16,487
Accrued expenses	76,313	85,672	161,985
Restated fund balances, June 30, 2001	9,738,383	1,052,472	10,790,855
GASB 34 adjustments			
Capital assets			12,698,587
Internal Service Fund			(739,305)
Long-term assets			1,906,250
Long-term liabilities			(4,006,983)
Governmental activities net assets, June 30, 2001			\$ 20,649,404

	Business-type Activities
Net assets, June 30, 2001	\$ 48,426
Fund reclassification	(48,426)
Adjusted net assets, June 30, 2001	\$ -

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 4 – DEFICIT FUND EQUITY

At June 30, 2002, the Adult Education and Adult Basic Education special revenue funds had deficit fund balances of \$ 8,573 and \$ 5,863, respectively. The General Fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While the District is reporting financial position, results of operations, and changes in fund balances/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 Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis statements are the following:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

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

Net Change in Fund Balance General Fund	
	General
Budget basis	\$ (1,187,776)
Adjustments, increase (decrease)	
Revenue accruals	3,062,644
Expenditure accruals	25,158
Other sources (uses)	3,140
GAAP basis, as reported	\$ 1,903,166

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

Protection of the 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 invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer’s investment pool (STAR Ohio);
7. Commercial paper and bankers’ acceptances (if authorized by the Board of Education), and
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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 District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At fiscal year end, the District had \$1,010 in cash on hand which is included on the balance sheet of the District as part of “Equity in Pooled Cash”.

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

At fiscal year end, the carrying amount of the District’s deposits was \$6,736,520 and the bank balance was \$7,270,611, all of which was covered by federal depository insurance or by collateral held by a qualified third party trustee in the name of the North Olmsted City District.

The District’s investments are categorized to give an indication of the level of risk assumed by the District at fiscal year end. Category 1 includes investments that are insured or registered for which the securities are held by the District or its agent in the District’s name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty’s trust department or agent in the District’s name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District’s name. Investment in STAROhio, the State Treasurer’s Investment Pool, is not classified by degree of credit risk since it is not evidenced by securities that exist in physical or book entry form.

	Category			Fair Value
	1	2	3	
U. S. Government securities	\$ -	\$ -	\$ 5,886,831	\$ 5,886,831
Investment in StarOhio				506,784
				<u>\$ 6,393,615</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2002

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting".

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

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$13,130,135	\$ -
U. S. Government securities	(5,886,831)	5,886,831
Investment in State Treasurer's Investment Pool	(506,784)	506,784
GASB Statement No. 3	\$ 6,736,520	\$ 6,393,615

NOTE 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real and public utility property tax revenues received in calendar year 2002 represent the collection of calendar year 2001 taxes. Real property taxes for 2002 were levied after April 1, 2002, on the assessed values as of January 1, 2002, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility real and tangible personal property taxes for 2002 were levied after April 1, 2002, on the assessed values as of December 31, 2001, the lien date. Public utility real property is assessed at 35 percent of true value; tangible personal property is currently assessed at varying percentages of true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in calendar year 2002 (other than public utility property) represent the collection of calendar year 2002 taxes. Tangible personal property taxes for 2002 were levied after April 1, 2001, on the value as of December 31, 2001. Tangible personal property is currently assessed at 25 percent of true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 7 - PROPERTY TAXES (continued)

The District receives property taxes from Cuyahoga County. The County Auditors periodically advance to the District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2002, are available to finance fiscal year 2002/2003 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes which were measurable as of June 30, 2002 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at June 30, nor were they levied to finance fiscal year 2002 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 was recognized as revenue.

The amount available as an advance at June 30, 2002, was \$ 5,107,738 in the General Fund and \$ 188,624 in the Permanent Improvements Fund.

The assessed values upon which the fiscal year 2002 taxes were collected are:

	2001 Second Half Collections		2002 First Half Collections	
	Amount	%	Amount	%
Agricultural Residential				
Real Estate	\$ 525,299,230	64.65%	\$ 528,434,560	64.94%
Other Commercial	218,012,810	26.83	217,473,670	26.73
Public Utility Tangible	20,789,070	2.56	17,160,110	2.11
Tangible Personal Property	48,393,017	5.96	50,663,682	6.23
	<u>\$ 812,494,127</u>	<u>100.00%</u>	<u>\$ 813,732,022</u>	<u>100.01%</u>
Tax Rate per \$ 1,000 of Assessed Valuation:	<u>69.1</u>		<u>69.1</u>	

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 8 - RECEIVABLES

Receivables at June 30, 2002, consisted of property taxes, accounts, intergovernmental, and accrued interest. All receivables are considered substantially collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Governmental Activities	
General Fund	\$ 632,957
Adult Basic Education	8,906
Eisenhower Math	1,474
Drug Free Schools	<u>10,161</u>
Total Intergovernmental Receivables	<u>\$ 653,498</u>

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2002, was as follows:

	<u>Balance June 30, 2001 (As Restated)</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2002</u>
Governmental Activities				
Nondepreciable capital assets				
Land	<u>\$ 955,597</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 955,597</u>
Depreciable capital assets				
Land improvements	795,893	41,081	14,119	822,855
Buildings and improvements	16,509,260	61,465	180,651	16,390,074
Furniture and equipment	3,172,874	186,576	571,391	2,788,059
Vehicles	<u>2,560,036</u>	<u>269,559</u>	<u>357,355</u>	<u>2,472,240</u>
Total capital assets being depreciated	<u>23,038,063</u>	<u>558,681</u>	<u>1,123,516</u>	<u>22,473,228</u>
Less accumulated depreciation				
Land improvements	257,275	30,903	14,119	274,059
Buildings and improvements	8,143,530	333,600	180,651	8,296,479
Furniture and equipment	1,613,817	212,833	570,667	1,255,983
Vehicles	<u>1,280,451</u>	<u>145,628</u>	<u>357,355</u>	<u>1,068,724</u>
Total accumulated depreciation	<u>11,295,073</u>	<u>722,964</u>	<u>1,122,792</u>	<u>10,895,245</u>
Depreciable capital assets, net of accumulated depreciation	<u>11,742,990</u>	<u>(164,283)</u>	<u>724</u>	<u>11,577,983</u>
Governmental activities capital assets, net	<u>\$ 12,698,587</u>	<u>\$ (164,283)</u>	<u>\$ 724</u>	<u>\$ 12,533,580</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2002

NOTE 9 - CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Instruction		
Regular	\$	318,045
Special		26,901
Vocational		13,681
Adult education		3,034
Supporting services		
Pupil		31
Instructional staff		19,999
Administration		62,573
Fiscal		3,657
Business		850
Operation and maintenance of plant		110,019
Pupil transportation		144,067
Central services		6,974
Extracurricular activities		
Academic oriented		22
Sports oriented		13,111
Total depreciation expense	\$	<u><u>722,964</u></u>

NOTE 10 - INTERFUND ASSETS/LIABILITIES

On the fund financial statements at June 30, 2002, interfund balances consisted of the following:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 544,337	\$ -
Special Revenue Funds		
Adult Education	-	15,000
Adult Basic Literacy	-	17,702
Eisenhower Math	-	1,474
Drug Free Schools	-	10,161
Internal Service Fund		
Self Insurance	-	500,000
	<u>\$ 544,337</u>	<u>\$ 544,337</u>

These amounts are represented as "Interfund Receivable/Payable" on the balance sheet. The loans were made to support programs and projects in the Special Revenue Funds and the Internal Service Fund.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 11 - RISK MANAGEMENT

A. PROPERTY AND LIABILITY

The District is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2002, the District contracted with Nationwide Insurance Company for property insurance. Professional liability is protected by Nationwide Insurance Company with a \$ 2 million per occurrence and a \$ 5 million aggregate limit with a \$ 1 million supplemental umbrella policy. Vehicles are covered by Nationwide Insurance Company. Automobile liability has a \$ 3 million combined single limit of liability with a \$ 1 million supplemental umbrella policy. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from prior years. Position bonds of \$ 20,000 are maintained for the Superintendent, Business Manager, and Board President by Nationwide Insurance Company and the Treasurer for \$ 100,000 from Ohio Casualty. The District provides life insurance, disability and accidental death and dismemberment insurance to its employees, through Standard Life Insurance Company.

B. WORKERS' COMPENSATION

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 11 - RISK MANAGEMENT (continued)

C. EMPLOYEE MEDICAL BENEFITS

The District provides employee medical, surgical, prescription drug and dental benefits through a self-insurance program administered by Medical Mutual of Ohio. The District limits its liability for medical and surgical claims by maintaining a specific stop-loss threshold of \$ 75,000.

The claim liability of \$ 500,000 reported at June 30, 2002 was estimated by Medical Mutual of Ohio and is based on the requirements of Governmental Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs related to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balance of claims liability during the year ended June 30, 2002 and 2001 are summarized below. Incurred claims and claims payments are not segregated between current and prior years claims due to the impracticability of obtaining such information.

	June 30, 2002	June 30, 2001 (As Restated)
Unpaid claims, beginning of year	\$ 839,305	\$ 744,683
Incurred claims	3,385,729	2,888,435
Claims payments	(3,152,209)	(2,793,813)
	<u>\$ 1,072,825</u>	<u>\$ 839,305</u>

NOTE 12 - DEFINED BENEFIT PENSION PLANS

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS)

The North Olmsted City School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. The School Employees Retirement System 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 SERS, 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

Plan members are required to contribute 9 percent of their annual covered salary and the North Olmsted City District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The North Olmsted City District's contributions to SERS for the years ended June 30, 2002, 2001, and 2000 were \$ 838,200, \$ 795,500, and \$ 735,000, respectively. The full amount has been contributed for 2001 and 2000. For 2002, \$ 361,000 (43%) has been contributed with the remainder being reflected as an intergovernmental payable.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

B. STATE TEACHERS RETIREMENT SYSTEM (STRS)

The North Olmsted City School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof.

Plan options – Effective July 1, 2001, two new plan options were offered to selected members. New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to invest all their member contributions and employer contributions equal to 10.5% of earned compensation. The Combined Plan offers features of the DC Plan and the DB plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a bi-weekly basis. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one-time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001.

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit”, the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits – Benefits are established under sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among nine investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members’ accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the members designated beneficiary is entitled to receive the members account balance.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

B. STATE TEACHERS RETIREMENT SYSTEM (STRS) (continued)

Combined Plan Benefits – Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's year's of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

Eligible faculty of Ohio's public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for a money-purchase benefit or a lump-sum payment in addition to the original retirement allowance.

Prior to February 1, 2002, benefits were increased annually by the greater of the amount of the change in the Consumer Price Index (CPI) or the cumulative CPI increase since retirement, less previous cost-of-living increases, up to a maximum of 3% of the original base benefit. Effective February 1, 2002, benefits are increased annually by 3% of the original base amount, regardless of the change in the CPI.

The Defined Benefit and Combined Plans offer access to health care coverage to retirees who participated in the plans and their dependents. Coverage under the current program includes hospitalization, physician fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums.

A defined Benefit or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouse and dependents of these active members who die before retirement may qualify for survivor benefits. A death benefit of \$ 1,000 is payable to the beneficiary of each deceased retired member who participated in the Defined Benefit Plan. Death benefit coverage up to \$ 2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to member's beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2002 were 9.3% of covered payroll for members and 14% for employers. The North Olmsted City School District's contribution to STRS for the years ended June 30, 2002, 2001, and 2000 were \$ 2,996,500, \$ 2,862,100, and \$ 2,717,800, respectively. The full amount has been contributed for 2001 and 2000. For 2002, \$ 2,507,400 (84%) has been contributed with the remainder being reported as a liability within the respective funds.

STRS Ohio issues a stand-alone financial report. Copies of STRS Ohio's 2002 Comprehensive Annual Financial Report can be requested by writing STRS Ohio , 275 E. Broad St., Columbus, Ohio 43215-3371, or by calling 614-227-4090.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 13 - POSTEMPLOYMENT BENEFITS

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM

The Ohio Revised Code gives the School Employees Retirement System (SERS) the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989 with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service, up to a maximum of 75% of the premium.

After the allocation for basic benefits, the remainder of the employer's contribution is allocated to providing health care benefits. At June 30, 2002, the healthcare allocation rate is 8.54%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal 2002, the minimum pay has been established as \$ 12,400. The surcharge rate added to the unallocated portion of the 14% employer contribution rate provides for maintenance of the asset target level for the health care fund.

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2002 were \$ 182,946,777 and the target level was \$ 274.4 million. At June 30, 2002, the Retirement System's net assets available for payment of health care benefits was \$ 335.2 million.

The number of benefit recipients receiving health care benefits is approximately 50,000. The portion of the District's contributions that were used to fund postemployment benefits amounted to \$ 595,100.

B. STATE TEACHERS RETIREMENT SYSTEM

State Teachers Retirement System of Ohio (STRS Ohio) provides access to health care benefits to retirees who participated in the Defined Benefit or Combined Plans and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Pursuant to Revised Code (R.C.), the State Teachers Retirement Board (the board) has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium.

The Revised Code grants authority to STRS Ohio to provide health care coverage to benefit recipients, spouses, and dependents. By Ohio law, the cost of the coverage paid from STRS Ohio funds shall be included in the employer contribution rate, currently 14% of covered payroll.

The Retirement Board allocates employer contributions to the Health Care Stabilization Fund from which health care benefits are paid. For the fiscal year ended June 30, 2002, the board allocated employer contributions equal to 4.5% of covered payroll to the Health Care Stabilization Fund. Effective, July 1, 2002, 1% of covered payroll will be allocated to the fund. The balance in the Health Care Stabilization Fund was \$ 3.011 billion on June 30, 2002.

For the year ended June 30, 2002, net health care costs paid by STRS Ohio were \$ 354,697,000. There were 105,300 eligible benefit recipients.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 14 - LONG-TERM OBLIGATIONS

Changes in the District's long-term obligations during fiscal year 2002 were as follows:

	Balance June 30, 2001	Increase	Decrease	Balance June 30, 2002	Amounts Due In One Year
Notes payable					
1997, 5%, Energy conservation	\$ 125,301	\$ -	\$ 125,301	\$ -	\$ -
1998, 5%, Bus acquisition	142,000	-	26,000	116,000	27,000
Compensated absences, restated	3,329,248	551,466	285,790	3,594,924	547,930
Capital lease	48,269	-	48,269	-	-
	<u>\$ 3,644,818</u>	<u>\$ 551,466</u>	<u>\$ 485,360</u>	<u>\$ 3,710,924</u>	<u>\$ 574,930</u>

In 1997, the District issued \$ 465,000 notes payable for retro-fitting of lighting for the purpose of energy conservation. In 1998 the District issued \$ 212,000 notes payable for the acquisition of school busses.

The overall debt margin of the District is \$ 73,235,900 with an unvoted debt margin of \$ 813,700. Principal and interest requirements to retire the energy conservation notes outstanding at June 30, 2002, were as follows:

Fiscal Year Ending	Principal	Interest	Total
2003	\$ 27,000	\$ 5,800	\$ 32,800
2004	28,000	4,450	32,450
2005	29,000	3,050	32,050
2006	32,000	1,600	33,600
Totals	<u>\$ 116,000</u>	<u>\$ 14,900</u>	<u>\$ 130,900</u>

Notes payable will be repaid from the Debt Service Fund. The capital lease obligation was repaid from the General Fund. Compensated absences will be repaid from the funds from which employees' salaries are paid.

NOTE 15 - OPERATING LEASES

The District is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore, the results of the lease agreements are not reflected in the District's account groups. During 2002, expenditures for operating leases totaled \$ 171,020.

The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2002.

Year ending June 30,	Amount
2003	\$ 102,677
2004	64,610
2005	63,940
2006	39,150
2007	-
Future minimum lease payments	<u>\$ 270,377</u>

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 16 – TAX ANTICIPATION NOTES

On July 2, 2001 the District issued tax anticipation notes through the Treasurer of the State of Ohio’s School District Cash Flow Financing Program. The purpose of the notes was to provide adequate liquidity during the year. The notes were repaid on June 28, 2002.

	Balance June 30, 2001	Increase	Decrease	Balance June 30, 2002
Tax anticipation notes, 3.31%	\$ -	\$ 2,728,000	\$ 2,728,000	\$ -

NOTE 17 - SET-ASIDES

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

The following cash basis information identifies the changes in the fund balance reserves for textbooks, capital improvements, and budget stabilization during fiscal year 2002.

	Textbook	Capital Maintenance	Budget Stabilization
Balance, July 1, 2001	\$ -	\$ -	\$ 223,073
Required set aside	580,540	580,540	-
Offset credits	-	(580,540)	-
Qualifying expenditures	(580,540)	-	-
Balance June 30, 2002	\$ -	\$ -	\$ 223,073

Expenditures and offset credits for textbooks and capital maintenance during the year were \$1,724,054 and \$1,036,413, respectively, which exceeded the required set-aside and the reserve balance. Textbook expenditures have exceeded statutory requirements by \$1,143,514 which may be used as offset credits for future years’ set aside requirements.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 18 - JOINTLY GOVERNED ORGANIZATION

A. LAKE ERIE EDUCATION COMPUTER ASSOCIATION

The Lake Erie Educational Computer Association (LEECA) is a jointly governed organization comprised of thirty school districts. The jointly governed organization was formed to provide data processing services for accounting, administrative and instructional functions of member districts. Each of the governments of these districts supports LEECA based upon a per pupil charge dependent upon the software packages utilized. The LEECA assembly consists of a superintendent or designated representative from each participating district and a representative from the fiscal agent.

LEECA is governed by a board of directors chosen from the general membership of the LEECA assembly. The board of directors consists of a representative from the fiscal agent, the chairman of each operating committee, and at least one assembly member from each county from which participating districts are located. Financial information can be obtained by contacting the Treasurer at the Educational Service Center of Lorain County, which serves as fiscal agent, located at 1885 Lake Avenue, Elyria, Ohio 44035. During the year ended June 30, 2002, the District paid \$ 37,110 to LEECA.

B. POLARIS CAREER CENTER

The Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special needs of the students. Its Board of Education consists 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. North Olmsted City School District students may attend the vocational school. Each school district's control is limited to its representation on the Board. Financial information can be obtained by contacting the Polaris Career Center, 7285 Old Oak Blvd., Middleburg Heights, Ohio 44130.

C. NORTH OLMSTED CITY SCHOOLS EDUCATION FOUNDATION

The North Olmsted City Schools Education Foundation (Foundation) is a jointly governed organization established by the Ohio Revised Code to support and enhance educational opportunities for the youth of the North Olmsted Community. The trustees of the Foundation consist of five ex officio trustees and up to fifteen members selected by a nominating committee appointed by the ex officio trustees.

The ex officio trustees are composed of the following individuals: the Superintendent of the North Olmsted City School District, a member of the North Olmsted Board of Education, a member of the North Olmsted PTA Council, a member of the North Olmsted City Schools' Financial Advisory Board, and a member of the Community Education Advisory Board. All trustees are voting members. The Foundation is responsible for approving its own budgets, appointing personnel, creation of committees, and accounting and financial related activities. Financial information can be obtained by contacting Nickolas Mazzone , c/o The North Olmsted Board of Education, 24100 Palm Drive, North Olmsted, Ohio 44070.

NORTH OLMSTED CITY SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2002

NOTE 18 JOINTLY GOVERNED ORGANIZATIONS (continued)

D. OHIO SCHOOLS COUNCIL

The Ohio Schools Council (Council) is a jointly governed organization among eighty-three school districts. The Council was formed to offer supplies and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee for the services provided. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2002 the District paid \$ 1,717 to the Council.

The North Olmsted City Schools participates in the Council's electric purchase program which was implemented during fiscal year 2000. The program allows school districts to purchase electricity at reduced rates for a period of eight years through Energy Acquisition Corporation (Corporation), a non-profit corporation with a self-appointing board of trustees. The Corporation issued \$ 119,140,000 of notes to prepurchase eight years of electricity from Cleveland Electric Illuminating (CEI). The participating school districts are not obligated in any manner for this debt. If a participating school district terminates their agreement during the eight year period, they are required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corporation.

The North Olmsted City Schools participates in the Council's prepaid natural gas program which was implemented during fiscal year 2000. This program allows school districts to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage and any necessary adjustments are made.

The City of Hamilton, a municipal corporation and political subdivision duly organized and existing under the laws of the State of Ohio, issued \$ 89,450,000 in debt to purchase twelve years of natural gas from CMS Energy Corporation for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is entitled to recover that amount, if any, of its contributions to the operating fund which are not encumbered for its share of program administrative costs.

The North Olmsted City Schools also participates in the Council's group life insurance and school bus acquisition programs. Financial information can be obtained by contacting Joseph Lesak, Executive Director at the Ohio Schools Council at 155 Center Road, Bedford, Ohio 44146-2738.

NOTE 19 - SCHOOL FOUNDATION PROGRAM

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school funding plan is unconstitutional. The Supreme court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school funding scheme that is thorough and efficient...". The District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations.

NORTH OLMSTED CITY SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2002

NOTE 20 - INTERFUND TRANSFERS

During the year ended June 30, 2002, the general fund transferred \$ 55,000 to the food service fund to provide for the payment of expenditures and maintain the food service operations for students. A transfer of \$ 161,578 was made from the general fund to the debt service fund for payment of principal and interest on notes payable, and a transfer of \$ 15,000 was made from the general fund to the rotary fund to subsidize the sale of public transportation tickets to students.

The public support service fund made a transfer of \$ 23,648 to the general fund for service fee revenue collected in the prior year.

NOTE 21 - CONTINGENCIES

The 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 District at June 30, 2002.

NOTE 22 - SUBSEQUENT EVENTS

On July 1, 2002 the District issued \$ 2,521,000 tax anticipation notes, with an interest rate of 2.27%, through the Treasurer of the State of Ohio's School District Cash Flow Financing Program. The notes are scheduled to mature on June 30, 2003.

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for revenues from specific sources which are legally, or otherwise, are restricted to expenditures for specific purposes.

Food Service Fund - This fund accounts for all transactions related to the operations of the School District's food service program which provides lunches to students and the staff.

Sanford / Kraley Art – This fund accounts for local revenues to support scholarships and curriculum improvements.

Uniform School Supplies – This fund accounts for the operations of a student-managed bookstore at the high school.

Adult Education Fund – This fund accounts for revenues and expenses related to the provision of credit and non-credit classes to the community.

Rotary Fund – This fund accounts for all revenues and expenses related to telephone commissions and vending machines at the District high school, all revenues and expenses related to bus maintenance and repair services provided to other school districts, and all revenues and expenses related to the purchase and resale of city transit system bus tickets for student transportation.

Public Support Service Fund – This fund accounts for school site sales projects, field trips, assemblies, and other extra-curricular activity costs.

Other Grants Fund – This fund accounts for various local grants received to enhance educational programs of the district.

Data Communications Support Fund – This fund accounts for State revenue received for the installation and ongoing support of data communication links to the Statewide Network.

Athletic Fund – This fund accounts for gate receipts and fund raising activities and all operating costs (except supplemental coaching contracts) of the District's Athletic Program.

Auxiliary Services Fund – This fund accounts for State funds received for non-public schools located within the school district as provided by state law. Funds are used primarily for educational supplies, materials, and testing.

Education M.I.S. Fund – This fund accounts for revenues provided by the State of Ohio to support expenditures for development of a statewide management information system required by Senate Bill 140.

Data Communications Fund – This fund provides support costs for data communication links to connect a school district electronically to the data acquisition site.

School Net Professional Development Fund – This fund accounts for workstations and training of personnel and for wiring upgrades at the individual schools.

Ohio Reads – This fund accounts for the State revenue received to improve reading performance, especially on the fourth grade reading proficiency test.

Summer School Subsidy – This fund accounts for the State revenue received under the Ohio Reads Summer Reading Program to improve reading skills of elementary students.

Parent Mentor Program – This fund accounts for state revenue received for the purpose of providing training and technical assistance to parents of special education need students.

Alternative Education – This fund is used to account for alternative educational programs for existing and new at-risk and delinquent youth.

Miscellaneous State Grants – This fund is used to account for various monies received from the State of Ohio to develop and support a parent mentoring program, a safe-school hotline, and school improvement incentive programs.

Adult Basic Education – This fund accounts for Federal monies used to provide programs in reading, writing, and math competency for non-diploma adults.

Eisenhower Math Fund – This fund accounts for Federal monies to improve the skills of teachers and instruction in learning; and increase the access of all students to that instruction.

Title VIB Fund – This fund accounts for Federal revenues in support of program expenditures related to Special Education.

Title I Fund – This fund accounts for Federal monies to implement a variety of programs intended to provide supplemental instruction for children of low income families identified as educationally disadvantaged.

Title 6 Fund – This fund accounts for Federal revenues which support the implementation of a variety of programs (drug/alcohol abuse, computer education) to profit schools within the community.

Drug Free School Fund – This fund accounts for Federal revenues used to implement programs to educate and encourage students to live lives free of drug dependency.

Preschool Fund – This fund accounts for Federal monies supporting programs for handicapped services for children ages 2-5 to ready them for the school environment.

Classroom Reduction – This fund accounts for Federal revenue used to hire additional teachers in grade 1 through 3.

Miscellaneous Federal Grants Fund – This fund is used to account for various federally funded programs under the Serve and Learn American Grant Program.

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUNDS

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

Permanent Improvements Fund – This fund accounts for monies raised through a tax levy and restricted in use for the acquisition, construction, or improvement of capital facilities and equipment.

Video Distance Learning – This fund accounts for monies received from the State of Ohio for purchase of video conferencing equipment and technology.

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2002

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash	\$ 785,906	\$ -	\$ 796,776	\$ 1,582,682
Receivables, net of allowance				
Taxes, current	-	-	1,058,276	1,058,276
Taxes, delinquent	-	-	33,096	33,096
Accounts and other	22,691	-	-	22,691
Due from other governments	20,541	-	-	20,541
Inventories and supplies	37,638	-	-	37,638
Total assets	<u>\$ 866,776</u>	<u>\$ -</u>	<u>\$ 1,888,148</u>	<u>\$ 2,754,924</u>
Liabilities and fund balances				
Liabilities				
Accounts and contracts payable	\$ 13,154	\$ -	\$ 2,287	\$ 15,441
Accrued salaries, wages and benefits	93,460	-	-	93,460
Due to other governments	28,827	-	-	28,827
Interfund payable	44,337	-	-	44,337
Deferred revenue				
Taxes	20,541	-	902,748	923,289
Total liabilities	<u>200,319</u>	<u>-</u>	<u>905,035</u>	<u>1,105,354</u>
Fund balances				
Reserved for inventories	37,638	-	-	37,638
Reserved for property taxes	-	-	188,624	188,624
Reserved for encumbrances	109,953	-	278,272	388,225
Unreserved, reported in				
Special Revenue Funds	518,866	-	-	518,866
Capital Projects Funds	-	-	516,217	516,217
Total fund balances	<u>666,457</u>	<u>-</u>	<u>983,113</u>	<u>1,649,570</u>
Total liabilities and fund balances	<u>\$ 866,776</u>	<u>\$ -</u>	<u>\$ 1,888,148</u>	<u>\$ 2,754,924</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2002

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ -	\$ -	\$ 1,158,664	\$ 1,158,664
Tuition and fees	33,223	-	-	33,223
Interest	957	89,294	3,704	93,955
Intergovernmental	2,071,448	-	133,720	2,205,168
Charges for services	1,005,577	-	-	1,005,577
Extracurricular	147,471	-	-	147,471
Other	84,037	-	-	84,037
Total revenues	<u>3,342,713</u>	<u>89,294</u>	<u>1,296,088</u>	<u>4,728,095</u>
Expenditures				
Current				
Instruction				
Regular	566,813	-	6,482	573,295
Special	317,617	-	-	317,617
Vocational	44,000	-	-	44,000
Adult/continuing	92,213	-	-	92,213
Supporting services				
Pupil	71,762	-	-	71,762
Instructional staff	3,973	-	-	3,973
Administration	1,182	-	-	1,182
Business	19,502	-	-	19,502
Operation and maintenance	2,584	-	-	2,584
Pupil transportation	65,200	-	-	65,200
Central services	11,242	-	-	11,242
Operation of non-instructional				
Food service operation	1,396,325	-	-	1,396,325
Community services	478,676	-	-	478,676
Extracurricular activities				
Sports oriented	140,581	-	-	140,581
Capital outlay	103,802	-	763,373	867,175
Debt service				
Principal	-	151,301	-	151,301
Interest	-	99,571	-	99,571
Total expenditures	<u>3,315,472</u>	<u>250,872</u>	<u>769,855</u>	<u>4,336,199</u>
Excess (deficiency) of revenues over Expenditures	<u>27,241</u>	<u>(161,578)</u>	<u>526,233</u>	<u>391,896</u>
Other financing sources (uses)				
Operating transfers-in	70,000	161,578	-	231,578
Operating transfers-out	(23,648)	-	-	(23,648)
Total other financing sources (uses)	<u>46,352</u>	<u>161,578</u>	<u>-</u>	<u>207,930</u>
Net change in fund balances	73,593	-	526,233	599,826
Fund balances, beginning of year, as restated	595,592	-	456,880	1,052,472
Decrease in reserve for inventory	(2,728)	-	-	(2,728)
Fund balances, end of year	<u>\$ 666,457</u>	<u>\$ -</u>	<u>\$ 983,113</u>	<u>\$ 1,649,570</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2002

	Food Service	Sanford / Kralej Art	Uniform School Supplies	Adult Education	Rotary	Public Support Services
Assets						
Equity in pooled cash	\$ 43,942	\$ 239	\$ 11,147	\$ 8,362	\$ 81,287	\$ 141,001
Receivables, net of allowance						
Accounts and other	22,691	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Inventories and supplies	37,638	-	-	-	-	-
Total assets	\$ 104,271	\$ 239	\$ 11,147	\$ 8,362	\$ 81,287	\$ 141,001
Liabilities and fund balances						
Liabilities						
Accounts and contracts payable	\$ 420	\$ -	\$ -	\$ -	\$ -	\$ 987
Accrued salaries, wages and benefits	68,301	-	-	1,487	-	-
Due to other governments	20,248	-	-	448	-	-
Interfund payable	-	-	-	15,000	-	-
Deferred revenue						
Taxes	-	-	-	-	-	-
Total liabilities	88,969	-	-	16,935	-	987
Fund balances						
Reserved for inventories	37,638	-	-	-	-	-
Reserved for encumbrances	8,672	-	-	-	-	-
Unreserved	(31,008)	239	11,147	(8,573)	81,287	140,014
Total fund balances	15,302	239	11,147	(8,573)	81,287	140,014
Total liabilities and fund balances	\$ 104,271	\$ 239	\$ 11,147	\$ 8,362	\$ 81,287	\$ 141,001

Other Grants	Data Communication Support	Athletic	Auxiliary Services	Education M.I.S.	Data Communication	Schoolnet Professional Development	Ohio Reads
\$ 18,118	\$ 8,591	\$ 99,409	\$ 30,415	\$ 18,144	\$ 13,036	\$ 7,592	\$ 5,865
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 18,118</u>	<u>\$ 8,591</u>	<u>\$ 99,409</u>	<u>\$ 30,415</u>	<u>\$ 18,144</u>	<u>\$ 13,036</u>	<u>\$ 7,592</u>	<u>\$ 5,865</u>
\$ -	\$ -	\$ 11,482	\$ 140	\$ -	\$ -	\$ 125	\$ -
-	-	-	12,384	-	-	-	-
-	-	-	2,643	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>11,482</u>	<u>15,167</u>	<u>-</u>	<u>-</u>	<u>125</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	160	-	-	3,775	5,834
18,118	8,591	87,927	15,088	18,144	13,036	3,692	31
<u>18,118</u>	<u>8,591</u>	<u>87,927</u>	<u>15,248</u>	<u>18,144</u>	<u>13,036</u>	<u>7,467</u>	<u>5,865</u>
<u>\$ 18,118</u>	<u>\$ 8,591</u>	<u>\$ 99,409</u>	<u>\$ 30,415</u>	<u>\$ 18,144</u>	<u>\$ 13,036</u>	<u>\$ 7,592</u>	<u>\$ 5,865</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2002
 (CONCLUDED)

	Summer School Subsidy	Parent Mentor Program	Alternative Education	Miscellaneous State Grants	Adult Basic Education	Eisenhower Math
Assets						
Equity in pooled cash	\$ -	\$ 3,656	\$ 30,269	\$ 21,831	\$ 11,839	\$ 7,707
Receivables, net of allowance						
Accounts and other	-	-	-	-	-	-
Due from other governments	-	-	-	-	8,906	1,474
Inventories and supplies						-
Total assets	<u>\$ -</u>	<u>\$ 3,656</u>	<u>\$ 30,269</u>	<u>\$ 21,831</u>	<u>\$ 20,745</u>	<u>\$ 9,181</u>
Liabilities and fund balances						
Liabilities						
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries, wages and benefits	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Interfund payable	-	-	-	-	17,702	1,474
Deferred revenue						
Taxes	-	-	-	-	8,906	1,474
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,608</u>	<u>2,948</u>
Fund balances						
Reserved for inventories	-	-	-	-	-	-
Reserved for encumbrances	-	-	10,079	-	-	-
Unreserved	-	3,656	20,190	21,831	(5,863)	6,233
Total fund balances	<u>-</u>	<u>3,656</u>	<u>30,269</u>	<u>21,831</u>	<u>(5,863)</u>	<u>6,233</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 3,656</u>	<u>\$ 30,269</u>	<u>\$ 21,831</u>	<u>\$ 20,745</u>	<u>\$ 9,181</u>

Title VIB	Title 1	Title 6	Drug Free Schools	Preschool	Classroom Reduction	Miscellaneous Federal Grants	Total Non-Major Special Revenue Funds
\$ 126,165	\$ 45,461	\$ 29,443	\$ 19,096	\$ 2,402	\$ 115	\$ 774	\$ 785,906
-	-	-	-	-	-	-	22,691
-	-	-	10,161	-	-	-	20,541
-	-	-	-	-	-	-	37,638
<u>\$ 126,165</u>	<u>\$ 45,461</u>	<u>\$ 29,443</u>	<u>\$ 29,257</u>	<u>\$ 2,402</u>	<u>\$ 115</u>	<u>\$ 774</u>	<u>\$ 866,776</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,154
7,672	3,616	-	-	-	-	-	93,460
1,097	4,391	-	-	-	-	-	28,827
-	-	-	10,161	-	-	-	44,337
-	-	-	10,161	-	-	-	20,541
<u>8,769</u>	<u>8,007</u>	<u>-</u>	<u>20,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,319</u>
80,329	-	1,104	-	-	-	-	37,638
37,067	37,454	28,339	8,935	2,402	115	774	109,953
<u>117,396</u>	<u>37,454</u>	<u>29,443</u>	<u>8,935</u>	<u>2,402</u>	<u>115</u>	<u>774</u>	<u>518,866</u>
<u>\$ 126,165</u>	<u>\$ 45,461</u>	<u>\$ 29,443</u>	<u>\$ 29,257</u>	<u>\$ 2,402</u>	<u>\$ 115</u>	<u>\$ 774</u>	<u>\$ 866,776</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2002

	Food Service	Sanford / Kraley Art	Uniform School Supplies	Adult Education	Rotary	Public Support Services
Revenues						
Tuition and fees	\$ -	\$ -	\$ -	\$ 33,223	\$ -	\$ -
Interest	340	-	-	-	-	-
Intergovernmental	360,519	-	-	-	-	225,108
Charges for services	941,234	-	11,462	-	52,881	-
Extracurricular	-	-	-	-	-	-
Other	3,064	-	-	-	8,469	29,593
Total revenues	<u>1,305,157</u>	<u>-</u>	<u>11,462</u>	<u>33,223</u>	<u>61,350</u>	<u>254,701</u>
Expenditures						
Current						
Instruction						
Regular	-	-	8,174	-	1,818	240,954
Special	-	-	-	-	-	-
Vocational	-	-	-	-	-	-
Adult/continuing	-	-	-	41,427	-	-
Supporting services						
Pupil	-	-	-	-	-	-
Instructional staff	-	-	-	-	-	133
Administration	-	-	-	-	-	885
Business	-	-	-	-	-	-
Operation and maintenance	-	-	-	-	-	-
Pupil transportation	-	-	-	-	65,200	-
Central services	-	-	-	-	-	-
Operation of non-instructional services						
Food service operations	1,396,325	-	-	-	-	-
Community service	-	-	-	-	150	-
Extracurricular activities						
Sports oriented	-	-	-	-	-	-
Capital outlay	725	-	-	345	-	3,300
Total expenditures	<u>1,397,050</u>	<u>-</u>	<u>8,174</u>	<u>41,772</u>	<u>67,168</u>	<u>245,272</u>
Excess revenues over expenditures	<u>(91,893)</u>	<u>-</u>	<u>3,288</u>	<u>(8,549)</u>	<u>(5,818)</u>	<u>9,429</u>
Other financing sources (uses)						
Operating transfers-in	55,000	-	-	-	15,000	-
Operating transfers-out	-	-	-	-	-	(23,648)
Total other financing sources (uses)	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>(23,648)</u>
Excess (deficiency) of expenditures and other sources	<u>(36,893)</u>	<u>-</u>	<u>3,288</u>	<u>(8,549)</u>	<u>9,182</u>	<u>(14,219)</u>
Fund balances, beginning of year	<u>52,195</u>	<u>239</u>	<u>7,859</u>	<u>(24)</u>	<u>72,105</u>	<u>154,233</u>
Fund balances, end of year	<u>\$ 15,302</u>	<u>\$ 239</u>	<u>\$ 11,147</u>	<u>\$ (8,573)</u>	<u>\$ 81,287</u>	<u>\$ 140,014</u>

Other Grants	Data Communication Support	Athletic	Auxiliary Services	Education M.I.S.	Data Communication	Schoolnet Professional Development	Ohio Reads
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	617	-	-	-	-
17,285	31,500	-	411,055	17,410	-	7,592	72,000
-	-	-	-	-	-	-	-
-	-	147,471	-	-	-	-	-
1,000	-	41,911	-	-	-	-	-
<u>18,285</u>	<u>31,500</u>	<u>189,382</u>	<u>411,672</u>	<u>17,410</u>	<u>-</u>	<u>7,592</u>	<u>72,000</u>
28,020	-	-	-	-	-	-	93,260
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	15,377	4,125	-
-	-	-	-	-	-	-	-
-	-	-	-	11,242	-	-	-
-	-	-	-	-	-	-	-
-	-	-	415,860	-	-	-	7,500
-	-	140,581	-	-	-	-	-
-	22,909	25,723	1,832	-	32,660	-	1,115
<u>28,020</u>	<u>22,909</u>	<u>166,304</u>	<u>417,692</u>	<u>11,242</u>	<u>48,037</u>	<u>4,125</u>	<u>101,875</u>
<u>(9,735)</u>	<u>8,591</u>	<u>23,078</u>	<u>(6,020)</u>	<u>6,168</u>	<u>(48,037)</u>	<u>3,467</u>	<u>(29,875)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>(9,735)</u>	<u>8,591</u>	<u>23,078</u>	<u>(6,020)</u>	<u>6,168</u>	<u>(48,037)</u>	<u>3,467</u>	<u>(29,875)</u>
<u>27,853</u>	<u>-</u>	<u>64,849</u>	<u>21,268</u>	<u>11,976</u>	<u>61,073</u>	<u>4,000</u>	<u>35,740</u>
<u>\$ 18,118</u>	<u>\$ 8,591</u>	<u>\$ 87,927</u>	<u>\$ 15,248</u>	<u>\$ 18,144</u>	<u>\$ 13,036</u>	<u>\$ 7,467</u>	<u>\$ 5,865</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2002

(CONCLUDED)

	Summer School Subsidy	Parent Mentor Program	Alternative Education	Miscellaneous State Grants	Adult Basic Education	Eisenhower Math
Revenues						
Tuition and fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-
Intergovernmental	9,412	25,000	135,818	4,892	28,877	18,138
Charges for services	-	-	-	-	-	-
Extracurricular	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>9,412</u>	<u>25,000</u>	<u>135,818</u>	<u>4,892</u>	<u>28,877</u>	<u>18,138</u>
Expenditures						
Current						
Instruction						
Regular	-	-	105,549	8,017	-	-
Special	-	-	-	-	-	-
Vocational	-	-	-	-	-	-
Adult/continuing	-	-	-	-	22,376	28,410
Supporting services						
Pupil	-	22,133	-	-	10,268	-
Instructional staff	-	-	-	-	3,840	-
Administration	-	297	-	-	-	-
Business	-	-	-	-	-	-
Operation and maintenance	-	-	-	-	2,584	-
Pupil transportation	-	-	-	-	-	-
Central service	-	-	-	-	-	-
Operation of non-instructional services						
Food service operations	-	-	-	-	-	-
Community service	9,412	-	-	-	-	-
Extracurricular activities						
Sports oriented	-	-	-	-	-	-
Capital outlay	-	2,320	-	3,535	1,189	-
Total expenditures	<u>9,412</u>	<u>24,750</u>	<u>105,549</u>	<u>11,552</u>	<u>40,257</u>	<u>28,410</u>
Excess revenues over expenditures	<u>-</u>	<u>250</u>	<u>30,269</u>	<u>(6,660)</u>	<u>(11,380)</u>	<u>(10,272)</u>
Other financing sources (uses)						
Operating transfers-in	-	-	-	-	-	-
Operating transfers-out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of expenditures and other sources	<u>-</u>	<u>250</u>	<u>30,269</u>	<u>(6,660)</u>	<u>(11,380)</u>	<u>(10,272)</u>
Fund balances, beginning of year	<u>-</u>	<u>3,406</u>	<u>-</u>	<u>28,491</u>	<u>5,517</u>	<u>16,505</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 3,656</u>	<u>\$ 30,269</u>	<u>\$ 21,831</u>	<u>\$ (5,863)</u>	<u>\$ 6,233</u>

Title VIB	Title 1	Title 6	Drug Free Schools	Preschool	Classroom Reduction	Miscellaneous Federal Grants	Total Non-Major Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,223
-	-	-	-	-	-	-	957
327,016	198,667	28,610	8,447	21,825	70,935	51,342	2,071,448
-	-	-	-	-	-	-	1,005,577
-	-	-	-	-	-	-	147,471
-	-	-	-	-	-	-	84,037
<u>327,016</u>	<u>198,667</u>	<u>28,610</u>	<u>8,447</u>	<u>21,825</u>	<u>70,935</u>	<u>51,342</u>	<u>3,342,713</u>
-	-	-	10,201	-	70,820	-	566,813
186,868	130,749	-	-	-	-	-	317,617
-	-	-	-	-	-	44,000	44,000
-	-	-	-	-	-	-	92,213
15,784	-	-	4,124	19,453	-	-	71,762
-	-	-	-	-	-	-	3,973
-	-	-	-	-	-	-	1,182
-	-	-	-	-	-	-	19,502
-	-	-	-	-	-	-	2,584
-	-	-	-	-	-	-	65,200
-	-	-	-	-	-	-	11,242
-	-	-	-	-	-	-	1,396,325
19,073	26,297	384	-	-	-	-	478,676
-	-	-	-	-	-	-	140,581
-	-	1,581	-	-	-	6,568	103,802
<u>221,725</u>	<u>157,046</u>	<u>1,965</u>	<u>14,325</u>	<u>19,453</u>	<u>70,820</u>	<u>50,568</u>	<u>3,315,472</u>
<u>105,291</u>	<u>41,621</u>	<u>26,645</u>	<u>(5,878)</u>	<u>2,372</u>	<u>115</u>	<u>774</u>	<u>27,241</u>
-	-	-	-	-	-	-	70,000
-	-	-	-	-	-	-	(23,648)
-	-	-	-	-	-	-	46,352
105,291	41,621	26,645	(5,878)	2,372	115	774	73,593
12,105	(4,167)	2,798	14,813	30	-	-	592,864
<u>\$ 117,396</u>	<u>\$ 37,454</u>	<u>\$ 29,443</u>	<u>\$ 8,935</u>	<u>\$ 2,402</u>	<u>\$ 115</u>	<u>\$ 774</u>	<u>\$ 666,457</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET -NON-MAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2002

	Permanent Improvements	Video Distance Learning	Total Non-Major Capital Projects Funds
Assets			
Equity in pooled cash	\$ 773,622	\$ 23,154	\$ 796,776
Receivables, net of allowance			
Taxes, current	1,058,276	-	1,058,276
Taxes, delinquent	33,096	-	33,096
Total assets	\$ 1,864,994	\$ 23,154	\$ 1,888,148
Liabilities and fund balances			
Liabilities			
Accounts and contracts payable	\$ 2,219	\$ 68	\$ 2,287
Deferred revenue			
Taxes	902,748	-	902,748
Total liabilities	904,967	68	905,035
Fund balances			
Reserved for property taxes	188,624	-	188,624
Reserved for encumbrances	277,690	582	278,272
Unreserved	493,713	22,504	516,217
Total fund balances	960,027	23,086	983,113
 Total liabilities and fund balances	 \$ 1,864,994	 \$ 23,154	 \$ 1,888,148

NORTH OLMSTED CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2002

	Permanent Improvements	Video Distance Learning	Total Non-Major Capital Projects Funds
Revenues			
Taxes	\$ 1,158,664	\$ -	\$ 1,158,664
Interest	3,704	-	3,704
Intergovernmental	125,020	8,700	133,720
Total revenues	<u>1,287,388</u>	<u>8,700</u>	<u>1,296,088</u>
Expenditures			
Current			
Instruction			
Regular	-	6,482	6,482
Capital outlay	763,373	-	763,373
Total expenditures	<u>763,373</u>	<u>6,482</u>	<u>769,855</u>
Excess revenues over expenditures	524,015	2,218	526,233
Fund balances, beginning of year	<u>436,012</u>	<u>20,868</u>	<u>456,880</u>
Fund balances, end of year	<u>\$ 960,027</u>	<u>\$ 23,086</u>	<u>\$ 983,113</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES –
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

GENERAL FUND

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
Revenues				
Taxes	\$ 25,390,000	\$ 25,390,000	\$ 26,023,195	\$ 633,195
Tuition and fees	303,000	303,000	382,047	79,047
Interest	600,000	600,000	551,861	(48,139)
Property rentals	1,000	1,000	6,156	5,156
Intergovernmental	10,320,000	10,320,000	10,741,879	421,879
Other	261,000	257,500	294,930	37,430
Total revenues	<u>36,875,000</u>	<u>36,871,500</u>	<u>38,000,068</u>	<u>1,128,568</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	14,342,300	14,232,593	14,222,351	10,242
Benefits	4,046,000	4,199,900	4,167,700	32,200
Purchased services	195,985	199,943	168,815	31,128
Materials and supplies	454,226	417,328	394,312	23,016
Other	38,000	38,000	33,979	4,021
Total regular	<u>19,076,511</u>	<u>19,087,764</u>	<u>18,987,157</u>	<u>100,607</u>
Special				
Salaries	2,975,200	2,967,500	2,963,998	3,502
Benefits	839,000	870,100	862,051	8,049
Purchased services	3,800	7,594	2,458	5,136
Materials and supplies	47,940	52,118	40,134	11,984
Total special	<u>3,865,940</u>	<u>3,897,312</u>	<u>3,868,641</u>	<u>28,671</u>
Vocational				
Salaries	473,000	475,400	475,365	35
Benefits	133,000	140,500	139,300	1,200
Purchased services	2,200	1,802	1,282	520
Materials and supplies	11,723	10,676	10,046	630
Total vocational	<u>619,923</u>	<u>628,378</u>	<u>625,993</u>	<u>2,385</u>
Adult/continuing				
Salaries	11,400	11,400	11,398	2
Benefits	3,000	3,200	3,175	25
Purchased services	37,700	37,700	33,963	3,737
Total adult/continuing	<u>52,100</u>	<u>52,300</u>	<u>48,536</u>	<u>3,764</u>
Other instruction				
Salaries	63,400	63,400	53,390	10,010
Benefits	18,000	15,900	15,568	332
Purchased services	415,650	675,149	487,884	187,265
Total other instruction	<u>497,050</u>	<u>754,449</u>	<u>556,842</u>	<u>197,607</u>
Total instruction	<u>24,111,524</u>	<u>24,420,203</u>	<u>24,087,169</u>	<u>333,034</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

GENERAL FUND
(CONTINUED)

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
Supporting services				
Pupil				
Salaries	1,914,600	1,905,200	1,884,094	21,106
Benefits	540,000	560,000	554,539	5,461
Purchased services	285,250	317,776	299,471	18,305
Materials and supplies	30,960	91,785	77,913	13,872
Other	972	972	-	972
Total pupil	<u>2,771,782</u>	<u>2,875,733</u>	<u>2,816,017</u>	<u>59,716</u>
Instructional staff				
Salaries	1,035,600	962,024	951,509	10,515
Benefits	292,000	267,200	264,386	2,814
Purchased services	167,000	151,390	133,834	17,556
Materials and supplies	141,099	155,774	139,504	16,270
Other	3,205	2,957	2,957	-
Total instructional staff	<u>1,638,904</u>	<u>1,539,345</u>	<u>1,492,190</u>	<u>47,155</u>
Board of education				
Salaries	18,000	14,000	10,800	3,200
Benefits	5,000	1,500	1,514	(14)
Purchased services	195,000	184,133	172,063	12,070
Materials and supplies		310	310	-
Other		3,787	3,787	-
Total board of education	<u>218,000</u>	<u>203,730</u>	<u>188,474</u>	<u>15,256</u>
Administration				
Salaries	2,091,100	2,046,700	2,043,970	2,730
Benefits	590,000	600,000	594,202	5,798
Purchased services	102,924	87,166	72,695	14,471
Materials and supplies	37,632	28,629	24,993	3,636
Other	10,000	10,165	10,165	-
Total administration	<u>2,831,656</u>	<u>2,772,660</u>	<u>2,746,025</u>	<u>26,635</u>
Fiscal services				
Salaries	230,200	253,200	252,958	242
Benefits	65,000	91,339	89,605	1,734
Purchased services	20,500	27,189	19,741	7,448
Materials and supplies	6,300	7,840	6,579	1,261
Other	422,703	494,273	488,164	6,109
Total fiscal services	<u>744,703</u>	<u>873,841</u>	<u>857,047</u>	<u>16,794</u>
Business				
Salaries	66,200	66,200	66,166	34
Benefits	19,000	19,600	19,389	211
Purchased services	125,967	144,607	143,510	1,097
Total business	<u>211,167</u>	<u>230,407</u>	<u>229,065</u>	<u>1,342</u>
Operation and maintenance				
Salaries	1,831,400	1,780,800	1,778,713	2,087
Benefits	517,000	508,900	503,676	5,224
Purchased services	1,129,625	1,047,493	943,796	103,697
Materials and supplies	163,965	135,062	123,803	11,259
Other	29,500	25,649	25,193	456
Total operation and maintenance	<u>3,671,490</u>	<u>3,497,904</u>	<u>3,375,181</u>	<u>122,723</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

GENERAL FUND

(CONTINUED)

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
Pupil transportation				
Salaries	794,000	843,600	836,389	7,211
Benefits	224,000	240,100	237,504	2,596
Purchased services	337,795	347,534	335,114	12,420
Materials and supplies	197,720	136,393	125,405	10,988
Total pupil transportation	<u>1,553,515</u>	<u>1,567,627</u>	<u>1,534,412</u>	<u>33,215</u>
Central services				
Salaries	345,500	332,200	331,881	319
Benefits	97,000	113,200	112,076	1,124
Purchased services	361,445	266,231	261,637	4,594
Materials and supplies	121,872	95,050	84,916	10,134
Total central services	<u>925,817</u>	<u>806,681</u>	<u>790,510</u>	<u>16,171</u>
Total supporting services	<u>14,567,034</u>	<u>14,367,928</u>	<u>14,028,921</u>	<u>339,007</u>
Operation of non-instructional				
Food service operation				
Salaries	25,700	28,200	28,103	97
Benefits	7,000	-	-	-
Total food service operation	<u>32,700</u>	<u>28,200</u>	<u>28,103</u>	<u>97</u>
Community services				
Purchased services	27,242	27,242	20,905	6,337
Total community services	<u>27,242</u>	<u>27,242</u>	<u>20,905</u>	<u>6,337</u>
Total operation of non-instructional	<u>59,942</u>	<u>55,442</u>	<u>49,008</u>	<u>6,434</u>
Extracurricular activities				
Academic and subject oriented				
Salaries	169,100	125,500	122,349	3,151
Benefits	48,000	35,800	35,431	369
Total academic and subject oriented	<u>217,100</u>	<u>161,300</u>	<u>157,780</u>	<u>3,520</u>
Sports oriented				
Salaries	542,800	478,100	465,017	13,083
Benefits	153,000	135,500	134,156	1,344
Purchased services	21,000	18,015	13,245	4,770
Total sports oriented	<u>716,800</u>	<u>631,615</u>	<u>612,418</u>	<u>19,197</u>
Total extracurricular activities	<u>933,900</u>	<u>792,915</u>	<u>770,198</u>	<u>22,717</u>
Capital outlay	41,102	65,741	41,478	24,263
Total expenditures	<u>39,713,502</u>	<u>39,702,229</u>	<u>38,976,774</u>	<u>725,455</u>
Excess (deficiency) of revenues over expenditures	<u>(2,838,502)</u>	<u>(2,830,729)</u>	<u>(976,706)</u>	<u>1,854,023</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

GENERAL FUND

(CONCLUDED)

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Other financing sources (uses)				
Operating transfers-in	-	-	23,648	23,648
Advances-in	50,000	503,442	503,442	-
Refund prior year expenditure	-	-	308	308
Advances-out	-	(506,890)	(506,890)	-
Operating transfers-out	(237,726)	(231,578)	(231,578)	-
Total other financing sources (uses)	(187,726)	(235,026)	(211,070)	23,956
Excess (deficiency) of revenues over expenditures and other sources (uses)	(3,026,228)	(3,065,755)	(1,187,776)	1,877,979
Fund balances, beginning of year	11,851,960	11,851,960	11,851,960	-
Prior year encumbrances appropriated	421,261	421,261	421,261	-
Fund balances, end of year	\$ 9,246,993	\$ 9,207,466	\$ 11,085,445	\$ 1,877,979

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
FOOD SERVICE FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Sales	\$ 1,044,816	\$ 944,064	\$ 947,064	\$ 3,000
Interest	3,752	336	339	3
Intergovernmental	270,132	302,080	302,080	-
Other	6,300	3,064	3,064	-
Total revenues	<u>1,325,000</u>	<u>1,249,544</u>	<u>1,252,547</u>	<u>3,003</u>
Expenditures				
Current				
Food service operations				
Salaries and wages	456,472	456,097	446,956	9,141
Fringe benefits	187,000	196,750	200,436	(3,686)
Purchased services	683,913	689,412	687,309	2,103
Materials and supplies	5,500	4,625	4,065	560
Total food service operations	<u>1,332,885</u>	<u>1,346,884</u>	<u>1,338,766</u>	<u>8,118</u>
Capital outlay	2,500	1,000	725	275
Total expenditures	<u>1,335,385</u>	<u>1,347,884</u>	<u>1,339,491</u>	<u>8,393</u>
Excess (deficiency) of revenues over expenditures	<u>(10,385)</u>	<u>(98,340)</u>	<u>(86,944)</u>	<u>11,396</u>
Other financing sources (uses)				
Operating transfers-in	-	55,000	55,000	-
Advances-out	-	(25,000)	(25,000)	-
Total other financing sources (uses)	<u>-</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(10,385)</u>	<u>(68,340)</u>	<u>(56,944)</u>	<u>11,396</u>
Fund balances, beginning of year	88,669	88,669	88,669	-
Prior year encumbrances appropriated	<u>3,125</u>	<u>3,125</u>	<u>3,125</u>	<u>-</u>
Fund balances, end of year	<u>\$ 81,409</u>	<u>\$ 23,454</u>	<u>\$ 34,850</u>	<u>\$ 11,396</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
UNIFORM SCHOOL SUPPLIES FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Sales	\$ 13,800	\$ 11,462	\$ 11,462	\$ -
Total revenues	<u>13,800</u>	<u>11,462</u>	<u>11,462</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Materials and supplies	12,690	12,690	8,780	3,910
Total Instruction	<u>12,690</u>	<u>12,690</u>	<u>8,780</u>	<u>3,910</u>
Total expenditures	<u>12,690</u>	<u>12,690</u>	<u>8,780</u>	<u>3,910</u>
Excess (deficiency) of revenues over expenditures	1,110	(1,228)	2,682	3,910
Fund balances, beginning of year	8,465	8,465	8,465	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 9,575</u>	<u>\$ 7,237</u>	<u>\$ 11,147</u>	<u>\$ 3,910</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
ADULT EDUCATION FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Tuition and fees	\$ 55,000	\$ 32,046	\$ 33,223	\$ 1,177
Interest	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	-	-	-
Total revenues	<u>55,000</u>	<u>32,046</u>	<u>33,223</u>	<u>1,177</u>
Expenditures				
Current				
Instruction				
Salaries and wages	13,733	7,733	7,599	134
Fringe benefits	4,008	-	-	-
Purchased services	35,389	34,744	31,712	3,032
Materials and supplies	1,655	1,759	1,326	433
Other	1,100	813	604	209
Total instruction	<u>55,885</u>	<u>45,049</u>	<u>41,241</u>	<u>3,808</u>
Capital outlay	563	345	345	-
Total expenditures	<u>56,448</u>	<u>45,394</u>	<u>41,586</u>	<u>3,808</u>
Excess (deficiency) of revenues over expenditures	<u>(1,448)</u>	<u>(13,348)</u>	<u>(8,363)</u>	<u>4,985</u>
Other financing sources (uses)				
Operating transfers-in	-	-	-	-
Advances-in	-	15,000	15,000	-
Total other financing sources (uses)	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(1,448)</u>	<u>1,652</u>	<u>6,637</u>	<u>4,985</u>
Fund balances, beginning of year	1,698	1,698	1,698	-
Prior year encumbrances appropriated	<u>27</u>	<u>27</u>	<u>27</u>	<u>-</u>
Fund balances, end of year	<u>\$ 277</u>	<u>\$ 3,377</u>	<u>\$ 8,362</u>	<u>\$ 4,985</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

ROTARY FUND

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
Revenues				
Charges for services	75,000	\$ 52,273	\$ 52,881	\$ 608
Other	6,237	7,781	8,469	688
Total revenues	<u>81,237</u>	<u>60,054</u>	<u>61,350</u>	<u>1,296</u>
Expenditures				
Current				
Instructional support services				
Purchased services	2,500	1,818	1,818	-
Other	259	259	150	109
Total instructional support services	<u>2,759</u>	<u>2,077</u>	<u>1,968</u>	<u>109</u>
Transportation services				
Purchased services	70,000	65,200	65,200	-
Total transportation services	<u>70,000</u>	<u>65,200</u>	<u>65,200</u>	<u>-</u>
Total expenditures	<u>72,759</u>	<u>67,277</u>	<u>67,168</u>	<u>109</u>
Excess (deficiency) of revenues over expenditures	<u>8,478</u>	<u>(7,223)</u>	<u>(5,818)</u>	<u>1,405</u>
Other financing sources (uses)				
Operating transfers-in		15,000	15,000	-
Total other financing sources (uses)	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	8,478	7,777	9,182	1,405
Fund balances, beginning of year	72,105	72,105	72,105	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 80,583</u>	<u>\$ 79,882</u>	<u>\$ 81,287</u>	<u>\$ 1,405</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
PUBLIC SUPPORT SERVICES FUND

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 381,900	\$ 224,332	\$ 225,108	\$ 776
Other	19,525	28,706	29,593	887
Total revenues	<u>401,425</u>	<u>253,038</u>	<u>254,701</u>	<u>1,663</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	201,604	125,135	116,803	8,332
Materials and supplies	125,400	126,058	106,604	19,454
Other	10,700	23,357	17,219	6,138
Total regular	<u>337,704</u>	<u>274,550</u>	<u>240,626</u>	<u>33,924</u>
Total instruction	<u>337,704</u>	<u>274,550</u>	<u>240,626</u>	<u>33,924</u>
Supporting services				
Instructional staff				
Materials and supplies	1,000	133	133	-
Total instructional staff	<u>1,000</u>	<u>133</u>	<u>133</u>	<u>-</u>
Administration				
Materials and supplies	3,000	3,052	885	2,167
Total administration	<u>3,000</u>	<u>3,052</u>	<u>885</u>	<u>2,167</u>
Total supporting services	<u>4,000</u>	<u>3,185</u>	<u>1,018</u>	<u>2,167</u>
Capital outlay	42,500	6,100	3,300	2,800
Total expenditures	<u>384,204</u>	<u>283,835</u>	<u>244,944</u>	<u>38,891</u>
Excess (deficiency) of revenues over expenditures	<u>17,221</u>	<u>(30,797)</u>	<u>9,757</u>	<u>40,554</u>
Other financing sources (uses)				
Advances-out	(20)	(20)	(20)	-
Operating transfers-out	-	(23,648)	(23,648)	-
Total other financing sources (uses)	<u>(20)</u>	<u>(23,668)</u>	<u>(23,668)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	17,201	(54,465)	(13,911)	40,554
Fund balances, beginning of year	134,549	134,549	134,549	-
Prior year encumbrances appropriated	<u>19,817</u>	<u>19,817</u>	<u>19,817</u>	<u>-</u>
Fund balances, end of year	<u>\$ 171,567</u>	<u>\$ 99,901</u>	<u>\$ 140,455</u>	<u>\$ 40,554</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

OTHER GRANTS FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 10,000	\$ 16,130	\$ 16,785	\$ 655
Other	-	1,000	1,000	-
Total revenues	<u>10,000</u>	<u>17,130</u>	<u>17,785</u>	<u>655</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	6,100	8,050	6,684	1,366
Benefits	-	-	55	(55)
Purchased services	9,070	6,950	6,414	536
Materials and supplies	1,215	4,580	2,949	1,631
Other	11,718	17,768	12,168	5,600
Total regular	<u>28,103</u>	<u>37,348</u>	<u>28,270</u>	<u>9,078</u>
Total instruction	<u>28,103</u>	<u>37,348</u>	<u>28,270</u>	<u>9,078</u>
Total expenditures	<u>28,103</u>	<u>37,348</u>	<u>28,270</u>	<u>9,078</u>
Excess (deficiency) of revenues over expenditures	<u>(18,103)</u>	<u>(20,218)</u>	<u>(10,485)</u>	<u>9,733</u>
Other financing sources (uses)				
Refund prior year expenditure	-	500	500	-
Advances-out	(315)	(315)	(315)	-
Total other financing sources (uses)	<u>(315)</u>	<u>185</u>	<u>185</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(18,418)</u>	<u>(20,033)</u>	<u>(10,300)</u>	<u>9,733</u>
Fund balances, beginning of year	28,418	28,418	28,418	-
Prior year encumbrances appropriated	-	-	-	-
Fund balances, end of year	<u>\$ 10,000</u>	<u>\$ 8,385</u>	<u>\$ 18,118</u>	<u>\$ 9,733</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
DATA COMMUNICATION SUPPORT FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 31,500	\$ 31,500	\$ 31,500	\$ -
Total revenues	<u>31,500</u>	<u>31,500</u>	<u>31,500</u>	<u>-</u>
Expenditures				
Capital outlay	31,500	31,500	22,909	8,591
Total expenditures	<u>31,500</u>	<u>31,500</u>	<u>22,909</u>	<u>8,591</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>8,591</u>	<u>8,591</u>
Fund balances, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,591</u>	<u>\$ 8,591</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
ATHLETIC FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Extracurricular	\$ 151,600	\$ 147,471	\$ 147,471	\$ -
Other	30,400	38,936	41,911	2,975
Total revenues	<u>182,000</u>	<u>186,407</u>	<u>189,382</u>	<u>2,975</u>
Expenditures				
Current				
Extracurricular activities				
Sports oriented				
Purchased services	47,600	47,732	34,361	13,371
Materials and supplies	34,700	40,864	26,601	14,263
Other	79,300	102,114	73,465	28,649
Total sports oriented	<u>161,600</u>	<u>190,710</u>	<u>134,427</u>	<u>56,283</u>
Total extracurricular activities	<u>161,600</u>	<u>190,710</u>	<u>134,427</u>	<u>56,283</u>
Capital outlay	43,300	46,109	25,723	20,386
Total expenditures	<u>204,900</u>	<u>236,819</u>	<u>160,150</u>	<u>76,669</u>
Excess (deficiency) of revenues over expenditures	(22,900)	(50,412)	29,232	79,644
Fund balances, beginning of year	61,134	61,134	61,134	-
Prior year encumbrances appropriated	<u>4,174</u>	<u>4,174</u>	<u>4,174</u>	<u>-</u>
Fund balances, end of year	<u>\$ 42,408</u>	<u>\$ 14,896</u>	<u>\$ 94,540</u>	<u>\$ 79,644</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
AUXILIARY SERVICE FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Interest	\$ 1,700	\$ 615	\$ 617	\$ 2
Intergovernmental	435,000	411,055	411,055	-
Total revenues	<u>436,700</u>	<u>411,670</u>	<u>411,672</u>	<u>2</u>
Expenditures				
Current				
Operation of non-instructional				
Community services				
Salaries	376,000	99,934	87,550	12,384
Benefits	-	26,187	26,187	-
Purchased services	-	154,125	141,721	12,404
Materials and supplies	20,000	126,787	121,507	5,280
Other	-	16,465	16,465	-
Total community services	<u>396,000</u>	<u>423,498</u>	<u>393,430</u>	<u>30,068</u>
Total operation of non-instructional	<u>396,000</u>	<u>423,498</u>	<u>393,430</u>	<u>30,068</u>
Capital outlay	-	1,832	1,832	-
Total expenditures	<u>396,000</u>	<u>425,330</u>	<u>395,262</u>	<u>30,068</u>
Excess (deficiency) of revenues over expenditures	<u>40,700</u>	<u>(13,660)</u>	<u>16,410</u>	<u>30,070</u>
Other financing sources (uses)				
Refund prior year receipt	-	(29,860)	(29,860)	-
Total other financing sources (uses)	<u>-</u>	<u>(29,860)</u>	<u>(29,860)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>40,700</u>	<u>(43,520)</u>	<u>(13,450)</u>	<u>30,070</u>
Fund balances, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>43,565</u>	<u>43,565</u>	<u>43,565</u>	<u>-</u>
Fund balances, end of year	<u>\$ 84,265</u>	<u>\$ 45</u>	<u>\$ 30,115</u>	<u>\$ 30,070</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
GOALS 2000 FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 24,000	\$ 24,000	\$ 24,000	\$ -
Total revenues	<u>24,000</u>	<u>24,000</u>	<u>24,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>24,000</u>	<u>24,000</u>	<u>24,000</u>	<u>-</u>
Other financing sources (uses)				
Advances-out	<u>(24,000)</u>	<u>(24,000)</u>	<u>(24,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(24,000)</u>	<u>(24,000)</u>	<u>(24,000)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
EDUCATION M.I.S. FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 17,410	\$ 17,410	\$ 17,410	\$ -
Total revenues	<u>17,410</u>	<u>17,410</u>	<u>17,410</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Central services				
Purchased services	11,976	29,386	11,242	18,144
Total central services	<u>11,976</u>	<u>29,386</u>	<u>11,242</u>	<u>18,144</u>
Total supporting services	<u>11,976</u>	<u>29,386</u>	<u>11,242</u>	<u>18,144</u>
Total expenditures	<u>11,976</u>	<u>29,386</u>	<u>11,242</u>	<u>18,144</u>
Excess (deficiency) of revenues over expenditures	5,434	(11,976)	6,168	18,144
Fund balances, beginning of year	11,976	11,976	11,976	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 17,410</u>	<u>\$ -</u>	<u>\$ 18,144</u>	<u>\$ 18,144</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
DATA COMMUNICATION FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Expenditures				
Current				
Supporting services				
Business				
Purchased services	\$ 15,377	\$ 15,377	\$ 15,377	\$ -
Total business	15,377	15,377	15,377	-
Total supporting services	15,377	15,377	15,377	-
Capital outlay	45,696	45,696	32,660	13,036
Total expenditures	61,073	61,073	48,037	13,036
Excess (deficiency) of revenues over expenditures	(61,073)	(61,073)	(48,037)	13,036
Fund balances, beginning of year	61,073	61,073	61,073	-
Prior year encumbrances appropriated	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ 13,036	\$ 13,036

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
SCHOOLNET FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 4,142	\$ 4,142	\$ 7,592	\$ 3,450
Total revenues	<u>4,142</u>	<u>4,142</u>	<u>7,592</u>	<u>3,450</u>
Expenditures				
Current				
Supporting services				
Business				
Purchased services	4,000	8,142	7,900	242
Total business	<u>4,000</u>	<u>8,142</u>	<u>7,900</u>	<u>242</u>
Total supporting services	<u>4,000</u>	<u>8,142</u>	<u>7,900</u>	<u>242</u>
Total expenditures	<u>4,000</u>	<u>8,142</u>	<u>7,900</u>	<u>242</u>
Excess (deficiency) of revenues over expenditures	142	(4,000)	(308)	3,692
Fund balances, beginning of year	4,000	4,000	4,000	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,142</u>	<u>\$ -</u>	<u>\$ 3,692</u>	<u>\$ 3,692</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
OHIO READS FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 72,000	\$ 72,000	\$ 72,000	\$ -
Total revenues	<u>72,000</u>	<u>72,000</u>	<u>72,000</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	-	29,652	29,650	2
Benefits	-	5,004	5,004	-
Purchased services	-	23,182	22,770	412
Materials and supplies	-	39,054	38,890	164
Other	-	-	(847)	847
Total regular	<u>-</u>	<u>96,892</u>	<u>95,467</u>	<u>1,425</u>
Total instruction	<u>-</u>	<u>96,892</u>	<u>95,467</u>	<u>1,425</u>
Operation of non-instructional				
Community services				
Salaries	-	6,580	6,580	-
Purchased services	-	300	300	-
Materials and supplies	-	620	620	-
Total community services	<u>-</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Total operation of non-instructional	<u>-</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Capital outlay	<u>-</u>	<u>1,245</u>	<u>1,168</u>	<u>77</u>
Total expenditures	<u>-</u>	<u>105,637</u>	<u>104,135</u>	<u>1,502</u>
Excess (deficiency) of revenues over expenditures	<u>72,000</u>	<u>(33,637)</u>	<u>(32,135)</u>	<u>1,502</u>
Other financing sources (uses)				
Refund prior year receipt	(2,053)	(2,103)	(3,574)	(1,471)
Total other financing sources (uses)	<u>(2,053)</u>	<u>(2,103)</u>	<u>(3,574)</u>	<u>(1,471)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	69,947	(35,740)	(35,709)	31
Fund balances, beginning of year	2,053	2,053	2,053	-
Prior year encumbrances appropriated	<u>33,687</u>	<u>33,687</u>	<u>33,687</u>	<u>-</u>
Fund balances, end of year	<u>\$ 105,687</u>	<u>\$ -</u>	<u>\$ 31</u>	<u>\$ 31</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2002
 SUMMER SCHOOL SUBSIDY FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 9,412	\$ 9,412	\$ 9,412	\$ -
Total revenues	<u>9,412</u>	<u>9,412</u>	<u>9,412</u>	<u>-</u>
Expenditures				
Current				
Operation of non-instructional				
Community services				
Materials and supplies	-	9,412	9,412	-
Total community services	-	9,412	9,412	-
Total operation of non-instructional	-	9,412	9,412	-
Total expenditures	<u>-</u>	<u>9,412</u>	<u>9,412</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	9,412	-	-	-
Fund balances, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 9,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

MENTORING FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Pupil				
Salaries	12,193	12,193	12,240	(47)
Benefits	7,170	7,170	7,170	-
Purchased services	278	778	551	227
Materials and supplies	4,428	5,314	2,172	3,142
Total pupil	<u>24,069</u>	<u>25,455</u>	<u>22,133</u>	<u>3,322</u>
Administration				
Salaries	250	250	28	222
Benefits	92	92	269	(177)
Total administration	<u>342</u>	<u>342</u>	<u>297</u>	<u>45</u>
Total supporting services	<u>24,411</u>	<u>25,797</u>	<u>22,430</u>	<u>3,367</u>
Capital outlay	289	2,609	2,319	290
Total expenditures	<u>24,700</u>	<u>28,406</u>	<u>24,749</u>	<u>3,657</u>
Excess (deficiency) of revenues over expenditures	300	(3,406)	251	3,657
Fund balances, beginning of year	200	200	200	-
Prior year encumbrances appropriated	<u>3,206</u>	<u>3,206</u>	<u>3,206</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,706</u>	<u>\$ -</u>	<u>\$ 3,657</u>	<u>\$ 3,657</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2002
 ALTERNATIVE EDUCATION FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 135,818	\$ 135,818	\$ 135,818	\$ -
Total revenues	<u>135,818</u>	<u>135,818</u>	<u>135,818</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	135,818	135,818	115,628	20,190
Total regular	<u>135,818</u>	<u>135,818</u>	<u>115,628</u>	<u>20,190</u>
Total instruction	<u>135,818</u>	<u>135,818</u>	<u>115,628</u>	<u>20,190</u>
Total expenditures	<u>135,818</u>	<u>135,818</u>	<u>115,628</u>	<u>20,190</u>
Excess (deficiency) of revenues over expenditures	-	-	20,190	20,190
Fund balances, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,190</u>	<u>\$ 20,190</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
SAFE SCHOOL HOTLINE FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 4,892	\$ 4,892	\$ 4,892	\$ -
Total revenues	<u>4,892</u>	<u>4,892</u>	<u>4,892</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Purchased services	15,625	20,517	8,017	12,500
Materials and supplies	6,609	11,395	4,779	6,616
Total regular	<u>22,234</u>	<u>31,912</u>	<u>12,796</u>	<u>19,116</u>
Total instruction	<u>22,234</u>	<u>31,912</u>	<u>12,796</u>	<u>19,116</u>
Capital outlay	6,250	6,250	3,535	2,715
Total expenditures	<u>28,484</u>	<u>38,162</u>	<u>16,331</u>	<u>21,831</u>
Excess (deficiency) of revenues over expenditures	(23,592)	(33,270)	(11,439)	21,831
Fund balances, beginning of year	28,484	28,484	28,484	-
Prior year encumbrances appropriated	<u>4,786</u>	<u>4,786</u>	<u>4,786</u>	<u>-</u>
Fund balances, end of year	<u>\$ 9,678</u>	<u>\$ -</u>	<u>\$ 21,831</u>	<u>\$ 21,831</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
ADULT BASIC EDUCATION FUND

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 38,783	\$ 38,783	\$ 28,877	\$ (9,906)
Total revenues	<u>38,783</u>	<u>38,783</u>	<u>28,877</u>	<u>(9,906)</u>
Expenditures				
Current				
Instruction				
Adult/continuing				
Salaries	12,240	12,240	11,628	612
Benefits	2,014	2,014	1,912	102
Purchased services	2,374	2,374	585	1,789
Materials and supplies	4,517	8,363	8,251	112
Total adult/continuing	<u>21,145</u>	<u>24,991</u>	<u>22,376</u>	<u>2,615</u>
Total instruction	<u>21,145</u>	<u>24,991</u>	<u>22,376</u>	<u>2,615</u>
Supporting services				
Pupil				
Salaries	14,090	11,374	10,170	1,204
Benefits	263	263	263	-
Total pupil	<u>14,353</u>	<u>11,637</u>	<u>10,433</u>	<u>1,204</u>
Instructional staff				
Salaries	2,210	2,210	2,210	-
Benefits	1,844	1,844	1,630	214
Total instructional staff	<u>4,054</u>	<u>4,054</u>	<u>3,840</u>	<u>214</u>
Operation and maintenance				
Salaries	1,600	1,600	1,600	-
Benefits	264	983	983	-
Total operation and maintenance	<u>1,864</u>	<u>2,583</u>	<u>2,583</u>	<u>-</u>
Total supporting services	<u>20,271</u>	<u>18,274</u>	<u>16,856</u>	<u>1,418</u>
Capital outlay	1,200	1,200	1,190	10
Total expenditures	<u>42,616</u>	<u>44,465</u>	<u>40,422</u>	<u>4,043</u>
Excess (deficiency) of revenues over expenditures	<u>(3,833)</u>	<u>(5,682)</u>	<u>(11,545)</u>	<u>(5,863)</u>
Other financing sources (uses)				
Advances-in	-	7,796	17,702	9,906
Advances-out	-	(7,796)	-	7,796
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>17,702</u>	<u>17,702</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(3,833)</u>	<u>(5,682)</u>	<u>6,157</u>	<u>11,839</u>
Fund balances, beginning of year	3,833	3,833	3,833	-
Prior year encumbrances appropriated	<u>1,849</u>	<u>1,849</u>	<u>1,849</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,849</u>	<u>\$ -</u>	<u>\$ 11,839</u>	<u>\$ 11,839</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
EISENHOWER MATH FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 19,243	\$ 18,138	\$ 18,138	\$ -
Total revenues	<u>19,243</u>	<u>18,138</u>	<u>18,138</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Adult/continuing				
Salaries	9,648	22,025	16,382	5,643
Benefits	1,820	3,935	3,329	606
Purchased services	17,304	6,446	5,896	550
Materials and supplies	6,976	3,329	2,803	526
Total adult/continuing	<u>35,748</u>	<u>35,735</u>	<u>28,410</u>	<u>7,325</u>
Total instruction	<u>35,748</u>	<u>35,735</u>	<u>28,410</u>	<u>7,325</u>
Total expenditures	<u>35,748</u>	<u>35,735</u>	<u>28,410</u>	<u>7,325</u>
Excess (deficiency) of revenues over expenditures	<u>(16,505)</u>	<u>(17,597)</u>	<u>(10,272)</u>	<u>7,325</u>
Other financing sources (uses)				
Advances-in	-	1,474	1,474	-
Advances-out	(1,474)	(1,474)	(1,474)	-
Total other financing sources (uses)	<u>(1,474)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(17,979)</u>	<u>(17,597)</u>	<u>(10,272)</u>	<u>7,325</u>
Fund balances, beginning of year	17,979	17,979	17,979	-
Prior year encumbrances appropriated	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ 382</u>	<u>\$ 7,707</u>	<u>\$ 7,325</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

TITLE VIB FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 330,678	\$ 327,016	\$ 327,016	\$ -
Total revenues	<u>330,678</u>	<u>327,016</u>	<u>327,016</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Special				
Purchased services	466,135	458,909	458,909	-
Total special	<u>466,135</u>	<u>458,909</u>	<u>458,909</u>	<u>-</u>
Total instruction	<u>466,135</u>	<u>458,909</u>	<u>458,909</u>	<u>-</u>
Supporting services				
Pupil				
Salaries	-	14,151	14,151	-
Purchased services	8,011	38,852	2,685	36,167
Total pupil	<u>8,011</u>	<u>53,003</u>	<u>16,836</u>	<u>36,167</u>
Total supporting services	<u>8,011</u>	<u>53,003</u>	<u>16,836</u>	<u>36,167</u>
Operation of non-instructional				
Community services				
Salaries	-	22,951	15,279	7,672
Benefits	-	4,694	2,697	1,997
Total community services	<u>-</u>	<u>27,645</u>	<u>17,976</u>	<u>9,669</u>
Total operation of non-instructional	<u>-</u>	<u>27,645</u>	<u>17,976</u>	<u>9,669</u>
Total expenditures	<u>474,146</u>	<u>539,557</u>	<u>493,721</u>	<u>45,836</u>
Excess (deficiency) of revenues over expenditures	<u>(143,468)</u>	<u>(212,541)</u>	<u>(166,705)</u>	<u>45,836</u>
Other financing sources (uses)				
Advances-in	-	327,331	327,331	-
Advances-out	-	(327,331)	(327,331)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(143,468)</u>	<u>(212,541)</u>	<u>(166,705)</u>	<u>45,836</u>
Fund balances, beginning of year	143,467	143,467	143,467	-
Prior year encumbrances appropriated	<u>69,074</u>	<u>69,074</u>	<u>69,074</u>	<u>-</u>
Fund balances, end of year	<u>\$ 69,073</u>	<u>\$ -</u>	<u>\$ 45,836</u>	<u>\$ 45,836</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

TITLE 1 FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 195,200	\$ 198,667	\$ 198,667	\$ -
Total revenues	<u>195,200</u>	<u>198,667</u>	<u>198,667</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Special				
Salaries	145,728	148,792	107,767	41,025
Benefits	31,991	31,991	25,115	6,876
Purchased services	500	500	224	276
Materials and supplies	-	500	433	67
Total special	<u>178,219</u>	<u>181,783</u>	<u>133,539</u>	<u>48,244</u>
Total instruction	<u>178,219</u>	<u>181,783</u>	<u>133,539</u>	<u>48,244</u>
Operation of non-instructional				
Community services				
Salaries	17,870	17,773	18,549	(776)
Benefits	2,481	2,433	5,080	(2,647)
Purchased services	1,530	1,578	1,557	21
Materials and supplies	1,504	1,504	885	619
Total community services	<u>23,385</u>	<u>23,288</u>	<u>26,071</u>	<u>(2,783)</u>
Total operation of non-instructional	<u>23,385</u>	<u>23,288</u>	<u>26,071</u>	<u>(2,783)</u>
Total expenditures	<u>201,604</u>	<u>205,071</u>	<u>159,610</u>	<u>45,461</u>
Excess (deficiency) of revenues over expenditures	<u>(6,404)</u>	<u>(6,404)</u>	<u>39,057</u>	<u>45,461</u>
Other financing sources (uses)				
Advances-in	-	74,149	74,149	-
Advances-out	-	(74,149)	(74,149)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(6,404)</u>	<u>(6,404)</u>	<u>39,057</u>	<u>45,461</u>
Fund balances, beginning of year	6,404	6,404	6,404	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,461</u>	<u>\$ 45,461</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

TITLE VI FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 28,610	\$ 28,610	\$ 28,610	\$ -
Total revenues	<u>28,610</u>	<u>28,610</u>	<u>28,610</u>	<u>-</u>
Expenditures				
Current				
Operation of non-instructional				
Community services				
Materials and supplies	3,688	2,493	384	2,109
Total community services	<u>3,688</u>	<u>2,493</u>	<u>384</u>	<u>2,109</u>
Total operation of non-instructional	<u>3,688</u>	<u>2,493</u>	<u>384</u>	<u>2,109</u>
Capital outlay	27,720	28,210	2,685	25,525
Total expenditures	<u>31,408</u>	<u>30,703</u>	<u>3,069</u>	<u>27,634</u>
Excess (deficiency) of revenues over expenditures	<u>(2,798)</u>	<u>(2,093)</u>	<u>25,541</u>	<u>27,634</u>
Other financing sources (uses)				
Refund prior year receipt	-	(705)	-	705
Total other financing sources (uses)	<u>-</u>	<u>(705)</u>	<u>-</u>	<u>705</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(2,798)	(2,798)	25,541	28,339
Fund balances, beginning of year	2,798	2,798	2,798	-
Prior year encumbrances appropriated	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,339</u>	<u>\$ 28,339</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
DRUG FREE SCHOOLS FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 18,608	\$ 18,608	\$ 8,447	\$ (10,161)
Total revenues	<u>18,608</u>	<u>18,608</u>	<u>8,447</u>	<u>(10,161)</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	9,835	9,835	4,032	5,803
Benefits	1,052	1,052	663	389
Purchased services	6,545	6,545	2,386	4,159
Materials and supplies	4,767	4,767	3,120	1,647
Total regular	<u>22,199</u>	<u>22,199</u>	<u>10,201</u>	<u>11,998</u>
Total instruction	<u>22,199</u>	<u>22,199</u>	<u>10,201</u>	<u>11,998</u>
Supporting services				
Pupil				
Purchased services	9,305	9,305	2,361	6,944
Materials and supplies	1,611	1,917	1,763	154
Total pupil	<u>10,916</u>	<u>11,222</u>	<u>4,124</u>	<u>7,098</u>
Total supporting services	<u>10,916</u>	<u>11,222</u>	<u>4,124</u>	<u>7,098</u>
Total expenditures	<u>33,115</u>	<u>33,421</u>	<u>14,325</u>	<u>19,096</u>
Excess (deficiency) of revenues over expenditures	<u>(14,507)</u>	<u>(14,813)</u>	<u>(5,878)</u>	<u>8,935</u>
Other financing sources (uses)				
Advances-in	-	-	10,161	10,161
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>10,161</u>	<u>10,161</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(14,507)</u>	<u>(14,813)</u>	<u>4,283</u>	<u>19,096</u>
Fund balances, beginning of year	14,507	14,507	14,507	-
Prior year encumbrances appropriated	<u>306</u>	<u>306</u>	<u>306</u>	<u>-</u>
Fund balances, end of year	<u>\$ 306</u>	<u>\$ -</u>	<u>\$ 19,096</u>	<u>\$ 19,096</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
PRESCHOOL FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 20,754	\$ 21,825	\$ 21,825	\$ -
Total revenues	<u>20,754</u>	<u>21,825</u>	<u>21,825</u>	<u>-</u>
Expenditures				
Current				
Supporting services				
Pupil				
Salaries	-	17,713	16,705	1,008
Benefits	-	3,038	2,748	290
Total pupil	<u>-</u>	<u>20,751</u>	<u>19,453</u>	<u>1,298</u>
Total supporting services	<u>-</u>	<u>20,751</u>	<u>19,453</u>	<u>1,298</u>
Operation of non-instructional				
Food service operation				
Purchased services	30	1,074	-	1,074
Total food service operation	<u>30</u>	<u>1,074</u>	<u>-</u>	<u>1,074</u>
Total operation of non-instructional	<u>30</u>	<u>1,074</u>	<u>-</u>	<u>1,074</u>
Total expenditures	<u>30</u>	<u>21,825</u>	<u>19,453</u>	<u>2,372</u>
Excess (deficiency) of revenues over expenditures	<u>20,724</u>	<u>-</u>	<u>2,372</u>	<u>2,372</u>
Other financing sources (uses)				
Refund prior year receipt	-	(30)	-	30
Total other financing sources (uses)	<u>-</u>	<u>(30)</u>	<u>-</u>	<u>30</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	20,724	(30)	2,372	2,402
Fund balances, beginning of year	30	30	30	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 20,754</u>	<u>\$ -</u>	<u>\$ 2,402</u>	<u>\$ 2,402</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
CLASSROOM REDUCTION FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 70,935	\$ 70,935	\$ 70,935	\$ -
Total revenues	<u>70,935</u>	<u>70,935</u>	<u>70,935</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	60,000	60,000	60,000	-
Benefits	10,935	10,820	10,820	-
Total regular	<u>70,935</u>	<u>70,820</u>	<u>70,820</u>	<u>-</u>
Total instruction	<u>70,935</u>	<u>70,820</u>	<u>70,820</u>	<u>-</u>
Total expenditures	<u>70,935</u>	<u>70,820</u>	<u>70,820</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>115</u>	<u>115</u>	<u>-</u>
Other financing sources (uses)				
Advances-in	-	51,073	51,073	-
Advances-out	-	(51,073)	(51,073)	-
Refund prior year receipt	-	(115)	-	115
Total other financing sources (uses)	<u>-</u>	<u>(115)</u>	<u>-</u>	<u>115</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>-</u>	<u>-</u>	<u>115</u>	<u>115</u>
Fund balances, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115</u>	<u>\$ 115</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
MISCELLANEOUS FEDERAL GRANTS FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 30,000	\$ 51,342	\$ 51,342	\$ -
Total revenues	<u>30,000</u>	<u>51,342</u>	<u>51,342</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Vocational				
Salaries	7,000	15,915	15,915	-
Benefits	980	2,228	2,228	-
Purchased services	21,520	25,357	25,357	-
Materials and supplies	500	500	500	-
Total vocational	<u>30,000</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Total instruction	<u>30,000</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Capital outlay		7,342	6,568	774
Total expenditures	<u>30,000</u>	<u>51,342</u>	<u>50,568</u>	<u>774</u>
Excess (deficiency) of revenues over expenditures	-	-	774	774
Fund balances, beginning of year	-	-	-	-
Prior year encumbrances appropriated	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 774</u>	<u>\$ 774</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
DEBT SERVICE FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Interest	\$ -	\$ 89,294	\$ 89,294	\$ -
Total revenues	<u>-</u>	<u>89,294</u>	<u>89,294</u>	<u>-</u>
Expenditures				
Debt service				
Principal	151,301	2,879,301	2,879,301	-
Interest	10,225	99,571	99,571	-
Total debt service	<u>161,526</u>	<u>2,978,872</u>	<u>2,978,872</u>	<u>-</u>
Total expenditures	<u>161,526</u>	<u>2,978,872</u>	<u>2,978,872</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(161,526)	(2,889,578)	(2,889,578)	-
Other financing sources (uses)				
Operating transfers-in	161,526	161,578	161,578	-
Proceeds from sale of notes	-	2,728,000	2,728,000	-
Total other financing sources (uses)	<u>161,526</u>	<u>2,889,578</u>	<u>2,889,578</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
PERMANENT IMPROVEMENT FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$ 1,032,382	\$ 1,027,382	\$ 1,045,989	\$ 18,607
Interest	10,000	3,512	3,703	191
Intergovernmental	125,000	127,342	125,020	(2,322)
Total revenues	<u>1,167,382</u>	<u>1,158,236</u>	<u>1,174,712</u>	<u>16,476</u>
Expenditures				
Capital outlay	1,157,000	1,355,576	1,173,382	182,194
Total expenditures	<u>1,157,000</u>	<u>1,355,576</u>	<u>1,173,382</u>	<u>182,194</u>
Excess (deficiency) of revenues over expenditures	<u>10,382</u>	<u>(197,340)</u>	1,330	<u>198,670</u>
Other financing sources (uses)				
Advances-in	-	10,000	10,000	-
Total other financing sources (uses)	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	10,382	(187,340)	11,330	198,670
Fund balances, beginning of year	329,962	329,962	329,962	-
Prior year encumbrances appropriated	<u>152,421</u>	<u>152,421</u>	<u>152,421</u>	<u>-</u>
Fund balances, end of year	<u>\$ 492,765</u>	<u>\$ 295,043</u>	<u>\$ 493,713</u>	<u>\$ 198,670</u>

NORTH OLMSTED CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002
VIDEO DISTANCE LEARNING FUND

	Budget Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 8,700	\$ 8,700	\$ 8,700	\$ -
Total revenues	<u>8,700</u>	<u>8,700</u>	<u>8,700</u>	<u>-</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	20,868	9,828	750	9,078
Purchased services	-	19,240	6,314	12,926
Total regular	<u>20,868</u>	<u>29,068</u>	<u>7,064</u>	<u>22,004</u>
Total instruction	<u>20,868</u>	<u>29,068</u>	<u>7,064</u>	<u>22,004</u>
Capital outlay	-	500	-	500
Total expenditures	<u>20,868</u>	<u>29,568</u>	<u>7,064</u>	<u>22,504</u>
Excess (deficiency) of revenues over expenditures	(12,168)	(20,868)	1,636	22,504
Fund balances, beginning of year	20,868	20,868	20,868	-
Prior year encumbrances appropriated	-	-	-	-
Fund balances, end of year	<u>\$ 8,700</u>	<u>\$ -</u>	<u>\$ 22,504</u>	<u>\$ 22,504</u>

North Olmsted City School District
 General Fund Revenues by Sources
 and Other Financing Sources
 Last Ten Fiscal Years

	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993
Taxes	\$ 29,278,504	\$ 25,376,330	\$ 23,836,563	\$ 25,245,354	\$ 24,813,394	\$ 24,005,517	\$ 21,847,971	\$ 19,481,899	\$ 18,938,401	\$ 17,043,514
Intergovernmental	10,550,937	10,239,639	9,646,045	9,586,604	9,243,646	9,149,386	8,734,330	8,228,350	8,171,745	7,876,243
Tuition and Fees	382,047	197,485	199,896	486,914	682,765	199,349	161,871	189,373	274,062	126,230
Interest	566,962	1,036,705	870,069	723,425	613,270	403,054	265,550	172,521	109,274	59,924
Other	284,262	299,947	233,905	115,764	453,364	151,853	92,144	125,387	78,715	72,171
Other Financing Sources	23,648	0	0	76	454,668	215,183	133,753	4,666	404,971	42,645
Total	\$ 41,086,360	\$ 37,150,106	\$ 34,786,478	\$ 36,168,137	\$ 36,261,107	\$ 34,124,342	\$ 31,235,619	\$ 28,202,196	\$ 27,977,168	\$ 25,220,727

Source: School District Financial Records.

North Olmsted City School District
General Fund Expenditures by Function
and Other Financing Uses
Last Ten Fiscal Years

	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993
Instruction	\$ 24,107,877	23,144,002	\$ 21,776,367	\$ 21,085,160	\$ 19,072,572	\$ 18,172,464	\$ 17,296,675	\$ 17,104,812	\$ 16,159,867	\$ 15,331,846
Supporting Services	2,830,694	2,620,635	1,914,163	1,861,866	1,836,245	1,957,389	1,838,305	1,710,618	1,458,172	1,477,534
Instructional Support	1,479,975	1,365,748	1,272,092	1,168,332	1,157,305	1,042,688	983,066	890,755	826,238	823,391
Administration and Board of Education	2,933,233	2,980,985	2,561,035	2,321,846	2,322,301	2,381,844	2,278,410	2,160,694	2,431,468	2,097,874
Fiscal and Business Services	1,074,553	952,772	986,219	982,947	898,038	818,814	783,055	758,296	521,902	428,838
Operation & Maintenance	3,365,077	3,313,353	3,004,340	2,891,050	2,970,069	2,898,677	2,969,427	2,618,140	2,783,129	2,778,028
Pupil Transportation	1,506,495	1,380,383	1,328,688	1,210,791	1,189,912	1,259,103	1,273,524	1,194,772	1,278,809	1,114,476
Central and Community Services	793,734	804,239	773,102	661,963	803,487	949,443	638,399	504,268	976,057	584,995
Extra-Curricular Activities	771,580	891,638	785,949	724,963	706,111	662,175	551,319	577,092	499,482	462,202
Capital Outlay	39,426	126,048	98,724	78,826	90,928	73,571	76,816	131,439	76,140	37,116
Debt Service	48,972	97,944	97,944	125,740	457,652	190,629	230,672	224,944	84,938	100,838
Other Financing Uses	231,578	314,865	216,317	269,754	118,823	364,121	505,000	300,000	300,000	90,000
Total	\$ 39,183,194	\$ 37,992,612	\$ 34,814,940	\$ 33,383,238	\$ 31,623,443	\$ 30,770,918	\$ 29,424,668	\$ 28,175,830	\$ 27,386,202	\$ 25,327,138

Source: School District Financial Records.

North Olmsted City School District
Property Tax Levies and Collections(1)
 Last Ten Fiscal Years

Collection Year(2)	Current Taxes Levy	Delinquent Taxes Levy	Total Taxes Levy	Current Taxes Collections	Percent of Current Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collection As Percent of Current Levy
2001	\$ 25,974,633	\$ 1,583,758	\$ 27,558,391	\$ 25,119,931	96.7%	\$ 760,608	\$ 25,880,539	99.6%
2000	25,675,526	1,383,374	27,058,900	24,757,611	96.4%	617,022	25,374,633	98.8%
1999	25,533,556	1,529,526	27,063,082	24,841,980	97.3%	663,940	25,495,920	99.9%
1998	24,876,522	1,522,238	26,398,760	24,244,799	97.5%	573,279	24,818,078	99.8%
1997	24,595,296	1,353,212	25,948,508	24,225,861	98.5%	423,118	24,648,979	100.2%
1996	24,173,715	852,034	25,025,749	23,960,322	99.1%	353,377	24,313,699	100.6%
1995	23,526,366	1,086,382	24,612,748	22,640,700	96.2%	712,670	23,353,370	99.3%
1994	21,140,434	1,459,923	22,600,357	20,641,456	97.6%	423,214	21,064,670	99.6%
1993	21,077,123	989,514	22,066,637	20,550,675	97.5%	418,281	20,968,956	99.5%
1992	17,318,079	1,023,405	18,341,484	16,851,595	97.3%	450,601	17,302,196	99.9%

Source: Cuyahoga 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. 2002 information cannot be presented because all collections have not been made by June 30.

North Olmsted City School District
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years

Year	Real Property		Public Utility Property		Tangible Personal Property		Total		Assessed Value Ratio
	Assessed Value	Estimated Actual value (1)	Assessed Value	Estimated Actual value (2)	Assessed Value	Estimated Actual value (3)	Assessed Value	Estimated Actual value	
2002	\$ 745,908,230	\$ 2,131,166,371	\$ 17,160,110	\$ 19,500,125	\$ 50,663,682	\$ 211,098,675	\$ 813,732,022	\$ 2,361,765,171	34.5%
2001	743,312,040	2,123,748,686	20,789,070	23,623,943	48,393,017	193,572,068	812,494,127	2,340,944,697	34.7%
2000	668,471,450	1,909,918,429	22,399,090	25,453,511	45,819,672	183,278,688	736,690,212	2,118,650,628	34.8%
1999	659,211,490	1,883,461,400	24,629,710	27,988,307	46,864,374	187,457,496	730,705,574	2,098,907,203	34.8%
1998	649,920,820	1,856,916,629	23,804,710	27,050,807	45,200,585	180,802,340	718,926,115	2,064,769,776	34.8%
1997	591,673,740	1,690,496,400	24,522,540	27,866,523	42,771,806	171,087,224	658,968,086	1,889,450,147	34.9%
1996	573,675,650	1,639,073,286	25,111,460	28,535,750	39,343,895	157,375,580	638,131,005	1,824,984,616	35.0%
1995	568,907,430	1,625,449,800	27,469,570	31,214,284	35,731,767	142,927,068	632,107,767	1,799,591,152	35.1%
1994	498,206,300	1,423,446,571	25,778,330	29,293,557	32,182,540	128,730,160	556,167,170	1,581,470,288	35.2%
1993	492,283,360	1,406,523,866	25,781,180	29,296,795	31,098,210	124,392,840	549,162,750	1,560,213,521	35.2%

Source: Cuyahoga 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) This amount is calculated based upon an assessed value of 35 percentage of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percentage of actual value. Prior to 1991, the assessed valuation was 100 percentage of actual value.
- (3) This amount is calculated based upon an assessed value of 24 percentage of actual value in 2002, 25 percentage of actual value from 1994 to 2001. Assessed value percentage decreased 1% each year from 31 percent in 1988 to 26 percent in 1993.

North Olmsted City School District
 Property Tax Rates - Direct and Overlapping Governments
 (Per \$1,000 Assessed Valuation)
 Last Ten Fiscal Years

Year	School District			Vocational			
	General	Improvements	Total	County	School	City	Total
2002	75.10	1.90	77.00	17.60	2.40	13.60	110.60
2001	67.20	1.90	69.10	17.60	2.40	13.70	102.80
2000	67.20	1.90	69.10	16.70	2.40	12.70	100.90
1999	67.20	1.90	69.10	16.70	2.40	12.70	100.90
1998	67.20	1.90	69.10	18.00	2.40	12.70	102.20
1997	67.20	1.90	69.10	18.00	2.40	12.70	102.20
1996	67.20	1.90	69.10	18.00	2.50	12.80	102.40
1995	61.30	1.90	63.20	18.20	2.50	12.60	96.50
1994	61.30	0.00	61.30	17.80	2.50	13.10	94.70
1993	61.30	0.00	61.30	17.80	2.50	13.20	94.80

Source: Cuyahoga 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.

North Olmsted City School District

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

Year	Net General Obligation Bonded Debt (1)		Assessed Value For Operations (2)	Population (3)	Ratio of Net Debt to Assessed Value		Net Debt Per Capita
	\$	-0-			0.000%	\$	
2002	\$ 813,732,022	-0-	\$ 813,732,022	34,113	0.000%	\$ -0-	-0-
2001	812,494,127	-0-	812,494,127	34,113	0.000%	-0-	-0-
2000	736,690,212	-0-	736,690,212	34,204	0.000%	-0-	-0-
1999	730,705,574	-0-	730,705,574	34,204	0.000%	0	0
1998	718,926,115	-0-	718,926,115	34,486	0.000%	0	0
1997	658,968,086	-0-	658,968,086	34,524	0.000%	0	0
1996	638,131,005	-0-	638,131,005	34,562	0.000%	0	0
1995	632,107,767	-0-	632,107,767	34,683	0.000%	0	0
1994	556,167,170	-0-	556,167,170	34,734	0.000%	0	0
1993	549,162,750	-0-	549,162,750	34,346	0.000%	0	0

Source:

- (1) School District Financial Records
- (2) Cuyahoga County Auditor
- (3) City of North Olmsted.

North Olmsted City School District
 Computation of Legal Debt Margin
 As of June 30, 2002

Assessed Valuation	\$ 813,732,022
Debt Limit - 9% of Assessed Value (1)	\$ 73,235,882
Amount of Debt Applicable to Debt Limit:	
General Obligation Notes	116,000
Revenue Anticipation Notes	0
Less: Amount Available in Debt Service Fund	0
Total	116,000
Overall Debt Margin	\$ 73,119,882
Debt Limit - .10% of Assessed Value (1)	\$ 813,732
Amount of Debt Applicable	0
Unvoted Debt Margin	\$ 813,732

Source: Cuyahoga County Auditor and School District Financial Records.

(1) Ohio Bond Law established a limit of 9% for voted debt and 1/10 of 1% of unvoted debt.

North Olmsted City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 December 31, 2001

Jurisdiction	Debt Outstanding	Percentage Applicable to School District	Amount (1) Applicable to School District
Direct Debt:			
North Olmsted City School District	\$ 2,870,000	100.00%	\$ 2,870,000
Underlying Debt:			
Cuyahoga County	216,544,636	2.83%	6,128,213
Regional Transit Authority	123,915,000	2.83%	3,506,795
Polaris Joint Vocational School	0	0.00%	0
North Olmsted City	70,947,000	100.00%	70,947,000
Subtotal	411,406,636		80,582,008
Total	\$ 414,276,636		\$ 83,452,008

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis (including School District) because that is the manner in which the information is maintained by the County Auditor.

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.

North Olmsted City School District
 Ratio of Annual Debt Service Expenditures for
 General Obligation Bonded Debt to General Fund Expenditures
 Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures (1)	Percent of Debt Service to General Fund Expenditures
2002	\$ 0	\$ 0	\$ 0	\$ 39,183,194	-0-
2001	0	0	0	37,992,612	0
2000	0	0	0	34,814,940	0
1999	0	0	0	33,383,238	0
1998	0	0	0	31,623,443	0
1997	0	0	0	30,770,918	0.00%
1996	0	0	0	29,424,668	0.00%
1995	0	0	0	28,175,830	0.00%
1994	0	0	0	27,096,202	0.00%
1993	0	0	0	25,237,138	0.00%

Source: School District Financial Records

(1) Includes other financing uses.

North Olmsted City School District
Demographic Statistics
Last Ten Years

Year	Cuyahoga County Population (1)	North Olmsted City Population (2)	School Enrollment (3)	Cuyahoga County Unemployment Rate (4)
2002	1,379,049	34,113	4,663	6.7%
2001	1,393,978	34,113	4,714	4.5%
2000	1,386,803	34,204	4,863	4.0%
1999	1,412,140	34,204	4,983	4.3%
1998	1,380,696	34,486	4,985	4.1%
1997	1,389,559	34,524	4,951	5.0%
1996	1,398,169	34,562	5,056	4.7%
1995	1,398,169	34,683	5,021	5.8%
1994	1,414,141	34,734	5,020	6.8%
1993	1,414,141	34,346	5,038	7.6%

Source:

- (1) U. S. Census Bureau, Population Department.
- (2) The City of North Olmsted.
- (3) The School District's Financial Records.
- (4) Ohio Job and Family Service Department.

North Olmsted City School District

Property Value,

Financial Institution Deposits and Building Permits

Last Ten Fiscal Years

Year	Real Estate Property Value (1)	Bank Deposits Cuyahoga County (000's)	Value of Residential Building Permits Issued	Value of Commercial Building Permits Issued
2001	\$ 743,312,040	\$ 63,893,769	\$ 5,783,836	\$ 9,675,166
2000	668,471,450	61,943,764	10,092,256	10,280,276
1999	659,211,490	60,296,678	12,913,535	17,170,778
1998	649,920,820	58,904,596	13,436,512	31,876,717
1997	591,673,740	53,941,971 (2)	14,482,863	21,582,756
1996	573,675,650	24,628,923	11,680,825	10,380,000
1995	568,907,430	22,458,573	9,545,000	10,800,000
1994	498,206,300	20,885,453	6,747,000	26,000,000
1993	492,283,360	21,009,421	7,700,000	13,000,000
1992	486,488,680	19,379,280	13,486,670	18,914,600

Source: North Olmsted City Building Department Reports and the Federal Reserve Bank of Cleveland - Data is presented on a calendar year basis because that is the manner in which the information is maintained.

(1) Represents assessed value as reported by the Cuyahoga County Auditor.

(2) Large increase in deposits due to Key Bank becoming single charter in 1997.

North Olmsted City School District
Principal Taxpayers
Tangible Personal Property Tax
December 31, 2001

Name of Taxpayer	Assessed Value (1)	Percent of Total
May Department Stores Company	\$ 2,318,000	4.58%
Riser Foods Company	2,154,090	4.25%
Home Depot USA, Inc.	1,845,580	3.64%
Sears Roebuck & Company	1,659,490	3.28%
Wal Market Stores, Inc.	1,601,550	3.16%
J C Penney Company	1,465,120	2.89%
MAS Ohio Corporation	1,377,870	2.72%
Great Northern Dodge, Inc.	1,215,237	2.40%
Sunnyside Cars, Inc.	1,087,440	2.15%
Ameritech New Media, Inc.	1,019,560	2.01%
Motorcars Acquisition II, Inc.	977,170	1.93%
Motorcars USA, Inc.	972,480	1.92%
Ganley Pontiac, Inc.	874,630	1.73%
Sunnyside Automotive, Inc.	749,560	1.48%
Best Buy Company	731,690	1.44%
CompUSA, Inc.	691,970	1.37%
Solaroom, Inc.	618,240	1.22%
Ganley Westside Imports, Inc.	596,750	1.18%
Ames Merchandising Corporation	555,970	1.10%
Jo Ann Stores, Inc.	540,510	1.07%
Cablevision of the Midwest, Inc.	516,930	1.02%
Toys R Us of Ohio	510,700	1.01%
Total	\$ 24,080,537	47.55%
Total Value in the School District	\$ 50,663,682	

Source: Cuyahoga County Auditor

(1) Assessed values are for the 2002 collection year.

North Olmsted City School District
Principal Taxpayers
Real Estate Tax
December 31, 2001

Name of Tax Payer	Assessed Value (1)	Percent of Total
Great Northern Partnership	\$ 20,435,910	2.75%
DDRC Great Northern LTD	17,725,860	2.38%
Great Northern Property Company	6,864,420	0.92%
Great Northern Limited Partnership	5,462,630	0.73%
B&G Properties LTD	4,911,180	0.66%
Mays Department Stores	4,869,900	0.66%
Water Towers Apartments, LTD	4,714,120	0.63%
Wal Mart	4,221,390	0.57%
Sears Roebuck & Company	4,090,450	0.55%
Country Club Hotel Association	3,694,360	0.50%
Great Northern Partnership & Pennstead	3,548,130	0.48%
The Westbury Tower Corporation	3,193,890	0.43%
J G North Olmsted Hotel Limited	3,080,000	0.41%
Victoria Plaza LTD	2,925,130	0.39%
Manor Care of North Olmsted, Inc.	2,548,220	0.34%
Bridlewood Apartments	2,487,140	0.33%
Jamesstown Development Company	2,437,970	0.33%
BRE/HV Propwerties, LLC	2,409,750	0.32%
Candlewood of Cleveland	2,214,840	0.30%
Chg-Ham 1 LLC	2,150,050	0.29%
Total	\$ 103,985,340	13.97%
Total Value in the School District	\$ 743,312,040	

Source: Cuyahoga County Auditor

(1) Assessed values are for the 2002 collection year.

North Olmsted City School District
Principal Taxpayers
Public Utilities Tax
December 31, 2001

Name of Tax Payer	Assessed Value (1)	Percent of Total
Cleveland Illuminating Company	\$ 8,766,750	42.2%
Ohio Bell Telephone Company	5,518,740	26.6%
American Transmission System	980,810	4.7%
East Ohio Gas Company	763,130	3.7%
Total	<u>\$ 16,029,430</u>	<u>77.1%</u>

Total Value in the School District \$ 20,789,070

Source: Cuyahoga County Auditor

(1) Assessed values are for the 2001 collection year.

North Olmsted City School District
 Per Pupil Cost
 Last Ten Fiscal Years

Year	General Fund Expenditures	Average Daily Student Enrollment	Cost Per Pupil
2002	\$ 39,183,194	4,663	\$ 8,403
2001	37,992,612	4,714	8,060
2000	34,814,940	4,863	7,159
1999	33,383,238	4,983	6,699
1998	31,623,443	4,985	6,344
1997	30,770,918	4,951	6,215
1996	29,424,668	5,056	5,820
1995	28,175,830	5,021	5,612
1994	26,231,436	5,020	5,225
1993	24,958,901	5,038	4,954

Source: School District Financial Records.

North Olmsted City School District
 Teacher Education and Experience
 June 30, 2002

Degree	Number of Teachers	Percent of Total
Bachelor's	38	11.0%
Bachelor's + 15 credit hours	30	8.7%
Bachelor's + 30 credit hours	41	11.9%
Master's	82	23.8%
Master's + 15 credit hours	47	13.7%
Master's + 30 credit hours	17	4.9%
Master's + 45 credit hours	19	5.6%
Master's + 60 credit hours	66	19.2%
Ph. D.	4	1.2%
Total	<u>344</u>	<u>100.0%</u>

Years of Experience	Number of Teachers	Percent of Total
0 - 5	78	22.7%
6-10	94	27.3%
11 and Over	172	50.0%
Total	<u>344</u>	<u>100.0%</u>

Source: School District Personnel Records.



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Facsimile 614-466-4490

NORTH OLMSTED CITY SCHOOL DISTRICT

CUYAHOGA 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
AUGUST 26, 2003**